

Commonly Asked Question About this Coverage

What do I need to know when switching carriers?	As this is a “Claims Made” policy, once expired, it will not provide coverage. Be sure to put your current carrier on notice of any potential situation that might give rise to a claim, even if the allegations made against you are unfounded.
What services are Insured under this Policy?	This policy provides Errors & Omissions coverage for: 1: A licensed Life A&S agent 2: A licensed Mutual Fund agent for: <ul style="list-style-type: none"> • Mutual Funds • Retirement Savings Funds. • Registered Retirement Income Funds • Segregated Funds 3: A Financial Planner, advisor or consultant for sales and service of the activities mentioned above. (If you are rendering a service not mentioned above, please call to discuss)
Does this Policy contain “Prior Acts Coverage”?	Coverage for prior acts is available under this policy provided that you have had continuous coverage for a minimum of three years. Those individuals with gaps in coverage will not be provided prior acts coverage under this policy.
Can I add my corporate name to my certificate?	In most situations your corporate name can be added to your individual certificate, however, this is an individual policy , and as such coverage will only be extended to a corporation if you, the individual insured, trigger the claim.
I sell Mutual Funds, do I qualify?	This coverage is available to those who sell mutual funds, however, if you receive more than 50% of your income and/or \$100,000 from mutual funds, you are not eligible for this coverage.
I am licensed in several Provinces. Can I obtain the mandatory endorsements?	The provinces in which you do business will determine the endorsements added to your policy. Where required higher aggregate limits, reporting periods and other coverages will be automatically provided as per provincial requirements.
I have been licensed less than three years. Does this impact my premium?	Agents licensed less than three years will be surcharged 25%. You will also be required to provide a brief work history with your application.
I have had a previous claim. Do I qualify for coverage?	Not necessarily. We will have to forward your application to the insurer for their review, but are unable to bind coverage. Previous claims are reviewed on a case-by-case basis. In some situations, if coverage is issued a surcharge may apply. We strongly recommend that those individuals with previous claims stay with their current carrier.

Employers Reinsurance Corporation

Application for a "Claims Made & Reported" Liability Insurance Policy for Individual Life Insurance Agents and Related Professionals

Applicant: _____		
Agency: _____		
Address: _____		
City: _____	Province: _____	Postal Code: _____
Phone: _____	Fax: _____	Email: _____
Years Continuously Licensed: _____		License Number(s): Life: _____
(If less than 3 years: Provide brief 3-year work history; a 25% surcharge applies)		

1. What is your relationship with the Agency mentioned above?

- 100% Owner
- Partner
- Employee
- Sub – Agent / Producer
- Other _____

2. Do you require the name of the corporation or partnership above shown on your certificate of Insurance? Yes No

3. Select a limit of liability:

- \$1,000,000/\$2,000,000 (\$ 725)
- \$2,000,000/\$2,000,000 (\$ 940)
- \$3,000,000/\$3,000,000 (\$1,100)
- \$4,000,000/\$4,000,000 (\$1,250)
- \$5,000,000/\$5,000,000 (\$1,390)

Note: Aggregate limits automatically increased where required, i.e., Manitoba \$5 Million.

4. Effective Date of Coverage: _____ / _____ / _____
 Month / Day / Year

5. Identify the provinces in which you are licensed to transact business. Required endorsements will be added.

- | | | |
|--|---|--|
| <input type="checkbox"/> Alberta (\$50) | <input type="checkbox"/> Saskatchewan (\$45) | <input type="checkbox"/> Nunavut (no charge) |
| <input type="checkbox"/> Manitoba (\$110) | <input type="checkbox"/> British Columbia (no charge) | <input type="checkbox"/> PEI (no charge) |
| <input type="checkbox"/> Newfoundland (\$45) | <input type="checkbox"/> New Brunswick (no charge) | <input type="checkbox"/> Yukon (no charge) |
| <input type="checkbox"/> Ontario (\$45) | <input type="checkbox"/> North West Territories (no charge) | |
| <input type="checkbox"/> Quebec (\$110) | <input type="checkbox"/> Nova Scotia (no charge) | |

6. Indicate in % the source of your income from any of the following product sales or professional activities.

Product Sales	Last 12 Months	Estimated Next 12 Months
Life	_____ %	_____ %
Accident & Sickness	_____ %	_____ %
Seg Funds/ RRSP's./GIC's/RRIF's /RREP's	_____ %	_____ %
Mutual Funds	_____ %	_____ %
Total (must equal 100%)	100 %	100 %

Please note: If more than 50% of your Income is derived from Mutual Funds AND/OR your Mutual Fund Income Exceeds \$250,000 annually, you do not qualify for this coverage. Please contact us for other options.

7. Annual Income: \$0 - \$49,999 \$50,000 - \$99,999 \$100,000 - \$149,999 \$150,000 - \$250,000 Other: _____
8. Do you hold any ownership in a mutual fund dealership? Yes No
9. When reviewing options and recommending products, how do you document clients needs? (**indicate all that apply**)
- Maintain all correspondence in clients file Other _____
- Know your Client Form

10. If any of the following questions are answered yes, please attach a **separate sheet along with supporting documentation outlining the details of each situation. *Complete a claims supplement for each claim.**

a.) Have you ever been subject to disciplinary action by a professional or regulatory authority? Yes No

b.) In the past have any errors and omission claim(s) or any verbal or written allegation(s) of a **FRAUDULENT ACT** or **PROFESSIONAL NEGLIGENCE** been made against you or any of your employees? Yes No

c.) Are you or any of your employees aware of any facts, circumstances or situations that may give rise to a claim other than described above? Yes No

d.) Has any policy or application for Errors and Omissions insurance in your name ever been declined, cancelled, or a renewal refused? Yes No

11. List the top three life/health insurance companies with which you place business and annual income from each.

	Annual Income
Name of Company	
1. _____	_____
2. _____	_____
3. _____	_____

12. a. Have you had continuous E&O coverage for the past 3 years? Yes No
- b. **If NO**, please indicate date continuous coverage first began. _____
- c. List your Most Recent E&O Policy Details:

Name of Carrier	Policy Number	Inception / Expiry	Limits
_____	_____	/	_____
		(mm/dd/yy) / (mm/dd/yy)	

Please Note: If you have not had continuous E&O coverage for the past three years, no coverage for prior acts will be provided and a retroactive date will be added to your policy. Proof of such coverage will be required at time of claim.

PRIVACY NOTICE TO APPLICANT

The undersigned applicant authorizes Employers Reinsurance Corporation (a) to collect his/her personal information in order to process and evaluate this application, to provide insurance if coverage is accepted, to obtain reinsurance for the policy, to investigate any claim made under the policy, which may require third parties to collect insured's personal information, and to serve other purposes as permitted by applicable law; (b) to disclose his/her personal information to its subsidiaries, affiliates, reinsurers and agents for these purposes, and (c) to use his/her personal information for these purposes. Furthermore, the undersigned authorizes any third party who receives undersigned's personal information from Employers Reinsurance Corporation to collect, use and further disclose the personal information for these purposes.

NOTICE TO APPLICANT

Applicant hereby warrants and represents that the statements and answers to questions made above and attachments hereto are true and applicant has not omitted or misrepresented any information.

I understand and accept that the policy applied for provides coverage on a "claims made and reported" basis for only those claims that are made against the insured while the policy is in force and that coverage ceases with the termination of the policy. All claims will be excluded that result from any acts, circumstances or situations known prior to the inception of coverage being applied for, that could reasonably be expected to result in a claim.

Applicant understands and agrees that the completion of this application does not bind ERC to issuance of any insurance policy. Further, the applicant understands and agrees that she or he is obligated to report any changes in information provided in this application that occur after the date of the application.

THE APPLICATION MUST BE SIGNED AND DATED BY THE APPLICANT.

Signature: _____ Date: ____ / ____ / ____

The applicant understands and agrees that she or he is obligated to report any changes in the information provided in this application which occur after the date of the application.



FIRST DURHAM
INSURANCE & FINANCIAL

Premium Computation Sheet

Step #1: Identify the cost of the limit of liability requested in question #3: \$ _____

Step #2: Identify the total cost of all required endorsements as indicated in question #5: \$ _____

Step #3: If licensed less than 3 years a 25% surcharge applies: \$ _____
NOTE: PLEASE INCLUDE BRIEF WORK HISTORY

Step #4: Policy administration fee: \$ 25

Step #5: Identify the applicable taxes in your home province:

- Ontario 8%
- Quebec 9%
- Newfoundland 15%
- All other provinces 0%

\$ _____

Total \$ _____

Please Note: If you have incorrectly added your total premium First Durham Insurance & Financial Brokers Ltd. holds the right to automatically charge your credit card the appropriate amount

<u>AUTHORIZATION TO USE MY VISA or MASTER CARD</u>			
<input type="checkbox"/> VISA	<input type="checkbox"/> MASTERCARD		
[] [] [] []	[] [] [] []	[] [] [] []	[] [] [] []
- - - -			
EXPIRY DATE			
[] []	/	[] []	
<small>M M</small>		<small>Y Y</small>	
PREMIUM	\$	_____	
SIGNATURE	X	_____	DATE _____
Please note that we are authorized to use Visa & Master Card for Errors & Omissions Only			

I further agree that in consideration for First Durham Insurance & Financial Brokers Ltd. permitting me to finance my premium through VISA or Mastercard, I hereby agree that First Durham Insurance & Financial Brokers Ltd. may return my premiums by simply crediting my VISA or Mastercard Account.

* Total Broker Remuneration is 15% commission + Administration Fee where applicable