

## Life Only Mid-Term Enrollment Form

### Claims Made and Reported Errors and Omissions Coverage

Policy Period: May 1, 2009 to May 1, 2010

Instructions: Complete all sections of the form. If you are paying by credit card, fax enrollment form to: (800) 607-6875.

Enrollment forms with checks, please mail to: Brown & Brown of California, Inc. DBA CalSureance Associates, P.O. Box 7048, Orange, CA 92863-7048.

Questions: Call CalSureance at (800) 745-7189 or e-mail at [info@calsureance.com](mailto:info@calsureance.com)

*By applying for this insurance, you are applying for membership in the Financial Sales Professionals Risk 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.*

#### STEP 1: Your Information -- Please Print Clearly

Name (first, middle initial and last):

Street Address:

City:

State:

Zip:

Daytime Phone:

Fax:

Email Address:

NLG Agent #:

LSW#:

#### STEP 2: Eligibility Information

Please complete the following questions.

- Have you been the subject of disciplinary action by any insurance authority?  
 Yes  No
- Has any policy or application for E&O insurance or reinsurance on your behalf been declined, canceled, or renewal refused within the last five years?  Yes  No
- Have any E&O Claims been made against you within the last ten years?  
 Yes  No
- Are there any circumstances which may result in any E&O claims being made against you?  Yes  No

If you answered "YES" to any of the above questions, your enrollment is **NOT** guaranteed and is subject to review and approval by the sponsor. Please provide an explanation and documentation regarding the facts of your "YES" responses for consideration. If you have provided information regarding the facts of your "Yes" responses in past enrollments with National Life Group, please submit only new information regarding your "Yes" response. Please be advised that CalSureance's receipt of your enrollment form and/or payment does not constitute acceptance in this program. The sponsor reserves the right to deny enrollment in the program.

- Please list any professional services and/or designations used with your clients other than as a life insurance agent, notary public, financial planner, or registered representative, (i.e. CPA, attorney, actuary, P&C agent) \_\_\_\_\_
- Do you carry E&O coverage\* for each of the professional services and/or designations listed above?  Yes  No
- If you answered no please list any professional services or designations for which you do not carry E&O coverage. \_\_\_\_\_

\*The E&O policy to which you are applying does **NOT** provide coverage for professional services other than as a life insurance agent, notary public, financial planner, or as a registered representative of ESI or ACS.

#### STEP 3: Premium

Effective Date of Coverage: \_\_\_\_\_

Coverage	Limits	Premium
Life Only*	\$1,000,000 each claim/Aggregate	See Reverse for Premium Table
<b>TOTAL AMOUNT DUE:</b>		<b>\$</b>

\* Please refer to the "Outline of Coverage" for further description of Coverage.

\*\*Inclusive of \$75 Admin/Service Fee and 3% surplus lines tax. Admin/Service Fee includes enrollment processing, reporting & collection of certificates for sponsor.

#### STEP 4: Payment

- Payment in Full by Check:** Check made payable to Brown & Brown of California, Inc. dba CalSureance Associates for the full premium. - *OR* -
- Payment in Full by Credit Card:** (No Debit Cards accepted): Please complete credit card information below. - *OR* -
- Payment by Credit Card Installments:** (No Debit Cards accepted) I elected to pay my premium in four installments by credit card. I authorize Brown & Brown of California, Inc. dba CalSureance Associates to process the installment charges upon receipt, 7/1/09, 9/1/09 and 11/1/09. I understand that if any of the scheduled installment dates have passed at the time of my enrollment, my premium will be divided between the remaining installment dates. A \$5.00 installment fee will be added to each installment. You will be responsible for any outstanding balance of premium if termination occurs. - *OR* -
- ACH Debit - Four Installments:** I would like to pay my premium using pre-authorized debits from my checking account, which will be taken on 7/1/09, 9/1/09 and 11/1/09. I understand that if any of the scheduled installment dates have passed at the time of my enrollment, my premium will be divided between the remaining installment dates and that a \$5.00 installment fee will be added to each installment. Please return the enrollment form with the attached "Debit Pre-Authorization Form" along with a voided check. Without a completed "Debit Pre-Authorization Form," this enrollment **WILL NOT** be processed. You will be responsible for any outstanding balance of premium if termination occurs.

#### Credit Card Information

MasterCard  Visa  Discover

(Sorry, No American Express or Debit Cards Accepted)

Credit Card Number:

Expiration Date of Credit Card:

Cardholder's Name:

Cardholder's Signature:

Today's Date:

*(Billing through Brown & Brown of California, Inc.)*

#### STEP 5: Warranty Statement - Signature Required (IMPORTANT)

I understand that to be eligible for E&O coverage I must be a currently contracted agent with National Life Insurance Company or Life Insurance Company of the Southwest. In addition, I understand that mid-term enrollment is permitted only for newly contracted agents or agents with other expiring coverage. A potential gap in coverage may occur if I elect an effective date that is not continuous with my prior expiration date and may result in the denial of a Claim. Further, if I am not an agent as described above, I will not be considered an Insured under the Policy and any Claims reported will not be covered. In this instance, any premium paid by me will be returned to me, as I was not an Insured under this Policy. I understand this is a claims-made and reported policy. I have no knowledge of any pending claim or incident that could give rise to a claim under the proposed policy. It is agreed and understood that if any such claim exists, or knowledge or information exists and any claim or action arises therefrom, it is excluded from coverage for which this enrollment form applies. The premium is fully earned and there is NO return of premium if I decide to cancel for any reason. Further, I will be responsible for any outstanding balance of premium if termination occurs. Should my contract terminate, coverage will cease that same day regardless of the reason for appointment termination.

Agent's Signature:

Date:

*NATIONAL LIFE GROUP*  
*ENROLLMENT PREMIUM TABLE*  
Life Only

**Policy Period: May 1, 2009 to May 1, 2010**

Enroll Date	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate
5/1/09 through 5/31/09	\$590.00
6/1/09 through 6/30/09	\$547.00
7/1/09 through 7/31/09	\$504.00
8/1/09 through 8/31/09	\$461.00
9/1/09 through 9/30/09	\$418.00
10/1/09 through 10/31/09	\$375.00
11/1/09 through 11/30/09	\$333.00
12/1/09 through 12/31/09	\$290.00
1/1/10 through 1/31/10	\$247.00
2/1/10 through 2/28/10	\$204.00
3/1/10 through 3/31/10	\$161.00
4/1/10 through 4/30/10	\$118.00

Above premiums include a \$75 administrative/service fee and 3% surplus lines tax.  
Administrative/Service Fee includes enrollment processing, reporting and collection of certificates for sponsor.

## National Life Group - Agents' E&O Program

### Not Full Time Outline of Coverage

#### **Policy Period:**

May 1, 2009 to May 1, 2010

#### **Insurer:**

American International Specialty Lines Insurance Company (a member of American International Group and an approved surplus lines insurer)

2008 A.M. Best's A+ (Superior): XV

"The information obtained from A.M. Best dated November 10, 2008 is not in any way CalSurance's warranty or guaranty of the financial stability of the insurer in question, and that the information is current only as of the date of the publication."

**Policy Number:** 01-770-76-73

#### **Risk Purchasing Group Membership:**

By applying for this insurance, agents and representatives are applying for membership in the Financial Sales Professionals Risk Purchasing Group, a group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901et seq). There is no additional charge for this membership.

#### **Limit of Liability (including Defense Costs):**

\$1,000,000	each Wrongful Act or Interrelated Wrongful Act resulting in a Claim involving one Insured Agent
\$1,000,000	each Agent in the Aggregate per Policy Period
\$3,000,000	each Wrongful Act or Interrelated Wrongful Act resulting in a Claim involving more than one Insured Agent

**Policy Aggregate:** \$25,000,000 (including Defense Costs)

#### **Deductible (applicable to payment of Damages and Defense Costs and each Insured Agent named in the Claim will be responsible for their deductible):**

\$1,000	each Wrongful Act for products of National Life Group and proprietary and affiliated products sold through Equity Services, Inc.
\$2,500	each Wrongful Act for all other covered products including non-proprietary mutual funds or variable annuities sold through Equity Services, Inc.

(Note: Coverage for Life Only agents does not extend to securities, variable products or mutual funds)

#### **Coverage:**

Claims Made and Reported coverage for negligent acts, errors or omissions arising out of the rendering or failure to render Professional Services as a licensed life, accident and health agent or general agent, notary public or as a financial planner or financial counselor. Professional Services are extended as a registered representative or an investment advisor for agents and representatives who are eligible and have elected the securities coverage.

#### **Continuity ("prior acts") Date:**

The earlier of:

- the date of the agents' first continuously maintained Insurance Agents Professional Liability Insurance policy or
- the date the agent first became continuously contracted with National Life Insurance Company or Life Insurance Company of the Southwest or Equity Services, Inc.

(If Securities coverage is elected, subject to the Continuity Date above, the policy only covers Claims involving securities sold through ESI or mutual funds or variable products through American Classic Securities. No coverage is provided for Securities sold through any other broker/dealer)

#### **Eligible Participants/ Insured Agent:**

- Not-full time agents of National Life Insurance Company
- Agents of Life Insurance Company of the Southwest
- Registered Representatives of Equity Services, Inc.

#### **Additional Insureds:**

Corporation/Partnership/Business Entity for Wrongful Acts of an Insured Agent/Rep

Partners/Officers/Directors/Employees acting in the scope of their duties and who is not party to an agent, broker or registered representative contract

Heirs/Estates/Legal Representatives/Assigns of the Insured Agent in the event of death, bankruptcy, insolvency or finding of incompetency.

#### **Professional Services for Life Only Agents Includes:**

Those services rendered or required to be rendered in the Insured Agent's profession as:

- A licensed life, accident and health agent or general agent who is placing business with an insurance company
- A notary public, but solely with respect to the performance of services listed above

This document is 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 CalSurance 800-745-7189. This document does not reflect the terms and conditions of the policy which have been modified in order to comply with New York requirements. Please contact CalSurance to request a copy of the New York Amendatory Endorsement which details any changes to the policy relative to agents licensed in the state of New York.

## National Life Group - Agents' E&O Program

### Not Full Time Outline of Coverage

#### Professional Services for Life Only Agents Includes (continued):

- A financial planner or financial consultant acting on behalf of a customer or client and providing consultation, advice, administration and services, whether or not a separate fee is charged, but only with respect to the products listed above
- A general agent of National Life Insurance Company or Life Insurance Company of the Southwest, but solely while acting within the scope of their duties on behalf of National Life Insurance Company or Life Insurance Company of the Southwest, including but not limited to the recruitment, training and supervision of
  - an agent insured under the National Life Group sponsored E&O program or
  - an agent not insured under the National Life Group sponsored E&O program but solely for proprietary products of National Life Group.

#### Additional Professional Services for Registered Representatives of Equity Services Inc,

In addition to the services listed above, registered representatives of Equity Services, Inc. who have paid the additional premium are also covered for those services rendered or required to be rendered in their profession as:

- A licensed registered representative of Equity Services, Inc. who services, sells, or attempts to sell securities (including mutual funds and variable products) approved by and distributed through Equity Services, Inc.
- A financial planner, financial consultant, or investment advisor, acting on behalf of a customer or client and providing consultation, advice, administration and services, whether or not a separate fee is charged, but only with respect to the following:
  - Any investment product currently listed on the approved product list maintained by Equity Services, Inc. and offered for sale through Equity Services, Inc.
  - Any investment product for which the Insured Agent (prior to engaging in Professional Services as a financial planner, financial consultant or investment advisor) has provided written notice of and received written approval from Equity Services, Inc. for the provision of investment advisory services in connection with these products.

#### Additional Professional Services for Registered Representatives of American Classic Securities

In addition to the services listed above for Life Only Agents, registered representatives of American Classic Securities who have paid the additional premium are also covered for those services rendered or required to be rendered in their profession as:

- A licensed registered representative of American Classic Securities who services, sells, or attempts to sell mutual funds and variable products approved by and distributed through American Classic Securities.

#### Corporate Identity Protection: Sub-limits of Liability (including Defense Costs)

CIP offers coverage to Agents when their data is compromised resulting in identity theft. The policy offers coverage to Agents for the following:

- Personal Identity Liability - \$1,000,000
- Administrative Action - \$1,000,000
- Identity Event Services
  - Notification Costs - \$250,000
  - Crisis Expenses - \$50,000
  - Post Event Services - \$1,000,000

#### Sub-limit of Policy Aggregate: \$5,000,000

(Note: Separate retentions and coinsurance apply to Corporate Identity Protection sub-limits. The Sub-limits of Insurance and Aggregate Limit of the Corporate Identity Protection as described above shall be part of, and not in addition to, the Agent's Limits of Liability and Policy Aggregate. Please see the Questions and Answers or contact CalSurance to obtain a copy of the policy.)

#### Duty to Defend?

Yes, to those Claims for which coverage applies.

#### Cancellation of Coverage or Contract Termination

Coverage automatically ceases on the date your contract terminates, regardless of the reason for such termination. You will be responsible for any outstanding balance of premium if termination occurs. For details regarding Extended Reporting Period coverage, please see the Frequently Asked Questions.

This document is 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 CalSurance 800-745-7189. This document does not reflect the terms and conditions of the policy which have been modified in order to comply with New York requirements. Please contact CalSurance to request a copy of the New York Amendatory Endorsement which details any changes to the policy relative to agents licensed in the state of New York.

**NATIONAL LIFE GROUP**

Not Full Time

**AGENT'S ERRORS AND OMISSIONS PROGRAM**

**Authorization Agreement For Outstanding Premium Due**

**MAY 1, 2009 TO MAY 1, 2010**

I (we) hereby authorize Brown & Brown of California, Inc., dba CalSurance Associates, hereinafter called COMPANY, to initiate electronic debits from my (our) checking account indicated below at the financial institution named below, hereinafter called DEPOSITORY and to debit the same to such account. This authority is to remain in full force and effect until COMPANY and DEPOSITORY have each received written notification from me (or either of us) of its termination in such time as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on it.

I (we) agree that if premiums are not paid on the dates specified below, or in the event the withdrawals are dishonored, coverage shall terminate upon ten (10) days. Notice of Cancellation: The agent will be eligible for reinstatement of coverage ONE time only, by paying appropriate premium in addition to a Declined/Non Sufficient Fund Fee of \$50.00. Please attach a "voided" check to the bottom of this form. The Enrollment Form will not be processed if a "voided" check is not attached. Annual premium will be divided into equal installments. Payments will be processed accordingly: First installment will be taken upon receipt of Enrollment Form then again on, July 1, 2009, September 1, 2009 and November 1, 2009 and a \$5.00 processing charge will be added to each installment. I understand that if any of the scheduled installment dates have passed at the time of my enrollment, my premium will be divided between the remaining installment dates.

Name of Financial Institution: \_\_\_\_\_

Address or Branch: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Transit / ABA Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

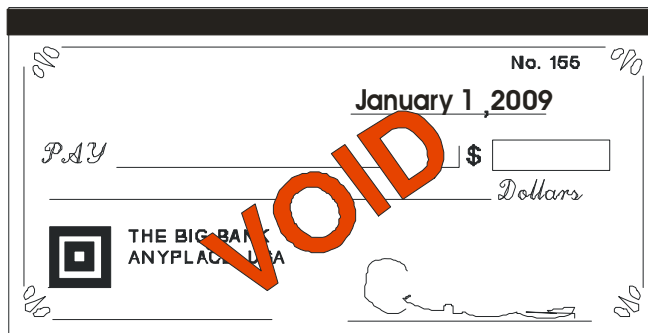
This authority is to remain in full force and effect until COMPANY has received written notification from me (or either of us) of its termination in such time and in such manner as to afford COMPANY and Financial Institution a reasonable opportunity to act on it.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

(If account requires two signatures)



**Please attach a voided check, or photocopy there of applicable to the above account in this space below.  
(Enrollment will not be processed without it).**