

Is E&O Insurance Necessary? You Decide!!!

September 2005 - August 2006

Statistics prove that one out of every seven Insurance Agents will report an Errors and Omissions claim this year. Insurance Agents rank fourth among professions in number of lawsuits being filed against them. They are preceded only by physicians, attorneys and accountants. Recent overall figures show that 12 million lawsuits have been filed in state courts last year. This represents approximately one lawsuit for every 13 adults.

With these astounding statistics in mind, American Guarantee & Liability Insurance Company, a member of the Zurich Insurance Group, has been selected to underwrite this program because, along with their experience in producing Agents' and Brokers' coverage, they offer:

- Underwriting stability and financial solvency, evidenced by an A.M. Best rating of A (Excellent)
- An experienced claims staff providing expert knowledge and counsel
- An extremely competitive price and coverage

Insurance Specialties Services, Inc. (ISSI) of Jamison, PA has been chosen as the agent and administrator of this plan. ISSI and its principals have over 25 years experience with Insurance Agents' Errors and Omissions Programs and other liability lines, as well as being a source for Loss Control information in these areas.

We encourage you to take advantage of this program. Please complete the supplemental enrollment information and return it with the annual premium payment to ISSI, 2370 York Road, Suite D4, Jamison, PA 18929.

To Contact Us

Phone

800/533-4579

Fax

215/918-0507

E-mail

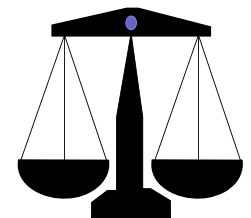
administrator@issisvs.com

PLAN ADMINISTRATOR

Insurance Specialties Services, Inc.

Commonwydds
2370 York Road, #D4
Jamison, PA 18929

F&G Life
Insurance
Agents
Errors &
Omissions
Insurance
Program



F&G/Americom Life Agents E&O Program Highlights

- ◆ Basic liability limit is \$1,000,000 per claim and annual aggregate per agent with optional \$2,000,000 limit available.
- ◆ Deductibles: \$500 per claim for F&G Life products, \$2,500 for products of other companies;
- ◆ Defense Expenses in excess of \$50,000 are provided within the limit of liability;
- ◆ First Dollar Defense costs are provided;
- ◆ Limited insolvency coverage for admitted carriers with B+ or better A.M. Best Rating at time coverage was obtained or account placed;
- ◆ Automatic two year extended reporting period for retired or disabled agents.
- ◆ Optional three year, five year and unlimited extended reporting period for retired, disabled or deceased agents;
- ◆ Coverage includes coverage for life, health, annuity products and mutual funds;
- ◆ Full prior acts coverage for qualified agents;

NOTE: These highlights summarize some of the more important features of the F&G Life professional liability program. This is not meant to be a legal interpretation of the policy provisions. For specific answers to questions you may contact Insurance Specialties Services, Inc. (ISSI) for more details.

*This is a Claims Made Policy.

***PRIOR ACTS COVERAGE - The policy will apply to prior acts committed but only in the event you a). have maintained prior continuous and consecutive E&O coverage, and b). you had no prior knowledge or awareness of facts or circumstances that could result in a claim being made against you.**

ENROLLMENT FORM

1. Name: _____
2. Address: _____
City: _____ State: _____ Zip: _____
3. a. Telephone: _____
b. Agent #: _____
c. E-mail _____
4. a. I am a F&G Life: General Agent Agent
b. Date became appointed agent or broker of the Company: _____
5. Number of years licensed as an agent and/or broker: _____
6. Has applicant or anyone for whose actions applicant is responsible been the subject of disciplinary action by any insurance authority?
 Yes No
7. Has any policy or application for errors and omissions insurance or reinsurance on behalf of the applicant or any of its partners, executive officers or directors, or to the knowledge of the applicant, on behalf of its predecessors in business, ever been declined, cancelled or renewal refused within the last five years? Yes No
8. Have any errors and omissions claims been made against the applicant, any of the present partners, executive officers or directors, or to the knowledge of the applicant, against its predecessors in business, or any partner, executive officer or director within the last ten years? Yes No
9. Are there any circumstances which may result in an errors and omissions claim being made against the applicant, its predecessor in business, or any past or present partners, executive officers or directors? Yes No
10. List E&O carriers for past 5 years.
(If none, state "none"): _____

| Carrier Name | Expiration Date | Policy# | Limit |
|--------------|-----------------|---------|-------|
| a. | | | |
| b. | | | |
| c. | | | |
| d. | | | |
| e. | | | |
11. Broker/Dealer Name (If Applicable): _____

12. Percent of business placed with F&G/Americom: _____%

Enrollee hereby warrants and represents that the statement and answers to questions made herewith and attachments hereto are true, and enrollee has not omitted or misrepresented any information.

Enrollee understands and agrees that the completion of this form does not bind any company to issuance of an insurance policy or certificate. Once issued the premium is fully earned and there is NO refund of premium should coverage terminate for any reason.

DATE _____ SIGNATURE _____

If you are a TEXAS AGENT LICENSED AS A CORPORATION, please provide the corporation name: _____

* Discounted Payment in full by check or money order

| <u>Basic Coverage</u> | <u>Annual Cost per Agent</u> |
|-----------------------|------------------------------|
| \$1,000,000 Limit: | \$635.00 per Agent |
| \$2,000,000 Limit: | \$835.00 per Agent |
| Total Enclosed: | \$ _____ |

Please Read The Following Carefully:
All agents to be covered must apply individually and pay according to the proceeding premium schedule. Your check, payable to ISSI or your signed credit card authorization must accompany this application. The program effective date is September 1. Newly appointed agents may enroll within 60 days of F&G/Americom appointment date with coverage effective on appointment date. Agents with expiring coverage may enroll at expiration of current coverage. Please see the pro rata premium schedule for information regarding the premium amount to accompany this form.

RETURN TO:
Insurance Specialties Services, Inc.
2370 York Road, Suite D4
Jamison, PA 18929
Phone: 800/533-4579 FAX: 215/918-0507