

**Independent Financial Brokers of Canada
Members Errors and Omissions Insurance Application
For Life Agents and Mutual Fund Agents
New Applicants**



Note: IFB Membership must be maintained while Errors and Omissions policy is in force

1. Name of Applicant : _____

Address: _____
Street Number Street Name Apartment / Suite Number

City: _____ Province: _____ Postal Code: _____

Phone: _____ Fax: _____

Email Address: _____

2. Date Coverage to be Effective: _____ (MM/DD/YYYY)

3. Limits of Liability desired for the present coverage:

| | |
|--|--------------------------|
| \$1M Per Claim \$2M Aggregate (\$5M Aggregate for Manitoba Life Licensees) | <input type="checkbox"/> |
| \$2M Per Claim \$2M Aggregate (\$5M Aggregate for Manitoba Life Licensees) | <input type="checkbox"/> |
| \$5M Per Claim \$5M Aggregate | <input type="checkbox"/> |

4. Please indicate the source of your revenue:

| | |
|--|--------------------------|
| Mainly Life Insurance, Less than 50% Mutual Fund Sales | <input type="checkbox"/> |
| Mainly Mutual Funds, Less than 50% Life Insurance | <input type="checkbox"/> |

5. Please check mark the appropriate licenses you hold :

a. Life/Life and Accident & Sickness Insurance License

Province(s) licensed in: _____
 License Number: _____ Expiry Date: _____
 License Number: _____ Expiry Date: _____
 License Number: _____ Expiry Date: _____
 License Number: _____ Expiry Date: _____

***Note:** If more than one Province is indicated, to determine the premium, please call IFB

Name of MGA/AGA affiliated with: _____

b. Mutual Fund

Province(s) where registered: _____

Number of years licensed: _____

Name of Mutual Fund Dealer registered with: _____

6. Do you require your corporation name added to your certificate of insurance?
 Yes – Proceed to question 7 No – Proceed to question 8

7. Adding your Corporate name to your E&O Certificate:

Your Corporate Name can be listed on your E&O Certificate if you meet requirement in Parts A & B, and you complete Parts C & D:

Your Corporate Name cannot be listed if any of the answers in this column apply to you*.

A: OWNERSHIP

- The corporation is solely owned by the applicant and the applicant is the sole licensed producer, OR
- The corporation is owned by the applicant and immediate family members and:
 - i) These shareholders are not directly involved in the business
 - ii) If the shareholders are licensed, they are the only licensed producers, and all are covered under the IFB Errors and Omissions insurance plan, or
 - iii) The shareholders are non-licensed employees of the applicant

None of the options at left apply to me*. Please proceed to Question 8.

B:EMPLOYEES/LICENSED PRODUCERS

- 1) NON-LICENSED EMPLOYEES (please check the box that applies to you):
 - The corporation has no more than 1 non-licensed employee. (Other than those referred to under OWNERSHIP, above)
- 2) OTHER PRODUCERS
 - The Corporation does not accept business from any other licensed producers. (Other than those referred to under OWNERSHIP, above)

The corporation has more than 1 non-licensed employee*. Please proceed to Question 8.

The Corporation does accept business from other licensed producers*. Please proceed to Question 8.

* A separate Corporate E&O policy may be required. Please call 905-279-2727 for information.

C – SHAREHOLDER INFORMATION (Must be Completed):

| Name of shareholder: | Licensed (Y/N): | Relation to applicant: | Shares Held %: |
|----------------------|-----------------|------------------------|----------------|
| | | | |
| | | | |
| | | | |

Part D – NAME of your corporation : _____

8. Name(s) of Additional Insured (ie. AGA/MGA/MFD) only for defence cost coverage, if required:

9. In the past **ten (10) years**:

a. Have you been subject to disciplinary action by any regulatory body? Yes: No:

b. Has any application for errors and omissions insurance on your behalf ever been cancelled, declined, or renewal refused? Yes: No:

c. Have any errors & omissions claims been made against you or are there any facts, circumstances, or situations that may result in any error or omission claim being made against you? Yes: No:

Without limitation of any other remedy available to the insurer, it is agreed that should there be such knowledge of any such fact, circumstance or situation, any claim or action subsequently arising there from may be excluded from coverage under the proposed insurance.

d. Have you had your licenses suspended or cancelled for any reason? Yes: No:

e. Have you been charged with or convicted of any dishonest or fraudulent act? Yes: No:

IF YOU ANSWERED "YES" TO ANY OF THE QUESTIONS ABOVE PLEASE ATTACH A DETAILED EXPLANATION; AND IN RESPECT ITEM C. ABOVE INCLUDE:

- a. All fact situations and incidents which have occurred in the past and which may reasonably be expected to result in a claim, suit or arbitration against you, now or in the future.
- b. All such claims, suits and incidents which have been reported to your current or prior insurer(s) in the past 10 years.

It is understood and agreed that all such claims, suits, arbitrations, fact situations and incidents will be excluded from coverage under any policy issued by the Company.

10. Please specify your current/previous professional liability carrier: _____

Policy/Certificate number: _____ Date of Expiry: _____(MM/DD/YYYY)

Important Notice to Applicant

This is an application for insurance and the insurer is not obligated to accept the applicant for coverage. Signature on the application form and submission of a premium payment does not bind the insurer to complete an insurance transaction with the applicant.

The Policy provides Errors and Omissions insurance that applies on a "Claims-made" basis and covers you for any covered claim provided it meets the following criteria:

You are the Insured when the claim is made and you have had the insurance in your name and have continually renewed the policy from the time of the incident occurred until the time the claim is made. (see retroactive date explanation below)

The following provides a general description of this coverage and is subject to the terms and provisions of the actual policy.

- a) The policy will only cover claims which are first made during the policy period or during an Extended Reporting Period if any and then only in accordance with the terms and conditions described in the Extended Reporting Period Section of the policy.
- b) The policy will provide coverage for losses from incidents which take place on or after the Retroactive Date, if any, but before the beginning of the policy period only if the insured did not know of the incident before the beginning of the policy period.
- c) You have had the insurance in your name and have continually renewed the policy from the time of the incident occurred until the time the claim is made. (see retroactive date explanation below)

"Retroactive Date" – Your Retroactive Date commences from the start date of your first "claims made policy", which was continuously insured in your name covering the same operations/business/risk. You are covered for any covered incident as long as it occurs on or after your retroactive date (also know as prior acts date). That date remains the same and is not advanced as long as your policy is renewed in the name of same insured and for the same risk.

"Extended Reporting Period" (ERP) or

"Tail coverage": This coverage is bought to keep your policy active after the policy has terminated. It is an endorsement that is purchased when you terminate a "claims made policy". The ERP or "Tail" endorsement allows you to report claims that come in after the policy is terminated for covered incidents that occurred while you were insured.

To obtain more information on the terms and conditions of the policy, please visit the 'members only' area of the IFB website www.ifbc.ca

Defense costs form part of the limits of liability and are not in excess thereof except where the laws of the province of Quebec apply.

It is understood and agreed that failure to provide true and complete response to any of the questions, statements or request for information in this Application or to provide any other information material to this Application may, at the sole option of the Company, result in the voiding of the insurance policy issued in reliance on this Application and /or denial of coverage for specific claims asserted against the Applicant or any other insured under the policy. The undersigned hereby waives any defense to an action by the Company for recession of such policy based upon misrepresentation of fact or failure to disclose material information in connection with this Application. Applicant agrees to hold the Company harmless from all loss as a result of any such misrepresentation or failure to disclose, including, without limitation, all costs and attorney fees incurred by the Company in connection with said action for rescission.

PRIVACY

As part of my application for insurance I consent to the collection and use of personal information required for purposes of considering my application for errors and omissions insurance by the insurer Echelon General Insurance Company, the authorized insurance broker, The Magnes Group Inc and the plan sponsor Independent Financial Brokers of Canada (IFB). The insurer, the broker and IFB are authorized to collect, use, and disclose personal information and provide such personal information to third parties, as required for the purpose of underwriting this application for insurance, as permitted by the relevant provincial and federal privacy laws or other applicable laws. The privacy policy of the Insurer can be viewed at website www.echelon-insurance.ca.

I understand that at any time I may ask to review the personal information pertaining to my application for insurance and the insurer and broker will be obligated to provide me with any information I am entitled to receive under the relevant provincial and federal privacy laws or other applicable laws.

I hereby direct and authorize Echelon General Insurance Company to disclose personal information as may be necessary to make payment in respect to my claim or in respect to my claim to IFB and The Magnes Group Inc.

I HEREBY DECLARE that the above statements and particulars are true to the best of my knowledge, that I have not suppressed or misstated any facts and I agree that this application shall form part of the insurance policy. I also acknowledge that I am obligated to report any changes that could affect the disclosures in this application that occur after the date of signature, but prior to the effective date of coverage.

Promissory Note:

IFB has negotiated this errors and omissions insurance coverage on behalf of its members and so IFB membership is a requirement to gain and maintain eligibility for the coverage terms offered under this insurance program. The applicant hereby promises to maintain this eligibility and agrees that if his/her IFB membership is not renewed or is cancelled at any time during the forthcoming policy period he/she promises to pay an additional Ineligible Applicant Premium charge of \$250.00, which will become immediately payable, to maintain coverage under the policy. The applicant further acknowledges and agrees that his/her failure to remit the additional Ineligible Applicant Premium charge of \$250.00 will result in Echelon General Insurance Company having the right to cancel the policy by providing fifteen (15) days notice of cancellation for non payment of premium as per the conditions of the policy.

The application must be signed in ink.

Applicant's Signature: _____

Name: _____

Date: _____

Please submit applications to: Independent Financial Brokers (IFB)
306-30 Eglinton Ave W
Mississauga ON L5R 3E7
1-888-654-3333 Fax:1-888-424-2359

Note: You may also take advantage of our new online Errors and Omissions application located in the "Members Only" area of the IFB website at www.ifbc.ca

- Paid by: Cheque payable to **Independent Financial Brokers**
 Internet/Telephone banking (call 905-279-2727/ 1-888-654-3333 for a list of participating banks and to set up an account number)
 Monthly Payments – Premium financing O.A.C. A contract will be e-mailed to you which you must complete and return