



National Association of Insurance and Financial Advisors Highlights

Coverage Highlights



Insurance Carrier:

Aspen American Insurance Company
An Admitted Carrier
Rated: A (Excellent) XV A.M. Best

As respects MN

Aspen Specialty Insurance Company
A Non Admitted Carrier
Rated A (Excellent): XV A.M. Best

Aspen Specialty Insurance Company is a Surplus Lines Companies.
Insurance Coverage written is not subject to the protection and
benefits of the Insurance Guaranty Association.

*The information obtained from A.M. Best dated 10/12/2011 is not
in any way CalSurance Associates' 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."*

Endorsed Program for:

The Members of the National Association of Insurance and
Financial Advisors.

Program Administrator:

CalSurance Associates
A Division of Brown & Brown Program Insurance Services, Inc.
California License # 0B02587

Limits of Liability Options:

\$1,000,000/\$2,000,000
\$2,000,000/\$2,000,000
\$3,000,000/\$3,000,000
(AL, LA & TX only qualify for \$1MM/\$2MM)

Other Limit Options available for Agents:

\$100,000/\$300,000
\$250,000/\$500,000
\$500,000/\$1,000,000

(Defense costs are outside the Limit of Liability)

Deductible Options:

\$ 1,000
\$ 2,500
\$ 5,000

(Defense costs are applied to the deductible)

Higher deductible options are available subject to underwriter
approval.

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

KEY POINTS:

Coverage Description - Claims made and reported

Coverage is "Claims Made and Reported" which covers claims first
made against the agent and reported to the Insurance Carrier
during the policy period and any applicable extended reporting
period. It is important to report all potential claims as soon as
possible even if suit has not been filed. Failure to report potential
claims may jeopardize coverage.

Prior Acts

"Prior Acts" coverage is provided if:

- The act took place subsequent to the first date an agent had
uninterrupted errors and omissions coverage.
- As of the date of the agent's inception of coverage under this
policy, the agent had no knowledge of any act, error, or
omission that could reasonably be expected to result in the
claim.

(Full prior acts coverage is available to qualified applicants who
have had three or more consecutive years of continuous
coverage).

Professional Services

Coverage extended for the sale and servicing of:

- Life insurance, including variable products;
- Annuities, including variable annuity products;
- Accident and health, including long term care and disability;
- Life Settlements, (see the Frequently Asked Questions)

Optional Coverage's (Additional Premium)

- Mutual Funds;
- Financial Products (stocks, bonds, limited partnerships, Unit
Investment trusts and Mutual Funds);
- Property & Casualty

Extended Reporting Period (ERP)

An automatic ERP or "Tail" Coverage will be provided for a period
of sixty days following the effective date of cancellation or
nonrenewal of this policy in respect to Claims for Wrongful Acts
committed prior to the expiration of the policy subsequent to the
Retroactive Date of the policy.

An Optional ERP will be available for purchase.

Deductible

A single deductible amount shall apply to Damages and Defense
Costs arising from claims alleging the same Wrongful Act or a
series of interrelated Wrongful Acts.

Defense costs

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.

Exclusions (including, but not limited to)

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving:

- A. Any criminal, fraudulent, malicious, dishonest or discriminatory act;
- B. Any gaining in fact of any profit or advantage to which an Insured was not legally entitled;
- C. Any fact, circumstance, or situation which has been the subject of any written notice given under any insurance policy issued by any insurer, including any policy of which this Policy is a renewal or replacement;
- D. Any Claim, demand, suit, litigation or other proceeding against any Insured which was pending on or existed prior to the inception of the Policy Period, or the same or substantially the same facts, circumstances or allegations which are the subject or the basis for such Claim;
- E. For Bodily Injury;
- F. For injury to or destruction of any property, including the loss of use thereof;
- G. Any Claim brought by or on behalf of, or instigated or continued with the solicitation, assistance, participation or intervention of, any state or federal regulatory or administrative agency or bureau or any other governmental, quasi-governmental or self-regulatory entity, whether directly or indirectly, and whether brought in its capacity as receiver, conservator, liquidator, or assignee of an Insured or in any other capacity and whether brought in its own name or in the name of any other entity; however, this Exclusion shall not apply to any Claims brought by or on behalf of such entity in its capacity as a client of an Insured or to the extent it is inconsistent with Section II.A. EXTENSIONS OF COVERAGE.
- H. Any liability assumed by an Insured under contract, unless the Insured would have been legally liable in the absence of such contract;
- I. Any financial inability to pay, insolvency, bankruptcy, conservatorship, receivership, rehabilitation or liquidation or of any insurance or reinsurance entity in which an Insured has placed or recommended to be placed, or obtained, insurance, reinsurance or bond; however, this Exclusion shall not apply to any insurer that was rated A- or better by A.M. Best at the time of the Insured's acts.
- J. Any financial inability to pay, insolvency, bankruptcy, conservatorship, receivership, rehabilitation or liquidation or of any Multiple Employer Trust, Multiple Employer Welfare Arrangement, pool, syndicate, association or other combination formed for the purpose of providing insurance or benefits, when they are not fully funded by an insurance product;
- K. Any services performed as or which may only be performed as an actuary, accountant, attorney or tax advisor;
- L. Any commissions or taxes; or the failure to collect, pay or return, premium; or the commingling or use of client funds;
- M. Any termination or discipline of any employee, independent contractor or agent of an Insured including, but not limited to, wrongful termination or breach of an employment or agency contract;
- N. Any pension, welfare, or benefit plan in which any Insured is, or was at relevant times, a participant, named 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 federal, state or provincial statute or regulation;
- O. Any pension, profit sharing health or welfare or other employee benefit plan or trust sponsored by the Insured as an employer or by any firm in which any Insured has a financial interest;
- P. Any Claim involving an Insured in its capacity as a named fiduciary;
- Q. Any Insured's activities as the third-party administrator of any plan, whether insured or self-insured, and whether the Insured performs such activities for a fee or not;
- R. Any unauthorized use of trade secrets or confidential or proprietary information;
- S. Any Claim brought against an Insured by or on behalf of a Broker/Dealer;
- T. Any (1) failure of a HMO or PPO to pay the salaries or fees of any practitioner; (2) insolvency, receivership or liquidation of an HMO or PPO or; (3) quality of care rendered by, or any alleged malpractice of a participating provider of services of, any HMO or PPO;
- U. Any Claim brought by or on behalf of an Insured against any other Insured, or brought by any natural person or entity which is controlled by, affiliated with, or subsidiary to, an Insured; or brought by any entity of which an Insured is a director, officer, partner or principal stockholder;
- V. Any promise or guarantee;

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