

Frequently Asked Questions

Who is CalSurance Associates & Lancer Claims Services?

Brown & Brown is one of the largest and most respected independent insurance intermediaries in the nation, with over 67 years of continuous service. The company is ranked as the seventh largest such organization in the United States by Business Insurance magazine.

CalSurance Associates, a division of Brown & Brown Program Insurance Services, Inc. ("CalSurance[®]"), is the broker who has been selected to administer and place the coverage with the underwriting marketplace (Aspen) on behalf of the agents of NAIFA. Questions regarding coverage, when to file a claim, or copies of your policy can be obtained from CalSurance.

Lancer Claims Service, a division of Brown & Brown Program Insurance Services, Inc. has been selected by Aspen as the administrator of all claims that occur under the NAIFA Professional Liability Policy. Lancer Claims Services handles professional liability claims. Questions regarding when or how to file a claim or inquiries on claims already submitted under this program should be directed to Lancer Claims Services.

Are employees covered under my policy?

Under the definition of insured, the Named Insured is covered as well as any past, present or future principal, partner, officer, director, stockholder, trustee or employee of the Named Insured with respect to the defined professional services performed on behalf of the Named Insured.

Is coverage for Series 6 (mutual funds) and Financial Products (mutual funds, stocks/bonds, unit investment trusts, and limited partnerships) available under this program?

Yes. For an additional premium, coverage for these products is available by endorsement. You can select this coverage when you complete the on-line renewal or complete the manual application. Or, you can contact us for more information at 1-888-833-2304.

What is the turnaround time for a quotation once I manually submit my application?

The average processing time runs approximately three to seven business days.

If I cancel my policy will I receive a refund of unused premium?

Cancellation requests must be submitted in writing and return premium is the industry standard short rate cancellation. This is approximately 10%.

Do I have to place all of my business with A-rated carriers?

You are not restricted under this policy on where you can place business. However, there is no coverage for claims arising out of insolvency for carriers that are rated less than A- by A.M. Best at the time of placement.

As a new agent, how should I complete the application?

If you are newly licensed, please estimate your activities and revenue for the next year and use projected total revenue when providing your responses.

What is the Policy Period?

12 months from the Policy inception date.

How does my Deductible work?

Your deductible can be quoted as a "Damages only" deductible or a "damages and defense" deductible. A damages only deductible applies to indemnity payments made to settle a claim against you. A damages and defense deductible applies to indemnity payments and any costs associated with your defense, including attorney fees.

The Deductible will be reduced by 50% if all the following criteria are met:

- The Named Insured has been insured with the company continuously for three years as of the date of the claim;
- Named Insured is a member in good standing with NAIFA
- Named Insured completed NAIFA Risk Management Program within three years of the date of Claim reported

Does this policy pay for expenses to defend a Claim?

Defense Costs are in addition to the Limit of Liability. This means that your limits are not eroded by defense costs in the event of a claim. However, there is no obligation to defend or continue to defend the Insured after the Limits of Liability have been exhausted by judgments or settlements.

In Addition to Defense Expenses the Company will pay:

\$15,000 per policy period for attorney fees, attorney costs and court costs in response to the following investigation:

- A state licensing board;
- A self regulatory board;
- A public oversight board; or
- A governmental agency with the authority to regulate Professional Services

\$15,000 of Defense Costs for responding to a subpoena for documents or testimony.

The Company will not pay Defense Costs after limits of Liability are exhausted for payment of Damages or by deposit of applicable limits of Company's liability.

What are some activities that are NOT Covered?

See the exclusions shown on the highlights.

What Should an Agent do if Proof of Coverage is Required?

Provide a copy of the current declarations page.

Is coverage provided for Life Settlements?

Yes, subject to the terms and conditions of the Life Settlements Endorsement. However, coverage shall specifically not apply to life settlements involving term, variable, universal or whole life policies that were specifically sold for the purpose of performing a life settlement or for products in which the purchaser of the life product does not have an insurable interest such as corporate-owned life insurance (COLI), bank owned life insurance (BOLI), stranger owned life insurance (STOLI) products.

This document is a summary of coverage provided. All statements contained herein are subject to the terms, conditions and exclusions of the actual policy.

Claims Procedures

How do I file a Claim?

Claims should be submitted to Lancer Claims Services using one of the following methods:

Electronically: FirstReports@CalSurance.com

Fax: (714) 978-8023

Phone: (800) 821-0540

Mail: First Reports Desk
Lancer Claims Services
681 S. Parker Street, Suite 300
Orange, CA 92868

What is a "Claims Made and Reported" Policy?

Coverage applies to claims first made against an insured during the Policy Period and is reported at the end of the Policy Period or any applicable Extended Reporting Period. The claim has to have occurred on or after the Retroactive Date. Also the Insured was not aware of any claim that could arise by an act, error or omission or Personal Injury prior to the effective date of the policy.

What is an Agent's Obligations under the Policy for Reporting Claims or Potential Claims?

What is considered a Claim?

Claim means:

1. a written demand for monetary relief; or
2. a civil or arbitration proceeding for monetary relief which is commenced by the service of a complaint or similar pleading or receipt of an arbitration demand or statement of claim,

against the insured for a wrongful act in the performance of, or failure to perform, professional services. Claim shall not include a Disciplinary Proceeding.

What should be done if there is a Claim?

The Insured shall give written notice to Lancer Claims Services as soon as practicable with full particulars as to dates, persons and entities involved. Be mindful of your automatic extended Reporting Period and contact Lancer Claims Services if you have any questions at (800) 821-0540.