

stay connected

cellphone replacement service

Operating Procedures & Guidelines Manual

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GREATAMERICAN[®]
INSURANCE GROUP


TELCOM[®]
INSURANCE GROUP

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

The following Stay Connected Procedures Manual is intended to serve as your guide for proper maintenance of the Stay Connected Cellphone Replacement Service. By signing the Dealer Agreement you have also agreed to be bound by the Procedures laid out herein.

If you ever have ANY questions, comments or concerns you are advised to immediately phone the Stay Connected help line toll-free at 866-840-5725.

Table of Contents

	<u>PAGES</u>
1) Sample Dealer Agreement	4 to 8
a. Other Terms & Conditions	9 to 10
2) Sample Policy, Certificate & Declarations Page	
a. Sample Insurance Policy	11 to 17
b. Sample Certificate of Insurance	18 to 19
c. Sample Declarations Page	20 to 21
3) Sales	
a. Sales Tips & “Questions & Answers	22 to 23
b. Enrollment Information, including SCiP	24 to 33
4) Accounting	34
5) Claims	35 to 36
a. Appendix A – Repair Vendor Process	37
b. Sample Loss Notice Form	38 to 40
6) Contact Information	41

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

DEALER AGREEMENT

This Agreement ("Agreement") is by and between Telcom Insurance Group (Telcom) and _____ (Dealer).

RECITALS

WHEREAS, Telcom markets and is the administrator of the Stay Connected Cellphone Replacement Service ("Program"), an insurance product issued by Great American Insurance Company ("Company") which, generally, provides for the replacement or repair of cellphones when those cellphones are lost, stolen or damaged; and

WHEREAS, Dealer desires and agrees to enroll its customers in the Program and to provide Stay Connected Cellphone Replacement Service Contracts ("Contracts") to its customers.

NOW THEREFORE, in consideration of the recitals and other valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows.

ENROLLMENTS

1.1 Telcom hereby authorizes Dealer to enroll Dealer's customers in the Program. Only Dealer's trained employees shall make enroll and issue Contracts. All Contract sales shall be in strict compliance with the terms and conditions of this Agreement and the operating procedures and guidelines provided to Dealer by Telcom and Great American Insurance Company. The operating procedures and guidelines, which shall include the underwriting rules, pricing and claims procedures, may be amended at any time by Telcom and Great American Insurance Company. **Dealer acknowledges and understands that its authority is limited to those matters set forth herein and in the operating procedures and guidelines. Dealer shall refer any questions regarding the Program to Telcom.**

COLLECTIONS

2.1 Dealer shall electronically report to Telcom on a daily basis, as customers purchase Contracts, all required information related to the customer and the cellphone.

2.2 Dealer shall bill customers for all premium due under Contracts. Premiums collected by Dealer shall be remitted to Telcom monthly, along with remittance reports provided by Telcom.

DEALER'S COMPENSATION

3.1 Dealer may collect a billing, remittance and service fee from each customer in order to compensate Dealer for the services rendered under this Agreement. The compensation shall be \$.20 per Contract per month.

REPLACEMENTS AND REPAIRS

4.1 Customers shall be instructed to return damaged cellphones to Dealer. Dealer shall inspect the damaged cellphone and determine whether the cellphone can be repaired or is Beyond

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Economic Repair (BER). If the cellphone is Beyond Economic Repair, Dealer shall provide the customer with a new phone identical to the phone that was returned or, if an identical phone is not available, a phone of substantially the same type and quality. The returned phone shall become the property of Great American Insurance Company and shall be forwarded to the designated repair facility as instructed by Telcom.

4.2 If Dealer determines that the phone is repairable, Dealer shall retain the phone and forward it immediately to the designated repair facility as instructed by Telcom.

4.3 Dealer shall inform the customer and collect from customer the \$50.00 deductible under each Contract once the claim has been accepted by Company. The deductible, when collected, shall be remitted to Telcom in the same manner as premiums.

4.4 This Section 4 shall survive termination of this Agreement.

TELCOM OBLIGATIONS

5.1 Telcom shall supply Dealer with Contract forms, brochures, and marketing material.

5.2 Telcom shall keep records of all Contracts reported by Dealer and any claims made thereon and forward payments to Company as required by Company.

5.3 Telcom shall consult with, assist and provide training to Dealer and Dealer's employees in the sale and servicing of Contracts.

REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Dealer shall not offer a competitive program during the term of this Agreement without notifying Telcom in writing.

6.2 Dealer shall procure and maintain in good standing all licenses and permits required under applicable laws and regulations and shall conduct sales in compliance therewith and shall not engage in unlawful discrimination, misrepresentation, or any unfair trade practice prohibited by applicable law. Dealer shall notify Telcom of the receipt of legal notices or service of process affecting Telcom or its insurer and shall immediately forward same to Telcom. Dealer shall cooperate with Telcom in all aspects of the program and in the resolution of repair disputes.

6.3 Dealer shall adhere to all rules, requirements, eligibility standards, manuals, and procedures of Telcom relative to sales of Contracts. Dealer shall not modify, waive, alter, or change, whether orally or in writing, any of the terms of a Contract.

6.4 Dealer warrants the accuracy of all information provided to Telcom with respect to Contract enrollments.

6.5 All funds collected by Dealer owing to Telcom shall be held in a fiduciary capacity. Dealer shall not endorse any negotiable instrument made payable to Telcom or Company.

6.7 Dealer shall not publish, reproduce, circulate, or display any advertisements, circulars, or other promotional materials related to Telcom or Company unless the content or a facsimile thereof has received the prior written approval of Telcom.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

6.8 Dealer shall be solely responsible for the payment of compensation to all employees utilized by Dealer in the performance of this Agreement and shall indemnify and defend Telcom from and against any claim for compensation by said employees.

6.9 Dealer shall maintain in a secure and safe place and, upon request, shall account for all Contract forms, applications, brochures, supplies, and other property received from Telcom. Dealer shall grant Telcom and its agents the right of free access during normal business hours at Dealer's business office for the purpose of inspecting the books and records maintained by Dealer with respect to Contract sales.

6.10 Upon the effective date of termination, Dealer shall:

- A. cease the enrollment or solicitation of Contracts for Telcom and shall promptly remit all sums due;
- B. return to Telcom all Contract forms, applications, brochures, supplies, and other property furnished by Telcom to Dealer;
- C. continue to provide repair/replacement services pursuant to Section 4 above until all Contracts enrolled by Dealer prior to termination have expired.

INDEMNIFICATION

7.1 Each party shall indemnify, defend, and hold harmless the other party from and against any and all damages, claims, liabilities, judgments, awards, penalties, fines and expenses, including but not limited to reasonable attorneys' fees and punitive or exemplary damages, resulting from or arising out of (a) any act, error, or omission committed by the other party, its agents and employees and causing loss to a third party, except to the extent the party seeking indemnification also caused, contributed to, or compounded the loss; or (b) the failure by the other party, its agents and employees to comply with any law, regulation, rule or governmental directive of the jurisdiction in which this Agreement applies. The obligation of the parties to indemnify each other shall survive the termination of this Agreement.

EFFECTIVE DATE AND TERMINATION

8.1 This Agreement shall be effective upon acceptance by Telcom and shall remain continuously in effect until terminated in accordance with the following.

8.2 This Agreement shall automatically terminate:

- A. upon the bankruptcy or assignment for the benefit of creditors; on the effective date of the sale (of stock or assets) or transfer or merger of business to a successor person or entity unless the Agreement has been assigned to such successor with the written consent of the other party;
- B. upon notice of any regulatory authority ordering a cease and desist order; or
- C. upon cancellation of the Program.

8.3 This Agreement may be terminated at any time for any reason by either party hereto upon 90 days advance written notice.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

MISCELLANEOUS

9.1 Entire Contract. This Agreement constitutes the entire Agreement between the parties relating to the subject matter hereof and supersedes all prior agreements between the parties.

9.2 Waiver. The failure of Telcom to insist on the performance of any provision of this Agreement shall not constitute a waiver of Telcom's right of redress with respect to such nonperformance or to insist on future performance.

9.3 Modification. This Agreement, except as provided herein, may not be revised, modified or altered except by written addendum executed by both parties.

9.4 Independent Contractor. At all times while performing its marketing functions and other authorities granted herein, or otherwise, Dealer will be deemed an independent contractor. Neither Dealer nor employees of Dealer will be regarded as employees of Telcom or Company. Dealer will be free, within the terms of the Agreement and as prescribed by Telcom guidelines in force at the time, to exercise Dealer's own judgment as to whom Dealer will solicit, and the time, place, manner and amount of such solicitation.

9.5 Right of Offset: Telcom shall have the right to set-off any sums which Dealer may owe from any of Dealer's funds in its possession.

9.6 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Ohio.

9.7 Conformity With Law. If any provision of this Agreement is ruled invalid under the laws of any jurisdiction in which Contracts are sold, this Agreement shall be deemed reformed to the extent necessary to comply with the minimum requirements of such law, but in all other respects this Agreement shall remain valid and enforceable.

9.8 Assignment. Dealer may not assign this Agreement without Telcom's prior written consent.

9.9 Notices. All notices and other communications of Telcom shall be in writing and shall be mailed to Dealer, postage prepaid, first class, or via overnight courier, prepaid, to Dealer's address as shown in Telcom's records.

CONFIDENTIALITY

10.1 During the course of performing its obligations under this Agreement, Dealer will have access to the confidential and proprietary information of Telcom and Company related to the Program, including but not limited to personally identifiable consumer information of customers and consumers ("Confidential Information"). Dealer agrees that it will not, directly or indirectly, use or disclose to any person or entity any Confidential Information. Upon the expiration or termination of this Agreement, Dealer shall return all copies and reproductions of all Confidential Information in its possession, or certify in writing that all copies and reproductions of Confidential Information has been shredded, destroyed and/or otherwise properly disposed of.

10.2 Dealer will notify Telcom and Company promptly in writing, upon receipt of any request, demand or other communication seeking the disclosure or use of any Confidential Information.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

10.3 Dealer's obligation to maintain the confidentiality and security of the Confidential Information will survive the expiration or termination of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date set forth below.

Dealer

Telcom Insurance Group

Title:

Title:

Date:

Date:

Additional Terms & Conditions

PREMIUM

Telco agrees to charge, collect and be responsible for the following Premium amounts from Customer (and only these amounts) for each of the following coverages:

- 1) Non-Keyboard Phones (as determined solely by Company):
 - a. Tier 1 (Accidental Damage/Breakdown): \$2.99 per month per phone.
 - b. Tier 2 (Theft): \$1.99 additional per month per phone.
 - c. Tier 3 (Loss): \$2.99 additional per month per phone.
- 2) Keyboard Phones (as determined solely by Company):
 - a. Tier 1 (Accidental Damage/Breakdown): \$4.99 per month per phone.
 - b. Tier 2 (Theft): \$3.99 additional per month per phone.
 - c. Tier 3 (Loss): \$4.99 additional per month per phone.

Further, in all cases above, Telco agrees that coverage must be purchased in direct succession starting at Tier 1. That is, consumer can only purchase Tier 2 coverage (Theft) if also purchasing Tier 1 coverage (Accidental Damage/Breakdown). Likewise, Tier 3 coverage can only be purchased if BOTH Tier 1 and Tier 2 coverage purchased.

Telco also agrees to be responsible for collection of \$50 deductible from consumer for each claim prior to final claim fulfillment.

INVENTORY

Telco agrees to provide Company no less than quarterly with a list of cellular phone products (makes and models) offered by Telco. This list to include actual net cost to Telco of each phone (again by make/model). This list will then be used to calculate cost plus 5% margin to Telco on phones provided as claims settlement to Telco's customers.

Further, this list to also be used to compare cellular products for purposes of finding "like" or "similar" phones for claims settlement (should Telco not have consumer's exact phone in stock for claims settlement).

BILLING & COLLECTION FEE

In return for services rendered by Telco hereunder, Telco shall receive a Billing & Collection Fee of \$.20 per subscriber, per month (to be offset, if applicable, by cancellations and return premiums). Billing and Collection Fee to be "netted out" in monthly statement with the Company and shall be payable as long as this agreement is in force.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

REPORTS AND PAYMENT OF PREMIUM:

Monthly, you will be billed for business from the prior month, being the Net of the following amounts:

- Premiums Due for new/inforce business for the month, plus
- Deductible Due on each claim (\$50 per claim), less
- Billing & Collection Fee to Telco for that month, less
- Reimbursement to Telco for Telco's Actual Cost (plus 5%) of approved claims settlement for that month.

These funds due by the 15th of the following month for business bound by the 30th of the prior month. Carryover, if any, to be adjusted in following month.

USER NAME AND PASSWORD

Your password to access the Internet based system will be provided upon completion of the contract. You must protect the password and user name and not share the information with others and at all times protect the data and system provided as the service center for this program.



Administrative Offices
580 Walnut Street
Cincinnati, OH 45202
01 07)
Tel: 1-513-369-5000

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STAY CONNECTED WIRELESS COMMUNICATION EQUIPMENT COVERAGE FORM

Various provisions of this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words, "you" and "your" refer to the wireless communication service provider listed as the First Named Insured in the Declarations, or any Additional Insured or both. An Additional Insured is a person who has contracted with the wireless communication service provider to obtain wireless communication service and who has elected to purchase insurance coverage as evidenced by the wireless communication service provider's enrollment process.

The words, "we," "us," and "our" refer to the Company providing this insurance.

A. COVERAGE

We will pay for repair or replacement of Covered Property shown in the Declarations or the Additional Insured Certificate of Coverage resulting from a Covered Cause of Loss.

1. **Covered Property**, as used in this Coverage Form, means your wireless communications equipment and the basic accessories normally supplied by the manufacturer for that equipment.

2. **Property Not Covered**

Covered Property does not mean:

- a. property held by the wireless communication service provider as inventory or as stock in trade;
- b. property entrusted to others for service, repair or replacement.

3. **Covered Causes of Loss**

Covered Causes of Loss means risks of physical loss as shown in the Additional Insured Certificate of Coverage except those causes of loss listed in the Exclusions.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

The Covered Cause of Loss Plan Types are as follows:

a. Plan One

Risks of being damaged.

b. Plan Two

(1) Risks of being stolen.

(2) We will reimburse you against the cost of unauthorized calls made on Covered Property that has been stolen, subject to the following conditions:

(a) You provide us with an itemized account from your wireless communication service provider that clearly shows the calls that were made and their value;

(b) The maximum amount we will reimburse you for any unauthorized calls is \$1,500 inclusive of any taxes and carrier or service provider charges.

c. Plan Three

Risks of being lost.

B. EXCLUSIONS

1. We will not pay for a loss caused directly or indirectly by any of the following. A loss for any of the following reasons is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

b. Nuclear Hazard

(1) any weapon employing atomic fission or fusion, or

(2) nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation results in a fire, we will pay for direct loss by the resulting fire, if the fire would be covered under the Coverage Form.

c. War and Military Action

(1) war, including undeclared or civil war;

(2) warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for a loss caused by or resulting from any of the following:

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

- a. Intentional, dishonest or criminal acts by you, your partners, managers, directors, officers, trustees, employees (including leased employees), or authorized representatives or anyone with an interest in the property (including their employees and authorized representatives) or anyone else (other than a carrier for hire) to whom you entrust the property:
 - (1) acting alone or in collusion with others;
 - (2) whether or not occurring during the hours of employment.
- b. Gradual deterioration, hidden or latent defects, any quality in the property that causes it to damage or destroy itself, wear and tear, depreciation or obsolescence.
- c. Loss covered under any warranty issued by the manufacturer or other party.
- d. Cosmetic damage that does not affect the mechanical function of the property such as, but not limited to:
 - (1) marring, scratching or cracking, or
 - (2) change in color, texture or appearance, or
- e. Any work upon the property including, but not limited to cleaning, programming, repairing, adjusting, servicing or modifying.
- f. Programming errors, computer virus or other malicious software or code.
- g. Intentional usage of the covered property in a manner for which it was not designed or intended.
- h. Discharge, dispersal, seepage, migration, release or escape of "pollutants".

"Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

C. LIMITS OF INSURANCE

The most we will pay for loss or damage for any one phone in any one occurrence is the applicable Limit of Insurance shown in the Additional Insured Certificate of Coverage.

D. DEDUCTIBLE

The Deductible shown in the Declarations must be paid to the wireless communication service provider by the Additional Insured. The Deductible will not reduce the Limit of Insurance.

E. YOUR DUTIES IN EVENT OF LOSS

You must see that the following are done in the event of loss or damage to Covered Property:

- 1. **If Covered Property is lost or stolen immediately contact the wireless communication service provider to suspend service.**

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

2. Report the loss in person to the wireless communication service provider within 60 days of the date of loss.
3. Notify the police if a law may have been broken.
4. In the event of a loss to Covered Property, other than if lost or stolen, the Covered Property must be returned to the wireless communication service provider at the same time that the loss is reported.
5. Take all reasonable steps to protect the Covered Property from further damage.
6. Permit us to inspect the property as often as we reasonably require to prove the loss or damage being claimed.
7. We may examine you under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including your book's and records. In the event of an examination, your answers must be signed.
8. We may require that you provide us with a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Cooperate with us in the investigation or settlement of the claim.

F. CONDITIONS

The following conditions apply:

1. Coverage Territory

We cover property anywhere in the world.

2. Coverage Period

Coverage for each Additional Insured begins on the Coverage Effective Date which is shown in each individual Additional Insured's Certificate of Coverage.

3. Salvage and Recovery

Any recovery of lost or stolen property will accrue entirely to our benefit.

4. Cancellation

- a. The wireless communication service provider may cancel this policy by mailing or delivering to us advance written notice of cancellation. We will notify each Additional Insured of the cancellation by mailing or delivering written notice.
- b. An Additional Insured may cancel coverage provided to him or her by notifying the wireless communication service provider.
- c. We may cancel this policy by mailing or delivering to the wireless communication service provider written notice of cancellation at least:

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
 - d. If we elect to cancel coverage for either the wireless communication service provider or any Additional Insured, we will notify the Additional Insured by mailing or delivering written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
 - e. We will mail or deliver our notice to your last mailing address known to us.
 - f. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
 - g. If this policy is cancelled, we will send the wireless communication service provider any premium refund due. If we cancel, the refund will be pro rata. If the wireless communication service provider cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
 - h. If notice is mailed, proof of mailing will be sufficient proof of notice.
5. Changes
- The policy contains all the agreements between you and us concerning the insurance afforded. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.
6. Examination of Your Books and Records
- We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.
7. Additional Insured Eligibility
- a. To be eligible for coverage you must be currently purchasing wireless communication service from the wireless communication service provider shown in the Declarations and the Certificate of Coverage as the Named Insured.
 - b. The Covered Property must be scheduled on your Certificate of Coverage.
 - c. You must not be in breach of any material term of this policy, including but not limited to failure to return damaged Covered Property when requested in conjunction with a loss.
8. Concealment, Misrepresentation or Fraud

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

This coverage is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

- a. this policy;
- b. the Covered Property;
- c. your interest in the Covered Property; or
- d. a claim under this policy.

9. Legal Action Against Us

No one may bring legal action against us under this policy unless:

- a. there has been full compliance with all of the terms of this policy; and
- b. the action is brought within 2 years after you first have knowledge of the direct loss or damage.

10. No Benefit to Bailee

No person or organization, other than you, who has custody of Covered Property, will benefit from this insurance.

11. Valuation

The value of the property will be established as follows:

- a. the cost of reasonably restoring that property to its condition immediately before loss or damage with parts of like kind, quality and functionality; or
- b. the cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

12. Loss Payment

We will repair or replace the Covered Property within 30 days after we have received all necessary information, you have complied with all of the terms of this Policy and we have agreed with you about the repair or replacement.

13. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or from whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of the payment. That person or organization must do nothing after loss to impair them.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

14. Conformity to Statute

We agree that any terms of this policy not in conformity with the statutes of the state, in which this policy is issued, are amended to conform to those applicable state statutes.

15. Appraisal

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. pay its chosen appraiser; and**
- b. bear the other expenses of the appraisal and umpire equally.**

If there is an appraisal, we will still retain our right to deny the claim.

16. Reporting Requirement

- a. The wireless communication service provider is responsible for the payment of all premiums.**
- b. Within 10 days following the last day of each month the wireless communication service provider:**
 - (1) will submit a schedule of Covered Property units as of the last day of the most recent month, and**
 - (2) will remit the total monthly premium to us or our designated representative based on the schedule referenced in paragraphs 16.b.(1) above.**

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by law, this policy shall not be valid unless countersigned by our authorized representative.

Karen Holley Horrell
Secretary

Carl H Lindner, III
President

STAY CONNECTED PROCEDURES MANUAL (CONT'D)



Administrative Offices **DRAFT COPY**
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**STAY CONNECTED WIRELESS COMMUNICATION EQUIPMENT
 COVERAGE
 ADDITIONAL INSURED CERTIFICATE OF COVERAGE**

POLICY NUMBER _____

CERTIFICATE NO. _____

Issuing Company: GREAT AMERICAN ASSURANCE COMPANY
Mailing Address: 580 Walnut Street
 Cincinnati, OH 45202

Named Insured: ABC Telco
Mailing Address: 123 Main Street
 Anytown, USA 12345

Policy Period: From _____ To _____
 12:01 A.M. Standard Time at Place of Issuance

Additional Insured:
Mailing Address:

Coverage Effective Date:
 12:01 A.M. Standard Time at Place of Issuance

COVERAGE SPECIFICATIONS

Equipment Description	Equipment Serial Number	Plan One	Plan Two	Plan Three	Deductible Amount	Monthly Premium
Total						



Administrative Offices
580 Walnut Street
Cincinnati, OH 45202
Tel: 1-513-369-5000

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**STAY CONNECTED WIRELESS COMMUNICATION EQUIPMENT
COVERAGE
DECLARATIONS PAGE**

POLICY NUMBER _____

Issuing Company: GREAT AMERICAN ASSURANCE COMPANY
Mailing Address: 580 Walnut Street
Cincinnati, OH 45202

Named Insured: ABC Telco
Mailing Address: 123 Main Street
Anytown, USA 12345

Policy Period: From _____ To continuous until cancelled
12:01 A.M. Standard Time at Place of Issuance

Insurance Provided: In return for payment of the premium, and subject to all of the terms of this policy, we agree to provide the insurance as stated in the policy.

Covered Property: As described on each individual Additional Insured Certificate of Coverage.

Covered Causes of Loss: As described on each individual Additional Insured Certificate of Coverage.

Coverage Eligibility: Each Additional Insured who has contracted with the First Named Insured to obtain wireless communication service and who has elected to purchase insurance coverage as evidenced by the First Named Insured's enrollment process.

Limit of Insurance: As described on each individual Additional Insured Certificate of Coverage.

Deductible: As described on each individual Additional Insured Certificate of Coverage.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Premium: As described on each individual Additional Insured Certificate of Coverage.

SUBJECT TO FORM NO(S):- WIRELESS COMMUNICATION EQUIPMENT COVERAGE FORM-

AGENCY: Telcom Insurance Group
Street
City, State, ZIP

Date _____

By _____
Authorized Representative

Sample

Sales Process Instructions

When a customer is buying a new or upgrade phone, you should:

- Mention early in the discussion that you offer a service to keep them connected if something happens to their phone.
- Mention early in the discussion that the price that they are paying for the phone is heavily subsidized and that the real price, if they had to buy it without a new contract, is much higher (research shows that customers believe that phones are only worth about \$60, when in reality they are often worth several hundred dollars).
- Do not use the words “insurance” or “warranty” when talking to the customer about *Stay Connected*, as this may have negative connotations with the customer. *Stay Connected* is a service which is designed to get the customer back using their phone again as quickly as possible.
- Show the customer the laminated Counter Card for their type of phone (keyboard or no keyboard) and provide them with a copy of the Marketing Brochure.
- If the customer has any further questions regarding coverage, suggest that they contact the helpline at 866-840-5725. A *Stay Connected* Cellphone Replacement Service specialist will respond during normal business hours (**do not try to answer these questions yourself**).

Questions & Answers

- 1) **How reliable is the insurer?**
 - i. The insurer is Great American Insurance Company (GAIC). Founded in 1872 with a history of strong reserves and reliable performance, Great American Insurance Group is rated “A” (Excellent) by A.M. Best (as of 2/22/2007).
- 2) **What does *Stay Connected* cover?**
 - i. The level of coverage depends upon which product the customer buys. The coverages are split into simple, straightforward plans to make it much easier for the customer to understand what they are purchasing.
 - ii. The three plans are:
 1. Plan 1: Damage
 2. Plan 2: Theft
 3. Plan 3: Loss
- 3) **How do I sell *Stay Connected*?**
 - i. **You should not try to explain or “sell” the coverage to the customer, as only a qualified insurance agent is authorized to do this.** You should only present the customer information sheet

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

and if the customer has any questions, you should ask them to call 866.840.5725. A *Stay Connected* Cellphone Replacement Service specialist will respond during normal business hours.

- 4) If a customer makes a claim, do I need to get authorization before I give the customer a new phone?**
 - i. No. Once you have fully completed the Loss Notice, you can consult your list of alternative phones to decide which phone the customer would be entitled to under the policy. You can then give them this phone as a loan phone until the payment of the claim is authorized (usually within 7 business days) by Great American Insurance. If the Loss Notice is not complete however, payment of the claim will not be authorized so please make sure that you get all of the information from the customer and complete the Loss Notice in full.
- 5) What happens if the claim is turned down but I have given out a loan phone?**
 - i. *Stay Connected* is designed to be flexible for your customers. When the Loss Notice is fully completed, most claims will be accepted, but if for some reason a claim is denied, refer to internal procedures.
- 6) Does the customer have to pay anything when they submit a claim?**
 - i. If the claim is authorized to be paid by Great American Insurance, you will need to charge the \$50 deductible on the customer's next monthly bill. You must advise the customer of the \$50 charge when processing the claim details.
- 7) I'm concerned about fraud — what do I need to know?**
 - i. Of course fraud is a concern, but the majority of people are honest, and provided that you make sure that all of the information detailed on the Loss Notice is completed, then you have done everything reasonable to protect *Stay Connected* from fraudulent claims. Great American Insurance Company will, from time to time, perform an on site audit to review the completed Loss Notices as well as the associated documentation for claims that were presented to them for payment. All required documentation must be retained until it is confirmed, in writing, by Great American Insurance Company that documentation can be destroyed or returned to them.

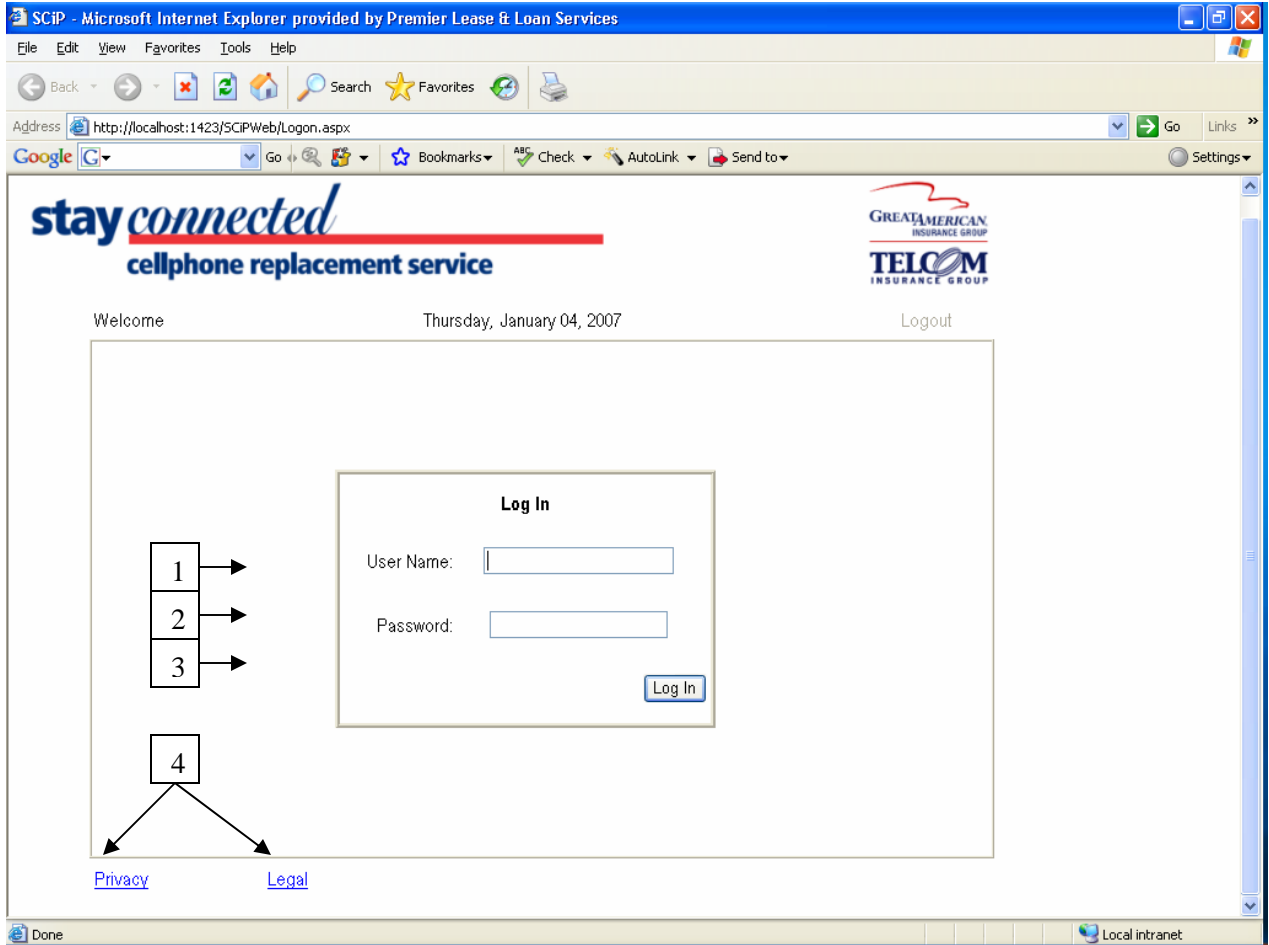
Enrollment Process Instructions:

If the customer wishes to enroll in *Stay Connected* at the time of cell phone purchase (or up to 14 days thereafter) then:

- 1) Determine the type of phone(s) for which they want coverage (keyboard or no keyboard).
- 2) Determine what coverage they want and for which phone(s).
- 3) Enter the required details into SCiP (the online enrollment system), located via a link in the top right corner from the Telcom website at www.telcominsgrp.com.
- 4) Print a copy of the Certificate of Coverage.
- 5) The Certificate of Coverage, along with a copy of the Policy Booklet for their type of phone and a copy of the Marketing Brochure must be inserted into the Policy Wrapper and given to the customer.
- 6) Once you have entered the details into SCiP, please make sure that your billing system is also amended to show the correct products — this is very important as the customer will not have coverage unless the premiums are received.
- 7) If you or the customer have any questions contact the help line at 866.840.5725. A *Stay Connected* Cellphone Replacement Service specialist will respond during normal business hours.
- 8) To access the Enrollment/Administration system, please go to www.telcominsgrp.com and then enter the system via the link in the upper right corner.
- 9) Enter your User Name and Password.
- 10) This will allow you to either enter new customers or look up existing.
- 11) Terms:
 - i. **Log In** - Enter User Name and Password
 - ii. **Home** - Main Page of Stay Connected
 - iii. **Quote** - Choose insurance types per each cell phone per Customer
 - iv. **Search** - Search for active certificates by Customer Name, Customer's Telco Account Number, Customer's Mobile Cell Number, or Certificate Number

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Stay Connected (SCiP) Homepage:



(1) Type in User Name

User name will need to be entered. (If the User Name or Password is invalid or not on file at Great American then an error message will appear.)

(2) Type in Password

Password will need to be entered. (If the User Name or Password is invalid or not on file at Great American then an error message will appear.)

If you forget your user name or password contact Telcom at 866.840.5725

(3) Click to Log In

This will take you to the home page of Stay Connected

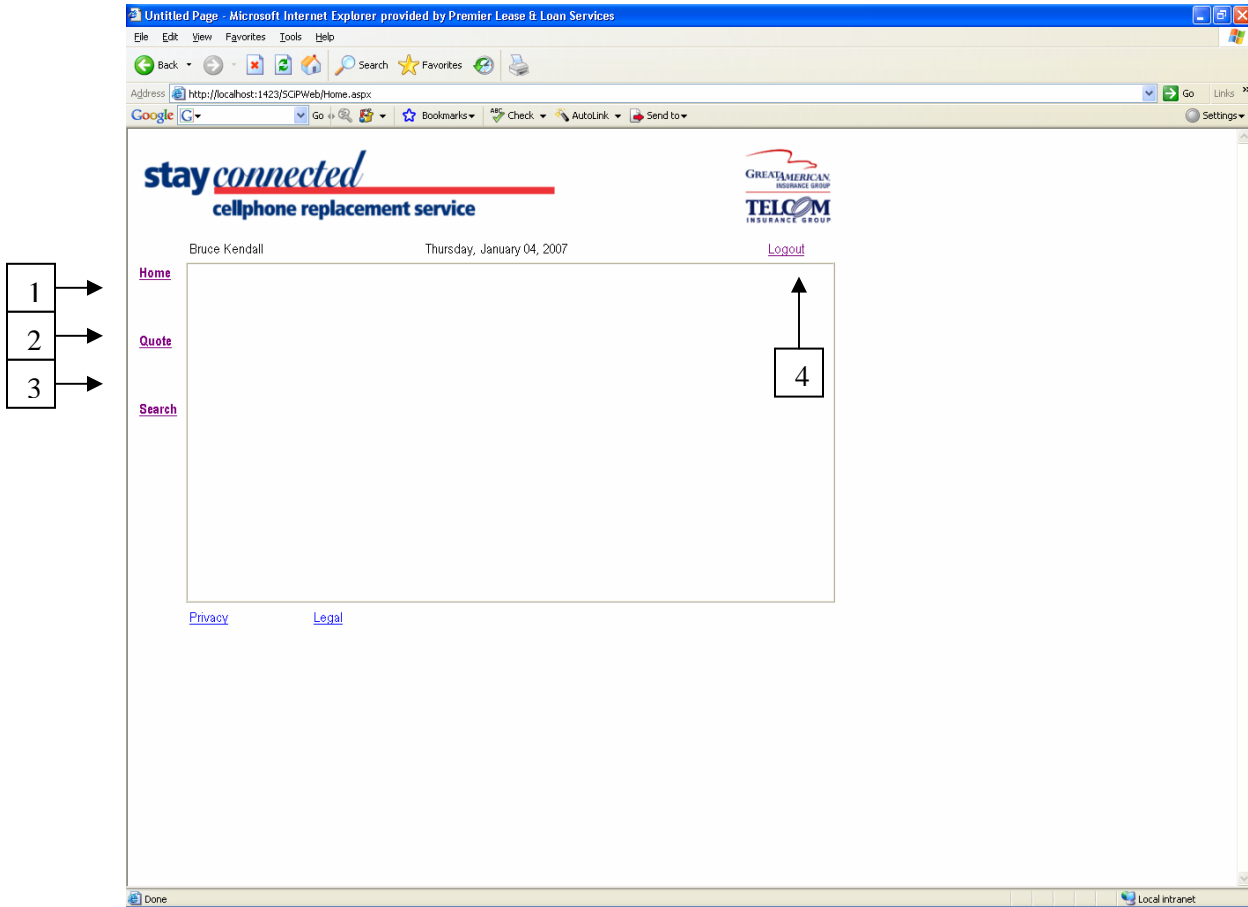
(4) Click Privacy or Legal

This will take you to the Great American Privacy and Legal Documentation (present on all their Web applications).

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Home Page:

Summary: This is the main page which allows you to go any place in the system by making a selection on the left page of the screen anywhere in the application.



(1) Click **Home**

Will return you to the home page no matter where you are.

(2) Click **Quote**

Will return you to the quote page where you can add cell phones, select insurance and get prices.

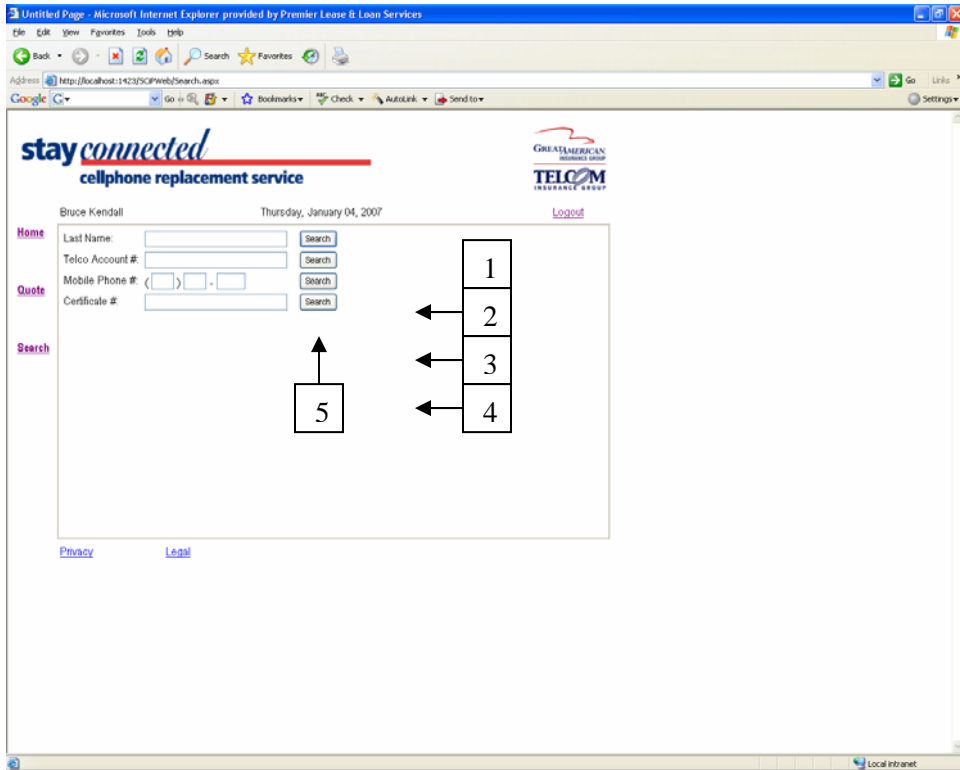
(3) Click **Search**

By entering in data you can search for certificates by different data elements.

(4) Click **Logout** (Will logout of the Stay Connected application).

Search Page (Search):

Summary: This is the search page where you can search for insurance coverage by entering in Customer Last Name, Telco's Account Number, Mobile Phone Number, or Certificate Number.



(1) Enter Last Name

Allows you to search by Customer Last Name

(2) Enter Telco Account #

Allows you to search by Customer's Account Number with Telco

(3) Enter Mobile Phone #

Allows you to search by Customer Mobile Phone Number

(4) Enter Certificate #

Allows you to search by Customer's Certificate Number with Great American

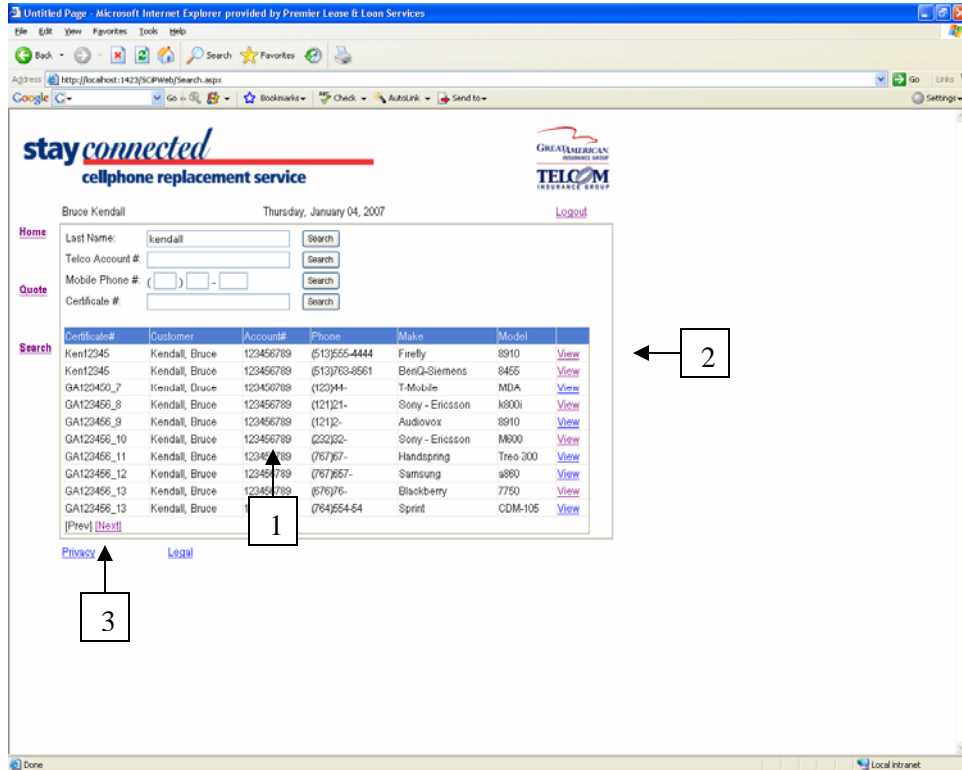
(5) Click Search

Enters the search criteria entered

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Search Page 2 (Search):

Results from clicking search button



(1) Results of search

Shows Certificate #, Customer, Account #, Phone #, Make, Model

(2) Click View

Will show you the certificate issued listing all equipment per certificate

(3) Click (Prev) (Next)

Depending how long the search results are you may need to advance to next page or move back to previous page.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Search Page 3 (Search):

stay connected
cellphone replacement service

Bruce Kendall Thursday, January 04, 2007 Logout

Home
Policy #: 3A122456 Policy Effective date: 12/12/2006
Certificate #: Ken12345 Insured Name: P,LLS

Quote
First Name: Bruce Last Name: Kendall
Address 1: 49 East Fourth Street Address 2:
City: Cincinnati State: OH Zip: 45202

Search

Make	Model	Serial #	Phone #	Damage	Theft	Lost
BonQ Siemens	8466	1234567	(613)763-8861	Yes	Yes	No
Firefly	8910	7864321	(613)555-4444	Yes	No	No

[View Document](#)

[Privacy](#) [Legal](#)

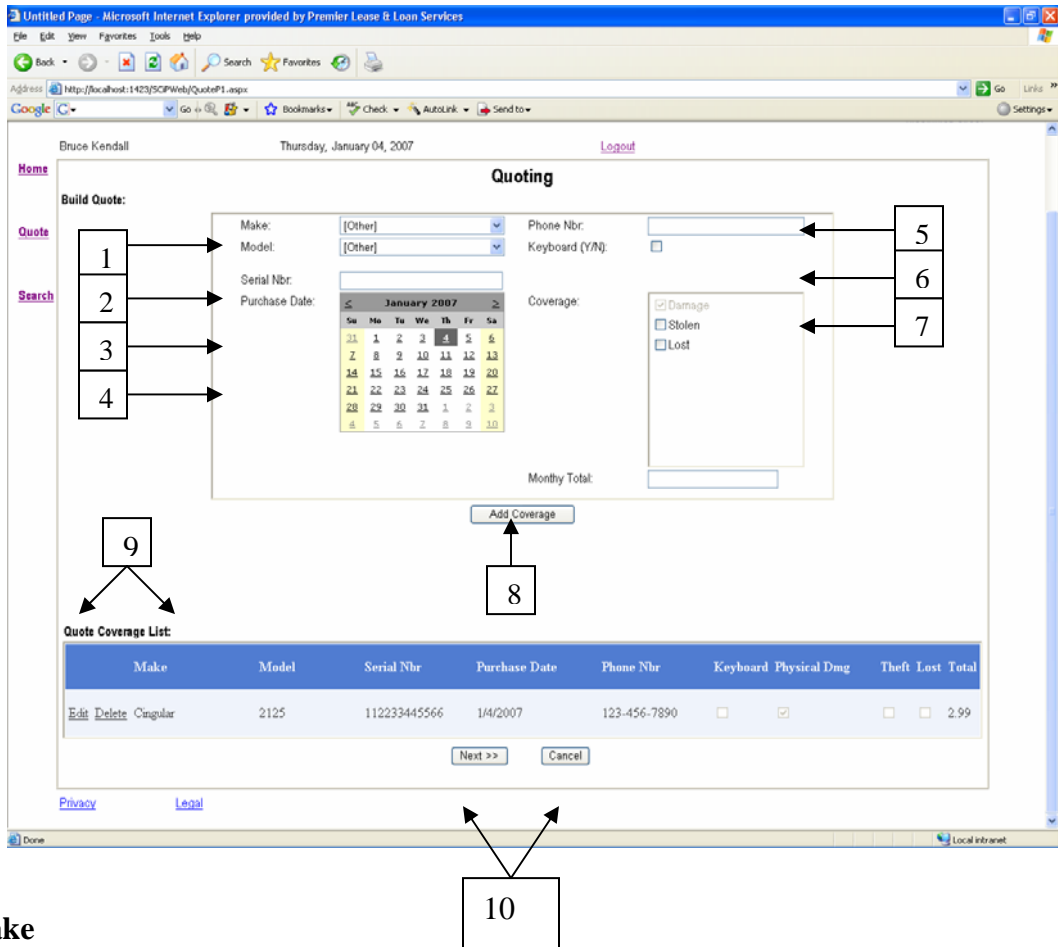
1

(1) After Click View

Will show you the information on the certificate and will allow you to reprint the certificate if needed.

Quote Page:

Summary: This page will allow you enter in minimal information to obtain a quote of insurance per cell phone for a Customer.



(1) **Make**

Choose Make of Cell Phone

(2) **Model**

Choose Model of Cell Phone

(3) **Serial Number:**

Enter Serial number of Cell Phone

(4) **Purchase Date**

Choose Date from Calendar (System defaults to current date)

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

(5) Phone Number

Enter Phone Number of new cell phone

(6) Keyboard (Y/N)

Choose Yes or No for Keyboard on Cell Phone

(7) Coverage

Choose Insurance coverage (Damage - automatically selected – you can additional coverages.)

(8) Add Coverage Button

Add all data entered on screen and reset to add additional cell phones

(9) Edit -- Delete (Quote Coverage List)

Will allow you to edit or delete the cell phone coverages.

(10) Next or Cancel Buttons

Next will take you to next quote page to enter additional information if completed.

Cancel will cancel the information entered and take you back to the Home page

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Quote Page (2):

Quoting

Customer Account Nbr: Search ← 1

Customer Info:

2 → First Name: City: ← 6
3 → Last Name: State: Alaska ← 7
4 → Address 1: Zip Code: ← 8
5 → Address 2:

Existing

Pending Coverage:

Make	Model	SerialNbr	Purchase Date	PhoneNbr	Keyboard	Physical Dmg	Theft Lost	Total
Circular	2125	112233445566	1/4/2007	123-456-7890	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2.99

Accept Coverage Edit Quote Cancel

(1) **Customer Account Number:**

Enter Customer Account Number and it will prefill the consumer information

(2) **First Name**

Enter Customer First Name

(3) **Last Name**

Enter Customer Last Name

(4) **Address 1**

Enter Customer address

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

(5) Address 2

Enter Customer address 2 (for example, Apartment #).

(6) City

Enter Customer City

(7) State

Choose Customer State from drop down list

(8) Zip Code

Enter Customer Zip Code

Accept Coverage Button

Selecting this button will save the information and move to the next page to allow you to print the certificate. At this point, if customer has accepted coverage and is in the store, then move to the next screen and print a Certificate of Insurance for the customer.

Edit Quote Button

Selecting this button will allow you to go back and make changes to coverage.

Cancel Button

Selecting this button will take you back to the home page.

Accounting

REPORTS AND PAYMENT OF PREMIUM:

Monthly, you will be billed for business from the prior month, being the Net of the following amounts:

- Premiums Due for new/inforce business for the month, plus
- Deductible Due on each claim (\$50 per claim), less
- Billing & Collection Fee to Telco for that month, less
- Reimbursement to Telco for Telco's Actual Cost (plus 5%) of approved claims settlement for that month.

These funds due by the 15th of the following month for business bound by the 30th of the prior month. Carryover, if any, to be adjusted in following month.

Claims Processing Instructions

If a customer contacts you and asks to make a claim, you must:

- 1) Complete the *Stay Connected* Cellphone Replacement Service Loss Notice (included below).
- 2) If you are missing information that you need in order to fully complete the *Stay Connected* Cellphone Replacement Service Loss Notice, you must ask the customer to obtain the missing information before you can send the claim to Great American Insurance Company for processing.
- 3) Print off the completed *Stay Connected* Cellphone Replacement Service Loss Notice and make sure that the customer signs the declaration at the bottom. Provide a copy of the signed Loss Notice to the customer. You **MUST** retain the original Loss Notice, and all associated documents in a safe place as Great American may ask to see these at any time as a part of their audit process. All required documentation must be retained by you until it is confirmed, in writing, by Great American that the documentation can be destroyed or returned to them.
- 4) If the claim is for accidental damage or breakdown, based upon the criteria shown in the Loss Notice, decide if the phone should be sent for repair or if it should be replaced immediately. NOTE: it is very important that you follow the directions on the Loss Notice carefully to avoid replacing a phone which could be repaired.
- 5) If the phone is to be replaced, check your stock to see if you have the same phone in stock. **ONLY** if you do not have an identical phone in stock should you consult your list of approved alternative phones. Offer the customer a choice from the phone list. Then enter the new phone details and cost onto the Loss Notice and advise the customer that this is a loan unit to use while their claim is being processed by Great American Insurance. Advise the customer that if the claim is accepted then they will be charged the amount of the policy deductible of \$50, on their next bill.
- 6) Report the claim to Great American Insurance in one of three ways:
 - Email the Loss Notice to StayConnectedClaims@gaic.com.
 - Fax the Loss Notice to 800.838.4182.
 - Phone in the Loss to 888.513.3095 and mail a copy of the Loss Notice to:
Great American Insurance Company
Stay Connected Claims
49 East 4th Street, Suite 800
Cincinnati, OH 45202
- 7) You will receive a communication from Great American advising of the coverage decision on the claim. For accepted claims you will need to amend your billing system to note the \$50 deductible on the next bill. The loaner phone, if any, must now become a permanent phone on the Certificate. See Enrollment Process Instructions.
- 8) If the phone has been returned to you because of accidental damage or breakdown, see Appendix A for additional handling requirements.
- 9) When a phone is deemed repairable and is returned from the repair facility, the billing system must be amended to note the policy deductible of \$50 on the next

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

bill. Contact the customer to advise them to collect their phone and also remind them they will be charged for the deductible.

Appendix A-
Stay Connected Cellphone Replacement Service

Claims Repair Vendor Process Instructions

If a customer enters your store with a phone that has suffered accidental damage or breakdown:

- 1) Complete the *Stay Connected* Cellphone Replacement Service Loss Notice and inspect the phone to determine if the phone is repairable. It is very important that you send the Loss Notice to Great American Insurance Company immediately as this is the documentation that will be utilized to determine if coverage exists, and if it exists, will be used to settle the claim as well as to communicate with the repair vendor.
- 2) If the damaged phone is determined to be Beyond Economical Repair (BER), then proceed to step 4) below.
- 3) If the damaged phone is deemed repairable, indicate to the customer that their phone is being sent to a repair vendor for analysis and repair. You must also indicate to the customer that if it is determined that the damages are covered by their manufacturers warranty then all of the information that is currently stored on the phone such as phone numbers, addresses, messages and pictures will be completely cleared from the phone.
- 4) Protect the phone adequately to avoid further damage by securing the phone with packaging material such as bubble wrap.
- 5) Mail the phone, along with a copy of the signed *Stay Connected* Cellphone Replacement Service Loss Notice, to:

RMS Logistics, LP
13801 Diplomat Drive
Farmers Branch, TX 75234
Phone: (214) 459-9988
www.rmslogistics.com

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Claim – Loss Notice Form (all 3 pages required)

Telco Information (Required)

Telco Name: [Redacted]	Telco Address: [Redacted]
Contact: [Redacted]	Area Code and Phone Number: [Redacted]

Customer Information (Required)

Customer: [Redacted]	Address: [Redacted]
Area Code and Phone Number: [Redacted]	Certificate #: [Redacted]
Policy / Certificate Effective Date: [Redacted]	Plan Type: Dropdown Select

Loss Information (Required)

Date of Loss: [Redacted]	Date Loss Reported: [Redacted]
Location of Loss: [Redacted]	Dollar Amount of Unauthorized Phone Calls: [Redacted]
Description / Cause of Loss: [Redacted]	
Serial Number of Phone (complete separate schedule for multiple phones): [Redacted]	Type (Make, Model) of Phone (complete separate schedule for multiple phones): [Redacted]
Police Contacted? Dropdown Select	Name of Police Department Contacted: [Redacted]
Police Report Number (Required for Theft Claims) [Redacted]	Customer's Line Barred from Further Use? Dropdown Select

Repair Information (Required if Plan Type is #1)

Repairable? Why or Why Not? (please describe in detail): [Redacted]	Repair Center Name: [Redacted]
If the case is broken, can you see any part of the internal printed circuit board? Dropdown Select	Is there any evidence of water or liquid damage? (corroded terminals, water label color, water damage to screen, etc.) Dropdown Select
NOTE: if you have answered "No" to both of the preceding questions, the phone MUST be sent for repair through the agreed repair process.	

Replacement Phone Information

If Not Repairable, Was a Replacement Phone Provided? Dropdown Select	Type (Make, Model) of Replacement Phone Provided: [Redacted]
Serial Number of Replacement Phone: [Redacted]	Cost of Replacement Phone: [Redacted]

Insured acknowledges he / she is responsible for the deductible, and will be billed for the deductible on next premium billing if the claim is approved by Great American.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Required

Date: [Yellow Box]	Reported To: [Yellow Box]	Signature of Insured:	Signature of Telco Rep.
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Applicable in Arizona

For your protection, Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

Applicable In Arkansas, Delaware, District of Columbia, Kentucky, Louisiana, Maine, Michigan, New Jersey, New Mexico, New York, North Dakota, Pennsylvania, South Dakota, Tennessee, Texas, Virginia, Washington and West Virginia

Any person who knowingly and with intent to defraud any insurance company or another person, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact, material thereto, commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and [NY: substantial] civil penalties. In DC, LA, ME, TN, VA and WA, insurance benefits may also be denied.

Applicable in California

For your protection, California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in Florida and Idaho

Any person who knowingly and with the intent to injure, defraud, or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony. *

* In Florida - Third Degree Felony

Applicable in Hawaii

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

STAY CONNECTED PROCEDURES MANUAL (CONT'D)

Applicable in Indiana

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

Applicable in Minnesota

A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

Applicable in Nevada

Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

Applicable in New Hampshire

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud. as provided in RSA 638:20.

Applicable in Ohio

Any person who, with intent to defraud or knowing that he or she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Applicable in Oklahoma

WARNING: Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Stay Connected Contact Information:

1) General Questions:

- a. Call the Stay Connected help line at 866-840-5725.

2) Claims Questions:

- a. There are three ways to contact the insurer (Great American Insurance Company):

- i. Email the Loss Notice to StayConnectedClaims@gaic.com.
- ii. Fax the Loss Notice to 800.838.4182.
- iii. Phone in the Loss to 888.513.3095 and mail a copy of the Loss Notice to:

Great American Insurance Company
Stay Connected Claims
49 East 4th Street, Suite 800
Cincinnati, OH 45202

3) Repair Vendor:

- a. Phones deemed as requiring repair (whether in our out of warranty) as well as phones deemed as Beyond Economic Repair (BER) should be sent to the following address:

RMS Logistics, LP
13801 Diplomat Drive
Farmers Branch, TX 75234
214-459-9988
www.rmslogistics.com

