



# Marsh Agents Errors and Omissions (E&O) Insurance Program

Insurance Products Underwritten  
by Swiss Re Corporate Solutions  
America Insurance Corporation –  
Canadian Branch

(For Agents Other Than Employees of Marsh & McLennan  
Companies, Inc.)

July 1, 2023

The information contained in this publication provides only a general overview of subjects covered, is not intended to be taken as advice regarding any individual situation, and should not be relied upon as such. Insureds should consult their insurance and legal advisors regarding specific coverage issues. All insurance coverage is subject to the terms, conditions, and exclusions of the applicable individual policies. In the event that any of the representations in the Coverage Highlights conflict with any of the provisions in the policy, the provisions in the policy will prevail. Marsh cannot provide any assurance that insurance can be obtained for any particular client or for any particular risk.

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## Section 1

# Coverage highlights and things you should know about your E&O Insurance

## Features of the Errors and Omissions coverage specially designed for the Marsh Agents E&O Insurance program

- Various limit options to choose from – \$1M, \$2M and \$5M.
  - Comprehensive coverage.
  - Competitive prices.
  - Online application at [www.marsh.ca/marshagents](http://www.marsh.ca/marshagents).
  - Policy Inception – July 1, 2023 to July 1, 2024.
- (1) Coverage Limit Options for Life and A&S Licensed ONLY**
    - \$1M per claim / \$2M per policy period @ \$500
    - \$2M per claim / \$2M per policy period @ \$641
    - \$5M per claim / \$5M per policy period @ \$1,021
    - 25% Discount for Newly Licensed Life and Accident & Sickness Agents who are first time purchasing coverage for \$1M / \$2M.
  - (2) Coverage Limit Options for Life, A&S and Mutual Funds Licensed**
    - \$1M per claim / \$2M per policy period @ \$603
    - \$2M per claim / \$2M per policy period @ \$713
    - \$5M per claim / \$5M per policy period @ \$1,240
  - (3) Coverage Limit Options for Securities (IIROC Registered)**

Dedicated limits available for purchase:

    - \$500,000 per claim / \$500,000 per policy period @ \$812
    - \$1,000,000 per claim / \$1,000,000 per policy period @ \$1,130
  - (4) Coverage for Tax Preparation**

\$75 Additional Premium (personal income tax preparation, subject to course completion and CRA approved software).
  - (5) FINANCIAL PLANNER COVERAGE ONLY – Fee for Service**
    - \$1M per claim / \$1M per policy period @ \$596.00

- (6) **Licensed Assistant (LA) of an agent currently enrolled in this program**  
Must be salaried, have no personal sales and receive no commission income.  
\$1M per claim / \$2M per policy period @ \$361

\*Can purchase higher limits up to \$5M / \$5M base on the standard pricing.

**Note:**

- (a) Defense costs for Life, A&S and Mutual Funds is in excess of the limit of the policy.
- (b) Securities limit is dedicated to Securities loss. Securities premium is in addition to the premium in (1) or (2) above as applicable.

***The above premiums are flat annual premiums and are not based on individual revenues earned.***

- **Deductible** – \$1,000 per claim (applies to Loss and not Claim Expenses) for Life, A&S and Mutual Funds.
- **Deductible** – \$5,000 per claim (applies to Loss and not Claim Expenses) for Securities (IIROC Registered).

## Coverage

- Life Insurance Products
- Annuities
- Accident and Health Insurance Products (including Disability Income)
- Pension and Profit Sharing Plans
- Segregated Funds
- Registered Retirement Savings Plan (RRSP)
- Registered Retirement Income Fund (RRIF)
- Registered Education Savings Plan (RESP)
- Guaranteed Investment Certificates (GICs)
- Mutual Funds, including Labour Sponsored Funds
- Securities (IIROC Registered)
- Tax Preparation
- Financial Planner Coverage Only – Fee For Service
- Divorce Specialist

## Retirement

Retiring from the Financial Industry?

Your plan offers excellent Extended Reporting Period (ERP) options. ***Extended Reporting Period (ERP) Coverage applies when a policy is cancelled or not renewed. The extended reporting period allows an insured to purchase an additional period, during which a claim arising from errors, omissions, or negligent acts can be reported and covered under the cancelled policy. However, the endorsement does not extend coverage for any new occurrences, only to those which took place before the policy was cancelled, and which surface during the extended reporting period.***

- You can buy options ranging from 3 years to Unlimited option!
- ERP options available for at an additional cost for any licenses surrender, ie. Mutual funds, Securities and Financial Planner.

## Summary of your E&O program

- Stable insurer with excellent financial rating.
- Excellent claims handling expertise.
- Your deductible does not apply to defence costs.
- You have the option to purchase coverage limits up to \$5,000,000 on Life, A&S and Mutual Funds; dedicated limit options for Securities (IIROC Registered).
- Insured includes a corporation or partnership under which the insured is doing business with or is employed but only for vicarious liability coverage.
- Insured also includes unlicensed employees of the insured agent.
- Professional Conduct Investigation – sub-limit of \$65,000 per agent.
- Breach of Personal Data Extra Expense Endorsement – \$25,000 per claim / \$25,000 per individual Insured.
- Defence costs are in excess to your limit purchased.
- Full Prior Acts coverage – no need to prove continuous coverage in the event of a claim.
- **Personal Corporation Endorsement – Corporations in BC, QC, SK:**  
To comply with various provincial regulations (ICBC, AMF, ICS) and Insurance Council's regulatory requirement for entities registered with them, the Corporation Endorsement will be issued for the Entity at an additional premium of \$300 per corporation.

## Policy exclusions / limitations: (please refer to the policy for a full list)

Exclusions are activities for which you are **NOT** covered.

**A. DISHONEST, CRIMINAL CONDUCT.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from or in connection with any dishonest, fraudulent, criminal or malicious act, or assault or battery committed by or contributed to by any INSURED;

**B. BODILY INJURY, PROPERTY DAMAGE.** Any CLAIM based upon, arising out of, attributable to, or directly or indirectly resulting from:

- a. Bodily injury, sickness, disease, or death of any person; or
- b. injury to, or destruction of any property, including the loss of use of the property;

**C. BROKER / DEALER ORGANIZATION.** Any CLAIM brought against an INSURED by any broker / dealer organization or investment company;

**D. CONTRACTUAL LIABILITY.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with any liability assumed by any INSURED under contract, unless an INSURED would have been legally liable in the absence of such contract;

**E. DISCRETIONARY CONTROL.** Any CLAIM arising out of the management of an account for a client:

1. under an actual or implied agreement which gives an INSURED discretion in buying or selling securities or other investments for such account; or
2. under any power of attorney which gives an INSURED discretion in buying or selling securities or other investments for such account;

**G. EMPLOYER.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with:

1. The termination or discipline of any employee or agent of an INSURED, including but not limited to wrongful termination or breach of an employment or agency contract; or
2. any pension, profit sharing, health or welfare or other employee benefit plan or trust sponsored by an INSURED as an employer;

**H. FRAUDULENT ENTITY.** Any CLAIM arising out of or in connection with any FRAUDULENT ENTITY;

**I. FUNDS.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from or in connection with:

1. the payment or receipt of commissions or fees including but not limited to any which are contingent upon volume of business placed with an insurer;
2. profit sharing or contingent commission with an insurer or pursuant to an insurer's incentive or marketing program;
3. an INSURED'S taxes;
4. reimbursement or the failure to collect pay or return premium; or
5. commingling of, or use of, client's funds;

**J. INSURED VS. INSURED.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with disputes:

1. between INSUREDS under this POLICY;
2. by an enterprise in which one or more INSUREDS has an equity interest, or operates, controls, or manages; or
3. by an enterprise that has either an equity interest in an INSURED, or operates, controls, or manages or is affiliated with an INSURED;

**L. MARKET VALUES.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with an INSURED promises or guarantees as to the effect of market fluctuations, interest rates, or dividends, with respect to future premium payments, market values, earnings, future values or payments;

**M. OTHER ACTIVITIES.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with: warrants; limited partnerships; hedge funds; real or tangible property; credit bonds and derivatives including but not limited to options, futures, forwards and/or swaps; exempt market securities; cryptocurrency; virtual currency and/or digital currency of any kind;

**N. OTHER SERVICES.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with an INSURED'S activities in rendering actuarial, accounting, legal or tax advising services, or services rendered as a property and casualty insurance agent or broker;

**O. PERSONAL PROFIT.** Any CLAIM based upon, arising out of, attributable to, or directly or indirectly resulting from or in connection with an INSURED having gained, in fact, any personal profit or advantage to which he or she was not legally entitled;

**R. THIRD-PARTY ADMINISTRATOR.** Any CLAIM based upon, arising out of, attributable to, directly or indirectly resulting from, or in connection with (1) third-party administrator activities or (2) plan administration or portfolio management activities of Pension and Profit Sharing Plans, whether an INSURED performs such activities for a fee or no fee;



## Additional optional coverage offerings

**CYBERBOXX PERSONAL + PROFESSIONALS CYBER COVERAGE (NEW)** offered through Boxx Insurance of Canada at only \$225.00/year.

Cyberboxx Personal + Professionals is a unique suite of cyber coverages designed to protect professionals working in a digital hybrid environment sharing the use of their professional computer / laptop, mobile devices, network access, digital media and cloud storage etc, and personal digital activities. Cyber coverages are typically excluded from other standard forms of insurance. Cyberboxx Personal + Professionals is built to protect against losses caused by cyber threats and includes 24/7/365 BOXX Hackbusters Breach Response.

Please note this coverage is only available to individuals with less than \$250,000 in personal income at this time. We're in the process of developing a cyber offering for individuals with a higher income and will notify you once it is available for purchase.

**IDENTITY RESTORATION SERVICES** offered through Trisura Guarantee Insurance Company and Identity Restoration Services Inc. at only \$30.00/year.

Trisura Guarantee Insurance Company has partnered with Identity Restoration Services Inc. to provide you with Identity Restoration Services (IRS) that will help you understand potential threats to your personal identity as well as corrective services available in the event of a Stolen Identity Event. These services will help you:

- Reduce the potential of identity theft occurring.
- Be prepared in the event that you do suffer a Stolen Identity Event.
- Respond appropriately if your identity is stolen.

When you purchase a policy, you have immediate access to education and awareness services that will help protect you against the crime of identity theft. This includes access to a Personal Risk Assessment Survey designed to identify areas where your PII is vulnerable and recommend corrective measures to help protect you from identity theft.

These services are offered not on an advisory basis, but are conducted on your behalf. Experts will manage the entire process of restoring your good name, navigating through the maze of agencies and businesses involved with identity restoration, eliminating hours of work and minimizing out-of-pocket expenses on your behalf.

**PERSONAL LEGAL EXPENSE INSURANCE** (Occurrence Basis) offered through ARAG Business Legal Solutions at \$115.00/year. This coverage now includes **Auto Legal Defence, Emotional Support & Legal Helpline, Commercial Employment Disputes, Legal Defence, Contract Disputes and Debt Recovery, Statutory License Protection etc.**

*Please note this is legal expense coverage which is separate from the legal coverage you receive under your Advisor's E&O policy for matters related to rendering of your professional services.*

The need for legal expense insurance can arise from everyday occurrences such as receiving a speeding ticket, bodily injury due to the fault of others, employment disputes, or an unsatisfactory contracted service.

In addition to **unlimited telephone and legal advice**, Legal Expense Insurance may help pay for lawyers' fees, disbursements for expert witnesses, medical reports, and court costs, and adverse costs if you lose your case and a judge orders you to pay the other party's legal fees. **For more information, please log onto:**

<https://www.marsh.com/ca/en/services/affinity/products/legal-expense-insurance-july-2020.html>

Through an exclusive offering for Marsh Canada Limited professional liability insurance clients, you are now eligible to purchase personal legal expense insurance (LEI), underwritten by ARAG Business Legal Solutions, at the special preferred rate of only **\$115.00/year**.

***Due to negotiated preferred pricing and low rates, the above optional coverages are deemed fully earned and non-refundable.***

**\*Please refer to each respective policy wording for a full list of policy terms, conditions, definitions and exclusions.**



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