



## **CARRIER-SPONSORED LIFE INSURANCE AGENTS AND BROKERS ERRORS & OMISSIONS PROGRAM PARTICIPATION AGREEMENT**

The Carrier-Sponsored Life Insurance Agents and Brokers Errors and Omissions Program Participation Agreement ("Agreement"), initiated as of the effective date shown below, is entered into by and between Rockwood Programs, Inc. ("Rockwood") and ABC Life Insurance Company ("Participant").

**WHEREAS**, Rockwood has:

- a) designed a program to provide Errors and Omissions (E&O) insurance specifically tailored for Life Insurance Agents and Brokers,
- b) established a proprietary automated inquiry fulfillment center, and
- c) implemented a streamlined internal workflow to expedite quoting, billing, and policy delivery; and

**WHEREAS**, Participant wishes to ensure that all agents and brokers producing business on their behalf are adequately insured to cover their professional liability exposures.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, both parties agree as follows:

### **1. ROCKWOOD DUTIES**

Rockwood agrees to perform the following:

- A. Develop solicitation materials, brochures, and application/enrollment forms tailored specifically to the Participant's producer force;
- B. Create a series of four sample communications on behalf of the Participant to be distributed to the producer force;
- C. Provide the Participant's producer force with access to the automated inquiry fulfillment (fax-on-demand) site. This site will contain materials unique to the Participant;
- D. Maintain a database which captures the disposition of each response received from a member of the Participant's producer force;
- E. Adhere to pre-established time service guidelines with regard to quoting, policy issuance, and billing;

F. Complete and forward the following activity reports to the Participant within 15 days of the end of each month:

- Total responses received by disposition type;
- Distributions by geographic location and/or Participant regional office; and
- Detailed listing of non-responding agents;

A. Provide access to all policy forms and rates relating to this program, including any and all subsequent revisions, enhancements, and endorsements.

### **2. PARTICIPANT DUTIES**

The Participant agrees to perform the following:

- A. Distribute all solicitation materials to the agency force a minimum of four times within the first year of the Agreement's execution;
- B. Require that all appointed agents possess adequate E&O coverage within one year of the Agreement's execution;
- C. Provide Rockwood with files containing the names and addresses of those agents/brokers currently appointed to write business on the Participant's behalf;
- D. Grant Rockwood or Rockwood-designated personnel access to Participant's producer communications vehicles, including newsletters, Intranet links, and broadcast fax facilities;
- E. Utilize the sample letters provided by Rockwood (or suitable replacements) to communicate the availability of the E&O program to the Participant's producer force.

### **3. NON-DISCLOSURE AND LIMITATIONS ON USE OF PROPRIETARY INFORMATION**

The Participant agrees not to use, copy or disclose, directly or indirectly, to any third party, the rating algorithms, policy forms, or marketing materials without the prior written consent of Rockwood. Rockwood agrees not to use, copy or disclose, directly or indirectly, to any third party, any insights gained into

the Participant's policy portfolio, including product line distribution, demographic characteristics, and producer network without the prior written consent of the Participant.

The utilization of any newsletters, Intranet links, or broadcast fax facilities that are proprietary to the Participant will be accessed by Rockwood for the sole purpose of soliciting E&O insurance. Rockwood agrees not to use these communications vehicles for any other purpose without the prior written consent of the Participant.

The obligations of both Rockwood and the Participant under this Agreement with respect to confidentiality, non-disclosure and limitations on the use of proprietary information shall survive the termination of this Agreement.

**4. PRODUCER FORCE SOLICITATION**

All costs associated with the development of marketing materials will be borne by Rockwood. These expenses include (but are not limited to) creative, copywriting, photography fees, typesetting, printing, production, and kit assembly. All costs associated with materials distribution will be the responsibility of the Participant.

Both parties must approve all solicitation materials and communications relating to the carrier-sponsored E&O program prior to their utilization.

**5. TERMINATION**

Either party shall have the right at any and all times to terminate this Agreement by providing 30 days advance written notice. Any such termination shall not affect the rights and obligations of either party prior to the effective date of the termination.

**IN WITNESS WHEREOF:** The parties hereto have signed this **PARTICIPATION AGREEMENT** commencing \_\_\_\_\_ by their duly authorized representatives on \_\_\_\_\_.

WITNESS:

ABC Life Insurance Company:

By: \_\_\_\_\_

By: \_\_\_\_\_

WITNESS:

Rockwood Programs, Inc.:

By: \_\_\_\_\_

By: \_\_\_\_\_  
Glenn W. Clark, President