

National Association of Benefits & Insurance Professionals E&O Insurance Program Frequently Asked Questions

Insurer: Markel American Insurance Company

Effective Dates: 1/1/2026 to 12/31/2026

1. Who is Markel American Insurance Company?

This group master policy is issued by Markel in all states. Markel is rated A (Excellent) XV by AM Best*. Coverage is provided through an admitted carrier.

**This information obtained from AM Best dated November 22, 2024 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 as of the date of publication*

2. What is the Financial Sales Professionals Purchasing Group?

As part of your participation, you receive membership in the “Financial Sales Professionals Purchasing Group” an RPG formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 39012 et seq.) for the benefit of group members insured under this program.

3. Who is CalSurance®?

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 on behalf of the members of NABIP. Questions regarding you coverage, when to file a Claim, or copies of your Certificate of Insurance can be obtained from CalSurance®.

Lancer Claims Services, a Division of Brown & Brown Program Insurance Services, Inc., has been selected by Markel American Insurance Company as the administrator of all Claims that occur under the 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.

4. Important Contact Information

These resources are available to agents seeking information regarding professional liability coverage:

Certificates of Insurance and Coverage Questions

Visit the NABIP E&O program website at www.nabipeo.com

CalSurance Customer Service (800-745-7189).

5. What do limits stated as \$1,000,000/\$3,000,000 mean? How do these limits work?

The first limit stated is a per claim limit and the second limit is the total aggregate per policy period for each Named Insured. This means the insurance company will pay up to \$1,000,000 on any single covered claim made against a Named Insured. The total limit available to the Named Insured regardless of the number of claims made against the Named Insured during the Policy Period is \$3,000,000.

6. Are other limit options available under this program?

Yes, there are a range of limit options available depending on the risk.

7. What is the Certificate Period?

The Certificate Period means the period of time from the inception date and time shown in the Certificate Of Insurance to the earlier of the expiration date and time shown in the Certificate Of Insurance.

8. Where do I report Claims?

Claims should be reported to Lancer Claims Services

Electronically: FirstReports@CalSurance.com

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Phone: 800-821-0540

Via Mail: First Reports Desk

Lancer Claims Services, a Division of Brown & Brown Program Insurance Services, Inc
681 S. Parker St, Suite 300
Orange, CA 92868

9. What is a “Claims Made and Reported” Policy?

Coverage is provided to you on a “Claims Made & Reported” basis. This means the policy applies to negligent acts, errors or omissions provided that:

- The Claim is first made against the insured during the Certificate Period (defined in question 7 above) and is reported to the Insurer in writing during the same Certificate Period, or any applicable Extended Reporting Period; and
- The act, error or omission occurred on or after the Retroactive Date and before the end of the Certificate Period.
- Prior to the effective date of this Policy, you did not have knowledge of any act, error or omission which could reasonably be expected to result in a Claim; or
- If the act, error or omission or Personal Injury occurred prior to the effective date of this Policy Period, there is no other E&O Insurance Available to you.

10. What is the Prior Acts Coverage under this policy?

The prior acts coverage (Retroactive Date) provided under this policy is the earlier of:

- a. The Named Insured's first continuously renewed life insurance agents professional liability coverage, which was in effect without interruption from the date of the Wrongful Act or first Interrelated Wrongful Act related to the Claim to the date when the Claim is first made, subject to submission of proof of such coverage to the Insurer; or
- b. The retroactive date from the declarations page of the agents professional liability policy which this Policy replaces.

The Policy does not apply to any claim prior to the effective date of coverage issued to the Named Insured if an Insured had any basis to believe that any Insured had knowledge of any negligent act, error or omission or to foresee that such negligent act, error or omission or any related negligent act, error or omission might reasonably be expected to be the basis of a claim.

If the Claim arises out of a negligent act, error or omission that occurred before the Certificate Period and the Insured is covered by any other valid and collectible insurance, then there shall be no coverage under this Policy for such Claim.

11. My previous policy provided full prior acts after 3 years of continuous coverage, will I continue to have full prior acts?

You will be subject to the policy retroactive coverage described above.

12. Does the policy pay for expenses to defend a Claim?

The Insurer has the right and duty to defend you when a Claim is made against you seeking Damages for a wrongful act while rendering or failing to render Professional Services. The cost to defend you is in addition to your Limit of Liability and is not subject to a deductible.

You may not make any payment, incur any expense, admit liability, demand or agree to arbitration of any Claim or settle any claim or assume any obligation without the consent of the insurer.

13. How does my deductible work?

Your deductible is applicable to Damages only. That means your deductible is applicable on a first dollar basis for any indemnity payments made. There is no deductible due for claims without an indemnity payment.

14. What is the definition of Professional Services?

The solicitation, sale or servicing of the following:

- Life insurance, accident and health insurance, disability income insurance and fixed annuities;
- Workers' compensation as part of a 24-hour accident and health insurance product;
- Employee benefit plans funded with those products listed here self-funded with reinsurance or stop loss insurance;
- Variable insurance products, including, but not limited to, variable annuities, flexible and scheduled premium annuities and variable life insurance;
- Mutual funds that are registered with the SEC and authorized or approved by and distributed through a broker or dealer that is a member of FINRA;
- Financial planning, advice and consultation solely in connection with any of the products listed here.
- Property and Casualty Insurance (optional)
- Services rendered as an insurance consultant;
- Premium financing services provided by/for/placed through the Agent;
- Loss control, risk management, or anti-fraud services rendered in connection with insurance placed;
- Acting as a countersigning agent for out-of-state insurance agencies;
- Providing insurance class instruction;
- Services rendered as a notary public;
- Providing expert witness testimony related to items above.

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CA License # 0B02587

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15. What is the Extended Reporting Period?

The policy provides an automatic 60 day extended reporting period upon termination of Agent's coverage agents will have optional reporting periods of 3 year, 5 years or unlimited for 200%, 300% or 400% of expiring annual premium.

16. I have employees. Are they covered?

Under the policy, the definition of Insured includes an employee acting in his or her capacity as such and on behalf of an "Agent" but solely with respect to liability of such employee as it arises out of the "agent" rendering or failing to render professional services as defined in the policy. "Agent" is the individual or entity shown on the certificate of insurance.

17. I have a corporation or LLC. Is this covered under the policy?

You can enroll under the program as an individual or agency

18. Can I insure multiple agents within my agency under this program?

This policy is designed for individual agents or agencies. You can choose to enroll as either.

19. What should I do if I have knowledge of a claim or incident that could result in a claim prior to purchasing coverage?

This policy does not apply to claims or incidents that you are aware of that could lead to a claim. If this applies to you, provide notice to your current carrier before applying for coverage under this program.

20. What is the insolvency exclusion?

This policy does not apply to claims resulting from or any way relating to the insolvency of an insurance carrier or other entity. However, the insolvency exclusion does not apply to a carrier rate B+ or better by AM Best at the time of placement or a self-funded health and welfare plan that is backed by reinsurance or stop loss coverage.

All statements contained herein are subject to all terms, conditions and exclusions of the actual policy.