

## NEMA DEALING REPRESENTATIVES E&O INSURANCE PROGRAM

### KEY COVERAGE HIGHLIGHTS FOR JUNE 15, 2016 TO JUNE 15, 2017 POLICY TERM

<b>Insurer:</b>	<b>Zurich Insurance Company</b>
<b>Policy Term:</b>	June 15, 2016 to June 15, 2017
<b>Insureds:</b>	<p>The Dealing Representatives</p> <p>Licensed Life, A&amp;S Agent</p> <p>Licensed Mutual Fund Representative</p> <p>Licensed IIROC Representative</p> <p>Unlicensed Assistants</p> <p>Corporation, Partnership or other business entity which is owned by the Insured and engages in Professional Services.</p>
<b>Vicarious Liability:</b>	Exempt Market Dealers with whom Dealing Representatives are contracted
<b>OBSI</b>	OBSI Recommendations to be included within the definition of Loss – subject to insurer’s review and approval.
<b>Professional Services Covered:</b>	<p>Sale and Servicing of products provided as a licensed:</p> <p>Dealing Representative</p> <p>Life, A&amp;S Agent</p> <p>Mutual Fund Representative</p> <p>IIROC Representative</p>
<b>Defense Cost:</b>	Included within the Limit Purchased plus an additional sub-limit of \$100,000.

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<b>Prior Acts Coverage:</b>	The inception date of the Insured's first claims made agent's professional liability policy from which date of coverage has been maintained and in force without interruption.
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<b>Limit of Liability – each Claim:</b>	Annual Premium;
Limit of \$1,000,000/\$1,000,000	\$1,000.
Limit of \$2,000,000/\$2,000,000	\$1,300.

**Note: The Policy conforms with the various regulatory requirements regarding Life and A&S Licensed activities- for example:**

**\$5,000,000 Aggregate automatically applies to Life, A&S Licensed Agents in Manitoba.**

**\$2,000,000 Aggregate automatically applies to Life, A&S Licensed Agents in ON, AB, BC**

#### DEALING REPS WHO ARE LIFE and A&S LICENSED IN BC

Additional, dedicated Limit of Liability Each Claim:	Annual Premium
\$1,000,000 / \$2,000,000 Agg.	\$50.

#### DEALING REPS WHO ARE INCORPORATED AND THEIR CORPORATION IS LIFE LICENSED IN BC, SK AND AB

Additional, dedicated Limit of Liability for the Corporation:	Annual Premium
\$1,000,000 / \$2,000,000 Agg.	\$325.

#### DEALING REPS WHO ARE INCORPORATED AND THEIR CORPORATION/ FIRM IS LICENSED WITH AMF - QC

Additional, dedicated Limit of Liability for the Firm	Annual Premium
\$500,000 / \$2,000,000 Agg.	\$300.

Please note that in the event that any of the representations in this summary conflicts with any of the provisions in the policy, the terms and conditions of the policy will govern at all times. This is not a legal document nor is it legal advice.

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<b>Deductible</b> – applicable to Damages only, not to Defence	\$1,000 each Claim for Life/A&S \$2,500 each Claim for Mutual Funds \$10,000 each Claim for Securities including Exempt Market Securities
<b>Extended Reporting Period Coverage:</b>	Options ranging from 3 years to 10 years
<b>Regulatory Investigation Coverage:</b>	Sub Limit - \$40,000.
<b>Regulatory Endorsements</b> included regarding Life, A&S Requirements.	Policy Conform to Statutes and/or Applicable Laws
<b>Territory:</b>	Worldwide Territory, subject to suits be brought in North America

**The Program Aggregate** is \$25,000,000 for “Claims” involving an Exempt Market Dealer that is listed as an “Additional Insured” and has one hundred (100) or more registered Dealing Representatives participating on the Program

**The Program Aggregate** is \$15,000,000 for “Claims” involving an Exempt Market Dealer that is listed as an “Additional Insured” and has ninety nine (99) or less registered Dealing Representatives participating on the Program

#### **NEW: IMPORTANT INFORMATION ON PRIVACY BREACH LIABILITY INSURANCE**

Privacy Breach is cited as a prevalent emerging risk faced by everyone especially in the financial industry. This coverage is provided by Sovereign General Insurance. We highly recommend that you purchase the coverage which is offered at a nominal premium.

Coverage	Limit per Claim	Aggregate per Policy Period	Premium
Privacy Breach Liability	\$100,000	\$100,000	\$55.00
Expense	\$50,000		

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#### CORPORATE E&O INSURANCE

#### DEALING REPRESENTATIVES WHO ARE INCORPORATED AND ENGAGE THE SERVICES OF ANOTHER LICENSED PERSONNEL

Corporate E&O Insurance policy is available to Dealing Reps who require a separate policy for Life, A&S and Mutual Fund activities. Exempt Market Products are **NOT** covered under the Corporate Policy.

We highly recommend that the Corporate policy be considered if the DR has engaged the services of another licensed Life and/or mutual fund representative. Showing a separate, dedicated limit for your corporation on your certificate is NOT Corporate E&O Insurance. **Please call us for details on Corporate E&O Insurance or email us for an application..**

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