

SERFF Tracking Number: ERCA-125302341 State: Arkansas
Filing Company: Westport Insurance Corporation State Tracking Number: AR-PC-07-026325
Company Tracking Number: W-LCO-AR-07-02429-1-F
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Professional Liability Life Insurance Agents
Project Name/Number: Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group / W-LCO-AR-07-02429-1-F

Filing at a Glance

Company: Westport Insurance Corporation
Product Name: Professional Liability Life Insurance Agents
TOI: 17.1 Other Liability - Claims Made Only
Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Filing Type: Form
SERFF Tr Num: ERCA-125302341 State: Arkansas
SERFF Status: Closed
Co Tr Num: W-LCO-AR-07-02429-1-F
Co Status:
Author: Theresa Cox
Date Submitted: 10/03/2007
State Tr Num: AR-PC-07-026325
State Status:
Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
Disposition Date: 11/06/2007
Disposition Status: Approved
Effective Date (New):
Effective Date (Renewal):

General Information

Project Name: Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group Status of Filing in Domicile: Authorized
Project Number: W-LCO-AR-07-02429-1-F
Domicile Status Comments: Risk Purchasing Group is domiciled in Kansas - Kansas has approved the forms for this Group
Reference Organization:
Reference Title:
Filing Status Changed: 11/06/2007
State Status Changed: 10/04/2007
Corresponding Filing Tracking Number:
Filing Description:
Reference Number:
Advisory Org. Circular:
Deemer Date:
Westport Insurance Corporation is filing its initial form filing for its Professional Liability Policy for the Swiss Re Purchasing Group for Insurance Agents. The domiciliary state of Kansas has approved its registration, as well as its forms and rates. A copy of that approval is attached.

The Arkansas Department of Insurance approved the registration of the Risk Purchasing Group on September 12, 2007.

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Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Westport Insurance Corporation	\$50.00	10/03/2007	15928281

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Correspondence Summary

Dispositions

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

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Edith Roberts	10/10/2007	10/10/2007	Theresa Cox	10/16/2007	10/16/2007

Industry
Response

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Typographical error in form SP 3 904 1007	Note To Reviewer	Theresa Cox	10/16/2007	10/16/2007

SERFF Tracking Number: *ERCA-125302341* *State:* *Arkansas*
Filing Company: *Westport Insurance Corporation* *State Tracking Number:* *AR-PC-07-026325*
Company Tracking Number: *W-LCO-AR-07-02429-1-F*
TOI: *17.1 Other Liability - Claims Made Only* *Sub-TOI:* *17.1019 Professional Errors & Omissions*
Liability

Product Name: *Professional Liability Life Insurance Agents*
Project Name/Number: *Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group / W-LCO-AR-07-02429-1-F*

Disposition

Disposition Date: 11/06/2007

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Kansas Approval of RPG Forms	Approved	Yes
Supporting Document	Arkansas Approval of the RPG	Approved	Yes
Form	Certificate (Claims First Made and Reported)	Approved	Yes
Form	Declarations	Approved	Yes
Form	Policy Form	Approved	Yes
Form	Limits of Liability and Rate Tables Schedule	Approved	Yes
Form	Financial Products Extension	Approved	Yes
Form	Named Insured Coverage Extension Endorsement	Approved	Yes
Form	Mutual Funds Extension for Listed Insured Agents	Approved	Yes
Form	Continuous Coverage Retroactive Date Endorsement	Approved	Yes
Form	Mutual Funds Extension for Each Insured Agent	Approved	Yes
Form	Renewal Application for Claims Made Insurance Policy	Approved	Yes
Form	Application for Claims Made Insurance Policy Company Program for Life Agents Professional Liability	Approved	Yes
Form	Financial Planners Extension	Approved	Yes
Form (revised)	Amendatory Endorsement- Arkansas	Approved	Yes
Form	Amendatory Endorsement- Arkansas	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 10/10/2007

Submitted Date 10/10/2007

Respond By Date

Dear Theresa Cox,

This will acknowledge receipt of the captioned filing.

Under Exclusions, you may not exclude class action claims or litigation. Please omit.

Please refer to page 11 of Form SP 3 866 0807, B. 2. a. and b. You may not include these as reasons to withhold either the basic or optional Extended Reporting Periods. The basic ERP provision is mandatory, free of charge and must be issued for termination of the policy by the insurer or the insured, for any reason, including non-payment of premium (AR Code Anno. §23-69-306 (2)). It may not be withheld pending repayment of deductibles or reimbursements that are owed.

Also the optional ERP provision must be offered and put into effect once premium is received upon termination of the policy for any reason, by the insurer or the insured, including non-payment of premium or deductibles or reimbursements that are owed (AR Code Anno. § 23-79-306 (3 & 4)).

Premium received in payment for the Optional Extended Reporting Period may not be first applied to premium owed on an expiring or terminating policy, or to deductible or reimbursements that are owed.

You may add these amendments to the AR Changes Endorsement.

Thank you.

Please feel free to contact me if you have questions.

Sincerely,
Edith Roberts

Response Letter

Response Letter Status Submitted to State

SERFF Tracking Number: ERCA-125302341 State: Arkansas
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Dear Edith Roberts,

Comments:

Response 1

Comments: Edith:

In response to your objection letter of October 10th, please find attached revised form SP 3 904 0507 now numbered SP 3 904 1007 reflecting your requested changes. Please let me know if you have any additional questions or concerns. Thank you

Theresa

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
Amendatory Endorsement-Arkansas	SP 3 904 1007	10/07	Endorsement/Amendment/Conditions	New		0	SP 3 904 1007.pdf
Previous Version							
Amendatory Endorsement-Arkansas	SP 3 904 0507	05/07	Endorsement/Amendment/Conditions	New		0	SP 3 904 0507.pdf

No Rate/Rule Schedule items changed.

Sincerely,
Theresa Cox

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Liability
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Note To Reviewer

Created By:

Theresa Cox on 10/16/2007 09:15 AM

Subject:

Typographical error in form SP 3 904 1007

Comments:

Please replace the above referenced form with the one attached to this note. Section III Exclusions has 2 "the"s. I have deleted one. Please replace with the attached. Thank you.

Westport Insurance Corporation

LIFE INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT - ARKANSAS

Section II., DEFINITIONS, is amended to add the following definition:

PUNITIVE DAMAGES. PUNITIVE DAMAGES means damages that may be imposed to punish a wrongdoer and to deter others from similar conduct.

Section III., EXCLUSIONS, is amended to delete Exclusion W. and replace it with the following:

W. COMMON CONDUCT. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from common conduct by the INSURED AGENTS with regard to sales or marketing directed by or supervised by the SPONSORING ENTITY.

Section XIII., TERMINATION OF COVERAGE, subsections A., B., C., and D. are deleted and replaced by the following:

XIII. TERMINATION OF COVERAGE

The SPONSORING ENTITY on behalf of the POLICYHOLDER may terminate this POLICY by surrender thereof to us or our authorized representatives or by mailing to us written notice stating when thereafter the cancellation may be effective.

During the first 60 days of coverage, this POLICY may be terminated by us by mailing to the SPONSORING ENTITY at the last mailing address known to us, written notice stating when not less than 60 days (10 days with regard to cancellation for nonpayment of premium) thereafter such termination shall be effective.

Other than for nonpayment of premium, insurance under this POLICY which has been in effect for sixty (60) days or more may be cancelled by us prior to the expiration of the POLICY PERIOD only for one of the following specified reasons:

1. Fraud or material misrepresentation made by the INSURED or with the INSURED'S knowledge in obtaining the POLICY, continuing the POLICY, or in presenting a CLAIM under the POLICY;
2. The occurrence of a material change in the risk which substantially increases any hazard insured against after the POLICY has been issued or renewed;
3. Non-payment of membership dues in those cases where the by-laws, agreements, or other legal instruments of the insurer issuing the POLICY require payment as a condition of the issuance and maintenance of the POLICY; or
4. A material violation of a material provision of the POLICY.

The mailing of notice to the SPONSORING ENTITY shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the POLICY PERIOD. A copy of all such notices shall be sent to the SPONSORING ENTITY or the SPONSORING ENTITY'S broker at the last mailing address known to us.

NONRENEWAL

We reserve the right to decline renewal of this POLICY but agree to notify the SPONSORING ENTITY in writing at least 60 days in advance of the expiration date of this POLICY of our intent not to renew the POLICY, including a specific explanation of the reason(s). A copy of all such notices shall be sent to the SPONSORING ENTITY or the SPONSORING ENTITY'S broker at the last mailing address known to us.

Section XIV., EXTENDED REPORTING PERIOD, paragraph B., is deleted and replaced with the following::

XIV. EXTENDED REPORTING PERIOD

B. OPTIONAL EXTENDED REPORTING PERIOD.

1. If the SPONSORING ENTITY or we elect not to renew or cancel this POLICY, or elect not to renew or terminate coverage with respect to an INSURED AGENT, or if a CERTIFICATE is cancelled by either the SPONSORING ENTITY on behalf of the INSURED AGENT or us, the INSURED AGENT shall have the right to purchase an Optional Extended Reporting Period by paying, within 60 days of the termination date, 100% of the annual premium per INSURED AGENT as listed in the CERTIFICATE, Such Extended Reporting Period will begin immediately following the CERTIFICATE PERIOD or the CERTIFICATE PERIOD shown on the terminated CERTIFICATE and will run for one year, covering CLAIMS first made against the INSURED and reported to us during the one-year Extended Reporting Period arising from WRONGFUL ACTS taking place before the date of termination and on or after the RETROACTIVE DATE applicable to the expired or terminated POLICY or applicable CERTIFICATE.
2. The INSURED AGENT shall only have the right to any Optional Extended Reporting Period, if upon termination of coverage under the POLICY, the INSURED AGENT has not had their license as a life, accident and health agent, a life, accident and health insurance general agent or a life, accident and health insurance broker suspended, revoked or the license is not surrendered due to a formal complaint by a regulatory authority, or the INSURED AGENT is not prohibited by law to provide PROFESSIONAL SERVICES as defined in Section II, DEFINITIONS of this POLICY.

The following provision is added to this POLICY:

XXIV. BANKRUPTCY OR INSOLVENCY

It is agreed that the bankruptcy or insolvency of an INSURED or of an INSURED'S estate shall not relieve us of any of our obligation hereunder.

All other terms and conditions of this POLICY shall remain unchanged.

This endorsement forms a part of the POLICY to which attached, effective on the inception date of the POLICY unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the POLICY.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

Facsimile signature to be inserted

Facsimile signature to be inserted

Authorized Representative

President

Secretary

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Certificate (Claims First Made and Reported)	SP 3 928 0707	07/07	Certificate New		0.00	SP 3 928 0707.pdf
Approved	Declarations	SP 3 995 0707	07/07	Declaration News/Schedule		0.00	SP 3 955 0707.pdf
Approved	Policy Form	SP 3 866 0807	08/07	Policy/Coverage Form		0.00	SP 3 866 0807.pdf
Approved	Limits of Liability and Rate Tables Schedule	SP 3 873 0707	07/07	Declaration News/Schedule		0.00	SP 3 873 0707.pdf
Approved	Financial Products Extension	SP 3 874 0707	07/07	Endorsement/Amendment/Conditions		0.00	SP 3 874 0707.pdf
Approved	Named Insured Coverage Extension Endorsement	SP 3 875 0307	03/07	Endorsement/Amendment/Conditions		0.00	SP 3 875 0307.pdf
Approved	Mutual Funds Extension for Listed Insured Agents	SP 3 876 0707	07/07	Endorsement/Amendment/Conditions		0.00	SP 3 876 0707.pdf
Approved	Continuous Coverage Retroactive Date Endorsement	SP 3 877 0507	05/07	Endorsement/Amendment/Conditions		0.00	SP 3 877 0507.pdf
Approved	Mutual Funds Extension for Each Insured Agent	SP 3 878 0707	07/07	Endorsement/Amendment/Conditions		0.00	SP 3 878 0707.pdf
Approved	Renewal	SP 000 10/00	10/00	Application/ New		0.00	SP 000 765

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	Application for Claims Made Insurance Policy	765 1000		Binder/Enro llment		1000.pdf
Approved	Application for Claims Made Insurance Policy Company Program for Life Agents Professional Liability	SP 000 06/07 764 0607		Application/ New Binder/Enro llment	0.00	SP 000 764 0607.pdf
Approved	Financial Planners Extension	SP 3 994 07/07 0707		Policy/CoveNew rage Form	0.00	SP 3 994 0707.pdf
Approved	Amendatory Endorsement- Arkansas	SP 3 904 10/07 1007		Endorseme New nt/Amendm ent/Condi ons	0.00	SP 3 904 1007.pdf

Westport Insurance Corporation

CERTIFICATE (Claims First Made and Reported)

Coverage afforded the INSURED AGENT is subject to all terms, exclusions, limitations and conditions of the POLICY number _____ issued by Westport Insurance Corporation. Endorsements listed below amend the extent of coverage provided to the INSURED AGENT. Limits shown may have been reduced by paid claims.

Sponsoring Entity:

Insured Agent:

Mailing Address:

CERTIFICATE Period: From 12:01 A.M. _____ To 12:01 A.M. _____
Local time at the address stated herein

Deductible Each Claim: \$ _____

Deductible Aggregate Each CERTIFICATE Period: \$ _____

Limits of Liability: \$ _____ Per CLAIM
\$ _____ Aggregate for the CERTIFICATE Period

Premium: \$ _____

Retroactive Date:

Endorsement Serial Numbers Applicable to INSURED AGENT'S Coverage:

Westport Insurance Corporation

A Stock Insurance Company, hereinafter called the "Company"
5200 Metcalf, Overland Park, KS 66201
Mailing Address: P.O. Box 2991, Overland Park, KS 66201

THE SWISS RE RISK PURCHASING GROUP FOR INSURANCE AGENTS

LIFE COMPANY SPONSORED PROFESSIONAL LIABILITY INSURANCE FOR INSURED AGENTS

Policy Number:

DECLARATIONS

NOTICE: THIS IS A CLAIMS-MADE AND REPORTED POLICY. EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THIS COVERAGE IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS WHICH ARE FIRST MADE AGAINST AN INSURED AND REPORTED TO THE COMPANY WHILE THE POLICY IS IN FORCE.

A. Swiss Re Risk Purchasing Group for Insurance Agents

B. Sponsoring Entity: _____ on behalf of its qualifying INSURED AGENTS who have paid the required premium as shown in the Limits of Liability and Rates Endorsement

Address:

C. Policy Period: From 12:01 A.M. To 12:01 A.M.
Local time at the address stated herein

D. Limits of Liability: \$ Per INSURED AGENT CERTIFICATE Each CLAIM
\$ Per INSURED AGENT CERTIFICATE Each CERTIFICATE PERIOD

E. Deductible: \$ Per INSURED AGENT CERTIFICATE Each CLAIM
\$ Per INSURED AGENT CERTIFICATE Each CERTIFICATE PERIOD

F. Premium \$ Per INSURED AGENT CERTIFICATE

G. Retroactive Date:

The Declarations and the forms listed on the attached Schedule of Form(s) and Endorsement(s), together with the completed and signed application and supplements, shall constitute the POLICY between the Swiss Re Risk Purchasing Group for Insurance Agents and the SPONSORING ENTITY.

Date: _____

Authorized Representative

Westport Insurance Corporation agrees with Swiss Re Purchasing Group for Insurance Agents, hereinafter called the POLICYHOLDER, as follows:

Throughout this POLICY the words "you" and "your" refer to the INSURED AGENT. The words "we," "us," and "our" refer to the Westport Insurance Corporation. Other words and phrases that appear in capital letters have special meaning; refer to the Definitions section of this POLICY.

The captions of paragraphs used in this policy are inserted solely for the reader's convenience and are not to be construed as part of the policy.

I. INSURING AGREEMENT

- A. We agree to pay on behalf of any INSURED such LOSS to which this POLICY applies, in excess of the applicable deductible and within the Limit of Liability shown on the INSURED AGENT'S CERTIFICATE sustained by any INSURED by reason of liability imposed by law for LOSS caused by any WRONGFUL ACTS committed by the INSURED AGENT, arising out of PROFESSIONAL SERVICES rendered to others, but only within the Limit of Liability elected by the INSURED AGENT as specified in the CERTIFICATE.
- B. We also agree to pay on behalf of the SPONSORING ENTITY, LOSS within the Limit of Liability shown on the CERTIFICATE, sustained by the SPONSORING ENTITY by reason of vicarious liability imposed by law for any WRONGFUL ACT of the INSURED AGENT if otherwise covered under Insuring Agreement, Section I., A.

This POLICY applies to POTENTIAL CLAIMS and CLAIMS, first made against any INSURED and reported to us during the CERTIFICATE PERIOD arising out of a WRONGFUL ACT taking place on or after the RETROACTIVE DATE and within the coverage territory. This POLICY is issued to the Swiss Re Purchasing Group for Insurance Agents, for the benefit of INSURED AGENTS of the member SPONSORING ENTITY.

II. DEFINITIONS

As respects such insurance as is afforded by this POLICY, the following definitions shall apply:

- A. **CERTIFICATE.** CERTIFICATE means the document issued to the INSURED AGENT as evidence of coverage under this POLICY as a member of the Swiss Re Purchasing Group for Insurance Agents.
- B. **CERTIFICATE PERIOD.** CERTIFICATE PERIOD means the period shown in the CERTIFICATE commencing with the date the INSURED AGENT obtained coverage under the current POLICY by paying the appropriate premium and ending with the termination of the INSURED AGENT'S CERTIFICATE. The CERTIFICATE PERIOD must be within the dates of the POLICY PERIOD shown on the Declarations.
- C. **CLAIM.** CLAIM or CLAIMS means:
 - 1. that an INSURED has received a summons, or any other notice of legal process;
 - 2. that an INSURED has received notice of any SUIT;
 - 3. that an INSURED has received notice of a written demand, or a written demand for money or services; or
 - 4. that an INSURED has received a request to provide a recorded statement.

- D. **CLAIM EXPENSE.** CLAIM EXPENSE or CLAIM EXPENSES means:
1. all expense incurred in the defense of any CLAIM or POTENTIAL CLAIM made against any INSURED seeking damages for a WRONGFUL ACT even if a CLAIM or POTENTIAL CLAIM is groundless, false, fraudulent, or for an amount less than the deductible;
 2. fees charged by any lawyer designated by us, or required by law to defend any INSURED'S interests;
 3. all reasonable expenses incurred by any INSURED at our request while assisting us in the investigation and defense of any CLAIM other than loss of earnings;
 4. if authorized by us, all other fees, costs, and expenses resulting from the investigation, adjustment, defense, or appeal of any CLAIM or POTENTIAL CLAIM, including but not limited to:
 - a. all costs taxed against any INSURED in any SUIT;
 - b. post judgment accrued interest on that portion of any judgment which does not exceed the applicable Limit of Liability. If we tender or pay a LOSS on any judgment up to our Limits of Liability, we have no further obligation to pay any additional interest; or
 - c. all premiums on bonds to release attachments and appeal bonds, limited to that portion of a bond which does not exceed the POLICY Limit of Liability. We will obtain the bond on behalf of any INSURED. Any INSURED shall reimburse us for the additional cost of the bond we obtain for any exposure in excess of our Limit of Liability.

CLAIMS EXPENSES shall not include salaries and expenses of any INSURED.

- E. **ELECTRONIC DATA.** ELECTRONIC DATA means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- F. **FRAUDULENT ENTITY.** FRAUDULENT ENTITY means an organization that does not have a legal identity or legal existence but which is represented to legally exist; or, a legally formed entity that is used as a device to commit fraud or other unlawful acts.
- G. **INSURED.** The unqualified term INSURED means:
1. the SPONSORING ENTITY, but only as respects its vicarious liability arising out of any covered WRONGFUL ACTS committed by the INSURED AGENT;
 2. any INSURED AGENT;
 3. any corporation, limited liability company, partnership or business entity which engages in PROFESSIONAL SERVICES and which is either owned or controlled by the INSURED AGENT or in which the INSURED AGENT is an employee and then only with respect to the PROFESSIONAL SERVICES provided by the INSURED AGENT;
 4. any employee of the INSURED AGENT solely while acting on behalf of the INSURED AGENT within the scope of the employee's duties as such; however, such coverage does not include employees who are licensed by any insurance or other regulatory authority and who have ever sold or attempted to sell insurance or other financial products; or

5. the estate, heirs, executors, administrators of any INSURED AGENT in the event of the INSURED AGENT'S death, incapacity, insolvency or bankruptcy, but only to the extent that such INSURED AGENT would otherwise be provided coverage under this POLICY.
- H. **INSURED AGENT.** INSURED AGENT means any licensed agent of the SPONSORING ENTITY who has paid the per agent premium shown on the Declarations Page and who is included on the current roster of INSURED AGENTS or subject to inclusion on the next roster applicable to this POLICY PERIOD. The roster of agents shall be prepared and maintained by the SPONSORING ENTITY as a means of certifying the number of agents covered by this POLICY.
- I. **LOSS.** LOSS means the monetary and compensatory portion of any judgment, award or settlement, provided always that LOSS shall not include:
1. civil or criminal fines, penalties, fees or sanctions;
 2. matters deemed uninsurable by operation of law;
 3. the return by any INSURED of any commissions or remunerations paid to any INSURED;
 4. any form of non-monetary relief;
 5. punitive or exemplary damages; or
 6. multiplied portions of any damages.
- J. **PERSONAL INJURY.** PERSONAL INJURY means libel, slander, or invasion of privacy committed by the INSURED.
- K. **POLICY.** POLICY means this agreement as shown on the Declarations Page, along with all endorsements issued by us to the SPONSORING ENTITY in reliance upon the statements made in the application and supplements.
- L. **POLICY PERIOD.** POLICY PERIOD means the period shown on the Declarations Page or the period noted in any endorsement hereto which amends the POLICY PERIOD as shown on the Declarations Page.
- M. **POLICYHOLDER.** POLICYHOLDER means Swiss Re Purchasing Group for Insurance Agents shown in the Declaration Page as holding the master policy.
- N. **POTENTIAL CLAIM.** POTENTIAL CLAIM means that an INSURED has become aware of a proceeding, event, or development that has resulted in or could in the future result in the institution of a CLAIM against an INSURED.
- O. **PROFESSIONAL SERVICES.** PROFESSIONAL SERVICES means services rendered to others as:
1. a licensed life and accident & health insurance agent, a licensed life and accident & health insurance general agent, or a licensed life and accident & health insurance broker or a licensed registered representative for purposes of the sale of variable insurance products; or
 2. a financial planner as respects the sales and servicing of the products listed as follows and for which the INSURED AGENT has a valid license:
 - a. Life Insurance Products
 - b. Annuities

- c. Accident and Health Insurance Products (including Disability Income and Long-Term Disability)

while an Agent Agreement between an INSURED AGENT and the SPONSORING ENTITY is in effect.

- P. **RETROACTIVE DATE.** RETROACTIVE DATE means the date, as shown in the POLICY, CERTIFICATE or in any endorsement attached hereto, on or after which any WRONGFUL ACT must have occurred in order for CLAIMS arising therefrom to be covered under this POLICY or CERTIFICATE. CLAIMS arising from any WRONGFUL ACT occurring prior to this date are not covered by this POLICY.
- Q. **SUIT.** SUIT means a civil proceeding, brought in the United States of America, its territories or possessions, or Canada, alleging LOSS against an INSURED for a WRONGFUL ACT. SUIT includes arbitration or other alternative dispute resolution proceedings to which an INSURED must submit, or does submit with our consent, and in which LOSS is requested.
- R. **SPONSORING ENTITY.** SPONSORING ENTITY means the Entity shown on the Declaration Page of this POLICY as being a member of the Swiss Re Purchasing Group for Insurance Agents.
- S. **WRONGFUL ACTS.** WRONGFUL ACT or WRONGFUL ACTS means:
 - 1. any negligent act, error, or omission, of an INSURED AGENT or any person for whose acts an INSURED AGENT is legally liable in rendering PROFESSIONAL SERVICES for others.
 - 2. any PERSONAL INJURY in rendering PROFESSIONAL SERVICES for others.

III. EXCLUSIONS

This POLICY shall not apply to:

- A. **SPONSORING ENTITY ACTS.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from:
 - 1. any act, error, or omission; or
 - 2. any act of libel or slander or invasion of privacycommitted by the SPONSORING ENTITY.

For the purposes of this exclusion, any act of an individual acting within and as a part of their capacity as an employee, officer, trustee or director of the SPONSORING ENTITY shall be determined to be an act of the SPONSORING ENTITY;
- B. **DISHONEST, CRIMINAL CONDUCT.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from or in connection with any dishonest, fraudulent, criminal or malicious act, or assault or battery committed by or contributed to by any INSURED;
- C. **BODILY INJURY, PROPERTY DAMAGE.** Any CLAIM based upon, arising out of, attributable to, or directly or indirectly resulting from:
 - 1. Bodily injury, sickness, disease, or death of any person; or
 - 2. injury to, or destruction of any property, including the loss of use of the property;
- D. **CONTRACTUAL LIABILITY.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with any liability assumed by any INSURED under contract, unless an INSURED would have been legally liable in the absence of such contract;

- E. **BROKER/DEALER ORGANIZATION.** Any CLAIM brought against an INSURED by any broker/dealer organization or investment company as defined by the Securities Exchange Commission;
- F. **EMPLOYER.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with:
1. The termination or discipline of any employee or agent of an INSURED, including but not limited to wrongful termination or breach of an employment or agency contract; or
 2. any pension, profit sharing, health or welfare or other employee benefit plan or trust sponsored by an INSURED as an employer;
- G. **ERISA.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from or in connection with any pension plan, welfare plan or other benefit plan in which any INSURED is a participant, fiduciary, administrator, plan sponsor, or trustee as those terms are used in the Employment Retirement Income Security Act of 1974 (ERISA), the Pension Benefits Act and the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) including any amendments thereto, regulations or enabling statutes pursuant thereto, or any other similar regulation;
- H. **FIDUCIARY.** Any CLAIM based solely on an INSURED status as a named fiduciary or any CLAIM arising out of the management of an account for a client under an actual or implied agreement or under any power of attorney which gives an INSURED discretion in buying or selling securities or other investments for such account;
- I. **FUNDS.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from or in connection with:
1. the payment or receipt of commissions or fees including but not limited to any which are contingent upon volume of business placed with an insurer;
 2. profit sharing or contingent commission with an insurer or pursuant to an insurer's incentive or marketing program;
 3. an INSURED'S taxes;
 4. reimbursement or the failure to collect pay or return premium; or
 5. commingling of, or use of, client's funds;
- J. **INSURED VS. INSURED.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with disputes:
1. between INSUREDS under this POLICY;
 2. by an enterprise in which one or more INSUREDS has an equity interest, or operates, controls, or manages; or
 3. by an enterprise that has either an equity interest in an INSURED, or operates, controls, or manages or is affiliated with an INSURED;
- K. **INSOLVENCY.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the financial inability to pay, insolvency, receivership, bankruptcy or liquidation of any insurance company, any reinsurer, any pool, syndicate, association or other combination formed for the purpose of providing insurance or reinsurance or of any firm or organization in which any person has invested as a result of consultation with an INSURED, or any organization in which an INSURED has placed the funds of a client or account;

- L. **MARKET VALUES.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with an INSURED promises or guarantees as to the effect of market fluctuations, interest rates, or dividends, with respect to future premium payments, market values, earnings, future values or payments;
- M. **OTHER SERVICES.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with an INSURED'S activities in rendering actuarial, accounting, legal or tax advising services, or services rendered as a property and casualty insurance agent, broker, or referral to those offering such services;
- N. **PERSONAL PROFIT.** Any CLAIM based upon, arising out of, attributable to, or directly or indirectly resulting from or in connection with an INSURED having gained, in fact, any personal profit or advantage to which he or she was not legally entitled;
- O. **PRIOR CLAIMS.** Any CLAIM based upon, arising out of, attributable to, or directly or indirectly resulting from or in connection with any WRONGFUL ACT occurring prior to the effective date of this POLICY, if an INSURED at the effective date knew of a CLAIM or a POTENTIAL CLAIM;
- P. **PERSONAL, PROPRIETARY OR CONFIDENTIAL INFORMATION.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the misappropriation or unauthorized use of personal information or confidential information, or trade secrets or other proprietary information;
- Q. **QUALITY OF CARE.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with:
1. the insolvency, receivership, liquidation of a HMO or PPO or;
 2. the quality of care rendered by, or the alleged malpractice of a participating provider of services, of any HMO or PPO;
- R. **THIRD-PARTY ADMINISTRATOR.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with third-party administrator activities, whether an INSURED performs such activities for a fee or no fee;
- S. **INVESTMENT IN VIATICALS.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the sales or servicing of investments in viaticated policies;
- T. **ELECTRONIC DATA.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with:
1. the erasure, destruction, corruption, misappropriation, electronic misinterpretation of ELECTRONIC DATA;
 2. any inability to gain access to, to receive, to transmit, or to use ELECTRONIC DATA, including any loss of use arising therefrom;
 3. any computer virus;
 4. any unauthorized access to ELECTRONIC DATA or telephonic systems of any kind;
 5. malicious use of ELECTRONIC DATA or telephonic systems or any breach of any statute, or regulation regarding such;
- U. **FRAUDULENT ENTITY.** Any CLAIM arising out of or in connection with any FRAUDULENT ENTITY;

- V. **WILLFUL VIOLATION OF STATUTES, RULES, AND REGULATIONS.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, a willful violation of any statute, rule or regulation of the National Association of Securities Dealers or the Securities Exchange Commission, or any other securities regulatory agency;
- W. **CLASS ACTION LITIGATION.** Any CLAIM or SUIT in which a court certifies a class action against the SPONSORING ENTITY or any of its subsidiaries or related entities. This exclusion shall also apply to any CLAIMS or SUITS in those provinces or jurisdictions that do not provide for a class action cause of action, if more than one CLAIM or SUIT is brought against the SPONSORING ENTITY and one or more INSURED AGENTS with such CLAIMS or SUITS alleging common conduct by the SPONSORING ENTITY or common conduct by the INSURED AGENTS directed or supervised by the SPONSORING ENTITY.

IV. **REPORTING AND NOTICE**

An INSURED'S duties in the event of CLAIM or any POTENTIAL CLAIM:

- A. An INSURED shall not, without our written consent, do any of the following:
1. Admit liability;
 2. Participate in any settlement discussions nor enter into any settlement;
 3. Demand or agree to arbitration of any CLAIM; or
 4. Incur any costs or expense.
- B. An INSURED shall:
1. provide written notice of any CLAIMS or POTENTIAL CLAIMS to us in writing during the CERTIFICATE PERIOD or Extended Reporting Period. If, during the CERTIFICATE PERIOD, an INSURED first becomes aware of a POTENTIAL CLAIM and gives written notice of such POTENTIAL CLAIM to us during the CERTIFICATE PERIOD, any CLAIMS subsequently made against an INSURED arising from the POTENTIAL CLAIM shall be considered to have been made during the CERTIFICATE PERIOD that an INSURED first became aware of such POTENTIAL CLAIM. If our position is prejudiced due to late notice by an INSURED, coverage under this POLICY is forfeited;
 2. provide copies of all documents we request;
 3. include within any notice of CLAIM or POTENTIAL CLAIM a description of the CLAIM or POTENTIAL CLAIM, the alleged WRONGFUL ACT(S), including the date(s) it was committed, a summary of the facts upon which the CLAIM or POTENTIAL CLAIM is based, the alleged or potential damage or LOSS that may result from the WRONGFUL ACT, the names of actual or potential claimants, the names of INSUREDS against whom the CLAIM was or may be made, and the date and circumstances by which any INSURED first became aware of the CLAIM, or POTENTIAL CLAIM.

Notice to us for reporting CLAIMS or POTENTIAL CLAIMS under the POLICY shall be given to:

Westport Insurance Corporation
P.O. Box 29221
Shawnee Mission, KS 66201
Attention: Westport Claims Department
Telephone Number: 1-800-241-3470
Facsimile Number: 1-877-880-1590

All other notices to us shall be given to our mailing address as shown on the Declarations Page.

All notices under the POLICY shall be in writing, shall comply with the time requirements as stated in the POLICY, and shall be given by confirmed facsimile, prepaid express courier, or Certified U.S. Mail, return receipt requested.

Except as provided in the Termination of Coverage Section any notice shall be effective on the date of our receipt at the above address.

V. DEFENSE, INVESTIGATION AND SETTLEMENT OF CLAIMS

As respects such insurance as is afforded by this POLICY, we shall:

- A. have the right and duty to defend, investigate and conduct any settlement negotiations arising from CLAIMS based upon alleged WRONGFUL ACTS of an INSURED. We have the right to select the attorney to represent and defend an INSURED for any such CLAIM.
- B. not settle any CLAIM without the INSURED'S consent. If we recommend a settlement to any INSURED that is acceptable to the claimant, and you do not agree with us and would rather contest the matter, our ultimate liability will be limited to the total of:
 - 1. the amount for which the CLAIM could have been settled at that time, plus
 - 2. the amount of CLAIM EXPENSE that was incurred up to the time we made the recommendation.

We shall not be obligated to pay any LOSS or defend, or continue to defend, any CLAIM after the Per Claim Limit of Liability shown on the CERTIFICATE has been exhausted by payment of LOSS or the deposit in a court having jurisdiction of sums exhausting the Per Claim Limit of Liability or Aggregate Limit of Liability.

INSUREDS shall cooperate with us and the attorney we retain to defend any INSUREDS, and, upon our request, provide statements and documents, attend hearings and trials and assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and in the conduct of SUITS.

VI. LIMITS OF LIABILITY

- A. All Limits of Liability shall apply in excess of the Deductible. All amounts paid in satisfaction of CLAIMS or POTENTIAL CLAIMS are subject to the applicable Limit of Liability.
- B. All CLAIM EXPENSES shall be in addition to the applicable Per Claim Limit of Liability.
- C. Our liability for the combined total of all LOSS for a CLAIM shall not exceed the amount stated in the CERTIFICATE as Per Claim Limit of Liability.
- D. Our liability under the POLICY for the combined total of all LOSS for all CLAIMS and POTENTIAL CLAIMS shall not exceed the amount stated in the CERTIFICATE as Policy Aggregate Limit of Liability.
- E. One Limit of Liability shall apply to one CLAIM regardless of whether the CLAIM is reported both by you and by the SPONSORING ENTITY. In the event a CLAIM is reported both by you and by the SPONSORING ENTITY, the Limit of Liability shall be applied first to LOSS paid on your behalf and to the extent the Limit of Liability is not exhausted, to LOSS paid on behalf of the SPONSORING ENTITY, all subject to the Limit of Liability.

VII. MULTIPLE INSUREDS, CLAIMS, AND CLAIMANTS

The inclusion of more than one INSURED in any CLAIM or the making of CLAIMS by more than one person or organization shall not increase the Limits of Liability or the Deductible. Two or more CLAIMS arising out of a single WRONGFUL ACT, or a series of related or continuing WRONGFUL ACTS, shall be a single CLAIM. All such CLAIMS, whenever made, shall be considered first made on the date on which the earliest CLAIM was first made arising out of such WRONGFUL ACT, as defined in the POLICY, and all such CLAIMS are subject to one Per Claim Limit of Liability and Deductible.

VIII. DEDUCTIBLE

The INSURED AGENT shall be responsible for the Deductible indicated on the CERTIFICATE. The Deductible applies to LOSS and not CLAIM EXPENSES. The deductible applies to each CLAIM under the Insuring Agreement and any additional coverage extensions by endorsement. The INSURED AGENT shall make payment of the deductible within thirty (30) days of receipt of demand for payment by us.

IX. SUBROGATION

If we pay any LOSS or CLAIM EXPENSE, we have subrogation rights of the INSURED against any person or organization. The INSUREDS shall execute all papers we require and shall do everything that may be necessary to preserve, secure, and pursue our rights, including the execution of such documents as may be necessary to enable us to bring SUIT in the name of the INSUREDS. All INSUREDS shall cooperate with us and do nothing to jeopardize, prejudice, or terminate such rights. We shall not exercise any subrogation rights against any INSUREDS, unless the CLAIM arises from any dishonest, fraudulent, or malicious act, error, or omission of such INSURED.

X. REIMBURSEMENT TO COMPANY

If we have paid any amounts as LOSS in satisfaction of any CLAIMS in excess of the applicable Limit of Liability, or have paid LOSS within the amount of the applicable Deductible, the INSURED shall be liable to us for any and all such amounts and shall pay such amounts to us within 30 days of our demand.

XI. PREMIUMS

Swiss Re Purchasing Group for Insurance Agents, through the SPONSORING ENTITY, will provide us with an affidavit of the number of rostered agents to be covered hereunder at the beginning of each POLICY PERIOD and each month thereafter. Monthly, the Swiss Re Purchasing Group for Insurance Agents, or its designated agent, shall pay to the Corporation the monthly premium from each INSURED AGENT listed on each roster. Agents enrolling between rosters will be covered as of their enrollment date provided the agent appears on the subsequent monthly roster as having paid premium.

The SPONSORING ENTITY, on behalf of the POLICYHOLDER, may collect premiums for INSURED AGENTS and remit them to us. Premiums paid shall be paid by each INSURED AGENT and shall not be paid by the SPONSORING ENTITY from general funds or another source.

XII. ACQUISITIONS AND MERGERS

In the event of any merger, consolidation, amalgamation or acquisition involving the SPONSORING ENTITY and any other insurance company or any material change in the SPONSORING ENTITY'S operations, the SPONSORING ENTITY shall notify the Corporation of such change within 90 days of the date of such change.

There will be no coverage for prior acts of the acquisition unless endorsed.

XIII. TERMINATION OF COVERAGE

The POLICY shall terminate at the earliest of the following:

- A. upon the date the SPONSORING ENTITY on behalf of the POLICYHOLDER surrenders the POLICY to us or our authorized representative or if the POLICY is terminated by mailing to us written notice the date within the notice stating when thereafter the cancellation may be effective. Any earned premium shall be computed in accordance with the customary short rate table and procedure;
- B. upon the effective date of cancellation stated in our written notice of cancellation, if the POLICY is terminated by us for any reason other than non-payment of the premium and the SPONSORING ENTITY on behalf of the POLICYHOLDER receives notice at least 60 days prior to the effective date of cancellation. Any earned premium will be computed pro rata;
- C. upon providing the SPONSORING ENTITY notice not less than ten (10) days prior to the effective date of cancellation, in the event of the SPONSORING ENTITY'S failure to pay premium;
- D. upon expiration of the POLICY PERIOD as set forth in the Declarations.

The CERTIFICATE shall terminate at the earliest of the following:

- E. upon removal from the roster of the SPONSORING ENTITY for failure to pay premium;
- F. upon termination of the agency agreement with the SPONSORING ENTITY;
- G. upon expiration of the POLICY PERIOD as set forth in the Declarations.

XIV. EXTENDED REPORTING PERIOD

A. AUTOMATIC EXTENDED REPORTING PERIOD.

- 1. If a CERTIFICATE is terminated by either the SPONSORING ENTITY or us, and if the INSURED AGENT has not obtained a replacement insurance policy, this POLICY shall continue to apply to CLAIMS and POTENTIAL CLAIMS first made against an INSURED and reported to us during the CERTIFICATE PERIOD shown on the terminated CERTIFICATE arising out of WRONGFUL ACTS that occurred prior to the date of termination and taking place on or after the RETROACTIVE DATE. However, if termination occurs less than 60 days prior to the expiration of the CERTIFICATE PERIOD, and the INSURED AGENT has not obtained a replacement insurance policy, this POLICY shall continue to apply to CLAIMS and POTENTIAL CLAIMS first made against an INSURED during the CERTIFICATE PERIOD shown on the terminated CERTIFICATE arising out of WRONGFUL ACTS that occurred prior to the date of termination and taking place on or after the RETROACTIVE DATE, and reported to us during the 60 days immediately following the date of termination.
- 2. For those INSURED AGENTS not subject to subsection A.1. above, if the SPONSORING ENTITY or we elect not to renew this POLICY or if we cancel this POLICY, and if the INSURED AGENT has not obtained a replacement insurance policy, this POLICY shall continue to apply to CLAIMS and POTENTIAL CLAIMS first made against an INSURED during the CERTIFICATE PERIOD arising out of WRONGFUL ACTS that occurred prior to the date of termination and taking place on or after the RETROACTIVE DATE, and reported to us during the 60 days immediately following the date of termination of the POLICY.

B. OPTIONAL EXTENDED REPORTING PERIOD.

1. If the SPONSORING ENTITY or we elect not to renew or cancel this POLICY, or elect not to renew or terminate coverage with respect to an INSURED AGENT, or if a CERTIFICATE is cancelled by either the SPONSORING ENTITY on behalf of the INSURED AGENT or us, the INSURED AGENT shall have the right to purchase an Optional Extended Reporting Period by paying, within 60 days of the termination date, 100% of the annual premium per INSURED AGENT as listed in the CERTIFICATE. Such Extended Reporting Period will begin immediately following the CERTIFICATE PERIOD or the CERTIFICATE PERIOD shown on the terminated CERTIFICATE and will run for one year, covering CLAIMS first made against the INSURED and reported to us during the one-year Extended Reporting Period arising from WRONGFUL ACTS taking place before the date of termination and on or after the RETROACTIVE DATE applicable to the expired or terminated POLICY or applicable CERTIFICATE.
2. The INSURED AGENT shall only have the right to any Optional Extended Reporting Period, if:
 - a. The INSURED AGENT is rostered by the SPONSORING ENTITY as having paid all premium or deductible as due;
 - b. The INSURED AGENT has not failed, after demand, to reimburse us such amounts as we have paid in settlement of CLAIMS or in satisfaction of judgments in excess of the limit of liability or within the amount of the applicable deductible;
 - c. On termination of coverage under the POLICY, the INSURED AGENT has not had their license as a life, accident and health agent, a life, accident and health insurance general agent or a life, accident and health insurance broker suspended, revoked or the license is not surrendered due to a formal complaint by a regulatory authority, or the INSURED AGENT is not prohibited by law to provide PROFESSIONAL SERVICES as defined in Section II, DEFINITIONS of this POLICY.

C. OPTIONAL EXTENDED REPORTING PERIOD FOR RETIRED OR DISABLED AGENTS.

In the event the INSURED AGENT retires from the business of selling and servicing life and accident & health insurance and any related products covered by the terms of this POLICY, or becomes totally and permanently disabled or dies, an INSURED AGENT or any heir, executor, administrator, assignee, or legal representative shall have the right to purchase an Extended Reporting Period if an INSURED AGENT has not already purchased an Extended Reporting Period, as shown in B. of this Section XIV.

An INSURED AGENT will be considered to be retired if the INSURED AGENT is at least 65 years of age at the time of the purchase of coverage under this Section XIV. C., and the INSURED AGENT has ceased rendering PROFESSIONAL SERVICES.

An INSURED AGENT will be considered totally and permanently disabled if the INSURED AGENT is wholly prevented from working in his or her profession due to a disability and an independent medical examiner provides an opinion that the disability will be continuous and permanent, and the disability did not result from self-inflicted injury, attempted suicide, or alcohol or drug abuse.

To obtain this optional coverage, the INSURED AGENT must pay, within 60 days of the end of the CERTIFICATE PERIOD following the retirement or disability date, the premium shown in the following schedule and must have met the conditions set forth in B.2. of this Section XIV. The Extended Reporting Period will begin immediately following the end of the CERTIFICATE PERIOD in which the retirement or disability occurs and will cover CLAIMS first made against the INSURED AGENT and reported to us during the Extended Reporting Period and arising from WRONGFUL ACTS taking place before the date of retirement or disability and on or after the RETROACTIVE DATE applicable to the expired or terminated CERTIFICATE.

SCHEDULE:

Extended Reporting Period	Premium (the percent of the annual premium on the expiring Insured Agent's Certificate)
1 year	100%
3 years	185%
5 years	250%
Unlimited	300%

D. Our Limit of Liability for any optional Extended Reporting Period shall be the Limit of Liability shown on the INSURED AGENT'S CERTIFICATE and will be combined with and a continuation of the last CERTIFICATE PERIOD. Options to extend the reporting period do not extend the CERTIFICATE PERIOD. The entire premium for an Extended Reporting Period Option shall be deemed fully earned at the commencement of the Extended Reporting Period.

XV. OTHER INSURANCE

If there is other insurance applicable to a CLAIM covered by this POLICY, this POLICY shall be deemed excess insurance over and above the applicable Limits of Liability of all such other insurance unless such other insurance is specifically written as excess insurance over the Limits of Liability provided in the POLICY.

XVI. ACTION AGAINST US

No action shall lie against us unless, as a condition precedent thereto, all INSUREDS shall have fully complied with all the terms and conditions of this POLICY and not until the amount of all INSURED'S obligations to pay has been finally determined either by judgment against all INSUREDS after actual trial or by written agreement of you, the claimant, and us.

Nothing contained in the POLICY shall give any person or organization any right to join us as a co-defendant in any action against any INSURED to determine any insured's liability.

XVII. APPLICABLE LAWS

Any terms of the POLICY which are in conflict with any laws and regulations governing the POLICY are hereby amended to conform to such laws and regulations.

XVIII. TERRITORY

This POLICY applies to WRONGFUL ACTS that occur anywhere in the world, but an INSURED'S responsibility to pay LOSS must be determined through settlement or through suit brought in the United States, its territories or possessions, or Canada.

XIX. WAIVER

Our failure to insist on strict compliance with any of the terms, provisions, or conditions to coverage of this POLICY or the failure to exercise any right or privilege shall not operate or be construed as a waiver thereof or of any subsequent breach thereof or a waiver of any other terms, provisions, conditions, privileges, or rights.

XX. LIBERALIZATION

If, during the POLICY PERIOD we adopt revised provisions for this POLICY in order to afford, without additional premium, broader insurance to all INSUREDS of the types of professionals covered by this POLICY, such provision will apply to this POLICY effective the date the provision has been approved by the appropriate regulatory authority and such revision shall apply only to CLAIMS or POTENTIAL CLAIMS of which you first become aware, after the date of such approval.

XXI. ENTIRE AGREEMENT

By acceptance of this POLICY, all INSUREDS reaffirm as of the effective date of this POLICY that (a) the statements in the Declarations and most recent applications and all information communicated by INSUREDS to us are true and accurate and are all INSUREDS agreements and representations, (b) this POLICY is issued in reliance upon the truth and accuracy of such representations which are material to our issuance of this POLICY and (c) this POLICY embodies all agreements between all INSUREDS and us or any of our agents relating to this insurance.

XXII. CHANGES

No change or modification of this POLICY shall be effective except when made by a written endorsement to this POLICY which is signed by our authorized representative.

XXIII. NO ASSIGNMENT

Neither this POLICY nor any INSURED'S interest in this POLICY may be assigned without our written consent.

WESTPORT INSURANCE CORPORATION

Facsimile signature to be inserted

President

Facsimile signature to be inserted

Secretary

Westport Insurance Corporation

LIMITS OF LIABILITY AND RATE TABLES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is agreed that each INSURED AGENT shall elect from the Limits and Deductible set out in the following schedule at the premium indicated:

Limits of Liability and Rate Table:

Limit of Liability	Aggregate	Deductible	Premium

- Mandatory/Regulatory Endorsements inclusive of the above premium. The INSURED AGENT'S election shall be reflected in the CERTIFICATE.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

*Facsimile signature to be
inserted*

*Facsimile signature to be
inserted*

Authorized Representative

President

Secretary

Westport Insurance Corporation

FINANCIAL PRODUCTS EXTENSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In consideration of the payment of an additional applicable premium for each INSURED AGENT shown by the SPONSORING ENTITY as having paid for this optional Financial Products Endorsement as shown on the INSURED AGENT'S CERTIFICATE and notwithstanding any provisions to the contrary, this POLICY is hereby amended as follows:

I. SECTION II., DEFINITIONS, O., PROFESSIONAL SERVICES, of this POLICY is amended to read as follows:

O. PROFESSIONAL SERVICES. PROFESSIONAL SERVICES means services rendered to others as:

1. a licensed life and accident & health insurance agent, a licensed life and accident & health insurance general agent, or a licensed life and accident & health insurance broker or a licensed registered representative for purposes of the sale of variable insurance products, mutual funds and FINANCIAL PRODUCTS; or
2. a financial planner as respect the sales and servicing the products listed as follows and for which an INSURED AGENT has a valid license:
 - a) Life Insurance Products
 - b) Annuities
 - c) Accident and Health Insurance Products (including Disability Income and Long-Term Disability)
 - d) Mutual Funds
 - e) FINANCIAL PRODUCTS

while an Agent Agreement between an INSURED AGENT and the SPONSORING ENTITY is in effect.

II. Coverage provided by this endorsement is extended to pay, on behalf of the INSURED AGENT, LOSS in accordance with the POLICY language and to which this extension of coverage applies, arising from CLAIMS first made against such INSURED AGENT or any person for whose acts such INSURED AGENT is legally liable caused by WRONGFUL ACTS taking place on or after the RETROACTIVE DATE shown in this endorsement and reported in writing to us as soon as practicable but not later than 60 days after the date of termination of the CERTIFICATE PERIOD.

We also agree to pay, on behalf of the SPONSORING ENTITY, LOSS and CLAIMS EXPENSES to which this extension of coverage applies, sustained by the SPONSORING ENTITY by reason of vicarious liability imposed by law for the WRONGFUL ACTS of the INSURED AGENT listed by the SPONSORING ENTITY as having paid for this optional FINANCIAL PRODUCTS Endorsement, provided such WRONGFUL ACTS are otherwise covered by this FINANCIAL PRODUCTS Endorsement.

III. Our liability for LOSSES arising out of the coverage provided by this endorsement during the CERTIFICATE PERIOD will not exceed:

- \$ 500,000 each CLAIM and all CLAIMS each CERTIFICATE PERIOD
 \$ 1,000,000 each CLAIM and all CLAIMS each CERTIFICATE PERIOD

All CLAIMS each CERTIFICATE PERIOD are part of, and not in addition to, the Limit of Liability stated in the CERTIFICATE.

IV. As used in the endorsement:

1. **FINANCIAL PLANNER:** FINANCIAL PLANNER means any person who for compensation through sales and servicing of products covered by this endorsement:
 - (a) provides advice regarding the client's current financial situation, financial goals and objectives; and
 - (b) engages in the business of advising others, through a written plan document regarding investing in, purchasing, or selling insurance products shown in Item 2 of the Professional Services definition as shown in Section I. of this endorsement.
2. **FINANCIAL PRODUCTS.** FINANCIAL PRODUCTS means stocks, bonds, unit investment trusts or limited partnerships sold through the specified broker dealer listed below.

BROKER DEALER: _____

V. The following exclusions apply only to the coverage provided by this endorsement and are in addition to the **EXCLUSIONS** section of this POLICY.

This POLICY does not apply to:

INSOLVENCY. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the insolvency, receivership, bankruptcy, liquidation, or financial inability to pay of any company, entity or investment vehicle in which any customer has invested.

NON CUSTOMERS. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the LOSS sustained or alleged to have been sustained by any person, firm or organization that is not either a customer of the INSURED AGENT or a customer's appointed administrator, executor, receiver or trustee in bankruptcy.

SECURITIES. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with registering, qualifying or reporting under any of the following laws:

- (a) The Securities Act of 1933
- (b) The Securities Exchange Act of 1934
- (c) The Investment Company Act of 1940
- (d) The Public Utility Holding Company Act of 1935
- (e) Any State Blue Sky law
- (f) Any other law governing the registration or issuance of, or transactions involving securities.

INDEPENDENT FINANCIAL PLANNING. Any CLAIM arising out of, attributable to, directly or indirectly resulting from or in connection with providing a financial plan for a fee, independent of the sale or servicing of any investment or life insurance products.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

Facsimile signature to be inserted

Facsimile signature to be inserted

Authorized Representative

President

Secretary

Westport Insurance Corporation

NAMED INSURED COVERAGE EXTENSION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Section I., INSURING AGREEMENT, B. of the POLICY is amended to include the following:

Notwithstanding any other provision in this POLICY to the contrary, when an INSURED AGENT is removed from the roster prepared and maintained by the SPONSORING ENTITY on behalf of the NAMED INSURED as a means of certifying the number of agents insured under this POLICY, coverage afforded to the SPONSORING ENTITY as specified in Section I., INSURING AGREEMENT, B., shall continue under this POLICY for the WRONGFUL ACTS of such INSURED AGENT, but only for those WRONGFUL ACTS that occurred while such INSURED AGENT'S name was included on the roster.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

Countersigned.

WESTPORT INSURANCE CORPORATION

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inserted*

*Facsimile signature to be
inserted*

Authorized Representative

President

Secretary

Westport Insurance Corporation

MUTUAL FUNDS EXTENSION FOR LISTED INSURED AGENTS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In consideration of the payment of an additional premium for each INSURED AGENT listed by the SPONSORING ENTITY as having paid for this optional Mutual Funds endorsement, as shown on the INSURED AGENT'S CERTIFICATE and notwithstanding any provisions to the contrary, this POLICY is hereby amended as follows:

I. SECTION II., DEFINITIONS, O., PROFESSIONAL SERVICES, of this POLICY is amended to read as follows:

O. PROFESSIONAL SERVICES. PROFESSIONAL SERVICES means services rendered to others as:

1. a licensed life and accident & health insurance agent, a licensed life and accident & health insurance general agent, or a licensed life and accident & health insurance broker or a licensed registered representative for purposes of the sale of variable insurance products and mutual funds; or
2. a financial planner as respect the sales and servicing the products listed as follows and for which an INSURED AGENT has a valid license:
 - a) Life Insurance Products
 - b) Annuities
 - c) Accident and Health Insurance Products (including Disability Income and Long-Term Disability)
 - d) Mutual Funds

while an Agent Agreement between an INSURED AGENT and the SPONSORING ENTITY is in effect.

II. Coverage provided by this endorsement is extended to pay, on behalf of such INSURED AGENT, LOSS in accordance with the POLICY and to which language this extension of coverage applies, arising from CLAIMS first made against such INSURED AGENT or any person for whose acts such INSURED AGENT is legally liable caused by WRONGFUL ACTS taking place on or after the effective date shown in this endorsement and reported in writing to us as soon as possible but not later than 60 days after the date of termination of the CERTIFICATE PERIOD.

We also agree to pay, on behalf of the SPONSORING ENTITY, LOSS to which this extension of coverage applies, sustained by the SPONSORING ENTITY by reason of vicarious liability imposed by law for the WRONGFUL ACTS of the INSURED AGENT listed by the SPONSORING ENTITY as having paid for this optional Mutual Funds Endorsement, provided such WRONGFUL ACTS are otherwise covered by this Mutual Funds Endorsement.

III. As used in this endorsement:

1. MUTUAL FUNDS FINANCIAL PLANNER. MUTUAL FUNDS FINANCIAL PLANNER will mean any person who for compensation through sales and servicing of products covered by this endorsement:

- (a) provides advice regarding the client's current financial situation, financial goals and objectives; and

- (b) engages in the business of advising others, through a written plan document regarding investing in, purchasing, or selling products shown in Item 2 of the Professional Services definition as stated in Section I. of this endorsement.

IV. The following exclusions apply only to the coverage provided by this endorsement and are in addition to the **EXCLUSIONS** section of this POLICY.

This POLICY does not apply to:

INSOLVENCY. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the insolvency, receivership, bankruptcy, liquidation, or financial inability to pay of any company, entity or investment vehicle in which any customer has invested.

NON CUSTOMERS. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the loss sustained or alleged to have been sustained by any person, firm or organization that is not either a customer of the INSURED AGENT or a customer's appointed administrator, executor, receiver or trustee in bankruptcy.

INDEPENDENT FINANCIAL PLANNING. Any CLAIM arising out of, attributable to, directly or indirectly resulting from, or in connection with providing a Financial Plan for a fee independent of the sale or servicing of any product.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

Countersigned.

WESTPORT INSURANCE CORPORATION

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inserted*

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inserted*

Authorized Representative

President

Secretary

Westport Insurance Corporation

CONTINUOUS COVERAGE RETROACTIVE DATE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The RETROACTIVE DATE of this POLICY shall be the inception date of the professional liability insurance policy through which the INSURED AGENT was first continuously covered for WRONGFUL ACTS as a life insurance agent to the date of the POLICY PERIOD shown in the CERTIFICATE.

The INSURED AGENT shall provide to us a copy of the continuously in force life insurance agents professional liability insurance policy or similar policy that covers the WRONGFUL ACTS of life insurance agents or other proof of such insurance acceptable to us.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

Countersigned.

WESTPORT INSURANCE CORPORATION

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inserted*

*Facsimile signature to be
inserted*

Authorized Representative

President

Secretary

Westport Insurance Corporation

MUTUAL FUNDS EXTENSION FOR EACH INSURED AGENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Notwithstanding any provisions to the contrary, this POLICY is hereby amended as follows:

I. SECTION II., DEFINITIONS, O., PROFESSIONAL SERVICES, of this POLICY is amended to read as follows:

O. PROFESSIONAL SERVICES. PROFESSIONAL SERVICES means services rendered to others as:

1. a licensed life and accident & health insurance agent, a licensed life and accident & health insurance general agent, or a licensed life and accident & health insurance broker or a licensed registered representative for purposes of the sale of variable insurance products and mutual funds; or
2. a financial planner in connection with the sales and servicing the products listed as follows and for which an INSURED AGENT has a valid license:
 - a) Life Insurance Products
 - b) Annuities
 - c) Accident and Health Insurance Products (including Disability Income and Long-Term Disability)
 - d) Mutual Funds

while an Agent Agreement between an INSURED AGENT and the SPONSORING ENTITY is in effect.

II. It is agreed that for each INSURED AGENT listed on the current roster of INSURED AGENTS maintained by the SPONSORING ENTITY, coverage provided by this POLICY is extended to pay on behalf of the INSURED AGENT, LOSS and CLAIM EXPENSES incurred by the INSURED AGENT by reason of liability imposed by law for LOSS arising from CLAIMS first made against the INSURED AGENT or any person for whose acts such INSURED AGENT is legally liable caused by WRONGFUL ACTS taking place on or after the effective date shown in this endorsement and reported in writing to us as soon as practicable but not later than 60 days after the date of termination of the CERTIFICATE PERIOD.

We also agree to pay, on behalf of the SPONSORING ENTITY, LOSS to which this extension of coverage applies, sustained by the SPONSORING ENTITY by reason of vicarious liability imposed by law for the WRONGFUL ACTS of the INSURED AGENT, provided such WRONGFUL ACTS are otherwise covered by this Mutual Funds Endorsement.

III. As used in this endorsement:

1. **MUTUAL FUNDS FINANCIAL PLANNER.** MUTUAL FUNDS FINANCIAL PLANNER will mean any person who for compensation through sales and servicing of products covered by this endorsement:
 - a. provides advice regarding the client's current financial situation, financial goals and objectives; and
 - b. engages in the business of advising others, through a written plan document regarding investing in, purchasing, or selling products shown in Item 2 of the Professional Services definition as shown in Section I. of this endorsement.

IV. The following exclusions apply only to the coverage provided by this endorsement and are in addition to the **EXCLUSIONS** section of this POLICY.

This POLICY does not apply to:

INSOLVENCY. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the insolvency, receivership, bankruptcy, liquidation, or financial inability to pay of any company, entity or investment vehicle in which any customer has invested.

NON CUSTOMERS. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the loss sustained or alleged to have been sustained by any person, firm or organization that is not either a customer of the INSURED AGENT or a customer's appointed administrator, executor, receiver or trustee in bankruptcy.

INDEPENDENT FINANCIAL PLANNING. Any CLAIM arising out of or in connection with providing a Financial Plan for a fee independent of the sale or servicing of any investment or life insurance products.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

*Facsimile signature to be
inserted*

*Facsimile signature to be
inserted*

Authorized Representative

President

Secretary

11. During the past year were there any changes in the following?
 If **yes**, attach detailed explanation for each.
- | | | |
|--|------------------------------|-----------------------------|
| Qualifications for new agents | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Responsibility for daily performance of agents | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Supervising procedures to monitor agents performance | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Home Office control procedures | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Control procedures for supervision of General Agents or agency manager | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Responsibility for hiring agent | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Training procedures | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Customer complaints procedures | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Change in ownership or control of your company | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

12. If this is a voluntary program, what percentage of participation do you expect this year? _____

13. Explain any disciplinary action against the company by any regulatory authority of the state or federal government since the last application.

14. Optional Coverage: Mutual Funds/Financial Products

*During the past year, were there any changes in the following? If **yes**, attach a detailed explanation for each.*

- | | | |
|--|------------------------------|-----------------------------|
| Product list; number and type of manufactured products added last year | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Name of Broker/Dealer Organization | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Training procedures | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Screening of agents | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Authority to accept new accounts | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Customer questionnaires processing/format | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Criteria for investment selection per investor | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Procedures for periodic review of customer accounts | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Sales literature | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Customer complaint procedures | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Appointments of non-affiliated broker/dealer organizations | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Are Registered Representatives allowed to modify the sales literature | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

15. Please attach the following additional information:
- Company annual/financial statement
 - Company A.M. Best Report
 - Census by state showing where agents are located
 - List of all insurance products sold and serviced
 - Brochures describing new insurance products sold

16. Requested Coverage:

Limit of Liability: _____ Deductible: _____ per claim
 Each claim each agent _____
 Each policy period _____

NOTICE TO APPLICANT

Applicant hereby represents that the statements and answers to questions made above and attachments hereto are true and applicant has not omitted or misrepresented any information.

I hereby authorize the release of claim information from any prior insurer to the Corporation.

I understand and accept that the policy applied for provides coverage on a "claims made" basis for only those claims that are made against the insured while the policy is in force and that coverage ceases with the termination of the policy. All claims will be excluded that result from any acts, circumstances or situations known prior to the inception of coverage being applied for, that could reasonably be expected to result in a claim.

Applicable in Alaska

Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a claim containing false, incomplete or misleading information is guilty of a felony.

Applicable in Arkansas/Louisiana/New Mexico

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in California

For your protection California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in D.C.

It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Applicable in Florida

Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

Applicable in Hawaii

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

Applicable in Kentucky

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Applicable in New Jersey

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in New York

Any person who knowingly and with intent to defraud any Insurance Company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Applicable in Oklahoma

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Applicable in Oregon/Maryland/Ohio

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

Applicable in Pennsylvania

Any person who knowingly and with intent to injure or defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Applicable in Virginia/Maine

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Applicable in all Other States

Any person who knowingly files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and also punishable by civil penalties in certain jurisdictions.

Applicant understands and agrees that the completion of the application does not bind Westport to issuance of an insurance policy.

THE APPLICATION MUST BE SIGNED AND DATED BY AN OWNER, OFFICER OR PARTNER.

Applicant Signature: _____ Date (Mo-Day-Yr.): ___ / ___ / ___

Name and Title: _____
(Please Print)

The applicant understands and agrees that she or he is obligated to report any changes in the information provided in this application which occur after the date of the application.

Westport Insurance Corporation

5200 Metcalf • P.O. Box 2979 • Overland Park, KS 66201-1379
(913) 676-5200 • Facsimile (913) 676-5221

Broker _____

License No. _____

**APPLICATION FOR "CLAIMS MADE" INSURANCE POLICY
COMPANY PROGRAM FOR LIFE AGENTS PROFESSIONAL LIABILITY**

1. Company Name: _____

2. Address: _____

3. Name of any affiliates or subsidiaries to be a part of the program: _____

4. Agency Force:

	Indicate number in each category	Indicate those to be covered by the program (X)
Managing General Agents	_____	_____
General Agents	_____	_____
Agents	_____	_____
Part-time Agents	_____	_____
Brokers	_____	_____
Retired, Emeritus Agents	_____	_____
Other (Specify)	_____	_____
TOTAL	_____	_____

Answer questions 5 through 12 relative to those categories of agents to be covered.

5. Agents' Status: Employee Captive Independent

6. Agents' average length of service with the company _____ years

Attrition rate in first year of appointment _____ %

7. What percentage of agents have outside contracts? _____ %

8. Average number of companies agents represent _____
Does your company have the first right of refusal? Yes No

9. Indicate the number of agents who have been terminated in the past three years for:

	Last Year	Prior Year	2 Years Earlier
Low Production	_____	_____	_____
Retirement/Disability	_____	_____	_____
For Cause	_____	_____	_____
Resigned	_____	_____	_____
Other (Specify)	_____	_____	_____

10. How many agents also sell Property and Casualty business? _____

11. How many agents are Registered Representatives? _____

12. Projected increase in agency force in the next year. _____

13. a. Describe your company's qualifications for hiring an agent for your organization. Attach a response sheet which also gives a profile of your typical agent. Attach a copy of the application.
- b. Is a criminal or civil background check included? Yes No
- c. Is a check for Department of Insurance Complaints made against agents included? Yes No

14. Describe the organizational structure of the agency force and its management. Attach a line chart.

15. Describe the control/supervisory procedures used in monitoring the agents' performance by Home Office staff down through the various levels of field management.

16. Describe your company's procedures for:
- a. training new agents
 - b. continuing education
 - c. AML compliance programs

17. What mechanisms are in place throughout the company to respond to indications of agent misconduct? Include a narrative of the structure of Compliance/Market Conduct Department to include title, staffing and report channels.

18. Who is responsible for selecting and hiring the agents? _____

19. Is there a company-sponsored agents association in place? Yes No

20. Do agents receive a company's periodical? Yes No
 If yes, provide name _____ Frequency of publication _____

21. Breakout various products provided by the company.

		Average Policy Size	Premium Written Last Year
_____	Individual Life	_____	_____
_____	Group Life	_____	_____
* _____	Annuities	_____	_____
_____	Individual A&H	_____	_____
** _____	Group A&H	_____	_____
_____	Individual Disability Income	_____	_____
_____	Group Disability Income	_____	_____
_____	Credit Life/A&H	_____	_____
_____	Pension Products	_____	_____
_____	Mutual Funds	If either of these products are to be covered, complete Questions 33 - 47.	_____
_____	Other Financial Products		_____
_____	Other	_____	_____

* If checked, has your company in the past three years issued structured settlement annuities? Yes No
If yes, please provide details.

** If checked, do your products involve Multiple Employer Trusts? Yes No
If yes, are all the Trusts fully insured? Yes No

22. Is any change in ownership or control of your company anticipated in the next two years? Yes No

23. Explain any disciplinary action against the company by any regulatory authority of the state or federal government within the past four years.

24. Is the applicant applying for membership in Insurance Marketplace Standards Association or currently a member? Yes No

25. Provide information on any class action suits, either actual or anticipated, in the last 3 years involving your agents. Include date, location, disposition and impact on the Agents E&O program.

26. Are you aware of any litigation, regulatory investigation or disciplinary action that is expected against the applicant or any agents, which is not recorded on the current claim report for the E&O program?
If yes, provide details. Yes No

27. Has your company provided or carried a company E&O policy for your agents within the past five years? Yes No
If yes, complete following:

	Carrier	Limits	Premium	Term Period ____/____ to ____/____ mo yr mo yr	Check One	
					Claims Made	Occurrence
1.					<input type="checkbox"/>	<input type="checkbox"/>
2.					<input type="checkbox"/>	<input type="checkbox"/>
3.					<input type="checkbox"/>	<input type="checkbox"/>
4.					<input type="checkbox"/>	<input type="checkbox"/>
5.					<input type="checkbox"/>	<input type="checkbox"/>

If no, provide a copy of Complaint Register regarding agent complaints for the last 5 years. Also provide a list of all suits/claims in Legal Department involving agent errors, with details of complaint made, disposition and amount paid.

28. Please attach a copy of your prior carrier's loss runs for the past five years.

29. **REQUESTED LIMIT OF LIABILITY:** Per Claim _____
 Per Agent _____
 Per Policy _____

30. Deductible requested: _____
Attach list of carriers with which you have special sales arrangements where lower deductible may apply.

31. Is the requested program: Voluntary or Compulsory/this program or Compulsory/evidence any E&O coverage?

32. If voluntary, what percentage of participation do you expect in: First year _____ % Second year _____ %

33. Please attach the following additional information:
- a. Contract for all agent levels to be covered by program
 - b. Company annual/financial statement
 - c. Company A.M. Best Report
 - d. Agent publications
 - e. Training manuals
 - f. Census by jurisdiction showing where agents are located
 - g. List of all insurance products sold and serviced
 - h. Sample brochures describing insurance products sold

**OPTIONAL COVERAGE
FOR SALE OF FINANCIAL PRODUCTS**

34. Name of Securities Broker/Dealer: _____

35. Mailing Address: _____

36. Relationship to Insurance Company: _____

37. Year Broker/Dealer established: _____ Date NASD approved: _____

38. Number of Registered Representatives _____ Series 6 license _____ Series 7 license _____

39. Is a second screening of agents completed by the Broker/Dealer before an appointment is made? Yes No
Please attach an explanation.

40. Is dual licensing permitted? Yes No

41. Are confidential customer questionnaires required by the Broker/Dealer? Yes No
If yes, please submit a copy of the questionnaire and the customer agreement.

42. Are customer's accounts reviewed on a periodic basis? Yes No
If yes, please describe the procedure and frequency of reviews.

43. Are Registered Representatives allowed to have discretionary control of client's funds/investments? Yes No
If yes, what percentage hold discretionary authority? _____

44. Who provides the sales literature? _____

45. Are Registered Representatives allowed to modify the sales literature? Yes No
If yes, please explain.

46. Describe customer complaint procedures.

47. Of the transactions executed over the last 12 months, what percentage of your business came from:

A. Mutual Funds	_____%	D. Proprietary	_____%	F. U.I.T.	_____%
B. Variable Life/Annuities	_____%	Limited Partnerships	_____%	G. Commodities	_____%
C. Stocks and Bonds	_____%	E. Non-Proprietary	_____%	H. Options	_____%
		Limited Partnerships	_____%	I. Other	_____%

100%

48. Do you offer proprietary products? _____ If so, how many? _____

NOTICE TO APPLICANT

Applicant hereby represents that the statements and answers to questions made above and attachments hereto are true and applicant has not omitted or misrepresented any information.

I hereby authorize the release of claim information from any prior insurer to the Corporation.

I understand and accept that the policy applied for provides coverage on a "claims made" basis for only those claims that are made against the insured while the policy is in force and that coverage ceases with the termination of the policy. All claims will be excluded that result from any acts, circumstances or situations known prior to the inception of coverage being applied for, that could reasonably be expected to result in a claim.

Applicable in Alaska

Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a claim containing false, incomplete or misleading information is guilty of a felony.

Applicable in Arkansas/Louisiana/New Mexico

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in California

For your protection California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in D.C.

It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Applicable in Florida

Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

Applicable in Hawaii

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

Applicable in Kentucky

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Applicable in New Jersey

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in New York

Any person who knowingly and with intent to defraud any Insurance Company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Applicable in Oklahoma

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Applicable in Oregon/Maryland/Ohio

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

Applicable in Pennsylvania

Any person who knowingly and with intent to injure or defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Applicable in Virginia/Maine

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Applicable in all Other States

Any person who knowingly files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and also punishable by civil penalties in certain jurisdictions.

Applicant understands and agrees that the completion of the application does not bind Westport to issuance of an insurance policy.

THE APPLICATION MUST BE SIGNED AND DATED BY AN OWNER, OFFICER OR PARTNER.

Applicant Signature: _____ Date (Mo-Day-Yr.): ___ / ___ / ___

Name and Title: _____
(Please Print)

The applicant understands and agrees that she or he is obligated to report any changes in the information provided in this application which occur after the date of the application.

Westport Insurance Corporation

FINANCIAL PLANNERS EXTENSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In consideration of the payment of an additional applicable premium for each INSURED AGENT shown by the SPONSORING ENTITY as having paid for this optional Financial Planners Endorsement as shown on the INSURED AGENT'S CERTIFICATE and notwithstanding any provisions to the contrary, this POLICY is hereby amended as follows:

I. SECTION II., DEFINITIONS, O., PROFESSIONAL SERVICES, of this POLICY is amended to read as follows:

O. PROFESSIONAL SERVICES. PROFESSIONAL SERVICES means services rendered to others as:

1. a licensed life and accident & health insurance agent, a licensed life and accident & health insurance general agent, or a licensed life and accident & health insurance broker or a licensed registered representative for purposes of the sale of variable insurance products, mutual funds and FINANCIAL PRODUCTS; or
2. a financial planner, whether compensated for a fee or as respects the sales and servicing of the products listed as follows and for which an INSURED AGENT has a valid license:
 - a) Life Insurance Products
 - b) Annuities
 - c) Accident and Health Insurance Products (including Disability Income and Long-Term Disability)
 - d) Mutual Funds
 - e) FINANCIAL PRODUCTS

while an Agent Agreement between an INSURED AGENT and the SPONSORING ENTITY is in effect.

II. Coverage provided by this endorsement is extended to pay, on behalf of the INSURED AGENT, LOSS in accordance with the POLICY language and to which this extension of coverage applies, arising from CLAIMS first made against such INSURED AGENT or any person for whose acts such INSURED AGENT is legally liable caused by WRONGFUL ACTS taking place on or after the RETROACTIVE DATE shown in this endorsement and reported in writing to us as soon as practicable but not later than 60 days after the date of termination of the CERTIFICATE PERIOD.

We also agree to pay, on behalf of the SPONSORING ENTITY, LOSS and CLAIMS EXPENSES to which this extension of coverage applies, sustained by the SPONSORING ENTITY by reason of vicarious liability imposed by law for the WRONGFUL ACTS of the INSURED AGENT listed by the SPONSORING ENTITY as having paid for this optional Financial Planners Endorsement, provided such WRONGFUL ACTS are otherwise covered by this Financial Planners Endorsement.

III. Our liability for LOSSES arising out of the coverage provided by this endorsement during the CERTIFICATE PERIOD will not exceed:

- \$ 500,000 each CLAIM and all CLAIMS each CERTIFICATE PERIOD
 \$ 1,000,000 each CLAIM and all CLAIMS each CERTIFICATE PERIOD

All CLAIMS each CERTIFICATE PERIOD are part of, and not in addition to, the Limit of Liability stated in the CERTIFICATE.

IV. As used in the endorsement:

1. **FINANCIAL PLANNER:** FINANCIAL PLANNER means any person who for compensation or through sales and servicing of products covered by this endorsement:
 - (a) provides advice regarding the client's current financial situation, financial goals and objectives; or
 - (b) engages in the business of advising others, through a written plan document regarding investing in, purchasing, or selling insurance products shown in item 2 of the Professional Services definition as shown in Section I. of this endorsement.
2. **FINANCIAL PRODUCTS.** FINANCIAL PRODUCTS means stocks, bonds, unit investment trusts or limited partnerships sold through the specified broker dealer listed below.

BROKER DEALER: _____

V. The following exclusions apply only to the coverage provided by this endorsement and are in addition to the **EXCLUSIONS** section of this POLICY.

This POLICY does not apply to:

INSOLVENCY. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the insolvency, receivership, bankruptcy, liquidation, or financial inability to pay of any company, entity or investment vehicle in which any customer has invested.

NON CUSTOMERS. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with the LOSS sustained or alleged to have been sustained by any person, firm or organization that is not either a customer of the INSURED AGENT or a customer's appointed administrator, executor, receiver or trustee in bankruptcy.

SECURITIES. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with registering, qualifying or reporting under any of the following laws:

- (a) The Securities Act of 1933
- (b) The Securities Exchange Act of 1934
- (c) The Investment Company Act of 1940
- (d) The Public Utility Holding Company Act of 1935
- (e) Any State Blue Sky law
- (f) Any other law governing the registration or issuance of, or transactions involving securities.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

Facsimile signature to be inserted

Facsimile signature to be inserted

Authorized Representative

President

Secretary

Westport Insurance Corporation

LIFE INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT - ARKANSAS

Section II., DEFINITIONS, is amended to add the following definition:

PUNITIVE DAMAGES. PUNITIVE DAMAGES means damages that may be imposed to punish a wrongdoer and to deter others from similar conduct.

Section III., EXCLUSIONS, is amended to delete Exclusion W. and replace it with the the following:

W. COMMON CONDUCT. Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from common conduct by the INSURED AGENTS with regard to sales or marketing directed by or supervised by the SPONSORING ENTITY.

Section XIII., TERMINATION OF COVERAGE, subsections A., B., C., and D. are deleted and replaced by the following:

XIII. TERMINATION OF COVERAGE

The SPONSORING ENTITY on behalf of the POLICYHOLDER may terminate this POLICY by surrender thereof to us or our authorized representatives or by mailing to us written notice stating when thereafter the cancellation may be effective.

During the first 60 days of coverage, this POLICY may be terminated by us by mailing to the SPONSORING ENTITY at the last mailing address known to us, written notice stating when not less than 60 days (10 days with regard to cancellation for nonpayment of premium) thereafter such termination shall be effective.

Other than for nonpayment of premium, insurance under this POLICY which has been in effect for sixty (60) days or more may be cancelled by us prior to the expiration of the POLICY PERIOD only for one of the following specified reasons:

1. Fraud or material misrepresentation made by the INSURED or with the INSURED'S knowledge in obtaining the POLICY, continuing the POLICY, or in presenting a CLAIM under the POLICY;
2. The occurrence of a material change in the risk which substantially increases any hazard insured against after the POLICY has been issued or renewed;
3. Non-payment of membership dues in those cases where the by-laws, agreements, or other legal instruments of the insurer issuing the POLICY require payment as a condition of the issuance and maintenance of the POLICY; or
4. A material violation of a material provision of the POLICY.

The mailing of notice to the SPONSORING ENTITY shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the POLICY PERIOD. A copy of all such notices shall be sent to the SPONSORING ENTITY or the SPONSORING ENTITY'S broker at the last mailing address known to us.

NONRENEWAL

We reserve the right to decline renewal of this POLICY but agree to notify the SPONSORING ENTITY in writing at least 60 days in advance of the expiration date of this POLICY of our intent not to renew the POLICY, including a specific explanation of the reason(s). A copy of all such notices shall be sent to the SPONSORING ENTITY or the SPONSORING ENTITY'S broker at the last mailing address known to us.

Section XIV., EXTENDED REPORTING PERIOD, paragraph B., is deleted and replaced with the following::

XIV. EXTENDED REPORTING PERIOD

B. OPTIONAL EXTENDED REPORTING PERIOD.

1. If the SPONSORING ENTITY or we elect not to renew or cancel this POLICY, or elect not to renew or terminate coverage with respect to an INSURED AGENT, or if a CERTIFICATE is cancelled by either the SPONSORING ENTITY on behalf of the INSURED AGENT or us, the INSURED AGENT shall have the right to purchase an Optional Extended Reporting Period by paying, within 60 days of the termination date, 100% of the annual premium per INSURED AGENT as listed in the CERTIFICATE, Such Extended Reporting Period will begin immediately following the CERTIFICATE PERIOD or the CERTIFICATE PERIOD shown on the terminated CERTIFICATE and will run for one year, covering CLAIMS first made against the INSURED and reported to us during the one-year Extended Reporting Period arising from WRONGFUL ACTS taking place before the date of termination and on or after the RETROACTIVE DATE applicable to the expired or terminated POLICY or applicable CERTIFICATE.
2. The INSURED AGENT shall only have the right to any Optional Extended Reporting Period, if upon termination of coverage under the POLICY, the INSURED AGENT has not had their license as a life, accident and health agent, a life, accident and health insurance general agent or a life, accident and health insurance broker suspended, revoked or the license is not surrendered due to a formal complaint by a regulatory authority, or the INSURED AGENT is not prohibited by law to provide PROFESSIONAL SERVICES as defined in Section II, DEFINITIONS of this POLICY.

The following provision is added to this POLICY:

XXIV. BANKRUPTCY OR INSOLVENCY

It is agreed that the bankruptcy or insolvency of an INSURED or of an INSURED'S estate shall not relieve us of any of our obligation hereunder.

All other terms and conditions of this POLICY shall remain unchanged.

This endorsement forms a part of the POLICY to which attached, effective on the inception date of the POLICY unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the POLICY.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

Facsimile signature to be inserted

Facsimile signature to be inserted

Authorized Representative

President

Secretary

SERFF Tracking Number: *ERCA-125302341* *State:* *Arkansas*
Filing Company: *Westport Insurance Corporation* *State Tracking Number:* *AR-PC-07-026325*
Company Tracking Number: *W-LCO-AR-07-02429-1-F*
TOI: *17.1 Other Liability - Claims Made Only* *Sub-TOI:* *17.1019 Professional Errors & Omissions*
Liability

Product Name: *Professional Liability Life Insurance Agents*
Project Name/Number: *Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group / W-LCO-AR-07-02429-1-F*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: ERCA-125302341 State: Arkansas
Filing Company: Westport Insurance Corporation State Tracking Number: AR-PC-07-026325
Company Tracking Number: W-LCO-AR-07-02429-1-F
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Professional Liability Life Insurance Agents
Project Name/Number: Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group / W-LCO-AR-07-02429-1-F

Supporting Document Schedules

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

Comments:

Attachment:

NAIC Transmittal.pdf

Satisfied -Name: Kansas Approval of RPG Forms **Review Status:** Approved 11/06/2007

Comments:

Attachment:

Approval.pdf

Satisfied -Name: Arkansas Approval of the RPG **Review Status:** Approved 11/06/2007

Comments:

Attachment:

AR Approval of RPG Registration.pdf

Property & Casualty Transmittal Document

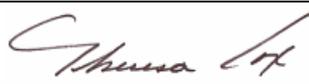
1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only
	a. Date the filing is received:
	b. Analyst:
	c. Disposition:
	d. Date of disposition of the filing:
	e. Effective date of filing:
	New Business
	Renewal Business
	f. State Filing #:
	g. SERFF Filing #:
	h. Subject Codes

3. Group Name	Group NAIC #
Swiss Reinsurance Group.	181

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Westport Insurance Corporation	MO	34207	13-1941868	

5. Company Tracking Number	W-LCO-AR-07-02429-1-F
-----------------------------------	-----------------------

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

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Theresa Cox 5200 Metcalf Overland Park, KS 66201	Compliance Specialist	800-255-6931,Ext 6181	913-676-6226	theresa_cox@swissre.com
	7. Signature of authorized filer				
	8. Please print name of authorized filer		Theresa Cox		

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

9. Type of Insurance (TOI)	Other Liability Claims Made
10. Sub-Type of Insurance (Sub-TOI)	Professional Errors & Omissions
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Risk Purchasing Group Coverage - Life & Accident & Health Agents
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: Upon Approval Renewal: New program
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	October 3, 2007
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	W-LCO-AR-07-02429-1-F/R
------------	--	-------------------------

21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Westport Insurance Corporation is filing its initial form filing for its Professional Liability Policy for the Swiss Re Purchasing Group for Insurance Agents. The domiciliary state of Kansas has approved its registration, as well as its forms and rates. A copy of that approval is attached.

The Arkansas Department of Insurance approved the registration of the Risk Purchasing Group on September 12, 2007. A copy of that approval is also attached.

Pursuant to 23-67-206(b) of the Arkansas Code, the rates applicable to these individual risks are exempt from the filing requirements.

This policy will be issued to the Swiss Re Purchasing Group for Insurance Agents and is available only to its member (Sponsoring Entities). The Certificateholders are individual agents of the sponsoring companies. The policy is a professional liability policy written on a claims made basis, covering both the insured agent (certificateholder) and the sponsoring entity (for the vicarious liability of its agents.)

The basic coverage provides errors and omissions coverage for licensed life and accident & health insurance agents, general agents, or brokers or registered reps when selling variable insurance products. It also covers financial planners for the sales and servicing of life insurance products, annuities, accident and health insurance products (including disability income and long-term disability) while an agent agreement between the insured agent and the sponsoring entity is in effect.

Optional endorsements for coverage and the Arkansas state amendatory endorsement are included in this filing.

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

Check #: Submitted SERFF EFT
Amount: \$50.00

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

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

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #		W-LCO-AR-07-02429-1-F/R		
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)				
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Certificate	SP 3 928 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Declarations	SP 3 955 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Policy	SP 3 866 0807	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Limits of Liability and Rate Tables	SP 3 873 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Financial Products Extension	SP 3 874 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Named Insured Coverage Extension Endorsement	SP 3 875 0307	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Mutual Funds Extension for Listed Insured Agents	SP 3 876 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Continuous Coverage Retroactive Date Endorsement	SP 3 877 0507	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Mutual Funds Extension for Each Insured Agent	SP 3 878 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Financial Planners Extension	SP 3 994 0707	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
11	Renewal Application for "Claims Made" Insurance Policy Company Program for Life Agents Professional Liability	SP 000 765 1000	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
12	Application for "Claims Made" Insurance Policy Company Program for Life Agents Professional Liability	SP 000 764 0607	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
13	Amendatory Endorsement – Arkansas	SP 3 904 0507	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing.)

1.	This filing transmittal is part of Company Tracking #	N/A		
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)			
<input type="checkbox"/> Rate Increase <input type="checkbox"/> Rate Decrease <input type="checkbox"/> Rate Neutral (0%)				
3.	Overall percentage rate impact for this filing			
4.	Effect of Rate Filing – Written premium change for this program			
5.	Effect of Rate Filing – Number of policyholders			
6.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)			
7.	Rate Change by Company			
	Company Name	Percentage Change	Effect of Rate Filing	
			# of policyholders for this program	Written premium change for this program
8.	Overall percentage of last rate revision	This is Initial Filing		
9.	Effective Date of last rate revision			
10.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)			
11.	Exhibit Name/Description /Synopsis	Rule # or Page #	Replacement or Withdrawn?	Previous state filing number, if required by state
01			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
02			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
03			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	
04			<input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn <input type="checkbox"/> Neither	

Disposition for ERCA-125252096 – KANSAS- LIFE COMPANY RPG FORMS RATES AND RULE APPROVED

SERFF Tracking Number:	ERCA-125252096	State:	Kansas
Filing Company:	Westport Insurance Corporation	State Tracking Number:	FC-PL-07-353173
Company Tracking Number:	W-LCO-KS-07-02429-1-F/R		
TOI:	17.1 Other Liability - Claims Made Only	Sub-TOI:	17.1019 Professional Errors & Omissions Liability
Product Name:	Insurance Agents Professiona Professional Liability- Risk Purchasing Group		
Project Name/Number:	Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group		

Disposition Date: 08/21/2007
 Effective Date (New): 08/21/2007
 Effective Date (Renewal):
 Status: Approved and Filed

Comment:

Thank you. We can proceed with RPG registration process. I believe we should be able to register group effective today.

Schedule Items

Item Type	Item Name	Item Status	Public Access
Supporting Document	Actuarial Justification		Yes
Supporting Document	Exhibit of Premiums and Losses		Yes
Supporting Document	Justification		Yes
Form	Certificate (Claims First Made and Reported), SP 3 928 0707, 0707, Certificate	Approved and Filed	Yes
Form	Declarations , SP 3 955 0707, 0707, Declarations/Schedule	Approved and Filed	Yes
Form	Policy Form , SP 3 866 0707, 0707, Policy/Coverage Form	Approved and Filed	Yes
Form	Limits of Liability and Rate Tables Schedule , SP 3 873 0707, 0707, Declarations/Schedule	Approved and Filed	Yes
Form	Financial Products Extension , SP 3 874 0707 , 0707, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Form	Named Insured Coverage Extension Endorsement , SP 3 875 0307, 0307, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Form	Mutual Funds Extension for Listed Insured Agents , SP 3 876 0707, 0707, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Form	Continuous Coverage Retroactive Date Endorsement , SP 3 877 0507, 0507, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Form	Mutual Funds Extension for Each Insured Agent, SP 3 878 0707, 0707, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Form	Financial Planners Extension, SP 3 994 0707, 0707, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Form	Renewal Application for Claims Made Insurance Policy , SP 000 765 1000, 1000, Application/Binder/Enrollment	Filed	Yes
Form	Application for Claims Made Insurance Policy , SP 000 764 0607, 0607, Application/Binder/Enrollment	Filed	Yes
Form	Amendatory Endorsement- Kansas , SP 3 937 0507, 0507, Endorsement/Amendment/Conditions	Approved and Filed	Yes
Rate	Rate Schedule for Swiss Re Purchasing Group for Insurance Agents, WIC-Life Co (10/07)	Effective	Yes



ARKANSAS INSURANCE DEPARTMENT
PROPERTY AND CASUALTY
1200 WEST THIRD STREET
LITTLE ROCK, ARKANSAS 72201-1904
501-371-2800
FAX 501-371-2748

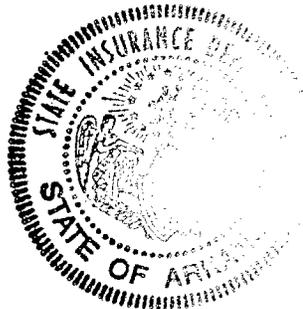
**PURCHASING GROUP
CERTIFICATE OF REGISTRATION**

Swiss Re Purchasing Group for Insurance Agents

License #: 8564

THIS IS TO CERTIFY THAT Swiss Re Purchasing Group for Insurance Agents, DOMICILED IN THE STATE OF Kansas HAS, PURSUANT TO THE FEDERAL PRODUCTS LIABILITY RISK RETENTION ACT AND ACT 408 OF THE 1987 ARKANSAS GENERAL ASSEMBLY, FILED THE REQUIRED FORMS REFLECTING COMPLIANCE WITH THESE ACTS FOR REGISTRATION WITH THE ARKANSAS INSURANCE COMMISSIONER AS A PURCHASING GROUP WITH MEMBERS IN THIS STATE.

THIS LICENSE SHALL CONTINUE IN FORCE FROM UNTIL EXPIRED, SUSPENDED, REVOKED OR TERMINATED, SUBJECT TO PAYMENT OF THE APPLICABLE RENEWAL FEES DUE ON MARCH 1 ANNUALLY.



IN WITNESS WHEREOF, I have hereunto set my hand and caused my official seal to be affixed this 12th day of September, 2007

Julio Benitez Roman

INSURANCE COMMISSIONER

SERFF Tracking Number: ERCA-125302341 *State:* Arkansas
Filing Company: Westport Insurance Corporation *State Tracking Number:* AR-PC-07-026325
Company Tracking Number: W-LCO-AR-07-02429-1-F
TOI: 17.1 Other Liability - Claims Made Only *Sub-TOI:* 17.1019 Professional Errors & Omissions Liability

Product Name: Professional Liability Life Insurance Agents
Project Name/Number: Life Company, RPG: Swiss Re Life Company Insurance Agents Purchasing Group / W-LCO-AR-07-02429-1-F

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	Amendatory Endorsement- Arkansas	09/24/2007	SP 3 904 0507.pdf

Westport Insurance Corporation

LIFE INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT - ARKANSAS

Section II., DEFINITIONS, is amended to add the following definition:

PUNITIVE DAMAGES. PUNITIVE DAMAGES means damages that may be imposed to punish a wrongdoer and to deter others from similar conduct.

Section XIII., TERMINATION OF COVERAGE, subsections A., B., C., and D. are deleted and replaced by the following:

XIII. TERMINATION OF COVERAGE

The SPONSORING ENTITY on behalf of the POLICYHOLDER may terminate this POLICY by surrender thereof to us or our authorized representatives or by mailing to us written notice stating when thereafter the cancellation may be effective.

During the first 60 days of coverage, this POLICY may be terminated by us by mailing to the SPONSORING ENTITY at the last mailing address known to us, written notice stating when not less than 60 days (10 days with regard to cancellation for nonpayment of premium) thereafter such termination shall be effective.

Other than for nonpayment of premium, insurance under this POLICY which has been in effect for sixty (60) days or more may be cancelled by us prior to the expiration of the POLICY PERIOD only for one of the following specified reasons:

1. Fraud or material misrepresentation made by the INSURED or with the INSURED'S knowledge in obtaining the POLICY, continuing the POLICY, or in presenting a CLAIM under the POLICY;
2. The occurrence of a material change in the risk which substantially increases any hazard insured against after the POLICY has been issued or renewed;
3. Non-payment of membership dues in those cases where the by-laws, agreements, or other legal instruments of the insurer issuing the POLICY require payment as a condition of the issuance and maintenance of the POLICY; or
4. A material violation of a material provision of the POLICY.

The mailing of notice to the SPONSORING ENTITY shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the POLICY PERIOD. A copy of all such notices shall be sent to the SPONSORING ENTITY or the SPONSORING ENTITY'S broker at the last mailing address known to us.

NONRENEWAL

We reserve the right to decline renewal of this POLICY but agree to notify the SPONSORING ENTITY in writing at least 60 days in advance of the expiration date of this POLICY of our intent not to renew the POLICY, including a specific explanation of the reason(s). A copy of all such notices shall be sent to the SPONSORING ENTITY or the SPONSORING ENTITY'S broker at the last mailing address known to us.

Section XIV., EXTENDED REPORTING PERIOD, is amended as follows:

The final paragraph of Section XIV. is deleted and replaced with the following:

For the purpose of the limit of liability, any Extended Reporting Period will be combined with and in continuation of the greater of the CERTIFICATE PERIOD or fifty percent (50%) of such annual limit of liability. This option to extend the reporting period does not extend the CERTIFICATE PERIOD. The entire premium for this option shall be deemed fully earned at the commencement of the Extended Reporting Period.

The following provision is added to this POLICY:

XXIV. BANKRUPTCY OR INSOLVENCY

It is agreed that the bankruptcy or insolvency of an INSURED or of an INSURED'S estate shall not relieve us of any of our obligation hereunder.

All other terms and conditions of this POLICY shall remain unchanged.

This endorsement forms a part of the POLICY to which attached, effective on the inception date of the POLICY unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the POLICY.)

Endorsement Effective
Named Insured

Policy No.

WESTPORT INSURANCE CORPORATION

Countersigned.

*Facsimile signature to be
inserted*

*Facsimile signature to be
inserted*

Authorized Representative

President

Secretary