

# Frequently Asked Questions

## 1. Who is Aon?

Aon has been appointed by Protective Life Insurance Company, West Coast Life Insurance Company and ProEquities, Inc. as the insurance broker responsible for the placement of their Sponsored E&O Program. Aon is a leading global provider of risk management, insurance brokerage, and reinsurance brokerage solutions. Aon has been brokering Life Agents' and Broker Dealer professional liability programs for over 35 years.

## 2. Who is our Insurer?

Markel American Insurance Company, an admitted carrier, is the insurer of this program. Refer to page 2 for carrier A.M. Best rating.

## 3. What are my Limits of Liability?

There are several limit of liability options available (see page 2). Limits of Liability must be selected during the annual enrollment period, or for midterm enrollees, at the time of initial enrollment.

The Each Claim limit is the most Markel will pay on any one claim. The Aggregate Each Agent/Rep is the most Markel will pay in Damages for all Claims reported during the Policy Period for each Insured Agent/Rep, regardless of the number of claims. The payment of Defense Costs is in addition to the limits of liability for all claims.

Certain sublimits apply to certain products, services or claim types. Sublimits are included within and not in addition to the Limits of Liability.

## 4. What is my deductible?

\$ 500	Each Claim involving products of Protective Life and West Coast Life
\$ 2,500	Each Claim involving ProEquities, Inc. products and covered products of other companies
\$ 5,000	Each Claim involving a Cyber Event
\$ 0	Each Claim involving covered Regulatory Matters

Deductibles apply only to the payment of Damages.

## 5. What does "Claims Made and Reported" mean?

Coverage is written on a Claims Made and Reported basis which means that the policy applies to claims first made against you, and reported to the Insurer, in writing during the Policy Period. You may not select counsel or incur any expense prior to advising Markel, as this may jeopardize coverage under the policy. Please refer to "What to do in the Event of a Claim" for further details.

## **6. What is considered a Claim?**

A Claim is considered to be a written demand for monetary damages alleging a Wrongful Act. A Claim is not limited to a formal complaint or lawsuit.

If you become aware of a circumstance which has or may eventually give rise to a Claim, even if you feel that the claim is unjustified, report the available particulars immediately. Should the circumstances or “potential” Claim develop into an actual Claim at a future date, your reporting of a possible incident will serve as a notice of claims under this policy period.

## **7. Does the Insurer have a duty to defend me?**

Yes, the Insurer has the right and duty to defend any Claim made against you within the terms of the policy. If a claim alleges dishonest, fraudulent or malicious acts, a defense will be provided only if there are covered allegations as well.

Please remember that your coverage under the policy could be jeopardized if you admit liability, agree to any settlement or incur any expense without the prior consent of the E&O Carrier.

Defense Costs are in addition to the Limits of Liability.

## **8. Am I Covered for the Sale, Solicitation or Servicing of Mutual Funds through ProEquities?**

If you have elected and paid for the Basic Plus coverage level (see definition of Professional Services for details) you are covered for the sale, solicitation and servicing of Mutual Funds that are sold through ProEquities, Inc. or any other Broker/Dealer registered with the SEC.

## **9. Do I have Cyber Coverage?**

Yes, please refer to page 4 for the summary of the coverage extension.

## **10. Am I Covered for Acts Committed Prior to the Inception Date of the Policy?**

Coverage for Claims involving actual or alleged errors which took place prior to the inception date of the Policy is based on whether the Claim or potential claim is alleged to have occurred on or after your Prior Acts Date (Retroactive Date) and on or before your Termination Date (if applicable). Please see page 6 for additional details regarding Prior Acts coverage.

## **11. What happens if my Agent Contract with Protective Life or its affiliated companies is terminated?**

If your Agent contract or employment is terminated with Protective Life Insurance Company or West Coast Life Insurance Company during the Policy Period, coverage ceases on your date of termination. There will be no return of premium from Markel for any reason. Certain Extended Reporting Periods (ERPs) may apply, please refer to page 7 for details.