

National Ethics Association Sponsored Program
ERRORS & OMISSIONS INSURANCE

Application for Life & Health Agents



Marsh US Consumer (a service of Seabury & Smith)
P.O. Box 8146
Des Moines, IA 50306
Phone (866) 795-2041 | Fax (515) 243-2331

Each Agent must meet the criteria contained within this application in order to be considered an insured under the policy. By signing below, Agent hereby represents that the information contained herein is true, accurate and complete and that no material facts have been suppressed or misstated. Further, Agent understands and acknowledges that:

1. If Agent's enrollment is accepted, CNA will have relied upon, as representation, this application;
2. The misrepresentation of any material matter by the Agent will render such Agent's coverage under the Policy null and void;
3. Agent'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. Newline submission of this application does not ensure coverage will be provided.

Step 1 Proposed Insured (Applicant) Information

This application is for: New Policy Renewing Policy

Name _____ Phone _____

Address _____ Fax _____

City _____ Email _____

State _____ Zip _____ How did you hear about us? _____

Expiration date of your most recent E&O coverage _____

Step 2 Qualifying Questions
(You must be able to respond "yes" to question 1. and "no" to questions 2. through 10. posed below in order to qualify for coverage.)

| | |
|---|---|
| 1. Do you have a valid, current Life Agent license in all jurisdictions in which you act as an Agent? YES <input type="checkbox"/> NO <input type="checkbox"/> | 5. Do you have any regulatory or consumer-related complaints that are pending or unsettled, or are you awaiting any arbitration or civil proceedings? YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 2. Within the last seven (7) years, have you had a state or federally regulated license revoked, restricted, or terminated for cause? YES <input type="checkbox"/> NO <input type="checkbox"/> | 6. Within the last seven (7) years, have you been convicted of any felony or business-related misdemeanor, or are you currently named as a defendant, respondent, or party to any such criminal or civil action? YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 3. Within the last seven (7) years, have you been a defendant or respondent to any consumer complaint or allegation that resulted in any type of adverse decision, enforcement action, adverse order, disciplinary sanction, or censure against you by any state or federal regulatory agency? YES <input type="checkbox"/> NO <input type="checkbox"/> | 7. Are you currently the subject of any investigation, inquiry, or complaint by any state or federal regulatory agency? YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 4. Within the last seven (7) years, have you been the subject of any investigation, inquiry, or complaint by any state or federal regulatory agency, or any other agency, alleging any violations of ethical conduct, prohibited sales practice, or breach of professional standards that resulted in any type of adverse decision, enforcement action, disciplinary sanction, or adverse order, such as a consent order, final order, or cease and desist-type order? YES <input type="checkbox"/> NO <input type="checkbox"/> | 8. Within the last seven (7) years, have you been censured, fined, reprimanded, or otherwise disciplined by an accredited designation? YES <input type="checkbox"/> NO <input type="checkbox"/> |
| | 9. Within the last seven (7) years, have you declared bankruptcy? YES <input type="checkbox"/> NO <input type="checkbox"/> |
| | 10. Are you aware of, or involved in any fee dispute with any of your clients? YES <input type="checkbox"/> NO <input type="checkbox"/> |

- YES** - I affirm that all questions answered on this application are true and correct to the best of my knowledge, information and belief.
- YES** - I understand that a basic membership fee of \$36 in the National Ethics Association (NEA) is included in the total cost of coverage, and that maintaining membership in the NEA and agreeing to receive all mandatory ethics and compliance updates from the NEA is a requirement for the Preferred Risk E&O Program.

X
Signature _____

_____ Date

National Ethics Association Sponsored Program

COVERAGE OPTIONS

Step 3 Select Your Coverage

Carrier: Continental Casualty Company (CNA)

Limits of Liability:

\$1,000,000 each claim
 \$2,000,000 individual insured annual aggregate

Retentions:

\$500 Per Insured for Life, Accident, Health Products
 \$2,500 Per Insured for Indexed Annuities, Fixed Annuities
 \$2,500 Per Insured for Disability Income Insurance
 \$5,000 Per Insured for Mutual Funds, Variable Annuities

Note: See Policy for complete list of coverage and exclusions at www.EOforLess.com/policy

Please Choose an E&O Coverage Package...

A

- Life
- Accident
- Health

\$495.⁰⁰

This price is the total cost of coverage, which includes the premium plus NEA admin fee* (see below).

B

- Life
- Accident
- Health

PLUS...

- Indexed Annuities
- Fixed Annuities

\$595.⁰⁰

This price is the total cost of coverage, which includes the premium plus NEA admin fee* (see below).

C

- Life
- Accident
- Health

- Indexed Annuities
- Fixed Annuities

PLUS...

- Mutual Funds
- Variable Annuities / Life

\$695.⁰⁰

This price is the total cost of coverage, which includes the premium plus NEA admin fee* (see below).

PLEASE CHECK E&O PACKAGE

A
 B →
 C

Enter Amount Here

Additional Coverage Option:

Disability Income Insurance Add \$50

ENTER TOTAL AMOUNT DUE

→

Enter Total Here

* All prices (\$495/\$595/\$695) reflect the total cost of their respective coverage, which includes the premium, NEA Basic Membership (\$36), and the following NEA admin fees to cover sponsorship and affiliation management, plus the administration of mandatory compliance, ethics, and monthly business practice updates for the Preferred Risk – LIFE E&O program: Option (A) \$10/mo; Option (B) \$10/mo; Option (C) \$10/mo; Disability coverage \$2/mo.



National Ethics Association Sponsored Program

PAYMENT METHOD

Step 4 Select Your Payment Method

OPTION 1 Pay Annually, With Your Credit Card

I authorize Marsh U.S. Consumer (a service of Seabury & Smith) to charge my total cost of coverage with my Credit Card. I understand that my annual payment due will be charged at the beginning of my effective date. I understand that if my premium changes, I will be notified and my authorization adjusted accordingly. I agree to notify Marsh Consumer should my account information change.

Visa MasterCard   **Total Amount Due** (see page 2) \$ _____

Name as it Appears on the Card _____

Card Number _____ Expiration Date _____

OPTION 2 Pay Annually, By Mailing a Check

To pay annually by check, send check payable to: **Marsh U.S. Consumer**
Send payment to address listed below.



Total Amount Due (see page 2) \$ _____

OPTION 3 Pay Monthly, With Your Checking Account or Credit Card

I authorize Marsh U.S. Consumer (a service of Seabury & Smith), to establish automatic bill payment to pay my monthly charge with either my credit card or checking account. Your annual charge will be payable in 10 installments. The 1st installment will be equal to 25% of your annual charge and the remaining 9 installments will each be equal to 1/12th of your annual charge. All installment payments will have a \$5 fee added. I also authorize my financial institution to charge my account accordingly. I understand that if my total monthly payment changes, I will be notified and my authorization adjusted accordingly. I agree to notify Marsh U.S. Consumer should my account information change.

**C
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Pay by Credit Card (enter info below)

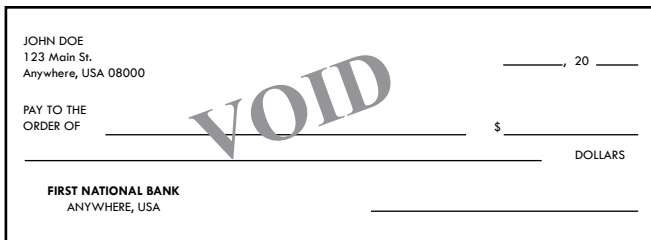
Visa MasterCard   **Total Amount Due*** (see page 2) \$ _____

Name as it Appears on the Card _____

Card Number _____ Expiration Date _____

Pay by Checking Account (attach voided check here) **Total Amount Due*** (see page 2) \$ _____

**C
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G**



*A \$5 service charge will be added to your monthly payment

Please Fax, Email, or Mail to:

MARSH U.S. CONSUMER
(a service of Seabury & Smith)

Fax:
(515) 243-2331

Email:
plsteam2@marshpm.com

Mail:
P.O. Box 14458
Des Moines, IA 50306
Phone: (866) 795-2041

Step 5 Sign and Fax or Send

This signature authorizes the payment option chosen above. I understand that maintaining membership in the National Ethics Association (NEA) and agreeing to receive all mandatory ethics and compliance updates from the NEA is a requirement for the Preferred Risk E&O Program. I hereby acknowledge and am aware that this policy is a group policy and is subject to an overall Policy aggregate of \$15,000,000. I understand that Marsh US Consumer may share my personal information with NEA, including information in this application, unless I specifically elect to opt out.

 X
Signature _____ **Date** _____

National Ethics Association Sponsored Program

POLICY HIGHLIGHTS

Marsh US Consumer (a service of Seabury & Smith)

P.O. Box 8146

Des Moines, IA 50306

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Step 6 Review Policy Highlights**Overview:**

Provides protection against your liability for wrongful acts in the rendering of or failure to render professional services. This includes (but is not limited to) activities relating to the sale, attempted sale, or servicing of term life insurance, fixed universal life insurance, fixed whole life insurance, accident and health insurance, managed health care organization contracts, long term care insurance, and Medicare supplement insurance.

Plan Eligibility:

Coverage is subject to favorably answering all qualifying questions on the application.

Limits of Liability:

\$1,000,000 each claim

\$2,000,000 individual insured annual aggregate

\$15,000,000 total Master Policy aggregate

Retentions:

\$500 per insured - Life, Accident, Health, Long Term Care products only

\$2,500 per insured - Fixed or Indexed Annuities

\$2,500 per insured - Disability Income Insurance

\$5,000 per insured - Mutual Funds/Variable Annuities

Additional Features Include:

- Competitive rates
- Prior Acts Coverage going back to the first continuous E&O policy subject to policy provisions
- Coverage for an owned business entity providing services as provided by the policy
- Individual Annual policy term
- An unlimited extended reporting period at no additional charge subject to policy provisions
- Quick and easy online enrollment with certificate available online upon satisfactory confirmation of premium payment
- Quick and easy online certificate renewal
- Coverage extended to spouses, domestic partners, estates, heirs or legal representatives for claims arising out of their status as such
- Secretarial, clerical and administrative personnel are insured if acting on behalf of the insured

Underwritten by:

Continental Casualty Insurance Company (CNA)

- \$8.5 billion in revenues
- 100+ years in business
- 8,900 employees
- U.S. and International operations
- "A" rated for financial strength by A.M. Best
- 7th largest U.S. commercial lines insurer*
- Assets of \$56 billion
- Statutory surplus of \$9.9 billion**
- 1 million business and professional policyholders
- #1 insurer of accountants, lawyers, architects & engineers, nurses, dentists, real estate agents and aging services

* Based on 2008 Net Written Premium, A.M. Best

** Continental Casualty Company

Administered by:

Marsh US Consumer (a service of Seabury & Smith, Inc.)

With 26,000 employees and annual revenues approaching \$5 billion, Marsh serves more clients than any other firm in the industry. Marsh works with businesses, public entities, organizations, and private clients in over 100 countries.

P.O. Box 14458

Des Moines, IA 50306-3458

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Fax: 1-515-243-2331

This highlights sheet, which has been prepared by Marsh US Consumer, contains a summary of the insurance certificate provisions. In the instance of conflict between this sheet and the actual certificate, the insurance language will prevail and control. See policy for complete list of coverage and exclusions at www.eoforless.com.

Disclaimer: One or more of the CNA companies provide the products and/or services described. The information is intended to present a general overview for illustrative purposes only. It is not intended to constitute a binding contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. CNA is a service mark registered with the United States Patent and Trademark Office.

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Step 7 Authorization to Bind**THIS SIGNED FORM MUST ACCOMPANY YOUR APPLICATION.****PREFERRED RISK E&O INSURANCE****Marsh U.S. Consumer Insurance Compensation & Disclosure**

In this transaction, Marsh U.S. Consumer is acting as the exclusive insurance agent and program manager for CNA, "Insurer" for this type of coverage, and not as your insurance broker. Alternative insurance products may be available in the insurance market place. Marsh is only offering this selected insurer quote proposal.

In accordance with industry custom, we are compensated through commissions that are calculated as a percentage of the insurance premiums charged by insurers. We may also receive additional monetary and nonmonetary compensation from insurers, or from other insurance intermediaries, which may be contingent upon volume, profitability, or other factors. This compensation may include payment from insurers for marketing related expenses or investments in technology. Our compensation may vary depending on the type of insurance purchased and the insurer selected. We will provide you additional information about our compensation and information about alternative quotes, upon your request.

You may obtain this information by referring to <http://www.personal-plans.com/disclosure> and enter in the security code o5055356, or call us at 1-888-206-5088 for specific details.

Authorization to Bind:

Coverage is underwritten by Continental Casualty Insurance Company, one of the CNA companies and offered through Marsh Consumer, a service of Seabury & Smith, Inc. The program has been organized as a purchasing group (Marsh Financial Services Professional Risk Purchasing Group), a not-for-profit corporation located and domiciled in Iowa pursuant to legislation enacted by Congress known as the Federal Liability Risk Retention Act of 1986 as amended. You will automatically become a member of the Purchasing Group when your completed application has been approved and your payment has been received.

Your signature authorizes Marsh to bind coverage on your behalf for the above placement(s);

Signature

Date