

This document includes Representations , Warranties and Underwriting questions as Sarah Beltran attested to and answered in the application for the NAPA Life and Health E&O product on 12/10/2015.

Eligibility

- I understand that an active life and/or health insurance license is necessary to be eligible for coverage under this E&O Policy.
- I understand and acknowledge that this is a claims made policy and that under a claims made policy, coverage must be in-force at the time the product is sold and at the time the claim is filed, with no lapses or “gaps” in coverage. If coverage is no longer in-force (canceled or non-renewed), then claims against products sold prior to the cancellation effective date will not be covered. ERP may apply but active agents should secure continuous E&O coverage to ensure that prior acts are covered.
- I understand and acknowledge that coverage, including coverage for prior acts, only applies to the sale and service of products designated by the selected coverage option. This is a claims-made policy and is subject to all terms, conditions, and exclusions of the policy.
- I understand that answering "yes" to one of the questions posed in the "Claims & Complaints & Disciplinary Actions" section may require additional information and documentation before the application can be approved. You will be contacted either by phone or email by a NAPA customer service representative within 3 business days to notify you of the requirements. You will not be billed until your application has been approved.
- **I understand that as a licensed agent insured under a claims made and reported policy that I must maintain continuous coverage to provide full protection of prior acts (past policies sold) whether with NAPA or another plan.** Even a one day lapse in coverage could create liability exposure should a claim arise from an error or omission created prior to or during the coverage lapse. To help prevent this from happening, NAPA has implemented a painless auto-renewal feature and requires that payment authorization for subsequent renewals of this policy shall be automatic and shall remain in force until revoked by written notification to NAPA from me or my payment institution.

Underwriting

- You answered **NO** to:
In the last 7 years has any claim, suit, arbitration or other legal proceeding been commenced against Applicant's professional activities that resulted in total payments (including defense costs, damages, judgments and settlements or any combination thereof) of \$100,000 or more, or has Applicant had more than two claims in the last seven years that resulted in any payments (including defense costs, damages, judgments and settlements)?
- You answered **NO** to:
Does Applicant have any knowledge or information of any fact, situation, allegation or incident which may reasonably be expected to result in a, dispute, complaint, claim, suit or arbitration against Applicant?
- You answered **NO** to:
Is Applicant currently under investigation by a consumer agency, any broker/dealer with whom the Applicant has at any time been affiliated, or any regulatory body, including but not limited to the SEC, FINRA, or any state securities, corporation, or insurance department?
- You answered **NO** to:

Has Applicant ever been restricted or suspended for more than 30 days by any regulatory body or agency, including but not limited to the SEC, FINRA, or any state securities, corporation or insurance department?

- You answered **NO** to:

Has applicant been fined by any regulatory body or agency, including but not limited to the SEC, FINRA, or any state securities, corporation or insurance department more than \$5,000 **OR** within the last 5 years?

- You answered **NO** to:

Has Applicant ever been convicted of a Felony criminal offense? (Other than DUI)

Warranties

- **I understand that payment authorization for subsequent renewals of this policy shall be automatic and shall remain in force until revoked by written notification to NAPA from me or my payment institution.**
- I understand this Policy is subject to minimum earned premium, which is equal to one month of premium. Minimum earned premium, dues, administrative fees, and applicable taxes are non-refundable.
- I understand and agree that the person completing this application, the applicant, must be the person applying for coverage. I also understand that this E&O insurance policy is underwritten by CNA - Continental Casualty Company, aka the "Company".
- I understand and agree that this is a claims-made policy and is subject to all terms, conditions, and exclusions of the policy. All premium is earned as of my coverage inception date. Coverage only applies to the sale of products designated by coverage option. Prior acts coverage only applies to products and services within the selected coverage option.
- I understand and agree that the completion of this Application does not constitute acceptance of this Application or obligate the Company to complete the insurance applied for. I also understand and agree that the language of the policy, and not any summary language or marketing material, will determine insurance coverage.
- I understand and agree to the following: (a) that this Application, including, without limitation, all information submitted verbally or in writing in connection herewith and not contained herein, will be relied upon by the Company in making a decision whether to issue coverage; (b) that this Application will be made a part of the policy; and (c) that any such coverage will be issued in reliance upon the representations made in connection with this Application.
- I, the Applicant, understand and agree that failure to provide a true and complete response to any of the questions, statements or requests for information in this Application or to provide any other information material to this Application may, at the sole option of the Company, result in the voiding of the insurance coverage issued in reliance on this Application and/or denial of coverage for specific claims asserted against Applicant. The undersigned, Applicant, hereby waives any defense to an action by the Company for rescission of such coverage based upon misrepresentation of fact or failure to disclose material information in connection with this Application. I, the applicant, also agrees to hold the Company harmless from all loss as a result of any such misrepresentation or failure to disclose, including, without limitation, all costs and attorney fees incurred by the Company in connection with said action for rescission.
- I, the Applicant, authorize and consent to investigation of information bearing upon Applicant's moral character, professional reputation, and qualifications to engage in the activities to be insured, including, without limitation, authorization to every person or entity, public or private, to release to the Company, its agents and authorized representatives, any documents, records or other information bearing upon the foregoing. It is understood and agreed that these investigations may not be confined to information submitted in this Application, but may include any other information deemed relevant by the Company. It is understood and agreed that organizations releasing such information, their agents, servants and employees shall not incur any liability as a result of any information released or furnished pursuant to this authorization, including any errors, omissions or mistakes contained in such

released information.

- I understand and agree that any person who knowingly and with intent to defraud an insurance company or its representatives files an application for insurance containing false information, or conceals information on any fact material thereto, commits a fraudulent insurance act which is a crime.
- I understand and agree that coverage applies only for the products listed in the coverage option I have selected and that Prior Acts coverage available under the policy applies only for products listed in the coverage option I have selected.
- **I understand and agree that by clicking on the "apply now" button at the end of this application, I am signing this application.**
- I understand that I must comply with and am subject to state specific statutes regarding fraud. Click on the following link for more information. [Rep & Warranties regarding Fraud](#)
- One or more of the CNA companies provide the products and/or services described. The information is intended to present a general overview for illustrative purposes only. It is not intended to constitute a binding contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. CNA is a registered trademark of CNA Financial Corporation. Copyright © 2014 CNA. All rights reserved.