

Notice to Policyholders: Allianz Protect™ Insurance Agents and Brokers Liability Insurance Policy

[From Prior Fireman's Fund Pro Gard® (For Big "I"® Members) – Independent Insurance Agents And Brokers Errors And Omissions Liability Insurance Policy]

The Allianz Protect™ Insurance Agents and Brokers Liability Insurance Policy (hereinafter referred to as "Allianz Protect") you are purchasing this year is different from the Fireman's Fund Pro Gard® (For Big "I"® Members) - Insurance Policy (hereinafter referred to as "BIG-I RPG") you previously purchased from us. This notice provides you with a brief synopsis of the more significant broadenings, restrictions and clarifications of coverage that were made in the coverage form. This notice does not reference every editorial change made, but merely attempts to highlight more significant changes. Of course, if there is any conflict between the language of your renewal policy and the explanation below, the provisions of the policy will apply. Please take time to read your new policy. If you have questions, please contact your insurance agent or broker.

Issuing Company

The company providing coverage under Allianz Protect is Allianz Global Risks US Insurance Company (vs. previously American Automobile Insurance Company with prior BIG-I RPG form).

Allianz Protect – General Information

Allianz Protect is a modular policy that will include:

- General Terms and Conditions (IEO1000), which applies to all coverage parts included under the policy; and
- Independent Insurance Agents and Brokers Coverage Part (IAPM1000); and

may also include the following additional coverage part(s) as opted for purchase by you:

- Cyber Coverage Part (PCYM1000); and/or
- Crime Coverage Part (Loss Discovered Basis) (PCRM1000)

In general, Allianz Protect uses Insurer (representing the company providing the insurance) and Named Insured [vs. BIG-I RPG, which used We, Us, Our (the company providing the insurance) and you and your (Named Insured)]. Also, the ordering/structure of provisions in Allianz Protect has changed (vs. BIG-I RPG).

General Terms and Conditions (IEO1000) and Independent Insurance Agents and Brokers Coverage Part, (IAPM1000) [vs. prior BIG-I RPG, 144700]

The General Terms and Conditions form IEO1000 form, combined with the Independent Insurance Agents and Brokers Coverage Part, IAPM1000 provides E&O coverage for agents and brokers previously covered under prior BIG-I RPG form, which was a stand-alone, monoline policy.

The following denotes changes from BIG-I RPG form to the combination of Allianz Protect, General Terms and Conditions form (IEO1000), along with the Independent Insurance Agents and Brokers Coverage Part (IAPM1000):

1. The E&O coverage under Insuring Agreement (1.1 of the Independent Insurance Agents and Brokers Coverage Part, IAPM1000) is claims made and reported (vs. claims made under prior BIG-I RPG form).
2. The limited Personal Data Compromise coverage that was included under the prior BIG-I RPG is no longer included in the base coverage form but may be added by separate endorsement. The Named Insured may also elect broader cyber coverage by purchasing the new Cyber Coverage Part which affords liability coverage as well as enhanced first party coverage.
3. Defense and Settlement (Section 1.2 of the Independent Insurance Agents and Brokers Coverage Part, IAPM1000) contains a full hammer clause. The 80/20 hammer clause that was included under the prior BIG-I RPG is no longer included in the base coverage form but may be added by separate endorsement.
4. Coverage Extensions [Section 1 of the General Terms and Conditions, IEO1000 and/or Section 2 of the Independent Insurance Agents and Brokers Coverage Part [as noted]]:
 - The following extension has been added: Pre-Claim Assistance Expenses (1.2 of the General Terms and Conditions).

- Allianz Protect provides Crisis Event Expenses coverage per Section 1.1 of General Terms and Conditions, IEO1000) [vs. prior BIG-I RPG which included limited Personal Data Compromise coverage].
- Extended Reporting Period provisions are contained under Section 1.4 of the General Terms and Conditions, IEO1000 (vs. Conditions section of the BIG-I RPG form).

Furthermore:

- The Supplemental Extended Reporting Period pricing and available duration is the same but such pricing will be denoted in the Declarations page (vs. within the policy terms under the BIG-I RPG form);
- The Named Insured has 90 days from policy termination under Allianz Protect to elect the Supplemental ERP (vs. 60 days) and requires payment for the Supplemental Extended Reporting Period within 30 days of election to purchase.

- The Supplementary Expenses Extensions as contained in Section 2.1 of the Independent Insurance Agents and Brokers Coverage Part, IAPM1000 are the same supplementary extensions as under prior BIG-I RPG form except amounts for Expense Reimbursement, Defense of Regulatory Investigations and Catastrophe coverage on will be denoted on the Declarations page. Additionally, the Expenses Reimbursement per day limit is now subject to a Per Policy Period Limit as will be denoted on the Declarations page.

5. Definition changes under Allianz Protect (vs. prior BIG-I RPG form) are as follows:

- The following definitions, as defined under Section 2 of the General Terms and Conditions form IEO1000, are new:

Aggregate Limit of Liability (2.1); Associated Costs (2.2); Coverage Part (2.7); Crisis Event (2.9); Crisis Event Expenses (2.10); Deductible (2.12); Discovered or Discovery (2.13), actual definitions will be contained under the Crime or Cyber coverage part forms; E&O Coverage (2.14); Employee (2.15); Extension Expenses (2.17); First Party Coverage (2.18); Insurer (2.22); Limit of Liability (2.23); Named Fiduciary (2.26); Pre-Claim Assistance Expenses (2.30); Related Triggering Events (2.33); Third Party Coverage (2.36); and Triggering Event (2.37), actual definition will be contained under the Cyber Coverage Part.

- Under Allianz Protect, entity or individuals covered is now addressed by definitions of Insured (2.19); Insured Organization (2.20); Insured Person (2.20), as is contained under the General Terms and Conditions form IEO1000; and definition of Insured (3.4) as defined in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000.
- Although defined under the BIG-I RPG form, the term Domestic Partner is not a defined term under Allianz Protect with no impact on coverage.
- The term Damages (3.2), as is defined under the Independent Insurance Agents and Brokers Coverage Part, IAPM1000, continues to apply to punitive or exemplary damages where insurable under applicable law but also adds jurisdiction most favorable relative to such punitive or exemplary damages.
- The terms Knowledgeable Person (3.5) and Loss (3.6) in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000 are new. The terms Registered Representative (3.9); Registered Investment Advisor or Investment Advisor Representative (3.10) and Securities (3.11), as may have been previously addressed by way of financial product endorsements under prior BIG-I form are now included as defined terms in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000.
- Terms defined under the BIG-I RPG form, namely Detrimental Code, Identity theft; Personal Data Compromise Incident, Personal Data Compromise Loss and Personal Information, that related to the limited Personal Data Compromise coverage will be addressed under Allianz Protect by separate endorsement or enhanced cyber coverage is afforded under Cyber Coverage Part, if purchased.
- The terms Covered Product (3.2) and Professional Services (3.8) as is defined in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000, includes provisions related to both property & casualty and life insurance products/services.

6. Exclusion changes under Allianz Protect (vs. prior BIG-I RPG form) are as follows:
- Employment Practices continues to be excluded per 3.2 in the General Terms and Conditions form IEO1000 unless such coverage is purchased by endorsement.
 - Other Coverage parts Exclusion per 3.3 of the General Terms and Conditions, IEO1000 is new.
 - Specified Regulated Business Activities exclusion (3.4) in the General Terms and Conditions, IEO1000 is the same as under prior BIG-I RPG but for also addressing claims related to the Federal Credit Reporting Act (FCRA).
 - Investment Fluctuation exclusion 4.7 in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000 may have been previously addressed by way of the financial product coverage endorsements to the prior BIG-I RPG form.
 - Other Services exclusion 4.8 in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000 is the same as the prior BIG-I RPG but for indicating that the provision relating to Registered Representative and Registered Investment Advisor or Investment Advisor Representative (Item E of 4.8) does not apply to the extent coverage is purchased by endorsement.
 - Prior Notice exclusion (4.10) in the Independent Insurance Agents and Brokers Coverage Part, IAPM1000 is new.
 - Personal Data Compromise incident or loss that was provided in prior BIG-I RPG form is now offered under Allianz Protect by way of endorsement or Cyber Coverage part, if purchased.
7. Key changes from Allianz Protect relative to the Limits of Liability and Deductible provisions as addressed by Section 4 in the General Terms and Conditions, IEO1000 and Section 5 in the Independent Insurance Agents Coverage Part, IAPM1000 (vs. Prior BIG-I RPG form) are as follows:
- Aggregate policy limit applies to all coverage parts.
 - Separate or Shared Limits of Liability options are available for the Crime and Cyber Coverage Parts.
 - Claim expenses do not erode applicable limits except for the Cyber Coverage.
 - Deductible can apply to damages only or damages and claim expense.
 - Aggregate Deductible, if applicable, will be the amount stated in the Declarations.
 - Verbiage added to address how separate Deductibles will be applied under the policy.
 - Personal Data compromise related limit and deductible verbiage removed.
8. Reporting of claim provisions are now contained in Section 5 – Reporting and Notice of the General Terms and Conditions, IEO1000 (vs. under the Conditions section of the prior BIG-I RPG). Furthermore, Notice of Triggering Event or Loss Under First Party Coverage Parts (5.3) and Address and Format of Notices to Insurer (5.4) are new.
9. Condition changes under Allianz Protect (Section 6 of the General Terms and Conditions, IEO1000) [vs. the Conditions in prior BIG-I RPG form] are as follows:
- a. Assistance and Cooperation of the Insured (6.1) is the same but for reference to “Additional requirements for Assistance and Cooperation of the **Insured** shall be set forth in the **First Party Coverages.**”
 - b. Cancellation and Nonrenewal (6.4) notice is provided to the Named Insured (vs. first Named Insured). Still provides 10-day notice for non-payment cancellation only but removed “or as stated in state specific changes endorsement.” If the Insurer or Named Insured cancels, return premium, if any, will be calculated on a pro-rata basis.
 - c. The Entire Agreement and Changes to the Policy conditions from prior BIG-I RPG form are now combined into one condition (6.6) under Allianz Protect.
 - d. Other Insurance condition (6.10) is the same under Allianz Protect but for removing Personal Data Compromise statements as were included under prior BIG-I RPG form)

- e. Representations and Separations of Insureds condition (6.11) under Allianz Protect adds a provision regarding Imputation from one insured to another and from Knowledgeable Person to Insured Organization.
- f. Sanctions Clause – previously addressed by separate endorsement to the BIG-I RPG form is now included under Allianz Protect (6.12).
- g. Subrogation and Assignment condition (6.13) adds provision denoting how recovery amounts will be applied and in what order.
- h. Valuation and Foreign Currency condition (6.15) was previously addressed by way of Section II Territory under prior BIG-I RPG form.
- i. Titles/Plurals/Headings (6.16) is a new condition under Allianz Protect.

Cyber Coverage Part, PCYM1000

This is a new coverage part available for purchase with Allianz Protect.

Crime Coverage Part (Loss Discovered Basis), PCRM1000

This is a new coverage part available for purchase with Allianz Protect.