



Errors & Omissions Highlights Guide

This guide has been prepared to provide general information regarding the coverage provided by the Horace Mann Educators Corporation sponsored Agents E&O program. Certain policy terms and conditions may vary for Insureds domiciled in or who have a primary place of business in the state of New York. This guide is not part of the policy, nor does it modify or serve as a conclusive statement of policy terms. It is not intended to interpret the terms of the Policy nor be legal advice. In any event, the actual policy language will prevail.

Policy Period

October 1, 2021 to October 1, 2022

Insurer

Markel American Insurance Company (a Markel Global Corporation)

Broker

Aon

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Insurer

Markel American Insurance Company
An Admitted Carrier, Rated A (Excellent): XV by A.M. Best*
Policy No. MKLM7PLCA00048

**A.M. Best Rating provided above is current only as of the publication date and is not in any way Aon's guarantee of the Insurer's financial strength, stability, or solvency.*

What's new this year?

- We have renewed coverage with our new E&O partner as of October 2019, Markel. Markel has extended coverage and pricing on the same terms as last year.

Limit of Liability Options

\$ 1,000,000 Each Claim
\$ 1,000,000 Aggregate per Insured

- or -

\$2,000,000 Each Claim
\$2,000,000 Aggregate per Insured

Defense Costs are inside the limits of liability. Sublimits apply to claims involving certain products, services or circumstances.

Deductibles

\$ 1,000 Each Claim for Exclusive Agents
\$ 5,000 Each Claim involving Cyber Liability or social engineering/fraudulent client fund transfers
\$ 25,000 Each Claim for Employee Agents

Deductibles apply to the payment of Damages, including Claim settlements and not Defense Costs

Coverage

The Insurer shall pay on behalf of an Agent, Damages which an Agent becomes legally obligated to pay because of a Claim that is both made against an Agent and reported to the Insurer in writing during the



Certificate Period, or during an Extended Reporting Period (ERP) if applicable, for a Wrongful Act or Interrelated Wrongful Act committed solely in the rendering of or failing to render Professional Services by an Agent, provided: 1) Such Wrongful Act or any Interrelated Wrongful Act occurred on or after the Retroactive Date and before the end of the Certificate Period; and 2) As of the inception date of the Policy, or the effective date of the Agent's enrollment for coverage thereunder, no Insured had knowledge or reasonable basis upon which to anticipate that the Wrongful Act or any Interrelated Wrongful Act could result in a Claim.

Cyber Liability (Privacy Protection) Extension

Cyber Liability protects the Insured Agent and his/her practice against Claims made by third parties, typically clients or regulatory authorities, as well as expenses incurred after the discovery of a privacy breach (in the absence of an actual Claim).

These coverage extensions are all subject to a \$250,000 each Claim and Aggregate sublimit per Insured Agent and a \$2,000,000 Total Policy Aggregate sublimit, regardless of the number of Claims or Privacy Events. A \$5,000 retention applies to each Claim involving this extension.

WHAT TO DO IN THE EVENT OF CYBER EVENT

If you know or suspect that your network may have been compromised, time is of the essence. Follow the steps below:

- A. **Do Not** incur any expenses, pay any extortion demands or hire an outside firm to assist you with detecting or resolving a cyber event.
- B. **Do** report the incident or potential incident to Markel right away. Early intervention is key in mitigating damage and responding to cyber events.
 - i. If you are currently experiencing a potential cyber breach or privacy event, call the Markel hotline at 844-4MARKEL (844-462-7535) to speak with a live operator.
 - ii. If you experienced a potential cyber breach but do not require immediate assistance, report the incident/potential incident to Markel via email at newclaims@markelcorp.com.
- C. **Do** report the incident by calling the Horace Mann Corporate Help Desk at 1-800-456-7378.

Who is an Insured?

Insured Agents

Each Insured Agent who is a licensed life or accident & health or property & casualty insurance agent or general agent under contract with Horace Mann.

Exclusive Agents

Each Exclusive Agent who is a licensed life, accident & health or property & casualty insurance agent or general agent under exclusive contract with Horace Mann under its Agency Business Model effective January 1, 2009.

Employees

Employees of the Horace Mann Agent are covered under the policy solely while acting within the scope of their duties as an employee provided that the employee is not party to an agent/broker/registered rep contract with any corporation, partnership, or other business entity engaging in Professional Services.

Licensed Producers/Registered Representative Licensed Producers

Licensed Producers (LPs) employed by Exclusive Insured Agents are covered for their production only with third party vendors approved and authorized by Horace Mann. Licensed Producers who are appointed with other, non-approved third party vendors are not covered under the Exclusive Agent's E&O insurance for any such production. If named in a claim arising from their production with approved and authorized third party vendors, Licensed Producers will share in the same limits of liability of the Exclusive Insured Agent.

Registered Representative Licensed Producers (RRLPs) are covered for registered products under the sponsoring Exclusive Insured Agent for the following approved third-party vendors: Ameritas VUL and IUL; Lincoln Financial Mutual Funds; American Mutual Funds; and Fidelity Mutual Funds. RRLPs are not covered for personal production with any other company. RRLPs coverage is sub-limited at \$500,000 per Claim / \$1,000,000 aggregate each RRLP, which is included within and not in addition to their sponsoring Exclusive Insured Agent's limits of liability.

Owned Corporations

Any corporation, partnership, or other business entity, (including your satellite agency(ies)) which engages in Professional Services, which is either owned or controlled by an Insured Agent; however, coverage only applies to Professional Corporation, including but not limited to the recruitment, training and supervision of Insured Agents.

Priors Acts Date

Your Prior Acts/Retroactive Date is the earlier of the date you first became continuously insured under any Insurance Agents Professional Liability Errors and Omissions Insurance Policy, or the date of your contract with Horace Mann Service Corporation.

Professional Services

Professional Services shall mean those services rendered or required to be rendered in the Insured Agent's professing as:



- a) A licensed life, accident & health or property & casualty insurance agent or general agent who is placing business with Horace Mann Educators Corporation.
- b) A licensed life, accident & health or property & casualty insurance agent or general agent who is placing business with insurance companies other than Horace Mann Educators Corporation.
- c) A licensed registered representative who services, sells, or attempts to sell securities approved by and distributed through Horace Mann Educators Corporation's FINRA licensed B/D.
- d) A licensed registered representative who services, sells, or attempts to sell mutual funds or variable products through any FINRA licensed B/D.
- e) A notary public, but solely with respect to the performance of Professional Services described above;
- f) A General Agent of Horace Mann Educators Corporation but solely while acting within the scope of his duties on behalf of Horace Mann Educators Corporation, including but not limited to the recruitment, training and supervision of Insured Agents.



Extended Reporting Periods

Coverage under the Policy ceases on the same date that your contract or employment with Horace Mann Educators Corporation or affiliated company is terminated.

Automatic Extended Reporting Period (ERP)

Extended Reporting Periods provide Insureds with the ability to report new Claims after their termination date involving actual or alleged Wrongful Acts which occurred after the Insured

Agents' retroactive date or before their termination date with Horace Mann. A one (1) year ERP is provided at no cost to Agents/Reps who terminate their contract for general reasons (not due to disability, retirement or death).

Automatic ERP for Retired, Disabled, or Deceased Agents/Reps

An automatic unlimited ERP shall be provided to all Insured Agents who terminate their contract for reason of retirement, disability or death during the Certificate Period.

Note:

1. The Extended Reporting Periods referenced above apply to claims first made and reported during the ERP which arise out of covered acts, errors or omissions committed or alleged to have been committed prior to your contract termination and on or after your Prior Acts Date.
2. Extended Reporting Periods do not reinstate, increase or otherwise affect the applicable limit of liability nor does it extend the Certificate Period.

Exclusions

The Policy shall not apply to, and the Insurer shall pay neither Damages nor Claim Expenses for, any Claim:

- A. For any actual or alleged sickness, disease, death or other bodily injury, including, but not limited to, emotional distress and mental anguish, or damage to or destruction of property, including loss of use thereof;
- B. Against an Insured by or on behalf of any:
 1. Other Insured (except as an individual in his or her capacity as a client of another Insured under the policy), any enterprise that owns, operates or controls an Insured or any enterprise that an Insured owns, operates or controls;
 2. Individual, company or entity that is not a client of the Insured, including, but not limited to, an insurance company or insurance agent or broker; provided, however, that this exclusion shall not apply to a Claim brought by or on behalf of an actual or alleged beneficiary of a product referenced in Professional Services;
- C. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any:
 1. Wrongful Act alleged in any Claim which has been reported, or any circumstance of which notice has been given, prior to the Policy Period; or
 - b. Other Wrongful Act, whenever occurring, which together with a Wrongful Act which has been the subject of such Claim or notice, would constitute Interrelated Wrongful Acts, regardless of the legal grounds upon which such Claim is predicated;
- D. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any:

1. Actual or alleged dishonest, purposeful, malicious, fraudulent or criminal act or willful violation of any law of the United States or Canada, or any state, territory, county, political division or municipality thereof, or any rules or regulations promulgated thereunder; however, this exclusion shall not apply to Defense Costs unless and until a final adjudication establishes that such conduct occurred, at which point the Insured shall reimburse the Insurer for all Defense Costs incurred with respect to such Claim;
or

2. Gaining of profit, remuneration or monetary advantage to which an Insured is not legally entitled;

However, the Insurer shall continue to defend a Claim alleging any of the foregoing conduct until there is a judgment, final adjudication, adverse admission or finding of fact against any Insured as to such conduct, at which time the Insured shall reimburse the Insurer for the costs of defending the Claim;

- E. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged conversion, commingling, use, handling, entrustment, safeguarding, inability to pay or failure to pay premiums, funds or any form of money;
- F. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged liability of others assumed by any Insured under an agreement, contract, guarantee or warranty unless the Insured would be liable in the absence of such agreement, contract, guarantee or warranty;
- G. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged rendering of services as an actuary, accountant, attorney, real estate agent, real estate broker, third-party claims administrator or expert witness, regardless of whether such services are incidental to the rendering of Professional Services; however, this exclusion shall not apply to tax advice provided to a client as a necessary part of rendering Professional Services;
- H. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged placement of a client's coverage or funds, directly or indirectly with any organization, entity or vehicle of any kind, nature or structure which is not licensed or authorized to do business in the state or jurisdiction with authority to regulate such business; however, this exclusion shall not apply to a Claim based upon or arising out of the placement of insurance or coverage with an eligible surplus lines insurer in the state or jurisdiction with authority to regulate such business;
- I. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged insolvency, receivership, conservatorship, liquidation, bankruptcy, failure or inability to pay of any company, organization, entity, vehicle or arrangement of any nature in which an Insured placed, recommended to be placed or obtained coverage or in which an Insured placed, recommended to be placed funds or an investment of any nature; however, this exclusion shall not apply to a Claim based upon or arising out of the placement, recommendation for placement or obtaining coverage with an insurance company rated by A.M Best's as B+ or better at the time when coverage is placed, recommended or obtained;

- J. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any pension plan, profit sharing plan, health and welfare or any other employee benefit plan or trust sponsored by an Insured, in which an Insured is a participant, trustee or named fiduciary;
- K. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any pension plan, profit sharing plan, health and welfare or any other employee benefit plan or trustor which are self-funded, in whole or in part;
- L. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any ownership, formation, operation or administration of any insurance company, captive, risk retention group, self-insurance program or purchasing group;
- M. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged:
 - 1. Unfair competition;
 - 2. Anti-competitive acts;
 - 3. Restraint of trade;
 - 4. Price fixing;
 - 5. Monopolization;
 - 6. Misuse of confidential or proprietary information;
 - 7. Copyright, patent, trade mark or trade secret infringement;
 - 8. Piracy, theft or conversion of ideas, employees, contacts or business methods; or
 - 9. Illegal, improper or deceptive advertisement;
- N. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged actual or alleged discrimination or harassment in any form or manner;
- O. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any failure, malfunction or breakdown of any computers, electrical, electronic or mechanical systems or machines;
- P. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged notarization of documents without authorization or without the signatory's actual presence before an Insured;
- Q. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any actual or alleged guarantee, promise or warranty as to interest rates, market values, earnings, future values or future premiums or payments in connection with variable life insurance, variable annuities, scheduled premium annuities, mutual funds or Securities;

- R. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any Securities (other than variable life insurance, variable annuities and mutual funds) that were not authorized or approved by and actually processed through the Broker/Dealer;
- S. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving any function of an Insured as a specialist or market maker for any Securities, an Insured failing to make a market for any Securities, or the purchase, sale or failure to sell Securities when the Insured is a specialist or market maker for such Securities;
- T. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving an Insured's actual or alleged exercise of discretionary authority over a client's assets, funds or liabilities, undertaking of trades or transactions on a discretionary basis or any trading or transactions without the express authority of a client; however, this exclusion shall not apply to an Insured providing asset allocation services pursuant to a written contract for a client's account that is funded exclusively with no-load mutual funds, no-load variable annuities, no-load variable life insurance or any investment for which no Insured received a commission;
- U. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving:
 - 1. Promissory notes, viatical or life settlements, or any Securities backed by either viatical or life settlements;
 - 2. Commodities, commodity futures and option contracts, except for option contracts that are covered by ownership of the underlying Securities, cash or cash equivalent, not including margin;
 - 3. Any "junk bonds" or "high yield bonds" (for purposes of this exclusion, "junk bonds" or "high yield bonds" mean bonds which, at the time of purchase or sale were unrated or rated as below investment grade by any rating agency, including, but not limited to, Moody's bonds of Ba or lower or S&P bonds of BB or lower);
 - 4. Any Securities sold exclusively outside of the United States of America or Canada;
 - 5. Actual, attempted or threatened mergers, acquisitions, divestitures, tender offers, proxy contests, leveraged buy-outs, going private transactions, reorganizations, capital restructuring, recapitalization, fairness opinions, spin-offs, primary or secondary offerings of Securities (regardless of whether the offering is a public offering or a private placement) or other efforts to raise or furnish capital or financing for any company, corporation, enterprise or entity or disclosure requirements in connection with any of the foregoing, as well as any other investment banking activities;
 - 6. Structured settlements; however, this exclusion shall not apply to a Claim arising out of or based upon the sale or servicing of the underlying product, if otherwise covered by the Policy; and
 - 7. Any Securities that are wholly or partially owned by any Insured;
- V. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving actual or alleged use or disclosure, aiding or abetting use or disclosure or participation after the

fact in use or disclosure of non-public or insider information as prohibited by any federal, state or local laws, statutes, regulations or ordinances, including but not limited to, the Insider Trading and Securities Fraud Enforcement Act of 1988, Section 10(b) of the Securities Exchange Act of 1934 and Securities Exchange Commission Rule 10b-5 thereunder;

- W. Arising out of, based upon or in consequence of, directly or indirectly resulting from or in any way involving, actual or alleged advice, consultation or recommendations of any type of mortgage, including, but not limited to, a reverse mortgage, regardless of whether an incidental part of the rendering of Professional Services.
- X. The policy does not apply to any Claim for or alleging bodily injury, sickness, disease or death of any person, or damage to or destruction of any property (including the loss of use thereof), personal and advertising injury, or any other damage, loss, cost or expense, including but not limited to damages, losses, costs or expenses related to, arising from or associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by:
1. Any Fungus(i), Mold(s), mildew or yeast, or
 2. Any Spore(s) or toxins created or produced by or emanating from such Fungus(i), Mold(s), mildew or yeast, or
 3. Any substance, vapor, gas, or other emission or organic or inorganic body or substance produced by or arising out of any Fungus(i), Mold(s), mildew or yeast, or
 4. Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure, that contains, harbors, nurtures or acts as a medium for any Fungus(i), Mold(s), mildew, yeast or Spore(s) or toxins emanating therefrom,

Regardless of any other cause, event material, product and/or building component that contributed concurrently or in any sequence to that bodily injury, property damage, personal and advertising injury, loss, cost or expense.

- Y. This policy does not apply to any Claim involving, caused directly or indirectly, in whole or in part by ETS/ATM payphones, Callable CDs, Debentures, Medical Capital Note Programs, Desert Capital REITs, Provident Royalties, DBSI Management Products, Black Diamond Program, Shale Royalties, IMH Secured Loan Fund, LLC, Geneva LP.

The following Exclusions apply solely to the Cyber Liability extension:

The Policy shall not apply to, and the Insurer shall pay neither Cyber Management Expenses, Credit Monitoring Costs, Damages, Claim Expenses, Extortion Payments nor First Party Loss:

1. Arising out of, based upon or in consequence of, directly or indirectly resulting from of in any way involving any actual or alleged:

- a. Costs or expenses for the reprinting, reposting, recall, removal or disposal of any online content or any other information, content or media, including any media or products containing such online content, information, content or media;
 - b. Wear and tear or gradual deterioration of any data saved on an Insured's Computer System or a Network;
 - c. Costs or expenses incurred by any Insured or others:
 - i. To recall, repair, withdraw, replace, upgrade, supplement or remove the Insured's online content, products or services from the marketplace, including but not limited to products or services which incorporate the Insured's online content, products or services; or
 - ii. For any loss of use by any Insured or others that arises out of such recall, repair, withdrawal, replacement, upgrade, supplement or removal.
 - d. Failure to use best efforts to install commercially available software product updates and releases, or to apply security related software patches, to computers and other components of the Insured's Computer System or a Network;
 - e. Seizure, confiscation, destruction or nationalization of Insured's Computer System or a Network; or any data accessed by or on behalf of any governmental or public authority;
 - f. Interruption, suspension, failure or outage of any component of the Internet, including without limitation any hardware or software infrastructure supporting the Internet;
 - g. Fine or penalty arising out of any agreement by any Insured to comply with or follow the PCI Standard or any Payment Card Company rules, or to implement, maintain or comply with any security measure(s) or standards related to any payment card data;
 - h. Unsolicited electronic faxes, emails, telephone calls or unsolicited communications, including but not limited to unsolicited electronic messages, chat room postings, bulletin board postings, newsgroup postings, "pop-up" or "pop-under" Internet advertising or fax-blasting, direct mailing or telemarketing, or actual or alleged violations of the Telephone Consumer Protection Act, of 1991, as amended, the CAN-SPAM Act of 2003, as amended, and any other federal, foreign or state anti-spam statutes, or federal, foreign or state statute, law or regulation relating to a person's right to seclusion; or
 - i. Unauthorized or illegal collection of Personal Information, including but not limited to the collection of Personal Information using cookies, spyware, or other malicious code, or the failure to provide adequate notice that Personal Information is being collected;
2. Arising out of, based upon or in consequence of, directly or indirectly resulting from of in any way involving any section 605 (requirements relating to information contained in consumer reports) or Section 616 (civil liability for willful noncompliance) of the Fair Credit Reporting Act, or any other similar federal, state or local laws or regulations, including but not limited to any laws or regulations requiring truncation of payment card numbers on, or the removal of the expiration date from, payment card receipts; or
 3. Covered in whole or in part under any other insurance.

Frequently Asked Questions

1. Who is Aon?

Aon has been appointed by Horace Mann Educators Corporation as the insurance broker responsible for the placement of the E&O program. Aon is a leading global provider of risk management, insurance brokerage, and reinsurance brokerage solutions. Aon has been brokering insurance Agents' and Broker Dealer professional liability programs for more than 35 years.

2. Who is our Insurer?

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

3. How do I get a copy of my Certificate of Insurance?

You can reprint your certificate online at: <https://hm.agents-eo.com> , click on "Login to My Account" and either login under "Returning User" or click on "Register Me" under "New to My Account" and create a new account. Once you've logged in, your certificate will be under "Print Certificate/Coverage History". You may also contact Aon Affinity Insurance Services for assistance with the website or to request a certificate. They can be reached by phone at (800) 631-0711 or by email at info@agents-eo.com.

4. How do I get a copy of my Certificate of Insurance for my Satellite Office?

You can request your certificate of insurance for your Satellite by contacting Horace Mann by email: AgencyOnboarding@horacemann.com

5. I am an agent with an agency based in Texas. How do I get a copy of my Certificate of Insurance listing my agency name?

You can request your certificate of insurance for your Texas agency by contacting Horace Mann by email: AgencyOnboarding@horacemann.com

6. Who can I call if I have a question about my errors and omissions coverage?

If you have questions about the material covered in this guide, please contact Aon Affinity at (800) 631-0711 or by email at info@agents-eo.com.

7. Am I covered for the sale of insurance products of other insurance companies?

Yes. Markel's policy covers you for the sale of insurance products of other insurance companies as long as the product is included within the definition of Professional Services.

8. Am I covered for the sale of investment products through a broker/dealer other than Horace Mann Investors, Inc.?

You are only covered for securities approved by and distributed through Horace Mann Investors, Inc. However, mutual funds or variable products may be sold through any FINRA licensed broker/dealer. (Note, securities sold by the registered representatives of BCG Securities, Inc. through BCGS are also covered under the policy, subject to the policy's dedicated sublimits and deductibles.)

9. What are my Limits of Liability?

There are two limit of liability options available, \$1,000,000 each Claim / \$1,000,000 Aggregate each Insured Agent or \$2,000,000 each Claim / \$2,000,000 Aggregate each Insured Agent. The limit of liability must be selected during the annual enrollment period. The each Claim limit is the maximum amount Markel will pay for any single claim. The Aggregate limit each Insured Agent is the maximum Markel will pay in a given Certificate Period for each Insured Agent. There is no total Policy Aggregate applicable to all Insureds. The limits of liability are inclusive of both the payment of Loss and Defense Costs. Certain sub-limits apply.

10. What is my deductible?

\$ 1,000	Each Claim for Exclusive Agents
\$ 5,000	Each Claim involving Cyber Liability
\$ 25,000	Each Claim for Employee Agents
\$ 0	Each Claim involving covered Regulatory Matters

Deductibles apply to the payment of Damages, including any Claim settlement, and not to any Defense Costs that may be incurred by the E&O carrier.

11. 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 Certificate 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.

12. What is considered a Claim?

A Claim is considered to be a written demand for monetary or non-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 the Certificate Period.

13. 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.

14. Do I have Cyber Coverage?

Yes, subject to a sub-limit of \$250,000 each Claim/\$250,000 Insured Aggregate (total policy aggregate of \$2,000,000), the Insurer shall pay on your behalf cyber management expenses and credit monitoring costs (with the permission of the Insurer) for network securities breaches or privacy violations. The cyber liability extension also includes coverage for business interruption, network extortion and network restoration costs.

15. 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 5 for additional details regarding Prior Acts coverage.

16. What happens if my Agent's Contract with Horace Mann Educators Corporation or affiliated companies is terminated?

Coverage automatically ceases on the same date of your contract termination. There is no coverage for acts which occur after the termination date of your contract with Horace Mann. There will be no return of premium from Markel. Certain Extended Reporting Periods (ERPs) may apply, please refer to page 5 for details.

17. Am I covered for any activities related to property and casualty insurance?

Yes.

18. Is the cost of this policy competitive?

The premium for this policy is considerably less than the cost of procuring comparable insurance in the open marketplace.

19. What happens when the amount of the claim is less than the deductible?

It is recommended that you report the claim to Markel to take advantage of their expertise. Additionally, in the event the claim does exceed the deductible amount, it is imperative to coverage that claims be reported before negotiations begin.

20. How will I know if an E&O claim has been filed against me?

Either your client or Horace Mann will notify you.

21. Is personal injury coverage provided under the policy? No.

What To Do In The Event of A Claim

I. What to do if you receive a threatening phone call or letter, Claim, lawsuit (Summons and Complaint)?

As soon as you are aware of any circumstance, which could lead to a Claim or are aware of an actual Claim due to a threatening phone call or letter, please send the Claim Report Form (located at the end of this guide) to:

Nicole Israel, Category Specialist
Horace Mann Educators Corporation
One Horace Mann Plaza C-100, Springfield, IL 62715
Phone: 217-788-5169 | Fax: 217-527-4027
Email: Nicole.Israel@horacemann.com

The reason it is important for you to report any known circumstance in writing as soon as possible to Ms Israel is that your E&O policy is written on a claims-made and reported basis. This means that coverage is provided only for potential or actual claims made against you and reported to Markel in writing during the Certificate Period. **If you fail** to comply with this reporting process, and report on a timely basis, Markel could determine that you have prejudiced its rights to handle the Claim, thereby jeopardizing **your own** rights under the policy.

After you report the Claim to Ms Israel, a letter of acknowledgment from Markel will be sent to you within a few days.

II. If you want to discuss a potential claim or actual with Markel

If you wish to discuss a potential or actual Claim situation with Markel, or before reporting it in writing, please call Leonard Cooper at 212-551-2287, or email him at leonard.cooper@markel.com. He will be happy to discuss claims procedures with you.

III. Confidentiality of Claim Information

In every case, once the situation has been identified as an errors and omissions Claim, great care should be exercised to avoid any disclosures or discussion of any facts, or information relating to the claim, with anyone other than Horace Mann, Markel, Aon or a designated representative appointed to handle your claim.

Do not admit any liability to the client or you may jeopardize your coverage.

Important Contacts

Questions on Billing, Enrollment or Coverage and Certificate Requests

Affinity Insurance Services, Inc.
1100 Virginia Drive, Suite 250
Fort Washington, PA 19034
Phone: (800) 621-0711 | Fax: (877) 443-9183
Email: info@agents-eo.com

Questions on Claim Reporting

Nicole Israel, Category Specialist
Horace Mann Educators Corporation
One Horace Mann Plaza C-100, Springfield, IL 62715
Phone: 217-788-5169 | Fax: 217-527-4027
Email: Nicole.Israel@horacemann.com

Certificates for Satellite Offices and Texas Agencies

Horace Mann
Email: AgencyOnboarding@horacemann.com

Horace Mann Errors & Omissions Insurance Program
Claim Report Form
Policy No. MKLM7PLCA00048 | October 1, 2021 – October 1, 2022

Today's Date:	Date you became aware of this Claim:
Name:	Agent Type (check one): <input type="checkbox"/> Exclusive <input type="checkbox"/> Captive
Contract Date:	Termination Date (if applicable):
Business Address:	
Email:	
Phone Number:	Fax Number:
What type of business does this claim involve? If written through any company other than Horace Mann, provide the name of the company, policy number, and policy dates:	
Please attach a description of the circumstances leading to this Claim including copies of all pertinent correspondence. If you have been served with a lawsuit, a copy of the suit <u>must</u> be enclosed.	
Alleged Amount in Controversy (if any): \$	
Who is making this Claim against you: Name: Address: Email: Phone Number: Fax Number:	
Besides the policy referenced above, do you have any other Errors and Omissions Insurance? If yes, provide requested details below: Insurer Name: Policy Number: Limits of Liability:	
SEND THIS COMPLETED FIRST REPORT FORM TO: Nicole Israel, Category Specialist Horace Mann Educators Corporation One Horace Mann Plaza C-100, Springfield, IL 62715 Phone: 217-788-5169 Fax: 217-527-4027 Email: Nicole.Israel@horacemann.com	

DO NOT DISCUSS THIS MATTER WITH ANYONE OTHER THAN A REPRESENTATIVE OF HORACE MANN, AON, OR MARKEL