



# Why Should I Buy E&O Insurance from Senior Market Sales, Inc.?

## EXCELLENT COVERAGE!

- Four Coverage Options Available
- Reduced Deductible for Products sold through Senior Market Sales, Inc.

## GREAT PRICE!

Rates starting at less than \$30 per month.

## PAYMENT OPTIONS!

4 Pay Plan for Agents that Enroll during one of two Open Enrollment Periods

## EASY ENROLLMENT!

On-Line Enrollment Available 24/7

[www.calsurance.com/sms123](http://www.calsurance.com/sms123)

Sponsored by:

**Senior Market Sales, Inc.**

### **Who is Eligible to Enroll in this Program?**

Agents Affiliated with Senior Market Sales, Inc.

### **Limits of Liability:**

\$1,000,000 Each Claim/\$1,000,000 Aggregate Each Agent  
**OR**

\$1,000,000 Each Claim/\$2,000,000 Aggregate Each Agent

### **Deductible (applies to damages and defense):**

\$ 250 Products provided through Senior Market Sales, Inc.  
\$1,500 All Other Covered Products & Services

### **Coverage Includes the Sale and/or Servicing of:**

- Group and Individual Accident and Health
- Medicare Supplement
- Medicare Advantage (including Part D)
- Life Insurance (other than variable life insurance products)
- Annuities (other than variable)
- Long Term Care

### **Also Covered**

Providing advice, consultation and administration of the above products, whether or not a fee is charged

- Financial Planner Activities (related to covered products)
- Notary Public
- Supervision, management and training of an agent by a general agent

### **How can I find out more about this valuable coverage and enroll?**

**It's easy!** Call our Customer Care Department:

**(800) 745-7189**  
**Monday through Friday**  
**7:00 a.m. to 5:00 p.m. PST**

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. You can contact CalSurance to receive a copy of the policy.

**Brown & Brown of California, Inc.**  
**dba CalSurance Associates**  
**(dba CalSurance Brokerage in New York)**  
**California License # 0B02587**





# Agents Affiliated with Senior Market Sales, Inc.



## Enrollment Form

Claims Made and Reported Errors and Omissions Coverage

Policy Period: March 1, 2009 to September 1, 2010

*By purchasing this insurance, agents become members of 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.*

**Instructions:** Complete all sections of this form. If you are paying by credit card or Debit to Checking, 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 Brown & Brown of California, Inc., dba CalSureance at (800) 745-7189 or e-mail at info@calsurance.com.

### 1. Your Information

(Please print clearly)

Name (first, middle initial and last):

Street Address:

City:

State:

Zip:

Contact Phone:

Fax:

E-Mail:

### 2. Select Coverage:

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

#### Select Limits of Liability:

- \$1,000,00 per claim; \$1,000,000 aggregate
- \$1,000,00 per claim; \$2,000,000 aggregate

#### Select Coverage Level:

- Level A (Products sold through Senior Market Sales, Inc. only)
- Level B (Products sold through all companies)

#### Select Products Covered (See Outline of Coverage for Details):

- Basic (Accident and Health, Final Expense and Long Term Care)
- Basic Plus (Also includes fixed life and fixed annuities)

|   |    |
|---|----|
| Amount Due From<br><i>Premium Chart</i> (attached) based on<br>Selected Options from above: | \$ |
|---|----|

Rates are inclusive of 3% surplus lines tax and a non-refundable \$35 administrative fee.

Please refer to the "Outline of Coverage" for limit and coverage details.

### 3. Payment Options:

#### PAYMENT IN FULL UNLESS OTHERWISE SPECIFIED

- Check or Money Order: Payable to CalSureance Associates.
- Debit to Checking: (See and complete Authorization Agreement for Pre-Authorized Debits)
- Credit Card: (Please Complete Credit Card Information Below)

Note: A 4-pay installment plan is available only if you selected an effective date of March 1, 2009 or September 1, 2009.

#### I Elect a 4-pay Plan

I authorize Brown & Brown of California, Inc. dba CalSureance Associates to process the installment charges according to the installment schedule included within this enrollment packet. Please review the installment schedule carefully. I also understand that if payment is declined, coverage shall terminate upon ten (10) day Notice of Cancellation. Payment may be made within the specified ten (10) day period along with a Decline Processing Fee of \$50 to maintain coverage. Should payment be declined a second time, the entire amount due for the remainder of the policy period will be due in full within the specified ten (10) day period to maintain coverage.

(Billing through Brown & Brown of California, Inc., dba CalSureance)

#### Credit Card Information

MasterCard  Visa

(We do not accept Debit Cards, Discover or American Express)

Account #:

Expiration Date of Credit Card: (Required)

Cardholder's Name:

Cardholder's Signature:

Today's Date

### 4. WARRANTY STATEMENT - Signature Required

I understand and agree to the following: I must be affiliated with Senior Market Sales, Inc. (Sponsor). Otherwise, I may not be considered an insured under this policy, and claims made against me will not covered. If I am currently affiliated with the Sponsor, paying a premium for coverage under this program, such premium is considered fully earned and therefore I will not be entitled to a return of premium for any reason. Should my contract terminate for any reason, coverage will continue until the end of the policy period.

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, and 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. 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 denial of a claim.

Agent's Signature:

Today's Date:



## Premium Chart E&O Program



For Agents Affiliated with Senior Market Sales, Inc.  
Program Effective March 1, 2009 to September 1, 2010 (18 Months)

Select: Level of Coverage (A or B), Basic or Basic Plus, Limit of Liability, and Effective Month

|  | Level A – Products of Senior Market Sales, Inc. Only        |                             |   |                             | Level B – Products of Senior Market Sales, Inc. & Other Companies |                             |   |                             |
|--|---|-----------------------------|---|-----------------------------|---|-----------------------------|---|-----------------------------|
|  | Basic (Accident & Health, Final Expense and Long Term Care) |                             | Basic Plus (Also includes Fixed Life and Fixed Annuities) |                             | Basic (Accident & Health, Final Expense and Long Term Care)       |                             | Basic Plus (Also includes Fixed Life and Fixed Annuities) |                             |
| Limit of Liability (per Claim/Aggregate) | \$1,000,000/<br>\$1,000,000                                 | \$1,000,000/<br>\$2,000,000 | \$1,000,000/<br>\$1,000,000                               | \$1,000,000/<br>\$2,000,000 | \$1,000,000/<br>\$1,000,000                                       | \$1,000,000/<br>\$2,000,000 | \$1,000,000/<br>\$1,000,000                               | \$1,000,000/<br>\$2,000,000 |
| Effective Month                          |   |                             |   |                             |   |                             |   |                             |
| September, 2009                          | \$395.50  | \$462.45                    | \$452.15  | \$524.25                    | \$447.00  | \$513.95                    | \$503.65  | \$575.75                    |
| October, 2009                            | \$365.63  | \$426.40                    | \$417.13  | \$483.05                    | \$413.01  | \$473.78                    | \$464.51  | \$530.43                    |
| November, 2009                           | \$335.76  | \$391.38                    | \$383.14  | \$442.88                    | \$377.99  | \$434.64                    | \$425.37  | \$486.14                    |
| December, 2009                           | \$305.89  | \$355.33                    | \$348.12  | \$401.68                    | \$344.00  | \$394.47                    | \$386.23  | \$440.82                    |
| January, 2010                            | \$274.99  | \$320.31                    | \$313.10  | \$361.51                    | \$310.01  | \$354.30                    | \$347.09  | \$395.50                    |
| February, 2010                           | \$245.12  | \$284.26                    | \$278.08  | \$320.31                    | \$274.99  | \$314.13                    | \$307.95  | \$350.18                    |
| March, 2010                              | \$215.25  | \$249.24                    | \$244.09  | \$280.14                    | \$241.00  | \$274.99                    | \$269.84  | \$305.89                    |
| April, 2010                              | \$185.38  | \$213.19                    | \$209.07  | \$238.94                    | \$207.01  | \$234.82                    | \$230.70  | \$260.57                    |
| May, 2010                                | \$155.51  | \$177.14                    | \$174.05  | \$197.74                    | \$171.99  | \$194.65                    | \$191.56  | \$215.25                    |
| June, 2010                               | \$125.64  | \$142.12                    | \$139.03  | \$157.57                    | \$138.00  | \$154.48                    | \$152.42  | \$169.93                    |
| July, 2010                               | \$94.74   | \$106.07                    | \$105.04  | \$116.37                    | \$104.01  | \$115.34                    | \$113.28  | \$125.64                    |
| August, 2010                             | \$64.87   | \$71.05                     | \$70.02   | \$76.20                     | \$68.99   | \$75.17                     | \$74.14   | \$80.32                     |

|                      | SEPTEMBER 1 <sup>ST</sup> 4 pay installment plan (\$5.00 per installment) |          |          |          |          |          |          |          |
|----------------------|---|----------|----------|----------|----------|----------|----------|----------|
| Due Upon Enrollment: | \$103.88  | \$120.61 | \$118.04 | \$136.06 | \$116.75 | \$133.49 | \$130.91 | \$148.94 |
| Due 11/01/2009:      | \$103.88  | \$120.61 | \$118.04 | \$136.06 | \$116.75 | \$133.49 | \$130.91 | \$148.94 |
| Due 02/01/2010:      | \$103.88  | \$120.61 | \$118.04 | \$136.06 | \$116.75 | \$133.49 | \$130.91 | \$148.94 |
| Due 05/01/2010:      | \$103.88  | \$120.61 | \$118.04 | \$136.06 | \$116.75 | \$133.49 | \$130.91 | \$148.94 |

Rates are inclusive of 3% surplus lines tax and a non-refundable \$35 administrative fee.

**Agents Affiliated with Senior Market Sales, Inc.  
Agents' E&O Program - Outline of Coverage**

***Policy Period:***

March 1, 2009 to September 1, 2010

***Insurer:***

Liberty Surplus Insurance Corporation  
Rated A (Excellent):XV by A.M. Best  
A non-admitted carrier

"The information obtained from A.M. Best dated March 5, 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 publication."

***Policy Number:***

EO5N753923001

***Risk Purchasing Group Membership:***

By applying for this insurance, agents 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:***

\$1,000,000 Each Claim

\$1,000,000 Aggregate

***OR***

\$1,000,000 Each Claim

\$2,000,000 Aggregate

***Deductible (Damages and Defense):***

\$ 250 Products provided through Senior Market Sales, Inc.

\$1,500 Each Claim for all other covered Products and Services

***Retroactive Date:***

Date of first continuous claims made Life Insurance Agents' Errors & Omissions Liability Policy

***Coverage (Claims Made and Reported):***

Actual or alleged negligent acts, errors or omissions solely while performing Professional Services (see next column), including personal injury for others.

***Named Insured:***

Agents Affiliated with Senior Market Sales, Inc. who have enrolled in the program and paid their premiums.

***Additional Insureds:***

Insured Agent's Business Entity for vicarious liability of a covered agent  
Administrators, Heirs/Executors in the event of death, incapacity or bankruptcy  
Employees of Agents or their business entity

***Professional Services:***

Solicitation, sale and/or servicing of:  
Group and Individual Accident & Health Insurance  
Medicare Supplement  
Medicare Advantage (including Part D and Senior Dental)  
Life Insurance (other than variable)  
Annuities (Fixed)  
Long Term Care Insurance  
Providing advice, consultation, administration or financial planning in connection with the above products

Also includes:

Notary Public  
Failure to supervise, manage or train an agent by a general agent

***Extended Reporting Period:***

If an agent's affiliation with Senior Market Sales, Inc. terminates for any reason, coverage continues until the end of the policy period.

If such termination is in conjunction with retirement, disability or death, the agent will receive an automatic 2 year Extended Reporting Period.

Additional Extended Reporting Periods are available:

- 1 year at 100% of expiring annual premium;
- 2 years at 150% of expiring annual premium;
- 3 years at 200% of expiring annual premium;
- 4 years at 250% of expiring annual premium;
- 5 years at 300% of expiring annual premium; or
- 10 years at 500% of expiring annual premium.

***Claims Administration:***

Lancer Claim Services  
681 S. Parker St., #200  
Orange, CA 92869  
(800) 821-0540

***Program Administration:***

Brown & Brown of California, Inc.  
dba CalSurance Associates  
(dba CalSurance Brokerage in New York)  
California License # 0B02587

This document is a summary of the coverage provided. All statements contained herein are subject to all of the terms, Conditions, and Exclusions of the actual Policy. Please also review the Program Details and Question and Answer Documents for additional detail on the coverage provided. A Copy of the policy is available by calling CalSurance at 800-745-7189.

**Exclusions:** This Policy does not apply to any Claim:

- A. alleging intentional wrongdoing, fraud, dishonesty, or malicious **Wrongful Acts** by an **Insured**, if a judgment or other final adjudication adverse to the **Insured** establishes such conduct. The Insurer shall continue to defend the **Insured**, if these allegations arise out of **Wrongful Acts** otherwise covered under this Policy, but the **Insured** shall reimburse the Insurer for **Claims Expenses** if such conduct is established as a matter of fact in a civil, arbitration, criminal or other proceeding, or is admitted to by the **Insured**.
- B. Brought or maintained, directly or indirectly, by or on behalf of any:
  - 1. **Affiliated Entity**;
  - 2. employee of an **Insured**; however, this Exclusion shall not apply to any alleged **Wrongful Termination Act**;
  - 3. insurer, clearing agency or securities broker-dealer;
  - 4. insurance agent or broker;
  - 5. entity that is not a client of an **Insured**; however, this Exclusion shall not apply to a **Claim** brought by an entity who is an alleged beneficiary or heir, executor or administrator of a deceased client of an **Insured**;
  - 6. governmental or quasi-governmental entity, or Self-Regulatory Organization including, but not limited to, the Financial Industry Regulatory Authority or the Securities and Exchange Commission.
- C. based upon, arising out of, directly or indirectly, or in any way involving 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, demand, suit, litigation or other proceeding.
- D. based upon, arising out of, directly or indirectly, or in any way involving any **Wrongful Act** or **Interrelated Wrongful Acts** first occurring before the applicable Retroactive Date, even if the **Wrongful Act** or **Interrelated Wrongful Acts** continue after the Retroactive Date.
- E. based upon, arising out of, directly or indirectly, or in any way involving any circumstances which have been the subject of any notice given under any insurance policy issued by any insurer, including any policy of which this Policy is a renewal or replacement.
- F. based upon, arising out of, directly or indirectly, or in any way involving any:
  - 1. Securities;
  - 2. Promissory notes, or issuer callable, or step-up or step down, Certificates of Deposits;
  - 3. Viatical or Life settlements, reverse mortgages, or any similar transaction in which the present value of a conditional contract is exchanged or sold;
  - 4. Structured Settlements;
  - 5. Tangible personal property, whether directly or indirectly including, but not limited to, any precious metals, gemstones, stamps, sports or other cards, antiques, jewelry, coins, or other collectibles; however, this exclusion shall not apply to gold or silver;
- G. based upon, arising out of, directly or indirectly, or in any way involving services as, or which may only be performed by, an accountant, actuary, clearing agency, enrolled agent authorized to practice before the I.R.S., investment banker, lawyer, mortgage broker or banker, securities broker-dealer, property/casualty insurance agent, third-party administrator, real estate agent/broker, managing general agent, securities analyst, tax preparer, or trustee;
- H. based upon, arising out of, directly or indirectly, or in any way involving the placement of a client's coverage or funds with any entity which is not licensed or authorized to conduct business in the state or jurisdiction with authority to regulate such activity; however, this exclusion shall not apply to the placement of insurance with an eligible surplus lines insurer in the state or jurisdiction with authority to regulate such business.
- I. based upon, arising out of, directly or indirectly, or in any way involving the ownership, formation, sale, servicing, operation, or administration of any insurance company, health maintenance organization, preferred provider organization, risk retention group, self-insurance program, or purchasing group.
- J. based upon, arising out of, directly or indirectly, or in any way involving the sale, servicing, or administration of, or advice or planning with respect to, any **Multiple Employer Welfare Arrangement**.
- K. based upon, arising out of, directly or indirectly, or in any way involving any pension, profit sharing, health/welfare or other employee benefit plan, insurance plan or trust, sponsored by an **Insured** or **Affiliated Entity** or in which an **Insured** or **Affiliated Entity** is a participant, trustee or named fiduciary, as defined under the Employee Retirement Income Security Act of 1974, as amended.
- L. based upon, arising out of, directly or indirectly, or in any way involving the financial inability to pay, insolvency, receivership, bankruptcy, or liquidation of any entity; however, this exclusion shall not apply to any insurer, self-insurer, insurance plan, trust or any other vehicle or instrumentality which provides coverage or benefits or in which an **Insured** has placed or obtained insurance coverage, or placed the funds of a client, provided at the time the **Insured** placed or obtained insurance coverage or placed the funds of a client, the insuring entity was rated A or better by A. M. Best.
- M. based upon, arising out of, directly or indirectly, or in any way involving any employee benefit plan, insurance program or trust, involving self-funding, in whole or in part, by any employer, union, or employee; however, this Exclusion shall not apply when any such vehicle involves stop-loss insurance coverage.
- N. based upon, arising out of, directly or indirectly, or in any way involving the **Insured's** inability or refusal to pay or collect premium, claim or tax monies.
- O. based upon, arising out of, directly or indirectly, or in any way involving the liability of others assumed by an **Insured** under any contract or agreement, unless such liability would have attached to an **Insured** even in the absence of such an agreement; or any guarantees or warranties.
- P. based upon, arising out of, directly or indirectly, or in any way involving the gaining of any personal profit or advantage to which an **Insured** is not legally entitled, or any disputes involving an **Insured's** fees, charges, entitlements, or other compensation.
- Q. based upon, arising out of, directly or indirectly, or in any way involving any commingling or use of client funds or accounts, or the illegal use of confidential, non-public information.
- R. based upon, arising out of, directly or indirectly, or in any way involving a willful violation of the rules or regulations of the National Association of Securities Dealers, Securities and Exchange Commission, Securities Act of 1933, Securities Exchange Act of 1934, Investment Company Act of 1940, or the Investment Advisors Act of 1940 and any amendments thereto, or of any state securities statute or state regulatory agency.
- S. based upon, arising out of, directly or indirectly, or in any way involving any financial or insurance product owned in whole or in part by an **Insured**.
- T. for bodily injury, sickness, disease, emotional distress, mental anguish, outrage, humiliation or death; injury to or destruction of any tangible property including loss of use thereof.
- U. based upon, arising out of, directly or indirectly, or in any way involving alleged discrimination, humiliation, harassment, or misconduct by an **Insured** because of race, creed, color, age, gender, sex, sexual preference or orientation, national origin, religion, disability, handicap, marital status, or any other class protected under federal, state, local or other law; or by an employee, former employee, or job applicant, of an **Insured** in their capacity as such.
- V. based upon, arising out of, directly or indirectly, or in any way involving any infringement of copyright; plagiarism, piracy or misappropriation of ideas; or infringement of title, slogan, trademark, trade name, trade dress, service mark or service name; or any patent or trade secret; or any unfair competition, deceptive advertising, anticompetitive acts, restraint of trade, price fixing, or antitrust;
- W. based upon, arising out of, directly or indirectly, or in any way involving any actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants** or any governmental or regulatory directive or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**.

This document is a summary of the coverage provided. All statements contained herein are subject to all of the terms, Conditions, and Exclusions of the actual Policy. Please also review the Program Details and Question and Answer Documents for additional detail on the coverage provided. A Copy of the policy is available by calling CalSurance at 800-745-7189.

# Agents Affiliated with Senior Market Sales, Inc.

## Errors and Omissions Insurance Debit To Checking - Automatic Premium Collection Authorization Agreement for Pre-Authorized Payments (Debits)

I (we) hereby authorize Brown & Brown of California, Inc., dba CalSurance Associates, hereinafter called COMPANY, to initiate electronic debit entries or effect a change by any other commercially accepted method, to 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 and in such manner as to afford COMPANY and Depository a reasonable opportunity to act on it, but no less than three (3) business days before the next scheduled installment date.

**Payment in full** will be collected upon receipt of enrollment form.

**Installments (4 Pay)** will be collected according to the premium chart included in this program packet.

I (we) agree that if installments are not paid when due or in the event withdrawals are dishonored, coverage shall terminate upon ten (10) day Notice of Cancellation. Continuance of the payment plan may be obtained ONE time only by paying the installment amount and the NSF/Decline processing fee of \$50.00 within the specified ten (10) day period. If funds are dishonored the second time, the entire amount due for the remainder of the policy period will be due in full within the specified ten (10) day period. Installments will be withdrawn on or about the first of the month in which they are due, or the following business day. However, the first installment will be withdrawn immediately.

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, but no less than three (3) days before scheduled date.

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

Signature: \_\_\_\_\_ Last Four (4) Digits of Social Security Number: \_\_\_\_\_

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

(If account requires two signatures)

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

