



H.D. Vest Professional Liability Insurance Plan Frequently Asked Questions

Who Is Our E&O Carrier?

We have a new program carrier this year and the coverage will be underwritten by a CNA company. The program is written through Agents Professional Liability Service Organization, a risk purchasing group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901 et seq.).

Who Is Covered Under The Professional Liability Plan?

Registered Advisors affiliated with H.D. Vest Investment Securities, Inc. (hereinafter "H.D.Vest") who have enrolled in the plan and paid the participation fee are covered under the policy. Your corporation, partnership or other business entity, which is owned or controlled by you, would also be covered for professional services rendered by you.

What Professional Services And Products Are Covered?

Securities sold through H.D. Vest and investment advisory services provided through H.D. Vest Advisory Services, Inc., are covered under the policy as well as the sale of life, accident and health insurance and fixed annuity products.

Are Accounting And Tax Services Covered?

If you enroll in the "Basic Plus" option, you can expand your covered Professional Services to include Accounting and Tax services. The covered services includes:

bookkeeping; issuance of compilation reports; reviews of unaudited financial statements; management, advisory or consulting services with respect to improving business efficiency; providing tax advice; preparing tax returns; and

acting as an enrolled agent or CPA representing Clients before the Internal Revenue Service.

There is no coverage for Audit Services.

What Are My Limits of Liability?

Each Advisor has a limit of liability of \$500,000 per claim/\$500,000 aggregate per Insured for the sale of mutual funds, variable annuities and securities approved by and sold through H.D.Vest. You have the option to purchase the Upgrade option which would increase your limit to \$1,000,000 per claim/\$1,000,000 aggregate. You would have an automatic limit of \$1,000,000 per claim for life, accident and health and fixed annuities. Defense costs are included in the limits of liability.

What Is The Retention (Deductible) Under The Policy?

There is a \$5,000 retention per claim for all claims except those involving your Accounting Services (the retention is then \$2,500 per claim) or a Trade Error (the retention is then \$10,000 per claim). Defense costs are included in the retention.

Does The Policy Provide Prior Acts Coverage?

Your prior acts or retroactive date is the earlier of your date of contract with H.D. Vest or your earliest date of continuously maintained Agent or Registered Representative professional liability coverage.

What Happens If My Registration With H.D. Vest Investment Securities, Inc. Is Terminated?

The liability coverage ends on the effective date that your relationship terminates with H.D. Vest Investment Securities, Inc. *No participation fee will be refunded.*

Affinity Insurances Services, Inc.

Aon Affinity, is the brand name for the brokerage and program administration operations of Affinity Insurance Services, Inc.; (AR 244489); in CA, MN & OK, AIS Affinity Insurance Agency, Inc. (CA 0795465); in CA, Aon Affinity Insurance Services, Inc., (0G94493), Aon Direct Insurance Administrator and Berkely Insurance Agency and in NY and NH, AIS Affinity Insurance Agency

However, an unlimited Extended Reporting Period (ERP) is provided at no cost to you. This will cover claims first made and reported during the ERP arising out of act, errors or omissions

alleged or committed prior to the termination date of your contract and occurring during the period you were contracted with H.D. Vest.

This ERP is not available if a) you secured other E & O coverage; or b) you were terminated for disciplinary reasons.

Does This Policy Provide Coverage for Defense?

Yes, the insurer will provide defense counsel to you for covered claims and pay for your defense up to your limit of liability. Defense costs are included in your limit of liability.

What To Do In The Event Of A Claim?

As soon as you are aware of any circumstances which may lead to a claim being made, or as soon as an actual claim is made, please submit the claim to:

CNA Specialty Claims
PO Box 8317

Chicago, IL 60680-8317

Or by Email to: CANEWCLAIMS@CNA.COM

-and-

Fax a copy to the H.D. Vest Law Department at
(972) 870-6500

Who Do I Call For Questions About Enrollment, Billing, Certificates And Coverage?

Affinity Insurance Services, Inc.
159 E. County Line Road
Hatboro, PA 19040-1218
H.D. Vest Hotline: 866.231.1998
(Monday-Friday between 8:30 a.m.
and 5:00 p.m. EST)
Fax: 877.443.9183
Email: info@agents-EO.com
Web: www.HDV.Advisors-EO.com

THIS FAQ PROVIDES GENERAL INFORMATION REGARDING THIS PROFESSIONAL LIABILITY PROGRAM. IT DOES NOT REPRESENT ALL THE TERMS & CONDITIONS OF THE POLICY. FOR MORE INFORMATION, PLEASE GO TO HDV.ADVISORS-EO.COM AND DOWNLOAD THE HIGHLIGHT GUIDE.

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