



E&O Frequently Asked Questions

U.S./P.R. edition

1. What is Errors & Omissions (E&O) Insurance?

E&O insurance is professional liability insurance that protects companies and individuals against claims made by clients for inadequate work or negligent actions. It often covers both court costs and any settlements up to the amount specified in the insurance contract.

Think of it in terms of malpractice insurance that is held by doctors – E&O insurance protects you in case you make a mistake, i.e. an error of omission. Since legal expenses and other costs can quickly mount up, E&O insurance is a smart, affordable way to protect yourself.

2. Is it mandatory to have my E&O insurance through WFG or can I provide my own coverage?

All agents of World Financial Group Insurance Agency, Inc. and its subsidiary agencies (WFGIA) with an active provider appointment and all Representatives of Transamerica Financial Advisors, Inc. (TFA) are required to have E&O insurance through the companies' provider. Participation in this program is mandatory pursuant to Section II; Subsection J of the Associate Membership Agreement and application (AMA). An associate cannot decline coverage for any reason. (Please note: Because of state law, WFGIA agents and TFA representatives in New York are exempt from this policy.)

3. How much is the monthly E&O insurance premium?

The fee structure is attached on page 4 of this FAQ.

4. When does my E&O insurance coverage begin?

Coverage begins once you get your first life insurance appointment with an insurance provider company and you will be charged for E&O insurance from that point forward. The registered representative rate begins once you are approved by TFA.

5. Does my WFG E&O insurance cover me for any activities outside of WFG?

No. Your WFG E&O insurance only applies to products and services sold through WFG, WFGIA and TFA.

6. How do I make my E&O insurance payments?

Payments can only be made through Payment Central on MyWFG.com. You also can set up monthly recurring payments at anytime through Payment Central.

7. Do I need to sign up for recurring E&O insurance payments? What happens if I do not sign up for recurring payments?

It's extremely important that your monthly E&O insurance fees are paid on time. Non-payment can cause your commissions to be held or lead to termination. Automatic, recurring payments can be set up through Payment Central on MyWFG using a credit card and can help ensure that your premiums are paid.

If you do not sign up for recurring payments, you will be charged a monthly E&O administrative fee on top of your regular E&O insurance premium. The administrative fee for Training Associate (Level 1) through Marketing Director (Level 17) is \$10.00 and it is \$20.00 for SMD (Level 20) and above.

8. I signed up for recurring E&O insurance payments, why do I keep receiving notices that I owe premiums?

Notices will be received if you have an E&O insurance premium balance that wasn't cleared at the time you signed up for recurring payments. Or, if you sign up for recurring payments after the 10th of the month, that month's premium was not included in the recurring payment and must be paid as a one-time payment. You will continue to receive a balance notice until you make a payment to clear it.

9. How can I change the credit card or update the expiration date for the credit card that I am using for recurring E&O insurance payments?

If you wish to change credit cards or need to update your credit card, you must cancel your recurring payment and then sign up for it again using the new credit card information.

10. Can I change the date that my credit card is charged for recurring E&O insurance payments?

Recurring E&O payments are processed on the 10th of each month. This date cannot be changed.

11. Why were my recurring E&O insurance payments cancelled?

If your credit card is declined when the recurring payment is processed, then your recurring payments are automatically cancelled in the system. You must sign up again for the recurring E&O payment program through Payment Central on MyWFG.

12. How do I stop my E&O insurance recurring credit card payments?

You can unsubscribe from E&O recurring payments by going to E&O Payments on Payment Central and clicking "Unsubscribe Now." From that point forward, you will be required to pay the administrative fee in addition to the monthly E&O premium. (Please see question 7 regarding the administrative fee.)

13. What is the process for terminating my E&O insurance coverage?

You can submit the E&O insurance termination form which is available through BOSS on MyWFG. After terminating your E&O insurance, all your insurance provider appointments will be cancelled, your registration with TFA, if applicable, will be terminated and you will not be able to sell their products. When you decide to begin paying for E&O insurance and become an active agent again, you will need to resubmit new product provider appointment paperwork.

14. Is there an option to make partial E&O insurance payments?

Partial payments are not allowed at this time.

15. How do I obtain an E&O insurance certificate?

You can view and print your E&O Certificate by going to the [Reports page](#) on MyWFG.com and then clicking on “E&O Certificate.”

16. Can a team member’s E&O insurance charges be debited from an upline’s commissions?

Yes, an upline can have their commissions debited. However, they must inform WFG in writing each month that they want their commissions debited on behalf of a team member. Please send the request to wfgendo@transamerica.com for processing.

17. Can I demote myself in order to have a lower E&O insurance cost?

No, this is not allowed.

18. What are the qualifications regarding the E&O insurance discount program?

To qualify for the discount program you must be signed up for recurring E&O insurance payments, have a rolling three (3) month Net Point Ratio (NPR) of 60% or higher, and you must earn one of the following:

- 2,000 or more personal points in one month;
- 4,000 or more personal points over two months;
- 6,000 or more personal points over three months;
- 8,000 personal points over four months

The discount is available to Training Associate, Associate, Senior Associate (for those associates/teams using the alternative advancement guidelines), Marketing Director or Senior Marketing Director levels.

Points toward the discount can be used for up to three months as long as the average of 2,000 points per month is maintained. For example, if you earn 6,000 points in January, you can earn the discount for the next three months: February, March and April. You must re-qualify for the discount each month and be an active licensed agent when the discount is applied.

19. When will I see my E&O insurance discount?

Your discount is applied after the month-end closes. For example, if you earned the discount in May, you will see the discount on your June commission’s statement.

E&O Insurance Fee Structure

The E&O insurance levels cover three categories to make it easier for associates to understand what fee they must pay for their insurance. The fees are tiered across levels, with lower fees for Training Associates through Senior Marketing Directors (SMDs), which helps keep business costs low for an associate who is new to WFG and is just starting to build his/her financial services business.

E&O Insurance Fee Structure without Discount

Title & Level	Life Licensed	Registered Rep	IAR
Training Associate (Level 1)	\$30	\$100	\$125
Associate (Level 10)	\$30	\$100	\$125
Senior Associate (Level 15)	\$60	\$120	\$145
Marketing Director (Level 17)	\$60	\$120	\$145
Senior Marketing Director (Level 20)	\$80	\$125	\$175
Executive Marketing Director (Level 65)	\$150	\$150	\$250
CEO Marketing Director (Level 70)	\$175	\$175	\$300
Executive Vice Chairman (Level 87)	\$200	\$200	\$350

E&O Insurance Fee Structure after Discount

Title & Level	Life Licensed	Registered Rep	IAR
Training Associate (Level 1)	\$0	\$70	\$95
Associate (Level 10)	\$0	\$70	\$95
Senior Associate (Level 15)	\$30	\$90	\$115
Marketing Director (Level 17)	\$30	\$90	\$115
Senior Marketing Director (Level 20)	\$50	\$95	\$145
Executive Marketing Director (Level 65)	\$150	\$150	\$250
CEO Marketing Director (Level 70)	\$175	\$175	\$300
Executive Vice Chairman (Level 87)	\$200	\$200	\$350