

Why Buy?



- Insurer - Rated A (Excellent):XV by A.M. Best
- Higher limit options available - up to \$3,000,000 each claim
- *Rates as low as \$420 - Life and A&H products of any insurer
- Retentions as low as \$500 - Life and A&H products
- Option for Stocks, Bonds and Discretion as a Registered Investment Advisor
- Prior Acts Coverage back to date of first continuous uninterrupted professional liability policy
(subject to proof to Insurer at time of notice of claim)
- Menu approach to coverage - only pay for what you want
 - Basic Coverage: Life, Accident & Health Products
(must be purchased in order to select other options)
 - Option A: Indexed Annuities/Fixed Annuities
 - Option B: Mutual Funds, Variable Annuities and Variable Life
 - Option C: Disability Income Insurance
 - Option D: Registered Investment Advisor/Registered Representative and sale, attempted sale or servicing of Stocks, Bonds, Variable Products and Mutual Funds, including Discretion as Registered Investment Advisor
(Must be Registered Investment Advisor for Option D)
- Broad coverage includes:
 - Agent as a General Agent
 - Retired or Disabled Agents
 - Licensed and unlicensed support staff
 - Notary
 - Financial Planning
 - Estates, heirs, assigns, legal representatives, and spouses or domestic partners
- Unlimited Extended Reporting Period at no additional charge for the Agents, General Agent, Registered Representative, or Registered Investment Adviser insured under the policy for at least six months and not terminated for a disciplinary reason and not insured elsewhere
- Awareness Provision offers protection by allowing you to report a circumstance that may become a claim in the future

Questions? Contact CustomerService@EOpros.com

*(*Rates shown include premium and admin fees for broker & sponsor)*



E&O Professional Risk Management & Insurance Services, LLC (E&O Pros) - (CA Lic # 0G39757)

Mailing Address

806 E. Avenida Pico #I-331
San Clemente, CA 92673

Physical Address

26461 Crown Valley Parkway, Suite 200
Mission Viejo, CA 92691

Defender Plus - Questions & Answers

Is there coverage for past “wrongful acts”?

Yes. Coverage applies for claims arising from “wrongful acts” back to the “Prior Acts Date”, which is the date of your first continuous E&O professional liability policy. Should you have a claim, you will be required to provide the claim adjuster with proof of continuous E&O back to the date of the “wrongful act” giving rise to the claim.

Is coverage limited to products of any particular company or sponsor?

No. This program offers a menu of coverage for various products and activities, but retentions may differ.

Is there coverage for property/casualty insurance products?

No.

What happens if my coverage terminates?

Should your contract with Defender Plus terminate, you will cease to be an eligible member of the group and coverage will cease. If you were insured less than six (6) months, you will have an automatic 90 day Extended Reporting Period (ERP). If you have been insured for at least six (6) months under the Policy, provided you have not secured coverage elsewhere, you are entitled to an unlimited duration ERP at no additional charge. The applicable ERP is with respect to a claim made during such ERP arising out of a wrongful act committed after the applicable prior acts date but before the termination date.

I currently have other E&O coverage. What should I do before I terminate that coverage?

Most E&O policies include an awareness provision similar to that described below. Therefore, we strongly suggest that you report any incidents for which you feel could give rise to an E&O claim to your current carrier. Failure to do so could leave you without coverage for such claims if it is discovered that you had knowledge of the incident prior to your enrollment in this E&O program.

What is a claim?

A claim means a written demand for monetary damages or a civil adjudicatory or arbitration proceeding for monetary damages against an Insured for a wrongful act which is defined as any negligent act, error or omission of or personal injury (libel, slander, defamation, etc) caused by the Insured in rendering or failing to render professional services. A claim must be first made against the Insured and reported to the Insurer during your certificate period.

For your protection the policy also includes an awareness provision. If you become aware of a circumstance that could reasonably give rise to a future claim, this provision allows you to provide written notice of such circumstance. If your notice of circumstance provides details as to the potential claimants, the wrongful act, and other details, then any claim

(otherwise covered by this policy) which is subsequently made against you and arises out of the wrongful act for which you gave previous notice shall be deemed to have been “made” at the time such written notice was received by the Insurer.

What does “claims made and reported” mean?

“Claims made and reported” means that a claim must be both first made against you and reported during the period of time specified in the policy in order to be a covered claim. A claim shall be deemed to be made:

1. in the case of a civil proceeding or arbitration, on the earliest of the date of service upon or other receipt by any Insured of a complaint or similar document against the Insured in such proceeding or arbitration; or
2. in the case of a written demand for monetary damages, on the Insured’s receipt of notice of such demand. Claims must be “made” against you and reported in writing to the insurer within your certificate period. You must do so as soon as practicable.

When and how do I report a claim?

As stated, report the claim to the Insurer at the address stated in your certificate of insurance as soon as practicable and during the certificate period or any immediately following, certificate period. The limits of insurance in effect for the certificate period in effect on the date the claim is reported to the Insurer shall apply to such claim:

1. Be prepared to provide the insurer with copies of reports, investigations, pleadings and related papers.
2. Immediately forward every demand, notice, summons, or other process received to the Insurer at the address; on the certificate
3. Cooperate with the Insurer to provide them with any and all information they require;
4. Do not speak with anyone other than your attorney or the Insurer about the matter, and do not demand or agree to arbitration of any claim nor make payment, admit any liability, settle any claims, assume any obligation, or incur any expenses without the written consent of the Insurer.

Whom do I contact for help?

E&O Professional Risk Management & Insurance Services, LLC (E&O Pros) (CA Lic #0G39757)

26461 Crown Valley Pkwy, Ste 200, Mission Viejo, CA 92691
Mail: 806 E. Avenida Pico #I-331, San Clemente, CA 92673

Questions? Contact Customer Service:

Phone: (866) 579-6303

Or email: CustomerService@EOpros.com

Defender Plus - E&O Highlights

• **Company Affording Coverage**

- Rated A (Excellent): XV by A.M. Best
- An admitted carrier

• **Prior Acts Coverage**

Date of first continuous uninterrupted professional liability policy (subject to proof to Insurer at time of notice of claim)

• **Limits of Liability Options - Each Insured**

- \$1,000,000/\$2,000,000 Each Claim/Aggregate
- \$2,000,000/\$3,000,000 Each Claim/Aggregate
- \$3,000,000/\$3,000,000 Each Claim/Aggregate

• **Retentions**

- \$500 each claim for Life, Accident & Health Products
- \$2,500 each claim for Disability Income Insurance
- \$5,000 each claim for all other products or services
- Applies to Damages and Defense Costs

• **Policy and Per Claim Aggregate***

Policy Year Aggregate: \$15,000,000

The amount set forth as the Policy Year Aggregate Limit of Liability shall be the maximum Aggregate Limit of Liability of the Insurer for each Policy Year, regardless of the number of Insureds, claims made, or persons or entities bringing such Claims. The Policy Year Aggregate Limit in effect at the time a Certificate of Insurance is issued shall be the applicable Policy Year Aggregate Limit for such Certificate of Insurance regardless of when such Certificate of Insurance expires.

Multiple Insureds Per Claim Aggregate:

Each Insured's applicable Limit of Liability shall be the maximum Limit of Liability of the Insurer for such Insured, regardless of the number of Insureds, Certificates of Insurance, Claims made, or persons or entities bringing such Claims. The Per Claim Aggregate Limit in effect at the time a Certificate of Insurance is issued shall be the applicable Policy Year Aggregate Limit for such Certificate of Insurance regardless of when such Certificate of Insurance expires. Further, where two or more Insureds are involved in a Claim, the maximum aggregate Limit of Liability of the Insurer for all such Insureds shall be the largest single Limit of Liability applicable to any one of such Insureds.

*applies only to Insureds who are not residents of or practice in NY state.

• **Defense Costs**

- Inside the Limits of Liability

• **Coverage**

- **Basic Coverage:** Life, Accident & Health Products (must be purchased in order to select other options)
- **Options** provide additional coverage for:
 - Option A: Indexed Annuities/Fixed Annuities
 - Option B: Mutual Funds, Variable Annuities and Variable Life (If Registered Representative only)
 - Option C: Disability Income Insurance
 - Option D: Registered Investment Adviser, Stocks, Bonds, Mutual Funds, Variable Life/Annuities. Includes discretionary authority coverage (Must be Registered Investment Advisor)

• **Covered Parties**

- Agent or General Agent
- Retired or Disabled Agent or General Agent
- Registered Representative and/or Registered Investment Advisers, but solely for those Professional Services defined in the policy;
- Licensed support staff performing enrollment services.
- Your coverage is extended to your estate, heirs, legal representatives, assigns, spouses or domestic partners. Such coverage is afforded only for a covered claim arising out of your wrongful acts.

• **ERP Options**

- If you were insured less than six (6) months, you will have an automatic 90 day Extended Reporting Period (ERP). If you have been insured for at least six (6) months under the Policy, provided you have not secured coverage elsewhere, you are entitled to an unlimited duration ERP at no additional charge. The applicable ERP is with respect to a claim made during such ERP arising out of a wrongful act committed after the applicable prior acts date but before the termination date. Wrongful Act means any negligent act, error or omission of, or personal injury caused by, the "Insureds" in rendering or failing to render professional services.

• **Professional Services means:**

– **With respect to Agent or General Agent:**

- The sale, attempted sale or servicing of life insurance, accident and health insurance, managed health care organization contracts, preferred provider organization contracts, medicare advantage plans, medical care supplemental insurance;
- The sale, attempted sale or servicing of disability income insurance (if purchased);
- The sale, attempted sale or servicing indexed/fixed annuities (if purchased);
- Financial planning activities in conjunction with services described above (if purchased), whether or not a separate fee is charged;
- Services as a notary public;
- The supervision, management and training of an agent by a general agent with respect to activities otherwise covered by this policy;

– **With respect to a Registered Representative or a Registered Investment Adviser:**

- The sale, attempted sale or servicing of variable annuities or mutual funds (if purchased) that are registered with the Securities Exchange Commission, if required, through a Broker/Dealer that is a member of FINRA;
- Financial planning activities in conjunction with services described above, whether or not a fee is charged;
- The sale, attempted sale or servicing of stocks traded on a public stock exchange, and bonds, by a Registered Investment Adviser, (if option D is purchased);
- RIA coverage does not include Fiduciary Advisor activities, (401Ks) or ETFs.

• **Awareness Provision**

- Offers protection by allowing you to report a circumstance so that any claim arising out of that circumstance will be deemed covered under coverage period when such circumstance was reported.

• **Program Administrator**

- E&O Professional Risk Management & Insurance Services (E&O Pros)

Defender Plus

E&O Exclusions *(including but not limited to)*

- Pending or Prior litigation;
 - Insured vs. insured;
 - Intentional acts;
 - Bodily injury/property damage;
 - Contractual liability;
 - Promises/guarantees as to rates and/or market value;
 - Acts as an actuary, accountant, attorney, property/casualty agent, real estate agent, or third party administrator, market maker or specialist in any securities;
 - Tax advice, except as incidental to provision of Professional Services;
 - Failure to pay/collect funds;
 - Fee/commission disputes;
 - Commingling/illegal profit;
 - Insolvency;
 - Own benefit plan/ERISA;
 - Design of employee benefit plans;
 - Administration of employee benefit plans;
 - MEWAs or self-funded benefit plans;
 - Viaticals, life/structured settlements;
 - Stranger Originated Life Insurance (STOLI) or Speculator Originated Life Insurance (SPIN-LIFE) or similar transactions;
 - Employee benefit plans (other than Group Life & Group Health);
 - Discretionary Authority, except as RIA;
 - Pollution/Nuclear;
 - Anti-trust/price-fixing;
 - Misuse of confidential information;
 - Activities or products when/where not licensed, except placement of surplus lines;
 - Investment banking activities;
 - Proprietary products/funds;
 - Advice as a fiduciary advisor not in accordance with pension protection act;
 - Wrongful Employment Practices;
- Professional Services do not include:**
- Claims brought by regulators;
 - Unregistered securities;
 - Claims brought by broker/dealer;
 - Pay phone investments;
 - Reverse mortgages;
 - Variable annuity churning;
 - Fiduciary Advisor Services to employee benefit plans;
 - Sale/attempted sale of securities other than Variable Life, Variable Annuities and Mutual Funds (except Stocks and Bonds, if Option D is purchased);
 - Exchange Traded Funds.

Contact Info and Disclosure Confirmation

Errors & Omissions Program



YOUR INFORMATION

First Name: _____ Middle Initial: _____ Last Name: _____
Street Address: _____ City: _____ ST: _____ Zip: _____
Phone: _____ Fax: _____
Email: _____
Referral Source/Access Code: _____

DISCLOSURE CONFIRMATION

I understand and agree to the following:

1. The coverage under this policy is on a claims made and reported basis. I have no knowledge of any pending claim or incident that could give rise to a claim under the proposed policy, and if such claim exists, or knowledge or information exists and any claim or action arises therefrom, it is excluded from coverage for which this enrollment applies. A potential gap in coverage may occur if I elect an effective date of coverage that is not continuous with my prior expiration date, and may result in denial of a claim.

2. By applying for this insurance you are applying for membership in the E&O Professional Purchasing Group, a group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901 et seq.). There is no additional charge for membership.

3. These documents are a summary of the coverage provided. All statements contained herein are subject to all Terms, Conditions and Exclusions of the actual policy. A copy of the policy is available by calling E&O Pros at (866) 579-6303.

HOW TO CONTACT US

Mail: E&O Professional Risk Management & Insurance Services, LLC (E&O Pros)
806 E. Avenida Pico #1-331, San Clemente, CA 92673
Email: CustomerService@EOpros.com
Phone: (866) 579-6303
Fax: (888) 370-2842

ACKNOWLEDGEMENT

I have reviewed all disclosure documents, including:
(Check Here)

E&O Highlights Questions and Answers Exclusions

Agent Signature: _____

Today's Date: _____

You MUST return this form WITH the Application For Coverage and Premium Calculation Worksheet

Application for Coverage



Each Applicant must meet the criteria contained within this application in order to be considered an insured under the policy.

By signing below, the Applicant hereby represents that the information contained herein is true, accurate and complete and that no material facts have been suppressed or misstated. Further, Applicant understands and acknowledges that:

1. If the Applicant's enrollment is accepted, CNA will have relied upon, as representations: this application.
2. The misrepresentation of any material matter by the Applicant will render such Applicant's coverage under the Policy null and void.
3. An Insured's failure to report during their certificate period, either any claim made against any insured, or any act or omission known to any insured that may reasonably be expected to be the basis of a claim against any insured may create a lack of coverage.
4. If a Policy is issued to you, payment of Defense Costs will reduce the Limit of Liability and are subject to the Retention.

Submission of this application does not ensure coverage will be provided.

Questions: The Applicant (hereafter "you") must be able to respond "yes" to question 1., and "no" to questions 2. through 8. posed below in order to qualify for the coverage. If you fail to answer question 1., or answer "no" you will not qualify for coverage and will not be insured under the policy for which you are applying. If you fail to answer questions 2. through 8., or answer "yes" you will not qualify for coverage and will not be an insured under the policy for which you are applying.

Claims and Complaints

<p>1. Do you have all valid licenses in all jurisdictions in which you act as an Agent, Registered Representative or Registered Investment Advisor? If you are an Agent and the answer to this question is yes, please provide the license number for the state in which you are domiciled and act as an Agent in the space below:</p> <p>_____</p> <p>If you are a Registered Representative or Registered Investment Advisor and the answer to this question is yes, please provide your Central Registration Depository (CRD) number in the space below:</p> <p>_____</p> <p>Please be advised that CNA retains the right to use the information provided in the space above to verify that all of your answers to the questions posed in this application are correct and accurate.</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>2. In the last 5 years, have you been the subject of any written customer complaint that remained unresolved after three months, or of any customer claim, suit or arbitration?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>3. Do you have any knowledge or information of any fact situation, allegation, and complaint or incident which may result in a complaint, claim, suit or arbitration against you?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>4. Are you aware of or involved in any fee dispute with a client?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO

Disciplinary Action

<p>5. Within the last seven (7) years, have you ever had any professional license or registration denied, suspended, revoked, non-renewed or restricted in any way?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>6. Within the last seven (7) years, have you ever been formally accused of violating any professional association's code of ethics?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>7. Within the last seven (7) years, have you been convicted of a felony or business related misdemeanor, or been the subject of any investigation, inquiry, or complaint by any state or federal regulatory agency?</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO
<p>8. Within the last seven (7) years, has any contract between you and an insurance company, broker/dealer, SRO or others been suspended, terminated, non-renewed or restricted? (This is not applicable to lack of production terminations.)</p>	<input type="checkbox"/> YES <input type="checkbox"/> NO

If you are submitting this form electronically, then by doing so, you are agreeing that such submission constitutes your signature, acceptance and agreement as if actually signed by you in writing and has the same force and effect as a signature affixed by hand.

Signed this _____ day of _____, 2_____

Name of Applicant: _____

*Rate Calculation Worksheet PAY-IN-FULL



PAYMENT CALCULATION

	Basic Coverage (Purchase Required)	Optional Coverages (Additional *Rate Applies)			
	Base Rate	Option A	Option B (Included in Option D)	Option C	Option D (includes Option B)
See next page for Monthly Installments	Life, Accident & Health Products	Indexed/ Fixed Annuities	Variable Products/ Mutual Funds (If RR Only)	Disability Income Insurance	RIA/RR MF,VA Stocks,Bonds (Must Be RIA)
\$1,000,000/\$2,000,000	\$420	\$108	\$216	\$25	\$576
\$2,000,000/\$3,000,000	\$504	\$132	\$264	\$36	\$696
\$3,000,000/\$3,000,000	\$540	\$144	\$288	\$48	\$756

Coverage Effective Date: _____

Select Limit and Coverage Options
BASIC LIFE and A&H (must be chosen)

Limit: \$1M/2M \$2M/3M \$3M/3M

Options: A B C D

*Rate Calculation Table:

Step 1: Enter *Rate for Basic Coverage	\$
Step 2: Enter *Rate for Option A	\$
Step 3: Enter *Rate for Option B	\$
Step 4: Enter *Rate for Option C	\$
Step 5: Enter *Rate for Option D**	\$
Step 6: Total *Rate from steps 1-5	\$

**Option D includes Option B - No need to purchase both

PAYMENT METHOD

Pay In Full by Credit Card

Account # _____
Expiration Date: _____ Security Code of Credit Card: _____

Cardholder's Name: _____

Today's Date: _____

Please indicate credit card being used :
MasterCard VISA Discover AMEX

Pay In Full by Check Payable to: E&O Pros

Mail 806 E. Avenida Pico #I-331, San Clemente, CA 92673

AHCP Credits to Apply: _____

Amount to be charged on credit card: _____

AHCP Credits to apply and payment amount need to equal total from Step 6 above

Please note: The credits will need to be verified prior to the enrollment being processed and coverage being bound.

NOTICE: If you were insured less than six (6) months, you will have an automatic 90 day Extended Reporting Period (ERP). If you have been insured for at least six (6) months under the Policy, provided you have not secured coverage elsewhere, you are entitled to an unlimited duration ERP at no additional charge. The applicable ERP is with respect to a claim made during such ERP arising out of a wrongful act committed after the applicable prior acts date but before the termination date. Wrongful Act means any negligent act, error or omission of, or personal injury caused by, the "Insureds" in rendering or failing to render professional services.

Initial Here: _____

I, _____, authorize E&O Pros to charge my credit card account on ___/___/___ for the amount of \$_____, from the credit card information listed above. This payment authorization is valid and to remain in full force and effect unless I notify E&O Pros of its cancellation by sending written notice to: E&O Pros, 806 E. Avenida Pico #I-331, San Clemente, CA 92673, or by Emailing: CustomerService@EOpros.com

Signature: _____ Printed Name: _____ Date: _____

You MUST return this form WITH the Application for Coverage and the Contact Info and Warranty Statement Form
(*Rates shown include premium and admin fees for broker & sponsor)