

**BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, IL 60181**

**INSURANCE AGENTS AND BROKERS
PROFESSIONAL LIABILITY INSURANCE POLICY**

THIS IS A CLAIMS MADE AND REPORTED POLICY - PLEASE READ CAREFULLY

DECLARATIONS

Policy No. AEO-30169

Item 1. Named Insured: Independent Agents of Blue Cross and Blue Shield of Vermont

Item 2. Address: 445 Industrial Lane, Montpelier, VT 05601

Item 3. Policy Period: FROM: May 01, 2025 TO: May 01, 2026

Item 4. Deductible: \$1,000 each claim for Blue Cross and Blue Shield of Vermont product-related claims
\$2,500 each claim for Non-Blue Cross and Blue Shield of Vermont product-related claims

Item 5. Limit of Liability: (See Premium Endorsement)

Item 6. Premium: (See Premium Endorsement)

Item 7. Endorsement Form Numbers:
92.504-1 Mutual Funds Representative Endorsement
92.522 (6/20) Limited Vicarious Liability Coverage Endorsement
92.523 (0413) Limited Personal Lines Property and Casualty Agent Coverage Endorsement
92.601 (11/17) ERISA Exclusion Endorsement
92.801 Premium Endorsement
92.803VT (11/10) Amendatory Endorsement - Vermont
92.815-1 Agency Coverage Endorsement
92.205 (2/08) Changes Endorsement

Notice:

"This insurance coverage contains claims-made and reported coverage. Except as may be otherwise provided herein, the coverage provided by the Policy is limited to Claims that are first made against the Insured and reported to the Company while the insurance is in force or applicable Extended Reporting Period. Please read and review the insurance carefully and discuss the coverage with your agent."


PETER CUTHILL
PRESIDENT


TERRY HACKETT
SECRETARY

BCS Insurance Company, hereinafter called the Company, agrees to provide insurance coverage as provided in this Policy, in consideration for the payment of the premium and in reliance upon the statements in the Application and in the Declarations and subject to all of the terms of this Policy as follows:

SECTION I

COVERAGE

The Company shall pay on behalf of an Insured Loss and Defense Expenses resulting from any Claim first made against an Insured and reported to the Company during the Policy Period, or Extended Reporting Period, if applicable, in excess of the applicable deductible and within the limit of liability specified in the Declarations

Provided, however, that in the event that any Wrongful Act alleged in the Claim actually or allegedly occurred prior to the Policy Period, no coverage will be afforded for any Claim arising out of such Wrongful Act, or any other Wrongful Act that shares as a common nexus any fact, circumstance, situation, event or transaction, unless:

- a. the Named Insured was covered by professional liability or errors and omissions insurance at the time of the alleged Wrongful Act and remained continuously covered by professional liability or error and omissions insurance from the date of the alleged Wrongful Act until the beginning of the Policy Period for the Named Insured under this Policy; and
- b. the Named Insured provides to the Company a copy of the continuously in force prior professional liability or errors or omissions insurance or other proof of such insurance acceptable to the Company; and
- c. as of the inception of coverage under this Policy, no Insured had knowledge of any Claim, or any fact, circumstance, situation, event or transaction leading to or that may reasonably be expected to lead to a Claim, arising out of the prior Wrongful Act.

SECTION II

DEFENSE AND SETTLEMENTS

The Company, in the Insured's name and behalf, shall have the right and duty to investigate, defend, conduct settlement negotiations and enter into settlements for any Claim for which coverage is provided under the terms of this Policy, even if such Claim is groundless, false, fraudulent, or for an amount less than the Insured's deductible.

The Insured shall cooperate with the Company, and, upon the Company's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in conducting litigation.

The Insured shall not admit liability for, nor make any voluntary settlement, nor incur any costs or expenses in connection with any Claim, except with the written consent of the Company.

SECTION III

LIMIT OF LIABILITY AND DEDUCTIBLE

The limit of liability of the Company for Loss and Defense Costs on account of a single Claim first made against an Insured and reported to the Company during the Policy Period, or during the Policy Period together with the Extended Reporting Period, if applicable, shall not exceed the "per Claim" amount specified in Item 5 of the Declarations, subject to an aggregate limit "each agent each Policy Period" in the amount specified in Item 5 of the Declarations. In no event shall the Company pay Loss and Defense Costs greater than the specified aggregate limit "each agent each Policy Period" on behalf of any Insured for Claims first made and reported to the Company during a single Policy Period.

The inclusion of more than one Insured or the making of Claims by more than one person or organization shall not operate to increase the Company's Limit of Liability as stated herein. Two or more Claims against an Insured arising out of a single Wrongful Act, or multiple Wrongful Acts that share as a common nexus any fact, circumstance, situation, event or transaction, shall be treated as a single Claim. All such Claims, whenever made, shall be considered first made and reported to the Company during the Policy Period or Extended Reporting Period in which the earliest Claim arising out of such acts, errors, or omissions was first made and reported. All such Claims shall be subject to the same limit of liability.

The limit of liability as stated in Item 5 of the Declarations shall apply in excess of the deductible as stated in Item 4 of the Declarations. The deductible shall apply to payment of Loss on each Claim instituted against the Insured.

Should the Company, for any reason, pay the entire amount of Loss without regard to the deductible, the Insured will reimburse the Company within 30 days of the Company's request.

SECTION IV

DEFINITIONS

Whenever used in this Policy:

a) "Claim" shall mean any written notice received by an Insured that any person or entity intends to hold such Insured responsible for a Wrongful Act involving Professional Services.

"Claim" does not include (1) criminal proceedings or investigations, (2) administrative proceedings or investigations against an Insured by or before any federal, state or local governmental regulatory or licensing agency or any national, regional or local self regulatory association or commission.

b) "Client" shall mean an individual or business who is a member of the general public and uses the Professional Services of the Insured. Client shall not include a Named Insured, an employee of a Named Insured or any current or former owners, partners, shareholders or directors of an Insured.

c) "Defense Expenses" shall mean:

1. all reasonable and necessary fees charged by the attorney(s) designated by the Company, or designated by an Insured with the Company's written consent, in the defense of any Claim against an Insured.
2. all premiums on bonds to release attachments and appeal bonds, limited to that portion of such bond that does not exceed the limit of liability of this Policy, but without any obligation to apply for or furnish such bonds;

- 3. all costs taxed against the Insured in any suit and all expenses incurred by the Company;
- 4. all interest accruing after the entry of judgment, but only for that portion of the judgment which does not exceed the applicable limit of liability, until the Company has tendered or paid such part of such judgment as does not exceed the Company's limit of liability thereon;
- 5. all reasonable expenses incurred by the Insured at the Company's request in assisting the Company in the investigation and defense of any Claim or suit, provided however that Defense Expenses shall not include salaries, wages, overhead or benefits expenses of an Insured or any employee of an Insured.

d) "Extended Reporting Period" means (1) the 60 day period of time following the end of the Policy Period or earlier termination of the Policy during which an Insured may provide the Company with notice of Claims per Section IX of this Policy or (2) such additional time for reporting Claims for Wrongful Acts occurring prior to the end of the Policy Period as provided in a separate Named Insured Extended Reporting Period Endorsement to this Policy.

e) "Insured" shall mean:

- 1. the Named Insured;
- 2. any secretarial, clerical, administrative or customer service employee of the Named Insured while acting within the scope of their duties on behalf of and under the supervision of the Named Insured in connection with the Named Insured's performance of Professional Services. Such employee may be deemed an Insured under this subsection only if the employee is not involved in soliciting or negotiating insurance and devotes the employee's full time to clerical and administrative services, including the incidental taking of information from customers and receipt of premiums in the office of the Named Insured. Provided further that any such employee who is acting as an agent, sub-agent, broker or sub-broker or who receives any commissions or whose compensation varies by the volume of premiums taken and received shall not be deemed to be an Insured under this subsection;
- 3. the estate, heirs, executors, administrators, assignees or legal representatives of an Named Insured in the event of the Named Insured's death, incapacity or bankruptcy, but only to the extent that the Named Insured had coverage under this Policy;
- 4. the agency under which the Named Insured is doing business or is employed, but only for such agency's vicarious liability resulting solely from Wrongful Acts of the Named Insured otherwise covered under this Policy, and not due to any actual or alleged independent Wrongful Acts of the agency. Notwithstanding the foregoing, owners, partners, shareholders or directors of the agency are not Insureds under this policy.

f) "Loss" shall mean such amounts that the Insured is legally obligated to pay, including settlements or judgments, resulting from Claims up to the Policy limits. Loss shall not include:

- 1. civil or criminal fines or penalties,
- 2. punitive or exemplary damages,
- 3. the portion of any multiplied damage award which exceeds the amount multiplied,
- 4. return or withdrawal of commission, fees or other consideration paid to an Insured,
- 5. costs and expenses resulting from compliance with any injunctive or non- monetary relief or agreement to provide such relief;
- 6. matters deemed uninsurable under applicable law.

g) "Policy Period" shall mean the time between the effective date of this Policy and the expiration date, or earlier termination date, if any, as specified in Item 3 of the Declarations and shall begin and end at 12:01 a.m. Standard Time at the address of the Named Insured.

h) "Professional Services" shall mean specialized services rendered to a Client as a licensed Life, Accident

and Health Insurance Agent, a licensed Life, Accident and Health Insurance General Agent or a licensed Life, Accident and Health Insurance Broker. Professional Services shall not include: (1) the surrender, conversion or alteration of a Life, Accident or Health Insurance product in order to invest in anything other than a Life, Health or Accident Insurance product, or (2) any advice or recommendation to in any way convert, redeem or alter a Life, Accident or Health Insurance product in order to invest in anything other than a Life, Health or Accident Insurance product.

- i) "Wrongful Act" shall mean any actual or alleged negligent act, error or omission in the rendering of or failure to render Professional Services by an Insured to or for a Client, solely in his or her capacity as a licensed Life, Accident and Health Insurance Agent, a licensed Life, Accident and Health Insurance General Agent or a licensed Life, Accident and Health Insurance Broker.

SECTION V

EXCLUSIONS

The Company shall not pay Loss or Defense Expenses resulting from any Claim based upon, arising out of, directly or indirectly resulting from or in consequence of:

- a) any dishonest, fraudulent, criminal or malicious act, or assault or battery committed by or contributed to by the Insured or Insureds;
- b) bodily injury to, or sickness, disease or death of any person arising out of the Wrongful Act(s) of an Insured;
- c) injury to or destruction of any property, including the Loss of use thereof;
- d) any liability assumed by the Insured under contract, unless the Insured would have been legally liable in the absence of such contract;
- e) the financial inability to pay, insolvency, receivership, bankruptcy or liquidation of any insurance plan, any reinsurer, any IPA, HMO, PPO, DSP or any pool, syndicate, association or other combination formed for the purpose of providing health care, insurance or reinsurance;
- f) the insolvency, receivership, bankruptcy, liquidation or financial inability to pay of any company, entity or other investment vehicle in which any customer has invested;
- g) any transaction involving the actual or alleged violation of any statute or any rule or regulation of any federal, provincial or state securities regulatory agency, the Securities Act of 1933, the Securities Exchange Act, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisors Act of 1940, any similar state statute, any rule or regulation promulgated under any of the foregoing, or any amendment to any of the foregoing, or any provision of the common law imposing liability in connection with the offer, sale or purchase of securities.
- h) any Wrongful Act based upon, arising out of, directly or indirectly resulting from or in consequence of the sale of fixed or variable annuities, variable life insurance, mutual funds, securities, unregistered securities, promissory note programs, step up, step down and callable CDs, viaticals or life settlements, structured settlements, collateralized debt obligations, private equity, tax liens, tax deeds, day trading or other investment product;
- i) a loss or alleged loss sustained from fluctuations in the market value of any fixed or variable annuities, variable life insurance, mutual funds, securities, unregistered securities, promissory note programs, step up, step down and callable CDs, viaticals and life settlements, structured settlements, collateralized debt obligations, private equity, tax liens, product; tax deeds, day trading or other investment

j) the Named Insured making representations, promises or guarantees as to:

1. interest rates, or
2. fluctuations in interest rates, or
3. future premium payments, or
4. market value(s), or
5. the future value of, or
6. rate of return

of any investment product, policy, security, annuity, fixed or variable annuity, variable life insurance, mutual funds, securities, unregistered securities, promissory note programs, step up, step down and callable CDs, viaticals and life settlements, structured settlements, collateralized debt obligations, private equity, tax liens, tax deeds, day trading or other investment product;

k) any actual or alleged price fixing, price discrimination, predatory pricing, restraint of trade, antitrust, monopolization, unfair trade, or unfair anti-competitive conduct, commissions, contingent commissions, taxes, dispute over fees, reimbursement or the failure to collect, pay or return premium, commingling of, or use of, clients' funds.

l) services performed by the Insured as an actuary, accountant, attorney, tax advisor, investment advisor, investment counselor, financial planner, real estate agent or real estate broker or property and casualty agent or property and casualty broker;

m) the actual or alleged wrongful termination, discipline, or employment discrimination against any employee or agent of the Insured, including but not limited to harassment in violation of any federal, state or local law, the failure to hire or employ an applicant, the failure to promote any employee of the Insured, any adverse or differential employment action on any basis prohibited by federal, state or local law or retaliation for any employee's exercise of any right pursuant to any law for the protection of employees;

n) any liability arising out of any duties or activities assumed under contract by an Insured as a plan administrator or fiduciary under the Employee Retirement Income Security Act of 1974 (ERISA), the Pension Benefits Act or the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) including any amendments, regulations or enabling statutes pursuant thereto, or any other similar federal, state or provincial statute or regulation;

o) any Claim made against the Insured based upon or arising out of any pension, profit sharing, health or welfare or other employee benefit plan or trust sponsored by the Insured as an employer;

p) any Claim based solely on the Insured's status as a named fiduciary or under power of attorney;

q) any proceedings against or fines or penalties levied against the Insured by a state or federal regulatory agency or self-regulatory body;

r) any Claim made against the Insured arising out of the Insured's activities as the third party administrator of any plan whether Insured or self Insured and whether the Insured performs such activities for a fee or for no fee;

s) any Claim arising out of or alleging the unauthorized use of trade secrets or confidential or proprietary information;

t) any Claim brought against the Insured by a securities broker/dealer, a broker/dealer organization or any investment company;

u) any Claim arising out of or in connection with a fraudulent or nonexistent entity;

- v) any Claim arising out of the referral of individuals or entities to individuals or entities selling or servicing or purporting to sell or service property and casualty insurance or securities products;
- w) any Loss arising out of or based upon:
 - 1. the quality of care rendered by or lack of care rendered by or the alleged malpractice of a participating provider of services its employees, physician or other practitioner, of any IPA, HMO, PPO, or DSP or other health care provider; or
 - 2. the failure of an IPA, HMO, PPO or DSP or other health care provider to pay the salaries or fees of any practitioner.
- x) any Wrongful Act or any fact, circumstance or situation which has been the subject of any notice given prior to the effective date of this Policy under any other insurance policy.
- y) the actual or alleged signing or verification of any insurance application or other document on behalf of any Client.

SECTION VI

POLICY PERIOD

This Policy shall be in force during the Policy Period as stated in Item 3 of the Declarations, or earlier termination date, if any. Any renewal of this Policy by endorsement shall be deemed to be a new and separate Policy that shall be in force only for the Policy Period as stated in the renewal endorsement.

SECTION VII

EXTENDED REPORTING PERIOD

- a. If this Policy is cancelled or not renewed by either the Company or the Named Insured, an Insured who is insured under this policy as of the termination date of the Policy will be provided with a 60 day automatic Extended Reporting Period effective at the termination of the Policy Period. This automatic Extended Reporting Period shall not extend the Policy Period but shall extend the time in which an Insured may give written notice of Claims first made against the Insured during the Policy Period for Wrongful Acts occurring prior to the end of the Policy Period, subject to the terms and conditions of the Policy.
- b. The Extended Reporting Period will apply only to Claims first made and reported to the Company against those Insureds covered under the Policy as of the termination date of this Policy. Making a change in the premium for, or other terms of, this Policy shall not be deemed a refusal to renew it.
- c. The Automatic Extended Reporting Period shall not apply if the Named Insured has failed to comply with the Policy's provisions or has obtained another in force policy of professional liability insurance.

SECTION VIII

NOTICE

- a) If during the Policy Period any Claim is made against an Insured, the Insured shall, as a condition precedent to his or her rights under the Policy, give the Company written notice of such Claim as soon as practicable. The Insured shall forward promptly to the Company copies of such pleadings and reports as may be requested by the Company.
- b) In no event shall a Claim be subject to coverage under this Policy if notice of such Claim is given to the Company more than 60 days after the end of the Policy Period.

c) If during the Policy Period or Extended Reporting Period if applicable, an Insured becomes aware of a specific Wrongful Act and gives the Company written notice as soon as practicable of the specific Wrongful Act, and any consequences which have or may result from the Wrongful Act, then any Claim not otherwise excluded by the terms of this Policy subsequently made arising out of such Wrongful Act shall be deemed to have been made at the time such written notice was given.

SECTION IX

OTHER INSURANCE

If the Insured has other insurance against the Loss covered by this Policy, this Policy shall be excess over any other valid and collectible insurance and shall then apply only in the amount by which the applicable limit of liability of this Policy exceeds the sum of the applicable limit of liability of all such other insurance. This provision will not apply if the Insured has similar coverage with the Company, or one of its affiliates. In this event only one limit of liability shall be available to the Insured, and such limit shall be the greater of the available limits irrespective of under which Policy such limit is provided.

SECTION X

TERRITORY

This Policy applies to any act, error or omission which takes place anywhere in the world, provided that the Claim is made and suit is brought against the Insured in the United States of America, its territories or possessions and the District of Columbia or Puerto Rico.

SECTION XI

SUBROGATION

In case of payment of Loss by the Company hereunder, the Company shall be subrogated to the amount of such payment to the Insured's right of recovery against any other person or organization for such Loss, and the Insured shall execute all papers required, and shall cooperate with the Company to secure such rights.

Any recovery (after expenses) shall be used to reduce the Loss, and so much of such recovery shall be paid to the Company as will reduce the Loss ultimately borne by the Company to what it would have been had the recovery preceded any payment of such Loss by the Company.

SECTION XII

CHANGES

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or keep the Company from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed, except by endorsements issued to form a part of this Policy.

SECTION XIII

ASSIGNMENT

No assignment of Interest under this Policy shall be valid, unless the written consent of the Company is endorsed hereon.

SECTION XIV

ACTION AGAINST COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the Claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join the Company as a party to any action against the Insured to determine the Insured's liability, nor shall the Company be impleaded by the Insured or his legal representative. Bankruptcy or insolvency of the Insured or of the Insured's estate shall not relieve the Company of any of its obligations hereunder.

SECTION XV

CANCELLATION

The Policy may be canceled by the Company by mailing written notice of cancellation to the Named Insured at the Named Insured's last known address. Such written notice shall state when, not less than sixty (60) days thereafter, or ten (10) days in the case of nonpayment of premium, such cancellation shall be effective. The mailing of written notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall become the end of the Policy Period. Delivery of such written notice of cancellation to the Named Insured shall be equivalent to mailing.

This Policy may be canceled by the Named Insured by mailing written notice stating when the cancellation shall be effective to the Company or its authorized representative.

If the Company cancels, the earned premium shall be the pro-rated amount of the annual premium. If the Named Insured cancels, the premium will be cancelled short rate where allowable by law. Premium adjustment may be made at the time cancellation is effected and, if not then made, shall be made as soon as practicable after cancellation becomes effective. The Company's check or the check of its representative mailed to the Named Insured shall be sufficient tender of any refund or premium due to the Named Insured, provided that if at the time of cancellation the Aggregate Limit of Liability has been exhausted, the entire premium shall be considered earned.

SECTION XVI

REPRESENTATIONS

By acceptance of this Policy, all Insureds represent and warrant that the information and statements contained in the Named Insured's application(s) and any supplement or attachment thereto are true, accurate and complete. All such information and statements are material to the issuance of this Policy to the Named Insured and the extension of coverage under this Policy to the Named Insured is in reliance upon the truth of the

information and statements in the Named Insured's application. The application and any supplements or attachments thereto shall be considered as incorporated into and a part of this Policy, whether or not physically attached to the Policy or Certificate of Insurance.

IN WITNESS WHEREOF, the Company has caused the facsimile signatures of its President and Secretary to be affixed hereto, and has caused this Policy to be signed on the Declarations page by an authorized representative of the Company.

BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, Illinois 60181

MUTUAL FUNDS REPRESENTATIVE ENDORSEMENT

IT IS AGREED that for each insured agent named on the attached Mutual Funds roster and any subsequent rosters, and subject to all the terms of this policy not inconsistent herewith, the Company does hereby agree to pay on behalf of the insured agent such Loss as is sustained by the insured agent by reason of liability imposed by law for damages caused by an negligent act, error or omission of the insured agent arising out of the rendering of services as a registered representative in the sale and servicing of mutual funds through a NASD registered broker /dealer organization.

The following exclusions apply only to the coverage provided by this Endorsement and are in addition to the Exclusions otherwise set forth in the policy:

This policy does not apply to:

- A. Any act, error or omission if, at the time of such act, error or omission, the insured agent is engaged in the sale of mutual funds other than through a NASD Register broker/dealer organization;
- B. Any Claim for Loss sustained or alleged to have been sustained by any person, firm or organization that is not either a customer of the insured agent or a customer's appointed administrator, executor, receiver or trustee in bankruptcy;
- C. A willful violation of any statute or any rule or regulation of any federal, provincial or state securities regulatory agency;
- D. Any Claim brought against the insured agent by a broker/dealer organization or any investment company;
- E. Any Claim based upon a Loss or alleged Loss sustained from fluctuations in the market value of any mutual fund;
- F. Any Loss arising out of the insured agent making promises or guarantees as to the rate of return and/or future value of any mutual fund;
- G. Any Claim arising out of the insolvency, receivership, bankruptcy, liquidation or financial inability to pay of any company, entity or other investment vehicle in which any customer has invested.

Regardless of the number of Agents covered, the liability of the Company for Loss on account of all Claims arising out of the coverage provided by this endorsement during the policy period shall be the Limit of Liability stated in Item 5 of the Declarations.

All other terms and conditions of this policy shall remain unchanged. This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

**BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, IL 60181**

**Insurance Agents and Brokers
Professional Liability Insurance Policy**

LIMITED VICARIOUS LIABILITY COVERAGE ENDORSEMENT

Named Insured:

Policy Number:

Sponsoring Organization:

Effective Date of This Endorsement:

This endorsement forms a part of the Policy to which it is attached. It is effective on the inception date of the Policy unless otherwise stated above.

By the attachment of this Limited Vicarious Liability Coverage Endorsement, and subject to all of the terms, conditions and exclusions in the Policy listed above, the Company hereby agrees to extend limited vicarious liability coverage to the Sponsoring Organization identified in Item 7 of the Declarations under certain circumstances as set forth below.

Section 1. COVERAGE is amended to include the following:

VICARIOUS LIABILITY

Subject to the conditions set forth below, the Company shall pay on behalf of the Sponsoring Organization **Loss** and **Defense Expenses** resulting from a **Claim** first made against the Sponsoring Organization identified in Item 7 of the Declarations and either:

1. an insured **Individual Agent**; or
2. an **Insured Agency**,

but only for such Sponsoring Organization's vicarious liability resulting solely from **Wrongful Acts** of the **Individual Agent** or the **Insured Agency** otherwise covered under this Policy, and not due to any actual or alleged acts of independent **Wrongful Acts** of the Sponsoring Organization.

Provided, however, this coverage applies only if the following conditions are met:

1. The **Individual Agent** or **Insured Agency** is contractually obligated to indemnify the Sponsoring Organization's **Loss** and **Defense Expenses** for its liability for the independent acts of negligence of the **Individual Agent** or **Insured Agency**; and
2. The **Claim** does not allege, in whole or part, any **Wrongful Acts**, wrongdoing or bad faith of the Sponsoring Organization. Provided, however, the Company shall pay on behalf of the Sponsoring Organization **Loss** and **Defense Expenses** covered under this Limited Vicarious Liability Coverage Endorsement once any allegations of wrongdoing or bad faith against the Sponsoring Organization are dismissed and it remains potentially liable based solely on its vicarious liability for the **Wrongful Acts** of the **Insured Agent** or **Insured Agency**.

Nothing herein contained shall vary, alter, waive, or extend any of the terms, conditions, provisions, agreements, limitations, or exclusions of this policy, other than as stated above.

**Insurance Agents and Brokers
Professional Liability Insurance Policy**

**BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, IL 60181**

LIMITED PERSONAL LINES PROPERTY AND CASUALTY AGENT COVERAGE ENDORSEMENT

The following information, and signature by our authorized representative, is required only when this endorsement is issued subsequent to preparation of the policy.

Named Insured:

Policy Number:

Effective Date Of This Endorsement:

Endorsement No: _____ and annual flat charge of \$300

This endorsement forms a part of the policy to which it is attached. It is effective on the inception date of the policy unless otherwise stated above.

1. In consideration of the premium charged and the Sublimits of Liability set forth below, it is understood and agreed that if the Named Insured's Certificate of Insurance shows that the Named Insured purchased the Limited Personal Lines Property and Casualty Agent Coverage Endorsement, the policy to which this endorsement applies also affords coverage an Insured's activities as a properly licensed personal lines property and casualty insurance agent, broker or solicitor selling the following personal lines of insurance, which have been approved by the insurance regulatory department of the state of such sales: homeowners, automobile, watercraft, recreational vehicle, motorcycle, personal umbrellas, renters insurance, **"flood insurance"**, **"pet insurance"** and **"travel protection benefits insurance"**.
2. **"Flood insurance"** shall mean an insurance policy that covers loss as a result of a general and temporary condition of partial or complete inundation of normally dry land areas from:
 - a. overflow of inland or tidal waters,
 - b. the unusual and rapid accumulation or runoff of surface waters from any source, or
 - c. mudflows caused by flooding.
3. **"Pet Insurance"** shall mean a policy of insurance procured or failed to have been procured by an Insured to a Client to provide coverage for veterinary care resulting from an accident to or illness and wellness of a pet, including dogs, cats, birds and exotic pets, but not including horses.
4. **"Travel Protection Benefits Insurance"** shall mean a policy of insurance procured or failed to have been procured by an Insured to a Client to provide coverage for trip cancellations, trip interruption, baggage and personal effects, baggage delay, travel delay, air flight accidents, rental car damage, identity theft and pre-existing conditions.
5. The coverage provided by this endorsement does not apply to any Insured agent or agency whose total remuneration from the sale or servicing of personal lines property and casualty insurance is equal to or greater than twenty-five percent (25%) of his/her total annual fee and commission income; provided further, the coverage provided by this endorsement is subject to the additional exclusions set forth below.

6. The coverage provided by this endorsement does not apply to any of the following claims:

- a. any claim alleging, arising out of, based upon or attributable to any pending or prior litigation (including without limitation any form of alternative dispute resolution) as of the inception of coverage hereunder for the Named Insured, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation;
- b. any claim, or that portion of any claim, seeking non-pecuniary relief;
- c. any claim based upon; arising out of, due to or involving, directly or indirectly, the insolvency, receivership, bankruptcy, liquidation or financial inability to pay, of any insurance company, self-insurance trust, group insurance trust, or other risk-assuming "entity";
- d. any claim brought about or contributed to by an commingling of funds or accounts or the failure to safeguards any moneys, or any claim for sums received by any Insured or credited to any Insured's account, or any claim for fees, premiums, taxes, commissions, or brokerage moneys which any Insured collected or should have collected, returned or should have returned, or paid or should have paid on behalf of another person or organization;
- e. any claim arising out of a notarized certification or acknowledgment of a signature where the person who is or claims to be the person signing said instrument was not physically present before such notary public at the time of notarization;
- f. any claim arising out of or connected in any way with any Insured's activities as a general agent, managing general agent, program manager or administrator, surplus lines broker, wholesale insurance broker, captive insurer or risk retention group manager, or notary public, or arising in connection with claims adjusting and/or loss control services;
- g. any claim based upon, or directly or indirectly arising out of or resulting from the placement of, or actual or alleged failure to place, reinsurance; the performance of, or actual or alleged failure to perform, any actuarial services; or any advice relating to mergers or acquisitions;
- h. any claim arising out of any Insured's activities as an officer, director, partner, trustee, employee or consultant of any insurance company, self-insurance plan, risk retention group, insurance pool, reciprocal or captive insurer;
- i. any claim arising out of any Insured's services after the revocation of the Insured's agent's, broker's or solicitor's license;
- j. any claim based upon, arising out of, resulting from, or in way related to insurance placed with a captive insurance company, risk retention group or insurance company rated less than B+ by A.M. Best or any claim arising out of or in any way related to an alien or non-admitted insurer, or a self-insurance pool, trust or other entity not regulated by a state department of insurance;
- k. any claim based upon, arising out of, resulting from, or in any way related to any insurance products or lines of insurance other than those listed in paragraph 1, above, including, without limitation, the following insurance products or lines of insurance: aviation, wet marine, professional liability, employment practices liability, workers compensation, products liability, commercial, directors and officers liability, medical malpractice insurance, fidelity, surety, boiler and machinery, kidnap and ransom, reinsurance, international insurance, crop, hail, wind, earthquake, or pollution.

The following Sublimits of Liability apply to the coverage provided by this endorsement, in excess of the self-insured retention ("SIR") set forth below:

Under this endorsement, one of four separate Sublimits and SIRs may apply depending on the type of personal lines property and casualty policy at issue in the claim. In particular, policies covering "**flood insurance**" are treated differently than those insuring against other such losses. Likewise, any claim involving "**travel protection benefits insurance**" is subject to a separate Sublimit that is part of (and not in addition to) the non-"**flood insurance**" Sublimit. Finally, "**pet insurance**" is subject to a separate Sublimit and SIR.

Claims resulting from the sale of non "**flood insurance**" are subject to the following Sublimits, in excess of the self-insured retention ("SIR"):

Each "Wrongful Act":	<u>\$1,000,000</u>
Named Insured Aggregate:	<u>\$1,000,000</u>
SIR Each "Wrongful Act":	<u>\$5,000</u>

Conversely, claims arising and of or in any way related to "**flood Insurance**", are subject to the following Sublimits of Liability, in excess of the SIR set forth below:

Each "Wrongful Act":	<u>\$100,000</u>
Named Insured Aggregate:	<u>\$250,000</u>
SIR Each "Wrongful Act":	<u>\$20,000</u>

The Sublimit applicable to any claim alleging, based upon or arising out of "**travel protection benefits insurance**" are set forth below:

Each "Wrongful Act":	<u>\$150,000</u>
Named Insured Aggregate:	<u>\$250,000</u>
SIR Each "Wrongful Act":	<u>\$1,500</u>

The Sublimit applicable to any claim alleging, based upon or arising out of "**pet insurance**" are subject to the following Sublimits of Liability, in excess of the SIR set forth below:

Each "Wrongful Act":	<u>\$25,000</u>
Named Insured Aggregate:	<u>\$25,000</u>
SIR Each "Wrongful Act":	<u>\$5,000</u>

These Sublimits of Liability are part of, and not in addition to, the applicable Named Insured Agent's Limits of Liability.

Nothing herein contained shall vary, alter, waive or extend any of the terms, conditions, provisions, agreements, limitations or exclusions of this policy, other than as stated above.

By: Sharon J. Dold
Authorized Representative

BCS INSURANCE COMPANY

ERISA EXCLUSION ENDORSEMENT

Endorsement No.

This endorsement, effective at 12:01 a.m. CST, on May 01, 2025, forms part of:

Policy No: AEO-30169
Issued to: Independent Agents of Blue Cross and Blue Shield of Vermont
Issued by: BCS Insurance Company

This Endorsement modifies insurance provided under the following:

It is agreed and understood that Exclusion n) in Section V is deleted and replaced by the following:

- n) any liability arising out of any duties or activities assumed under contract by an Insured as a plan administrator or fiduciary under the Employee Retirement Income Security Act of 1974 (ERISA), the Pension Benefits Act or the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) including any amendments, regulations or enabling statutes pursuant thereto, or any other similar federal, state or provincial statute or regulation; however this exclusion shall not apply to the extent such Claim alleges the Insured is liable pursuant to the U.S. Department of Labor's Rules regarding Best Interest Contract or under Prohibited Transaction Exemption 84-24. Sublimit is part of and not in addition to the limits of liability.

Sublimit \$500,000

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

**BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, Illinois 60181**

PREMIUM ENDORSEMENT

IT IS AGREED that, notwithstanding any provision in the policy to the contrary, each individual agent shall elect the limit of liability applicable to claims made against them from those limits set out as follows at the premium indicated.

OPTION A) Limit of Liability: \$1,000,000 each claim subject to an Annual Aggregate of

\$1,000,000 each Agent each policy period Premium
Per Agent \$410

OPTION B) Limit of Liability: \$1,000,000 each claim subject to an Annual Aggregate of

\$2,000,000 each Agent each policy period Premium
Per Agent \$535

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to the preparation of the policy.)

Endorsement Effective

Policy No.

Endorsement No.

Named Insured

BCS INSURANCE COMPANY
2 Mid America Plaza, Ste. 200
Oakbrook Terrace, IL 60181

AMENDATORY ENDORSEMENT – Vermont

IT IS AGREED that this Policy is hereby amended to the extent necessary to eliminate any inconsistencies between it and the following provisions:

The Section entitled **DECLARATIONS** is deleted in its entirety and replaced with the following:

Item 1. Named Insured: Independent Agents of Blue Cross and Blue Shield of Vermont

Item 2. Address 445 Industrial Lane
Montpelier, VT 05601

Item 3. Policy Period: From: May 1, 2025 To: May 1, 2026

Item 4. Deductible: \$1,000 each claim for Blue Cross and Blue Shield of Vermont
product-related claims
\$2,500 each claim Non-Blue Cross and Blue Shield of Vermont
product related claims

Item 5. Limit of Liability For Loss: (See Premium Endorsement)

Item 6. Limit of Liability for Defense Expenses: (See Premium Endorsement)

Item 7. Sponsoring Organization: Blue Cross and Blue Shield of Vermont

Item 8. Premium: (See Premium Endorsement)

Item 9. Endorsement Form Numbers:

92.504-1	Mutual Funds Representative Endorsement
92.522 (6/20)	Limited Vicarious Liability Coverage Endorsement
92.523 (0413)	Limited Personal Lines Property and Casualty Agent Coverage Endorsement
92.601 (11/17)	ERISA Exclusion Endorsement
92.801	Premium Endorsement
92.803VT (11/10)	Amendatory Endorsement – Vermont
92.815-1	Agency Coverage Endorsement
92.205 (2/08)	Changes Endorsement

The Section entitled **SECTION I COVERAGE** is revised by substituting the first paragraph with the following:

The Company shall pay on behalf of an Insured Loss and Defense Expenses resulting from any Claim first made against an Insured and reported to the Company during the Policy Period, or Extended Reporting Period, if applicable, in excess of the applicable deductible Coverage for loss must be within the Limit of Liability specified in the Declarations for Loss. Coverage for Defense Expenses, as defined in the Policy, must be within the separate Limit of Liability specified in the Declarations for Defense Expenses.

The Section entitled **SECTION III LIMIT OF LIABILITY AND DEDUCTIBLE** is deleted in its entirety and replaced with the following:

The limit of liability of the Company for Loss and Defense Costs on account of a single Claim first made against an Insured and reported to the Company during the Policy Period, or during the Policy Period together with the Extended Reporting Period, if applicable, shall not exceed the "per Claim" amount specified in Item 5 of the Declarations for Loss and Item 6 of the Declarations for Defense Expenses, subject to an aggregate limit "each agent each Policy Period" in the amount specified in Items 5 and 6 of the Declarations. In no event shall the Company pay Loss or Defense Expenses greater than the specified aggregate limits under Declarations Items 5. or 6 "each agent each Policy Period" on behalf of any Insured for Claims first made and reported to the Company during a single Policy Period.

The inclusion of more than one Insured or the making of Claims by more than one person or organization shall not operate to increase the Company's Limit of Liability as stated herein. Two or more Claims against an Insured or several insureds arising out of a single Wrongful Act, or multiple Wrongful Acts that share as a common nexus any fact, circumstance, situation, event or transaction, shall be treated as a single Claim. All such Claims, whenever made, shall be considered first made and reported to the Company during the Policy Period or Extended Reporting Period in which the earliest Claim arising out of such acts, errors, or omissions was first made and reported. All such Claims shall be subject to the same limit of liability.

All Insureds under this Policy share the Limits of Liability. In no event will the number of Insureds involved in a claim increase the Limits of Liability stated in Items 5 and 6 of the Declarations.

The limit of liability as stated in Item 5 Loss and Item 6 Defense Expenses of the Declarations shall apply in excess of the deductible as stated in Item 4 of the Declarations. The deductible shall apply to payment of Loss or Defense Expenses on each Claim instituted against the Insured.

Should the Company, for any reason, pay the entire amount of Loss and/or Defense Expenses without regard to the deductible, the Insured will reimburse the Company within 30 days of the Company's request.

The following changes are made to **SECTION IV DEFINITIONS**:

When the Named Insured listed in Item 1 of the Declarations is an individual agent, the definition of "Insured" in the Policy remains unchanged.

When the Named Insured listed in Item 1 of the Declarations is an Insured Agency the definition of "Insured" in the Policy is deleted in its entirety and replaced with the following:

"Insured" shall mean:

- (1) the Named Insured;
- (2) any Employee of the Insured Agency, but solely while acting within the scope of his or her duties as such;
- (3) any owner, partner, executive, officer, director or stockholder of the Insured Agency, but solely while acting within the scope of his or her duties as such; and

(4) in the event of the death, incapacity or bankruptcy of any Insured listed in (a)(1-3) above, the estate, heirs, executors, administrators, assignees or legal representatives of the Insured but only to the extent that such person or entity had coverage under this Agency Coverage Endorsement.

Employee means an individual whose labor or service is engaged by the Insured Agency and who is on the Insured Agency's regular payroll, with federal and/or state taxes withheld and required to be reported on a W-2 Form. The appearance of an individual's name on a list or schedule of employees of the Insured Agency is not determinative of the individual's status as an Employee.

Notwithstanding the definition of Insured above, an Employee of the Insured Agency who has purchased individual coverage shall not be an Insured when the Named Insured listed on the Declarations is an Insured Agency for the period of time during which he or she has individual coverage.

Individual Coverage means agents errors or omissions coverage purchased from the Company by a licensed agent who is appointed to represent the Sponsoring Organization identified in Item 7 of the Declarations.

A Policy issued to an Insured Agency as the Named Insured will not cover any claim seeking to hold an Insured Agency liable for the acts, errors or omissions of an Insured who has individual coverage for such acts, errors or omissions to the extent that the Agency is insured by such Individual Coverage.

The definition of "Loss" is deleted in the entirety and replaced with the following.

f) "Loss" shall mean such amounts that the Insured is legally obligated to pay, including settlements or judgments, resulting from Claims up to the Policy limits. Loss shall not include:

1. civil or criminal fines or penalties,
2. punitive or exemplary damages,
3. the portion of any multiplied damage award which exceeds the amount multiplied,
4. return or withdrawal of commission, fees or other consideration paid to an Insured,
5. costs and expenses resulting from compliance with any injunctive or non-monetary relief or agreement to provide such relief;
6. "Defense Expenses" as defined in this Policy;
7. matters deemed uninsurable under applicable law

The following definitions are added:

j) "Insured Agency" means the insurance agency entity named in Item 1 of the Declarations which has been appointed to represent the Sponsoring Organization named in Item 7 of the Declarations.

k) "Named Insured" means the individual agent or Insured Agency identified in Item 1 of the Declarations so long as that person or Insured Agency holds a current valid appointment with the Sponsoring Organization identified in Item 7 of the Declarations and has applied for and been accepted for coverage under this Policy with the Company or its designee.

The following changes are made to **SECTION V EXCLUSIONS:**

Exclusion h. is deleted and replaced with the following:

h) any claim based upon a loss or alleged loss sustained from fluctuations in the market value of any mutual funds, securities, unregistered securities, promissory note programs, step up, step down and callable CDs, viaticals and life settlements, structured settlements, collateralized debt obligations, private equity, tax liens, tax deeds, day trading or other investment product;

Exclusion j. is deleted and replaced with the following:

j) any loss arising out of the Named Insured making representations, promises or guarantees as to:

1. interest rates, or
2. fluctuations in interest rates, or
3. future premium payments, or
4. market value(s),
5. the future value of, or
6. the rate of return of

any mutual funds, securities, unregistered securities, promissory note programs, step up, step down and callable CDs, viaticals and life settlements, structured settlements, collateralized debt obligations, private equity, tax liens, tax deeds, day trading or other investment product;

The following exclusion is added:

bb) punitive damages

The following changes are made to **SECTION VII EXTENDED REPORTING PERIOD:**

Paragraphs d. and e. are added.

d) If this Policy is cancelled or not renewed by either the Company or the Named Insured, an Insured who is insured under this Policy as of the termination date of the Policy shall have the right to purchase an Extended Reporting Period by paying within 30 days of the Policy's expiration date 100% of the annual premium as stated in the Declarations of the latest renewal endorsement. Such Extended Reporting Period will begin immediately following the Policy expiration date and will run for one year. During the Extended Reporting Period, Claims first made against the Insured and reported to the Company during the Extended Reporting Period and resulting from Wrongful Acts that occurred during the Policy Period covered by this Policy or occurring during any consecutive prior Policy issued by the Company which this Policy replaced will be covered subject to the terms and conditions of this Policy. The Limits of Liability that apply at the inception of the Supplemental Extended Reporting Period are equal to 100% of the Limits of Liability that applied at the inception of the expiring Policy period. In no event shall the Company pay Loss or Defense Costs greater than the specified "per claim" or "aggregate limit" on behalf of any Insured.

e) In the event the Named Insured's status as a member in good standing of or appointment with the Sponsoring Organization terminates during a period in which the Named Insured has paid the applicable premium, the policy will remain in effect for the remainder of the Policy Period as if the Named Insured's status as appointed or a member in good standing of the Sponsoring Organization had not ceased, regardless of whether Named Insured's status is restored except that coverage will not be provided for any Wrongful Acts of an Insured which occur in whole or in part during the period when the Named Insured was not appointed or not a member in good standing of the Sponsoring Organization.

The section titled **SECTION XV CANCELLATION** is deleted in its entirety and replaced by the following:

SECTION XV CANCELLATION, NON-RENEWAL AND RENEWAL

CANCELLATION

The Policy may be canceled by the Company by mailing written notice of cancellation to the first Named Insured at the first Named Insured's last known address by certified mail. Such written notice shall state the reason (s) for the Company action when, not less than sixty (60) days thereafter, or fifteen (15) days in the case of nonpayment of premium, such cancellation shall be effective. The mailing of written notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall become the end of the Policy Period. Delivery of such written notice of cancellation to the first Named Insured shall be equivalent to mailing.

When this Policy has been in effect for sixty (60) days or more the Company may cancel only for the following reasons:

- a. Nonpayment of premium;
- b. Fraud or material misrepresentation affecting the policy or in the presentation of a claim thereunder, or violation of any of the terms or conditions of the policy;
- c. Substantial increase in hazard, provided that the Company received approval for the cancellation from the commissioner of insurance;

This Policy may be canceled by the Named Insured by mailing written notice stating when the cancellation shall be effective to the Company or its authorized representative.

If the Company cancels, the earned premium shall be the pro rated amount of the annual premium. If the Named Insured cancels, the premium will be cancelled short rate. Premium refunds, if applicable, may be made at the time cancellation is effected and, if not then made, shall be made as soon as practicable after cancellation becomes effective. The Company's check or the check of its representative mailed to the Named Insured shall be sufficient tender of any refund or premium due to the Named Insured, provided that if at the time of cancellation the Aggregate Limit of Liability has been exhausted, the entire premium shall be considered earned.

NON-RENEWAL

The Policy may be non-renewed by the Company by mailing, by certified mail, written notice of non-renewal to the Named Insured at the Named Insured's last known address as recorded in the Policy. Such written notice shall state the reason(s) for the Company action and when, not less than sixty (60) days thereafter such non-renewal shall be effective. The mailing of written

notice shall be sufficient proof of notice. The effective date and hour of non-renewal stated in the notice shall become the end of the Policy Period.

RENEWAL

If the Company intends to renew this Policy, we will confirm our intentions to renew and the premium for the new term to the Named Insured in writing at least forty-five (45) days prior to the expiration of the current Policy term. If we fail to provide the Named Insured with forty-five (45) days notice of intention to renew and premium, the Policy will continue at the current premium for forty-five (45) days after written notice is provided by the Company.

All other terms remain unchanged.

**BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, IL 60181**

Endorsement No.

**INSURANCE AGENTS AND BROKERS
PROFESSIONAL LIABILITY INSURANCE POLICY**

AGENCY COVERAGE ENDORSEMENT

Item I: **Insured Agency** (Address): TBD

Item II: **Policy Period:** May 1, 2025 to May 1, 2026
(12:01 a.m., local time at the above address)

Item III: **Deductible:** \$1,000 each claim concerning Blue Cross Blue
Shield covered products.
\$2,500 each claim concerning all other covered products

Item IV: **Limits of Liability:** \$TBD each claim, subject to \$TBD in the aggregate
for all claims made against all Insureds under this Agency Coverage
Endorsement during the Policy Period. The Limits of Liability are shared
by all Insureds under this Agency Coverage Endorsement.

Item V: **Premium:** determined by the following rate schedule:

Agency Annual Commission Volume	Agency Annual Premium Rates Limits in (000's)			
	\$1,000/\$1,000	\$1,000/\$2,000	\$2,000/\$2,000	\$3,000/\$3,000
\$0 to \$199,000	1,080	1,350	1,566	1,782
\$200,000 to \$499,999	1,485	1,856	2,153	2,450
\$500,000 to \$999,999	2,250	2,813	3,263	3,713
\$1,000,000 to \$1,999,999	5,130	6,413	7,439	8,465
\$2,000,000 to \$2,999,999	5,990	7,538	8,744	9,950

Item VI: **Name of Plan represented:** Independent Agents of Blue Cross and
Blue Shield of Vermont

Item VII: **Policy to which this Endorsement Attaches:** No. AEO-30169

In consideration of the Insured Agency's payment of the premium required for the
Agency Coverage Endorsement, and subject to all of the terms, conditions and
exclusions of the Policy referenced in Item VII above (except as amended by this

Endorsement), the Company hereby agrees to extend coverage to the Insured Agency as follows:

Solely for purposes of the coverage provided by this Agency Coverage Endorsement, the following terms shall have the following meanings:

- (a) Insured means:
 - (1) the Insured Agency;
 - (2) any Employee of the Insured Agency, but solely while acting within the scope of his or her duties as such;
 - (3) any owner, partner, executive, officer, director or stockholder of the Insured Agency, but solely while acting within the scope of his or her duties as such; and
 - (4) in the event of the death, incapacity or bankruptcy of any Insured listed in (a)(1-3) above, the estate, heirs, executors, administrators, assignees or legal representatives of the Insured but only to the extent that such person or entity had coverage under this Agency Coverage Endorsement.
- (b) Insured Agency means the entity named in Item I of this Agency Coverage Endorsement which has been appointed to represent the Plan named in Item VI of this Agency Coverage Endorsement.
- (c) Employee means an individual whose labor or service is engaged by the Insured Agency and who is on the Insured Agency's regular payroll, with federal and/or state taxes withheld and required to be reported on a W-2 Form. The appearance of an individual's name on a list or schedule of employees of the Insured Agency is not determinative of the individual's status as an Employee.
- (d) Individual Coverage means agents errors or omissions coverage purchased from the Company by a licensed agent who is appointed to represent the Plan identified in Item VI of this Agency Coverage Endorsement.

Notwithstanding the definition of Insured above, an Employee of the Insured Agency who has purchased Individual Coverage shall not be an Insured under this Agency Coverage Endorsement for the period of time during which he or she has Individual Coverage.

This Agency Coverage Endorsement will not cover any claim seeking to hold an Insured Agency liable for the acts, errors or omissions of an Insured who has Individual Coverage for such acts, errors or omissions to the extent that the Agency is insured by such Individual Coverage.

For purposes of coverage under this Agency Coverage Endorsement, references in the Policy and other endorsements thereto to an "Insured" shall include an Insured Agency as defined herein.

Section III, LIMIT OF LIABILITY AND DEDUCTIBLE, is deleted and replaced with the following:

SECTION III

LIMIT OF LIABILITY AND DEDUCTIBLE The "each claim" Limit of Liability stated in Item IV above is the maximum amount the Company will pay for all loss resulting from each claim for which this Agency Coverage Endorsement provides coverage, regardless of the number of claimants or Insureds involved in the claim. Two or more claims arising out of a single act, error, omission or a series of related acts, errors or omissions shall be: treated as a single claim; deemed made and reported on the dates the earliest such claim was made and reported; and subject to a single "each claim" Limit of Liability.

The "aggregate" Limit of Liability stated in Item IV above is the maximum amount the Company will pay for all loss resulting from all claims for which this Agency Coverage Endorsement provides coverage, regardless of the number of claims made or the number of claimants or Insureds involved in those claims.

All Insureds under this Agency Coverage Endorsement share the Limits of Liability. In no event will the number of Insureds involved in a claim increase the Limits of Liability stated in Item IV of this Agency Coverage Endorsement.

The Company's liability for payment of loss due to a claim shall apply only to that part of the loss which is in excess of the applicable Deductible amount stated in Item III of this Agency Coverage Endorsement. Should the Company in its discretion, elect to pay the entire loss without regard to the Deductible, the Insured Agency will reimburse the Company for the Deductible within 30 days of the date the Company requests such reimbursement.

All other terms and conditions of this policy shall remain unchanged.

This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

BCS INSURANCE COMPANY
2 Mid America Plaza, Suite 200
Oakbrook Terrace, Illinois 60181

Endorsement No.

CHANGES ENDORSEMENT

Issued to Independent Agents of Blue Cross and Blue Shield of Vermont as part of Policy No. AEO-30169

IT IS MUTUALLY UNDERSTOOD AND AGREED, THIS INSURANCE IS HEREBY AMENDED AS INDICATED BY [X]:

1. <input type="checkbox"/> Annual Premium to	8. <input type="checkbox"/> Return Premium of
2. <input type="checkbox"/> Effective Date to	9. <input type="checkbox"/> Anniversary Date to
3. <input type="checkbox"/> Limit of Liability to	10. <input type="checkbox"/> Retention to
4. <input type="checkbox"/> Named Insured Changed, As Shown Below	11. <input type="checkbox"/> Insured's Address Changed, As Shown Below
5. <input type="checkbox"/> Additional Insured(s) or Subject(s) Of Coverage, Named Below, Added	12. <input type="checkbox"/> Additional Insured(s) or Subject(s) Of Coverage, Named Below, Deleted
6. <input type="checkbox"/> Exclusion(s), Added	13. <input type="checkbox"/> Exclusion(s), Deleted
7. <input type="checkbox"/> Additional Premium of	14. <input checked="" type="checkbox"/> Other

Section I paragraph 1 Coverage is deleted and replaced with the following:

The Company shall pay on behalf of an Insured Loss in excess of the deductible and Defense Expenses resulting from any Claim first made against an Insured and reported to the Company during the Policy Period, or Extended Reporting Period, if applicable, and within the limit of liability specified in the Declarations

All other terms and conditions of this policy shall remain unchanged. This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

BCS INSURANCE COMPANY