

OneAmerica

HIGHLIGHTS OF THE ERRORS AND OMISSIONS PROFESSIONAL LIABILITY POLICY

This is a voluntary program for the Agents of:

American United Life Insurance Company
The State Life Insurance Company
Pioneer Mutual Life Insurance Company

Sponsored by:

OneAmerica Financial Partners, Inc.

Insurer:

Zurich American Insurance Company
One Liberty Plaza
New York, NY 10006

Policy Number:

EOC-6555547-06

Policy Period:

12:01 am December 1, 2015 to 12:01 am December 1, 2016

Broker:

Aon Risk Services Northeast, Inc.
199 Water Street
New York, NY 10038

THIS OUTLINE PROVIDES GENERAL INFORMATION ON YOUR ERRORS AND OMISSIONS PROGRAM WITH ZURICH. IT IS NOT INTENDED TO INTERPRET THE TERMS OF THE POLICY OR TO GIVE LEGAL ADVICE, BUT RATHER TO SUMMARIZE OUR UNDERSTANDING OF THE COVERAGE PROVIDED. IF THERE IS AN INCONSISTENCY BETWEEN THIS OUTLINE AND THE POLICY LANGUAGE, THE TERMS AND CONDITIONS OF THE POLICY SHALL CONTROL.

THIS POLICY IS WRITTEN ON A CLAIMS MADE AND REPORTED BASIS

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I. CURRENT PROGRAM REVIEW

Carrier: Zurich American Insurance Company
AM Best Rating: A+/XV

Policyholder: OneAmerica Financial Partners, Inc.

Individual Insureds: Agents of American United Life Insurance Company, The State Life Insurance Company, and Pioneer Mutual Life Insurance Company

Policy Period: December 1, 2015 to December 1, 2016

Policy Number: EOC-6555547-06

Limits of Liability:
(Includes Defense Costs)

Option	per Claim	Aggregate Each Agent
Option 1	\$1,000,000	\$2,000,000
Option 2	\$2,000,000	\$2,000,000
Option 3	\$2,000,000	\$4,000,000
Option 4	\$3,000,000	\$3,000,000
Option 5	\$3,000,000	\$5,000,000

Policy Aggregate: None

Deductible: *(Applies to Damages Defense costs)*

\$500 Each Claim/Each Agent on products of American United Life Insurance Company, The State Life Insurance Company, Pioneer Mutual Life Insurance Company, Provident Life and Accident Insurance Company, Illinois Mutual Insurance Company, Educators Mutual Life Insurance Company, Indianapolis Life Insurance Company, Principal Life Insurance Company, Golden Rule Insurance (life and annuity only), Union Central Life Insurance Company and Assurity Life Insurance Company.

\$2,500 Each Claim/Each Agent on all other covered products¹.

¹ Please note that a deductible of \$5,000 applies to certain Alternative Investment products sold through OneAmerica Securities, Inc.. Please see Section D.f for more details.

II. QUESTIONS AND ANSWERS ON COVERAGE

A. Who is the Insurer?

Zurich American Insurance Company, (hereinafter referred to as “Zurich”) has an A.M. Best rating of A+ as of November 2015.

B. Who is the sponsor of the Group Life Insurance Agents’ Errors & Omissions Liability Policy?

OneAmerica Financial Partners, Inc.

C. Who is covered?

Agents

You, the agent of OneAmerica partner companies, provided you have enrolled in the program and paid the appropriate premium.

Your Corporation

Any corporation, partnership, or other business entity, which engages in Professional Services and which is owned or controlled by you would be covered. Coverage, however, only applies to those operations of the business entity directly related to the professional services covered herein and provided by you.

Your Employees

Any person acting on your behalf who was or is your employee or your business entity or a partner, officer, director, or stockholder of your business entity provided such person is not a party to a contract with any other insurance company, and then only with respect to Professional Services provide by you.

Your Heirs

Your heirs, executors, administrators or legal representatives are covered in the event of your death, incapacity or bankruptcy.

Important Note: Employees and Corporations do not have their own limits; they share the coverage afforded to the Agent.

D. What Professional Services are covered?

There are two levels of coverage, Tier I and Tier II. Offered at a higher premium, Tier II is designed for those registered reps of OneAmerica Securities who have exposure for the sale or servicing of Series 7 Securities, including for past activities.

Except as specified in subsection f, below, Tier I covers you for the sale or servicing of:

- a. Life insurance, accident and health insurance, workers compensation insurance as part of a 24-hour accident and health insurance product, disability income insurance, long term care insurance and fixed annuities.
- b. Variable annuities, flexible and scheduled premium annuities and variable life insurance;
- c. Single employer/employee benefit plans funded with the products listed in subsections a., b., and d.;
- d. Mutual funds registered with the SEC and sold by a Registered Rep through a Broker/Dealer registered with FINRA;
- e. Financial Planning in conjunction with covered products.
- f. Securities registered with the SEC, Limited Partnership offerings by Atlas Resources, and certain alternative investments, provided all such securities are sold through OneAmerica Securities, Inc.

Requires Tier II Coverage – which you must elect and pay an additional premium for; Sublimits of Liability of \$1,000,000 per Claim and \$1,000,000 per Insured apply to Atlas LP claims; Sublimit of \$100,000 and a \$5,000 deductible apply to each and every claim related to the sale or servicing of Lightstone Value REIT; Griffin American Healthcare REIT; Franklin Square Investment Company (FSIC); Franklin Square Energy & Power (FSEP).

- g. Investment advice provided to a client pursuant to a written contract with the client defining the scope of such services and the Investment Advisor is an Associated Person of OneAmerica Securities corporate RIA and in compliance with the corporate RIA agreement;
- h. The supervision and training by a General Agent over the conduct of any Insured.

E. What is your Limit of Liability?

During the enrollment period, you had five (5) limits of liability options, listed below, to choose from. Depending on the limit option you chose, you will have a per Claim limit for each Wrongful Act or Interrelated Wrongful Act resulting in a claim, which is the total amount of Damages and Defense Costs that Zurich will pay for each claim. The Aggregate is the most Zurich will pay on your behalf during the Policy Period, no matter the number of claims.

Option	per Claim	Aggregate Each Agent
Option 1	\$1,000,000	\$2,000,000
Option 2	\$2,000,000	\$2,000,000
Option 3	\$2,000,000	\$4,000,000
Option 4	\$3,000,000	\$3,000,000
Option 5	\$3,000,000	\$5,000,000

F. What is your deductible? *

\$500 Each Claim/Each Agent on products of American United Life Insurance Company, State Life Insurance Company, Pioneer Mutual Life Insurance Company, Provident Life and Accident Insurance Company, Illinois Mutual Insurance Company, Educators Mutual Life Insurance Company, Indianapolis Life Insurance Company, Principal Life Insurance Company, Golden Rule Insurance (life and annuity only), Union Central Life Insurance Company and Assurity Life Insurance Company.

\$2,500 Each Claim/Each Agent on all other covered products, except certain Alternative Investment Claims, to which a \$5,000 deductible applies.

** The deductible applies to Damages and Defense costs*

G. What are some of the important conditions on policy coverage?

Claims Made and Reported

Coverage is on a "Claims Made and Reported" basis, which covers claims first made against you and reported in writing to Zurich during the policy period.

Defense Obligations

The Insurer has a right and duty to defend and settle any claim made against you within the terms of the policy. If a claim alleges dishonest, fraudulent or malicious acts, a defense will be provided until the allegations are subsequently proven by a final adjudication. In such event, Zurich has the right to seek reimbursement for Defense Costs.

Please remember that your coverage under the policy could be jeopardized if you admit liability, agree to any settlement or incur any expense without the prior consent of Zurich.

Defense costs are included in the Limits of Liability.

Prior Acts Coverage

You are covered for claims arising out of Wrongful Acts which occurred on, or after, your Retroactive/Prior Acts Date. Your Retroactive date is the date you first became continuously insured, without any interruption, under any Agents Claims Made Errors and Omissions Professional Liability Policy.

H. What happens if my Agent's contract is terminated with OneAmerica during the policy period?

If your contract is terminated during the policy period, coverage automatically ceases on the date your contract terminates.

However, an Automatic Extended Reporting Period (ERP) of One (1) year is provided at no cost to you. This will cover claims first made and reported during the ERP arising out of acts, errors or omissions that occurred on or after your Retroactive Date and prior to the termination date of your contract with OneAmerica. The Automatic ERP applies solely to claims involving products provided by American United Life Insurance Company, State Life Insurance Company, Pioneer Mutual Life, and OneAmerica.

The ERP is not available if you have other applicable insurance.

Termination due to Retirement or Disability

Those insured Agents who terminate their contract due to Retirement or Disability will have an automatic, unlimited ERP to report claims arising out of pre-retirement or pre-disability activities, so long as the E&O program is underwritten by Zurich and the retired or disabled Agent does not obtain other applicable E&O insurance. This is the Conditional Unlimited Extended Reporting Period.

Those who terminate their contract due to retirement or disability may also elect to purchase an Optional Extended Reporting Period. This is a personal tail that applies regardless of future changes in the policy terms or the insurer that underwrites this OneAmerica-sponsored E&O program.

- A three (3) year ERP is available for an additional premium charge of 200% of the annual premium.

- A five (5) year ERP is available for an additional premium charge of 300% of the annual premium.
- An unlimited ERP is available for an additional premium charge of 400% of the annual premium.

A written election of the Optional ERP and payment of the premium must be arranged **within 60 days** of your contract termination.

Claims made against you and reported during any Extended Reporting Period will be considered as being reported during your final policy period for the purposes of applying the Limit of Liability. No Extended Reporting Periods under the Policy apply if you have other applicable E&O insurance.

For information about the Optional ERP and costs, contact:

Affinity Insurance Services
159 County Line Road
Hatboro, PA 11040-1218
Phone: 800-621-0711
Fax: 877-443-9183

III. POLICY EXCLUSIONS

This Policy does not apply to any "Claim":

A. Dishonesty/Fraud

Arising out of any act, error or omission of the "Insured" committed with dishonest, fraudulent, malicious or knowingly wrongful purpose or intent; however, notwithstanding the foregoing, the "Insured" shall be afforded a defense, subject to the terms of this Policy, until the allegations are subsequently proven by a final adjudication. In such event, the "Insured" shall reimburse the Company for all "Defense Costs" incurred by the Company;

B. Bodily Injury/Property Damage

Alleging bodily injury, sickness or death of any person, or injury or destruction of any tangible property, including loss of use thereof;

C. Contractual Liability

Alleging the liability of others assumed by the "Insured" under any contract or agreement unless such liability would have attached to the "Insured" even in the absence of such agreement;

D. Insured Owned/Controlled Enterprise

By an enterprise which one or more "Insureds" own, operate, control or manage; or any "Claim" by an enterprise which owns, operates, controls or manages an "Insured";

E. Other Professional Services

Arising out of services performed by the "Insured" as an actuary, accountant, attorney, real estate agent or real estate broker, named fiduciary or third party claims administrator;

F. Commingling of Client Funds

Arising out of, or contributed to by, any commingling of, or use of client funds;

G. Insolvency

Arising out of, directly or indirectly, the insolvency, receivership, bankruptcy, or inability to pay of any organization in which the "Insured"

1. Has placed or obtained a client's coverage;
2. Has placed a client's funds; or

3. Has recommended a client invest.

However, this exclusion shall not apply if the "Claim" is based upon the insolvency, receivership, liquidation or inability to pay of any insurance company that was rated as A- or better by A.M. Best Company at the time the business was placed, obtained or recommended;

H. Computer Programming

Arising out of the "Insured's" activities in computer programming or processing if the resulting programs or software are sold or distributed or if a fee is charged for use of such program or software;

I. Insured v. Insured

Made against any "Insured" or the "Additional Insured" by:

1. Any "Insured";
2. Any "Additional Insured";
3. Any "Broker/Dealer";
4. Any other insurance company*;
5. Any other insurance agency, brokerage or intermediary;
6. Any person or entities who in the past were, but are not currently, parties to an agent contract with the "Additional Insured"; or
7. Any subsidiary or affiliate of the "Insured", "Additional Insured", or "Named Insured".

** NOTE: If you receive a request from any insurance company for a statement or other response in connection with a customer complaint, or you otherwise become aware of a pending customer complaint being addressed by any insurance company, you are urged to report such matter without delay under the Claims Reporting instructions of this Guide (see Sections IV and V) to minimize the likelihood that this exclusion will apply. DO NOT WAIT until the insurance company resolves the matter without input from your E&O carrier.*

J. Misuse of Confidential Information

Arising out of the use of confidential information by an "Insured", including but not limited to such use for the purpose of replacement of coverage;

K. Inability or Refusal to Collect Premium/Tax Monies

Arising out of the "Insured's" inability or refusal to pay or collect premium, claim or tax monies, including surcharges or assessments of any kind;

L. Coverage Placed with Unlicensed Organizations

Arising from or contributed to by the placement of client's coverage or funds directly or indirectly with any organization which is not licensed to do business in the state or jurisdiction with authority to regulate such business. However, this exclusion does not apply to any "Claim" arising from or contributed to by the placement of client's coverage or funds directly or indirectly with any organization which is an eligible surplus lines insurance company in the state or jurisdiction with authority to regulate such business;

M. HMOs/PPOs and Self Insurance Programs

Arising out of the ownership, formation, operation or administration of, or advice regarding, referral to, recommendation of or placement of coverage with any self-insured health maintenance organization (HMO), self-insured preferred provider organization (PPO), risk retention group, self insurance program or purchasing group or Multiple Employer Welfare Arrangement;

N. Unlawful Communication

Arising out of or based upon:

1. The Federal Telephone Consumer Protection Act (47 U.S.C. sec 227), Drivers Privacy Protection Act (18 U.S.C. sec. 2721-2725) or Controlling the Assault of Non-Solicited Pornography and Marketing Act (15 U.S.C. sec. 7701, et seq.); or
2. Any other federal, state or local statute, regulation or ordinance that imposes liability for the:
 - a. Unlawful use of telephone, electronic mail, internet, computer, facsimile machine or other communication or transmission device; or
 - b. Unlawful use, collection, dissemination, disclosure or redisclosure of personal information in any manner by an "Insured" or on behalf of any "Insured";

O. Commodities, Penny Stocks, Promissory Notes, Viatical and Life Settlements

Arising out of the purchase, sale or the giving of advice regarding:

1. Commodities, commodity future contracts, or option contracts other than covered call option contracts;
2. Any security priced under five dollars (\$5.00) at the time of purchase;
3. Promissory notes or other non-securitized evidence of debt; or
4. Viatical settlements, life settlements, stranger owned life insurance policies, or any security backed by either viatical settlements or life settlements, or stranger owned life insurance policies;

5. Reverse mortgages or similar transactions in which the present value of a conditional contract is exchanged or sold;
6. ETS pay phones or pay phone investments;
7. A multiple employer welfare benefit fund (intended to be a welfare benefit fund) described in section 419(A)(f)(6) of the Internal Revenue Code of 1986, as amended or any successor thereto.
8. Auction Rate Securities not approved by OneAmerica Securities.

P. Regulatory Investigations/Claims

Brought by, or on behalf of, the Securities Investor Protection Corporation, or any governmental, quasi-governmental, regulatory, or self-regulatory entity, whether directly or indirectly; however, this exclusion shall not apply to any "Claim" by such entity to enforce its rights as a direct customer of the "Insured" or "Additional Insured";

Q. Clearing Agency

Brought by, or on behalf of, any clearing agency or arising out of any function of any "Insured" or "Additional Insured" as a clearing agency;

R. Discretionary Authority

Arising out of the "Insured's" activities in exercising discretionary authority, management or control over a customer's account;

S. Infringement of Intellectual Property

Arising out of or based upon infringement of patent, copyright, trademark, service mark, trade dress or trade name, unfair competition or piracy, theft or wrongful taking of concepts including using another's advertising ideas or other intellectual property;

T. Personal Injury

For "Personal Injury":

1. Sustained by any "Insured" or "Additional Insured";
2. Caused by or at the direction of the "Insured" with the knowledge that the offense would violate the rights of another and would inflict "Personal Injury";
3. Arising out of oral or written publication of material, if done or at the direction of the "Insured" with knowledge of its falsity;
4. Arising out of an electronic chatroom or bulletin board the "Insured" hosts, owns or over which the "Insured" exercises control; or

5. Arising out of the unauthorized use of another's name or product in the "Insured's" email address, domain name or metatag, or any other similar tactics to mislead another's potential customer;

U. Discrimination

Arising out of alleged discrimination of any kind;

V. Prior Knowledge of Claim

Prior to the first effective date of coverage issued to the "Named Certificate Holder", provided no "Insured" had any basis:

1. To believe that any "Insured" had knowledge of any negligent act, error or omission or "Personal Injury";
2. To foresee that any such negligent act, error or omission or "Personal Injury" or any related negligent act, error or omission or "Personal Injury" might reasonably be expected to be the basis of a "Claim";

W. Pollution

Based upon, arising out of, or attributable to:

1. The actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of "Pollutants" into or on real or personal property, water or the atmosphere; or
2. Any direction or request that the "Insured" tests for, monitors, cleans up, removes, contains, treats, detoxifies or neutralizes "Pollutants", or any voluntary decision to do so.

This pollution exclusion applies whether or not such "Pollutants" have any function in the "Insured's" business, operations, premises, site or location and regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to any "Damages" and "Defense Costs" associated with such "Pollutants";

X. Medical Malpractice

Based upon, arising out of, or attributable to the quality of care rendered by, lack of care rendered by, or the alleged malpractice of a participating provider of health-related services, its employees, physician, or other practitioner, of any Health Maintenance Organization or other Healthcare provider.

Y. Employee Benefit Plans Sponsored by the Insured as an Employer

Based upon or arising out of any Pension, Profit Sharing, Health and Welfare or other Employee Benefit Plan or Trust sponsored by the "Insured" as an employer;

Z. Guarantees of Interest Rate or Market Value

Arising out of the "Insured" making representations, promises or guarantees as to the future value of any investment including but not limited to, representations, promises or guarantees as to interest rates, fluctuation in interest rates, future premium payments or market value(s);

AA. Investment Products Owned by Insured

Arising out of or involving investment products partially or totally owned by the "Insured";

BB. Structured Settlements

Arising out of the brokering of structured settlements; however, this exclusion does not apply to any "Claim" arising from or contributed to the sale of annuity products used to fund the structured settlements;

IV. What to do in the Event of a Claim

1. As soon as you are aware of any circumstances, regardless of whether a lawsuit has been commenced, which may lead to a claim being made, or as soon as an actual claim is made, complete a copy of the Claims Report on the next page and send it to the address on the form.
2. If a summons and complaint has been issued, send it along with the Claims Report (if not previously provided) **by overnight express mail** to:

Zurich North America
Diversified Financial Institutions Claims
P.O. Box 968041
Schaumburg, IL 60196-8041
(866) 255-2962 FAX

3. Once an incident has been identified or an errors and omissions claim has been made, great care should be exercised to avoid any disclosures or discussion of any facts or information relating to the claim with anyone, unless they identify themselves to be from Zurich or a designated representative appointed to handle your claim, or from the compliance or risk management department of OneAmerica or Aon.
4. Should you have questions about the coverage afforded under this policy, call:

Lainee Beigel
Aon Risk Services, Northeast Inc.
(800) 504-0277
(212) 441-1262
Fax: (847) 953-0619

5. If you wish to discuss a potential Claim situation with Zurich, or before reporting it in writing, please call MaryAnne Koller, the claims manager assigned to the OneAmerica account. She will be happy to discuss claims procedures with you.

MaryAnne Koller: (212) 553-5602

V. CLAIM REPORT FORM

Zurich American Insurance Company
Agents of OneAmerica
Errors & Omissions Insurance Program
(12/1/2015-12/1/2016)

CLAIM REPORT FORM

Date: _____

Policy Number: EOC-6555547-06

Name: _____

Business Address: _____

Phone Number: _____ Email: _____

1. Date you became aware of this claim: _____

2. Do you have any other Errors and Omissions Insurance? If so, give name of company policy number, and limits: _____

3. What type of business does the claim involve? _____

4. Who is making this claim against you?

Name: _____

Address: _____

Please attach a description of the circumstances leading to this claim and copies of all pertinent correspondence. If you have been served with a lawsuit, a copy of the suit must be enclosed.

Send this report to:

**Zurich North America
Diversified Financial Institutions Claims
P.O. Box 968041
Schaumburg, IL 60196-8041
FAX: 866-255-2962**

Do not discuss this matter with anyone other than a representative of Zurich, OneAmerica or Aon.

VI. IMPORTANT TELEPHONE NUMBERS & ADDRESSES

Reporting of Claims:

Zurich North America
Diversified Financial Institutions
P.O. Box 968041
Schaumburg, IL 60196-8041
(866) 255-2962 FAX

Coverage Questions or Problems:

Lainee Beigel
Aon Risk Services Northeast, Inc.
199 Water Street
New York, NY 10038
(800) 504-0277
(212) 441-1262
Lainee.beigel@aon.com
(847) 953-0619 FAX

Enrollment & Premium Payment/ERP/ Certificates of Insurance Questions:

Affinity Insurance Services
159 County Line Road
Hatboro, PA 11040-1218
Phone: 800-621-0711
Fax: 877-443-9183