



POLICY

FINANCIAL ADVISORS PROFESSIONAL LIABILITY (ASSOCIATION)

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FINANCIAL ADVISORS PROFESSIONAL LIABILITY – POLICY FORM FAAEO801A | Edition 10/16

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In consideration of the payment of the premium, and in reliance on the **Application**, and subject to all the provisions of this Policy and the Declarations, Schedules and Endorsements attached hereto, all of which are made a part of this Policy, the Insurer and the **Policyholder**, on behalf of all **Insured(s)**, agree as follows:

I. INSURING AGREEMENTS**A. Professional Services**

The Insurer shall pay on behalf of the **Insured(s)** all **Loss** for which the **Insured(s)** has become legally obligated to pay on account of any **Claim** first made against the **Insured(s)** during the **Policy Period** or the Extended Reporting Period, if applicable, and reported to the Insurer during the **Policy Period** or the Extended Reporting Period, as a result of any act, error or omission in the performance of **Professional Services** by the **Insured(s)** for a **Client** which took place after the retroactive date specified in **Item 9(A)** of the Declarations.

B. Regulatory Investigation

The Insurer shall pay on behalf of the **Insured(s)**, all **Defense Costs** for which the **Insured(s)** has to pay as a result of any **Claim** first made against the **Insured(s)** during the **Policy Period** or the Extended Reporting Period, if applicable, and reported to the Insurer during the **Policy Period** or the Extended Reporting Period, and incurred when required to appear before any governing Regulatory Body.

As a condition precedent to the coverage afforded by these Insuring Agreements, the **Insured(s)** shall give to the Insurer written notice of any **Claim** as soon as practicable after the **Insured(s)** first becomes aware of such **Claim**, but in no event later than thirty (30) days after the expiration or cancellation of the **Policy Period** or the Extended Reporting Period, if applicable.

II. COVERAGE EXTENSIONS**A. Spouses**

The spouses and domestic partners of **Insured(s)** shall be considered **Insured(s)** under this Policy, but only for **Claims** arising solely out of their status as such, including those **Claims** which seek damages from marital community property, jointly held property or property transferred from the **Insured(s)** to the spouse or domestic partner.

The coverage extension afforded by this Subsection does not apply to any **Claim** alleging any act, error or omission by an **Insured's** spouse. The term 'spouse' as used in this Policy shall include any natural person qualifying as a domestic partner under the provisions of any applicable federal, provincial or municipal law in Canada.

B. Estates and Legal Representatives

Coverage under this Policy shall extend to a **Claim** made against the estates, heirs, legal representatives or assigns of an **Insured(s)** who is deceased or against the legal representatives or assigns of an **Insured(s)** who is incompetent, insolvent or bankrupt for any act, error or omission in the performance of **Professional Services** of such **Insured(s)**.



The coverage extension afforded by this Subsection does not apply to any **Claim** alleging any act, error or omission by the **Insured's** estates, heirs, legal representatives or assigns.

C. Extended Reporting Period

1. If the **Policyholder** cancels this Policy or the **Policyholder** or Insurer nonrenews this Policy, the **Policyholder** shall have the right to elect an Extended Reporting Period set forth in **Item 11** of the Declarations, during which any **Claim** first made against the **Insured(s)** shall be considered made during the **Policy Period**. This right shall lapse unless the Insurer receives written notice of the period elected together with payment of the additional premium due within thirty (30) days following the effective date of cancellation or nonrenewal.

The right to purchase the Extended Reporting Period shall not be available in the event of nonrenewal or cancellation of this Policy resulting from the failure to pay any premium due. The offer of renewal terms, conditions or premiums different from those in effect prior to renewal shall not constitute a refusal to renew.

The Extended Reporting Period shall apply only to any act, error or omission that takes place prior to the effective date of cancellation or nonrenewal.

The Extended Reporting Period is not cancelable and the additional premium paid for the Extended Reporting Period is deemed fully earned at the inception date thereof.

The Limit of Liability applicable to the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability for the immediately preceding **Policy Period**.

2. If the **Insured(s)** becomes disabled, dies, or otherwise ceases to engage in the performance of **Professional Services** for which coverage has been provided, or ceases to be an **Insured** under this Policy, the **Insured(s)** or their heir, executor or legal representative shall have the right to purchase an Extended Reporting Period by paying within thirty (30) days after coverage is cancelled or nonrenewed, the additional premium as indicated in the schedule below.

Extended Reporting Period	Percentage of Annual Premium as Indicated on the Insured's current Certificate of Insurance
1 Year	75%
2 Years	100%
3 Years	125%
4 Years	150%
5 Years	165%
6 Years	180%
7 Years	235%
8 Years	285%
9 Years	335%
10 Years	385%

This Extended Reporting Period will begin immediately following the date of cancellation or



nonrenewal and cover **Claims** first made against the **Insured(s)** and reported to the Insurer during the Extended Reporting Period for any act, error or omission occurring prior to the effective date of cancellation or nonrenewal. The Limit of Liability for such Extended Reporting Period shall be the Limit of Liability set out in the **Insured's Certificate of Insurance**.

The Limit of Liability applicable to the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability for the immediately preceding **Policy Period**.

Coverage afforded by the Extended Reporting Period for the benefit of the **Insured(s)** shall be cancelled immediately in the event the **Insured(s)** purchases or is otherwise afforded coverage by another policy which is a renewal or replacement to this Policy.

III. DEFINITIONS

- A. **Application** means each and every completed application accepted, any attachments to such applications, other materials submitted therewith or incorporated therein and any other such documents submitted in connection with the underwriting of this Policy or the underwriting of any other professional liability or errors and omissions liability policy issued by the Insurer, or any of its affiliates, of which this Policy is a renewal, replacement or which it succeeds in time.
- B. **Claim(s)** means the receipt by any **Insured(s)** of:
1. a written demand for monetary or non-monetary relief, including a written demand to engage in arbitration or mediation or toll or waive a statute of limitations;
 2. a civil, criminal, administrative or regulatory proceeding commenced by the service of a complaint or similar pleading, the filing of a notice of charges or the return or issuance of an indictment, information, arrest warrant or similar charging document, including a demand for the extradition of an **Insured(s)**; or
 3. a civil, criminal, administrative or regulatory investigation of the **Insured(s)** commenced by the service upon or receipt by the **Insured(s)** of a target letter or similar written notice from a government authority, including but not limited to the Ombudsman for Banking Services and Investment, identifying such **Insured(s)** as one against whom a proceeding may be commenced.
- C. **Certificate of Insurance** means the document issued to the **Insured(s)** outlining **Professional Services** covered, other terms and conditions as indicated elsewhere in this Policy and confirms eligibility for coverage under this Policy.
- D. **Client** means:
1. any natural person who receives **Professional Services** from an **Insured(s)**; or
 2. any entity who, pursuant to a written contract, receives **Professional Services** from an **Insured(s)**.
- E. **Defense Costs** means reasonable and necessary legal fees and expenses (other than regular or overtime wages, salaries, fees, benefits or overhead expenses of any **Insured(s)**) incurred by or on behalf of the

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Insured(s) in investigating, defending, opposing, settling or appealing **Claims**, and the premium for appeal, attachment or similar bonds. The Insurer, however, shall have no obligation to apply for or furnish such bonds.

F. **Financial Impairment** means:

1. the appointment by any provincial, state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the business of the **Insured(s)**; or
2. the **Insured(s)** becoming subject to Court protection under the Companies' Creditors Arrangement Act in Canada (CCAA) or designated a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under another foreign law.

G. **Firm** means any agency, corporation, partnership or other organization directly employing or directly contracting one or more **Insured(s)**.

H. **Insured(s)** means the following individuals while they maintain continuous membership with the **Policyholder**:

1. any individual who is a licensed Life Insurance Agent and Accident and Sickness Insurance Agent;
2. any individual who is registered with the Mutual Fund Dealers Association (hereinafter referred to as the "MFDA") and maintains a contract with a Mutual Fund Dealer;
3. any individual who is a registered representative with the Investment Industry Regulatory Organization of Canada (hereinafter referred to as "IIROC") and maintains a contract with a Securities Dealer;
4. any individual who is a registered Exempt Market Dealing Representative under NI 31-103 and maintains a contract with an Exempt Market Dealer;
5. any employee of the **Insured(s)**, including licensed and unlicensed assistants, while acting in their duties as such. Coverage shall not apply to any employee for the performance of **Professional Services** as defined in Part III, Definition N.;
6. any manager or supervisor of the **Insured(s)**, but only with respect to supervisory liability arising out of the **Insured(s)** activities in the performance of **Professional Services** as defined in Part III, Definition N.;
7. any **Personal Corporation**, but only with respect to liability arising out of the **Insured(s)** activities in the performance of **Professional Services** as defined in Part III, Definition N.; and
8. any **Firm**, but only with respect to its vicarious liability incurred in the performance of **Professional Services** by an **Insured(s)** for a **Client**.

Any individual or entity seeking eligibility for coverage under this Policy based on the above caption

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definition for **Insured(s)** must produce a valid **Certificate of Insurance** in evidence of such coverage.

- I. **Interrelated Claims** means any **Claims** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally or logically connected facts, circumstances, situations, events, transactions or causes.
- J. **Loss** means the amount(s) which the **Insured(s)** become legally obligated to pay on account of a **Claim**, including damages, judgments, any award of pre-judgment or post-judgment interest, settlement amounts, costs and fees awarded pursuant to judgments, and **Defense Costs**.

Loss does not include:

1. any amounts for which the **Insured(s)** are legally or financially absolved from payment;
2. any investigative costs other than **Defense Costs** in connection with a **Claim**;
3. taxes or the loss of tax benefits, or fines or penalties imposed by law;
4. any amounts for which an **Insured(s)** is not financially liable or which are without legal recourse to an **Insured(s)**;
5. any reimbursement or return of remuneration, allowances, benefits, charges, commissions, fees, payments, or profits, whether obtained in fact through fraud or legal wrongdoing or not;
6. matters uninsurable under the law applicable to this Policy;
7. punitive, exemplary or the multiplied portion or any multiplied damage award.

Notwithstanding the above, **Loss** shall include **defense costs** incurred by or on behalf of any **Insured(s)** in defending, settling, appealing or investigating **Claims** incurred pursuant to any **Professional Service** relating to tax legislation in Canada.

- K. **Personal Corporation** means a corporation owned solely by the **Insured(s)** or their spouse, is incorporated for the purpose of limiting personal liability, including tax liability.
- L. **Policyholder** means the Association specified in **Item 2** in the Declarations.
- M. **Policy Period** means the period of time specified in **Item 3** in the Declarations, subject to prior termination of the Policy.
- N. **Professional Services** means the following services where indicated on each **Certificate of Insurance** which are performed or required to be performed by the **Insured(s)** for a **Client**. **Professional Services** shall include the following:

Coverage A activities relating to the sale of insurance products by a licensed life insurance agent and accident and sickness insurance agent including, but not limited to the sale of life insurance, accident and health insurance, hospitalization and medical insurance plans, group benefit



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administration service agreements, variable annuities and segregated funds;

Coverage B activities relating to the sale of financial products by an MFDA registered representative which are regulated by the MFDA;

Coverage C activities relating to the sale of all financial products by an IIROC registered representative which are regulated by the IIROC;

Coverage D activities relating to the sale of all Exempt Market Products as defined and regulated by NI 31-103.

Professional Services shall always include the following:

Coverage E activities relating to estate plans, personal financial plans, employee benefit plans, group plans, pension plans (including Registered Retirement Savings Plans and Registered Retirement Income Funds), profit sharing plans, retirement annuities, life health and disability plans, including guaranteed investment funds to any of the foregoing. Such guaranteed investment funds, as used herein, refer to funds consisting of property insured by the Canadian Deposit Insurance Corporation, other than insurance contracts such as investment vehicles of banks and trust companies;

Coverage F activities relating to sales management or supervisory positions held by **Insured(s)** in the business referenced in A) through E) above.

- O. **Relative** means a person related to the **Insured(s)** by marriage, including spouses, common law spouses, and domestic partners.

IV. EXCLUSIONS

The Insurer shall not be liable for **Loss** in connection with any **Claim** made against any **Insured(s)**:

- A. based upon, arising out of or attributable to any act, error, omission or circumstance which was the subject of any written and accepted notice of **Claim, Loss** or notice of potential **Claim** or potential **Loss** given before the inception of the **Policy Period** under any similar professional liability insurance policy;
- B. based upon, arising out of or attributable to any act, error, omission or circumstance which:
 - 1. on or prior to the Retroactive Date set forth in **Item 9(A)** of the Declarations, any **Insured(s)** knew or could have reasonably foreseen as the basis for giving rise to a **Claim**;
- C. based upon, arising out of or attributable to the **Financial Impairment** of any **Insured(s)**;
- D. for any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person or damage to or destruction of any tangible property including loss of use thereof;
- E. based upon, arising out of or attributable to:

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1. any profit, remuneration or advantage to which an **Insured(s)** was not legally entitled, if established by a final and non-appealable adjudication adverse to such **Insured(s)** in the underlying action; or
2. any willful violation of any statute or regulation or any deliberately criminal or fraudulent act, error or omission by an **Insured(s)**, if established by a final and non-appealable adjudication adverse to such **Insured(s)** in the underlying action;

However, this exclusion shall not apply to **Loss** in connection with any **Claim** which includes allegations of fraud in the performing of **Professional Services** or in the failure to perform **Professional Services**;

- F. based upon, arising out of or attributable to any express warranties or guarantees made in connection with the performance of **Professional Services**;
- G. based upon, arising out of or attributable to any **Claim** initiated by one or more **Insured(s)** against any other **Insured(s)**. However this exclusion shall not apply if an **Insured(s)** initiates a **Claim** against another **Insured(s)** in the sole capacity of a **Client**;
- H. based upon, arising out of or attributable to any liability assumed under any contract or agreement provided that this exclusion shall not apply to liability which would have attached to an **Insured(s)** in the absence of the contract or agreement;
- I. based upon, arising out of or attributable to any **Claims** resulting from any suit, legal action or judicial proceeding initiated by a Life Insurance Company or Agency against an **Insured(s)**;
- J. based upon, arising out of or attributable to any **Claims** arising out of the collection, transmission, payment or transfer of any insurance premiums, taxes, money or securities or any amounts from the settlement of a **Loss**;
- K. based upon, arising out of or attributable to any **Claims** resulting from **Professional Services** for which an **Insured(s)** did not have the appropriate license or registration in either the **Client's** resident province or in the province in which the **Professional Services** were provided. However, an **Insured(s)** is deemed to be licensed and registered if they are operating under an exemption granted by the appropriate regulator;
- L. based upon, arising out of or attributable to the performance of or failure to perform services for any person or entity:
 1. which is controlled by any **Insured(s)**; or
 2. which owns or controls any **Insured(s)**; or
 3. which is affiliated with an **Insured(s)** through common ownership or control;
- M. based upon, arising out of or attributable to any **Claim** arising out of the performance of **Professional Services** provided to a **Relative** of an **Insured(s)**;
- N. based upon, arising out of or attributable to any **Claims** resulting from any **Insured's** willful violation of any statute, law, by-law, rule or regulation of any securities regulatory agency;

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- O. based upon, arising out of or attributable to any **Claims** resulting from any suit, legal action or judicial proceeding initiated by a securities broker/dealer or any investment company against an **Insured(s)**;
- P. based upon, arising out of or attributable to any **Claims** resulting from an **Insured's** unauthorized use of trade secrets, intellectual property, confidential or proprietary information, or insider trading;
- Q. based upon, arising out of or attributable to any **Claims** resulting solely from the **Insured's** status as a named fiduciary or power of attorney. However, this exclusion shall not apply if the **Insured(s)**, as defined in Section III, Definition H, Subsections 1-4, has limited power of attorney of an investment account which is signed by a **Client**;
- R. based upon, arising out of or attributable to any **Claims** resulting from an **Insured's** failure to disclose any entitlement, compensation, referral fee or other arrangement which the **Insured(s)** may receive solely from any third party in connection with the **Professional Services** provided to a **Client** by an **Insured(s)**;

V. LIMIT OF LIABILITY

- A. The Insurer's maximum aggregate liability under Insuring Agreements A and B for each **Loss** arising from **Claims** first made during the **Policy Period** shall be the Limit of Liability set forth in **Item 4(A) and 4(B)** of the Declarations respectively.
- B. **Defense Costs** are part of, and not in addition to, the Limits of Liability set forth in **Item 4** of the Declarations and payment by the Insurer of **Defense Costs** reduces and may totally exhaust such Limits of Liability.
- C. If the Limit of Liability is exhausted by payment of **Loss**, the Insurer's obligations under this Policy shall be completely fulfilled and extinguished.
- D. All **Claims** arising from the same act, error or omission and all **Interrelated Claims** received by the **Insured(s)** concerning the same facts or circumstances shall be deemed one **Claim**. All such **Claims** shall be deemed to be first made on the date the earliest of such **Claims** is first made against any **Insured(s)** or is received by any **Insured(s)**, whether before or during the **Policy Period**.

VI. DEDUCTIBLE

- A. The Insurer shall be liable for only that part of **Loss** arising from a **Claim** which is excess of the applicable Deductible set forth in **Item 5** of the Declarations and such Deductible shall be borne by the **Insured(s)** uninsured and at their own risk. If a single **Claim** is subject to more than one Deductible, the applicable Deductibles shall apply separately to each part of such **Claim**, but the maximum total Deductible applicable to such **Claim** shall not exceed the largest applicable Deductible.

In the event that a **Claim** solely for **Defense Costs** is incurred in accordance to the terms and provisions set out in this Policy, and that **Claim** results in no payment for **Loss** other than **Defense Costs**, then the Insurer agrees to pay such **Defense Costs** without application of the Deductible, subject to the applicable Limit of Liability set forth in **Item 4(A) and 4(B)** of the Declarations respectively.



VII. DEFENSE AND SETTLEMENT

- A. The Insurer will have the right and duty to defend all **Claims**. The Insurer will appoint legal counsel in relation to **Claims** at its sole discretion.
- B. The **Insured(s)** shall not incur any **Defense Costs**, admit or assume any liability, settle, offer to settle, stipulate to any judgment or otherwise assume any contractual obligation with regard to any **Claim** without the Insurer's prior written consent, which shall not be unreasonably withheld. The **Insured(s)** shall not knowingly take any action which increases the Insurer's exposure for **Loss** under this Policy. The Insurer shall not be liable for any settlement, **Defense Costs**, assumed obligation, admission or stipulated judgment to which it has not consented.
- C. The **Insured(s)** shall provide the Insurer with all information, assistance and cooperation which the Insurer reasonably requests and shall do nothing that may prejudice the Insurer's potential or actual rights of recovery with respect to **Loss** paid. However, the failure of one **Insured(s)** to comply with this provision shall not impair the rights of any other **Insured(s)** under this Policy.
- D. If the Insurer is willing to accept the judgment of the trial or appellate court or any negotiated settlement or settlement offer and the **Insured(s)** is not willing to accept such judgment or settlement, the Insurer's liability for any **Loss** incurred after the Insurer indicated its willingness to accept such judgment or settlement, shall be limited to the amount for which the Insurer could have resolved the **Claim** plus an additional fifty percent (50%) of that amount. Nothing in this provision will cause the Insurer's liability to exceed the applicable Limit of Liability set forth in the Declarations.
- E. The Insurer's right and duty to defend and pay on the **Insured(s)** behalf ends when the Insurer has used up the applicable Limit of Liability in payment of **Loss**.

VIII. ALLOCATION

- A. If in any **Claim** the **Insured(s)** incur **Loss** jointly with others (including other **Insured(s)**) who are not afforded coverage under this Policy for such **Claim** or incur both **Loss** covered by this Policy and other amounts which are not covered by this Policy, the **Insured(s)** and the Insurer shall allocate such amounts between covered **Loss** and uncovered loss based on the relative legal and financial exposures of the parties to covered and uncovered matters. The Insurer's obligation shall relate only to those sums allocated to amounts and **Insured(s)** which are afforded coverage. If the **Insured(s)** and the Insurer cannot agree on an allocation of **Defense Costs**, the Insurer shall advance **Defense Costs** which the Insurer believes to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined. In such event, such allocation shall be applied retroactively to all **Defense Costs**.

IX. AWARENESS PROVISION

- A. If during the **Policy Period** any **Insured(s)** becomes aware of circumstances which could give rise to a **Claim**, and the **Insured(s)** gives written notice of such circumstances to the Insurer during the **Policy Period**, then any **Claim** subsequently arising from such circumstances shall be considered to have been made during the **Policy Period** in which the circumstances were first reported to the Insurer. No coverage shall be provided for fees and expenses incurred prior to the time such circumstances result in a **Claim**.

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- B. The **Insured(s)** shall, as a condition precedent to exercising their rights hereunder:
1. include with any notice of circumstances a description of such circumstances, the nature of the potential act error or omission, the nature and extent of the potential **Loss**, the names of the potential claimants, and the manner in which the **Insured(s)** first became aware of such circumstances; and
 2. give the Insurer such additional information and cooperation as it may reasonably require.

X. NOTICES

- A. All notices under any provision of this Policy must be made in writing and delivered by prepaid express courier, certified mail, fax or email. Notices to the **Insured(s)** shall be considered delivered when given to the **Policyholder**. Notices to the Insurer shall be given to the appropriate party at the address set forth in **Item 13** in the Declarations. Notices given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee or one day following the date such notices are sent, whichever is earlier.

XI. GENERAL CONDITIONS

A. Representations

In granting coverage to any one of the **Insured(s)**, the Insurer has relied upon the statements made in the **Application** for this Policy and all information provided to the Insurer and upon the statements in the original application submitted to another insurer with respect to prior coverage incepting as of the Retroactive Date, if any, set forth in **Item 9(A)**. All such statements shall be deemed material to the acceptance of the risk covered by the Insurer, are the basis of this Policy and shall be incorporated in and constitute part of this Policy.

B. Severability of Interests

In the event that a **Claim** is made against more than one **Insured(s)**, it is agreed that the obligation of the Insurer under this Policy is the same as if separate a policy(ies) had been issued to each. The total amount payable hereunder on behalf of all **Insured's** and notwithstanding the number of **Insured(s)** involved, shall not exceed the limit of the Insurer's liability stated in the Declarations.

C. Cancellation, Nonrenewal

1. The **Policyholder** may cancel this Policy during the **Policy Period** by giving the Insurer advance written notice of cancellation stating when thereafter such cancellation will be effective. In such event, the Insurer shall refund any unearned premium calculated on a pro rata basis.
2. The **Insured(s)** may cancel his/her **Certificate of Insurance** during the **Policy Period** by giving the Insurer advance written notice of cancellation stating when thereafter such cancellation will be effective. In such event, the Insurer shall refund any unearned premium calculated on a short rate basis.

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3. The Insurer may cancel this Policy by giving the **Policyholder** written notice of cancellation at least ninety (90) days before the effective time of cancellation.
4. Notice of cancellation shall state the effective time of cancellation. The **Policy Period** shall end at that time.
5. If this Policy is cancelled, the Insurer shall send the **Policyholder** any premium refund as soon as practicable. The return or tender of a return premium is not a condition precedent to the cancellation becoming effective at the time stated in the cancellation notice.
6. If the Insurer decides not to renew this Policy, the Insurer shall provide written notice of nonrenewal, stating the reason(s) therefore, to the **Policyholder** at least ninety (90) days prior to the expiration of the **Policy Period**. The offer of renewal terms, conditions, premiums or limits different from those in effect prior to renewal by the Insurer or any affiliate of the Insurer shall not constitute a nonrenewal. If any controlling law requires a longer period of notice by the Insurer, the Insurer shall give such longer notice.

D. Changes to Insured(s)

1. If during the **Policy Period** the **Insured(s)** ceases to be a member with the **Policyholder**, then coverage under this Policy shall end at that time. The **Insured(s)** in such instance shall retain the right to purchase an Extended Reporting Period for acts, errors or omissions taking place prior to the cessation of membership, in accordance with the conditions outlined in Section II. COVERAGE EXTENSIONS, Subsection C., Extended Reporting Period of this Policy.
2. If the Insurer cancels this Policy because:
 - a. the **Insured(s)** has not paid the entire premium; or
 - b. the **Insured(s)** fails to remit the additional ineligible applicant premium charge as may be required by the **Policyholder** in lieu of the **Insured's** membership with the **Policyholder** not being renewed or cancelled at any time during the forthcoming policy period;

then the date of cancellation shall be at least fifteen (15) days after the date on which the notice was mailed.

E. Other Insurance

If any **Loss** arising from any **Claim** is insured by any other policy(ies), prior or current, then this Policy shall apply only in excess of the amount of any deductibles, retentions, and limits of liability under such other policy(ies) whether such policy(ies) is stated to be primary, contributory, excess, contingent or otherwise, unless such policy(ies) is written to be specifically excess of this Policy by reference in such other policy(ies) to this Policy's Policy Number indicated in the Declarations.

F. Territory

This Policy shall apply to **Claims** made against an **Insured(s)** anywhere in the World provided that all suits or

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judicial proceedings are brought against an **Insured(s)** in Canada, the United States of America, its territories or possessions or the District of Columbia.

G. Valuation and Currency

All premiums, limits, Deductibles, **Loss** and other amounts under this Policy are expressed and payable in the currency of Canada. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than Canada, payment under this Policy shall be made at the rate of exchange published in the *Globe and Mail* on the date the judgment becomes final or payment of the settlement or other element of **Loss** is due.

H. Subrogation

In the event of any payment under this Policy, the Insurer shall be subrogated to the extent of such payment to all the **Insured(s)** rights of recovery, and the **Insured(s)** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Insurer effectively to bring suit in the name of the **Insured(s)**.

I. Action Against Insurer

No action shall lie against the Insurer unless, as a condition precedent thereto, there has been full compliance with all the terms of this Policy. No person or organization shall have any right under this Policy to join the Insurer as a party to any action against the **Insured(s)** to determine the **Insured(s)**' liability, nor shall the Insurer be impleaded by the **Insured(s)** or their legal representatives.

J. Bankruptcy

Bankruptcy or insolvency of the **Policyholder** or of any **Insured(s)** shall not relieve the Insurer of its obligations nor deprive the Insurer of its rights or defenses under this Policy.

K. Authorization

By acceptance of this Policy, the **Policyholder** agrees to act on behalf of the **Insured(s)** with respect to the giving and receiving of any notice provided for in this Policy (except the giving of notice to apply for any Extended Reporting Period), the payment of premiums and the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements, and the **Insured's** agree that the **Policyholder** shall act on their behalf.

L. Alteration and Assignment of Interest

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by a written endorsement to this Policy which is signed by an authorized representative of the Insurer. The **Insured's** agree that this Policy constitutes the entire agreement between the **Insured(s)** and the Insurer, or any of their agents or brokers. Notice to or knowledge possessed by the Insurer, the **Insured(s)** or any agent, broker or other person acting on behalf of the **Insured(s)** or Insurer shall not effect a waiver of or estop the Insurer or the **Insured(s)** from asserting any rights under this Policy.



POLICY

FINANCIAL ADVISORS PROFESSIONAL LIABILITY (ASSOCIATION)

M. Right to Audit

The Insurer may, at its discretion, inspect the premises of the **Insured(s)**. In relation to the intent of this Policy, the Insurer may also examine the financial records and files of the **Insured(s)** during the **Policy Period** and during the two (2) years which follow its expiry or cancellation provided that notice of forty-eight (48) hours is given to the **Insured(s)**.

N. Suspension of Permit

If the **Policyholder** has its permit or license to practice suspended by virtue of the laws governing its practice, or if a provisional administration is imposed by governmental authority, notice must be given to the Insurer within a period of not more than thirty (30) days from such suspension or provisional administration.

O. Headings

The descriptions in the headings and subheadings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

XII. GOVERNING LAW

It is agreed that any interpretation of the coverage afforded by this Policy, including by reference any terms, conditions and provisions contained herein, will be governed by the laws of the province in Canada in which this Policy is issued.

For the purposes of the Insurance Companies Act (Canada), this document was issued in the course of AXIS Reinsurance Company (Canadian Branch)'s insurance business in Canada.

SIGNATURE PAGE FOLLOWS.



PROVINCIAL ENDORSEMENT

ENDORSEMENT 1

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Additional Premium: N/A

It is agreed that:

- A. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of ALBERTA, the following applies:
1. Section II. COVERAGE EXTENSIONS, Item C is amended to include:
 - a. In consideration of the premium paid, coverage afforded by way of this endorsement shall automatically include an Extended Reporting Period of one year, and shall apply to **Claims** arising out of errors, acts or omissions that occurred prior to the inception of coverage provided by this Policy, provided that such errors, acts or omissions occurred after June 1, 2001 and that the **Insured Individual** had no prior knowledge of such **Claim**.
 2. Section IV. EXCLUSIONS, Item E is amended to include:
 - a. This exclusion shall not apply to **Loss** in connection with any **Claim** arising out of any act, omission or misrepresentation of the **Insured** that is dishonest, fraudulent, criminal, or malicious and was committed by the **Insured** in the performing of, or in the failure to perform, **Professional Services** as a Life Insurance Agent or Accident and Sickness Insurance Agent.
 - b. Notwithstanding the above, coverage afforded by way of this endorsement shall not benefit any person committing, making or condoning any such dishonest or fraudulent act. Nor shall such coverage benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes.
 3. Section V. LIMIT OF LIABILITY is amended to include:
 - a. The Insurer's Limit of Liability for coverage afforded by this Policy shall not be less than \$500,000 per **Claim** and \$2,000,000 maximum aggregate for all **Claims** made during the **Policy Period**. These limits as stated herein shall be dedicated to **Claims** arising in the province of Alberta. Such **Claims** shall be subject to a Deductible of \$1,000 per **Claim**.
 4. Section XI. GENERAL CONDITIONS, Item C is amended to include:
 - a. The Insurer agrees to give written notice by registered mail of any cancellation or non-renewal of this Policy to the *Alberta Insurance Council*. The Insurer further agrees that the cancellation or non-renewal of the Policy shall not become effective until 30 days after actual receipt of such notice by the *Alberta Insurance Council*.



- B. Solely with respect to any **Insured** acting under license to provide **Professional Services**, Coverage A, in the province of BRITISH COLUMBIA, the following applies:
1. Section V. LIMIT OF LIABILITY is amended to include:
 - a. The Insurer's Limits of Liability for coverage afforded by this Policy shall not be less than \$1,000,000 per **Claim** and \$2,000,000 in the aggregate for all **Claims** for the **Policy Period**. These limits shall be dedicated to **Claims** arising in the province of British Columbia.
 2. Any **Insured Individual** who is a licensed Life Insurance Agent and Accident and Sickness Agent agrees to give written notice by registered mail of any cancellation or non-renewal of this Policy to the *Insurance Council of British Columbia* within 5 business days of such cancellation or non-renewal.
- C. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of SASKATCHEWAN, the following applies:
1. Section IV. EXCLUSIONS, Item E is amended to include:
 - a. This exclusion shall not apply to **Loss** in connection with any **Claim** arising out of any act, omission or misrepresentation of the **Insured** that is dishonest, fraudulent, criminal, or malicious and was committed by the **Insured** in the performing of, or in the failure to perform, **Professional Services** as a Life Insurance Agent or Accident and Sickness Insurance Agent.
 - b. Notwithstanding the above, coverage afforded by way of this endorsement shall not benefit any person committing, making or condoning any such dishonest or fraudulent act. Nor shall such coverage benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes.
 2. Section V. LIMIT OF LIABILITY is amended to include:
 - a. The Insurer's Limits of Liability for coverage afforded by way of this endorsement shall be \$1,000,000 per **Claim** and \$1,000,000 maximum aggregate per **Policy Period**. These limits will not increase the Insurer's Limit of Liability as stated in Section V. LIMIT OF LIABILITY of this Policy. Such **Claims** shall be subject to a Deductible of \$1,000 per **Claim**.
 3. Section XI. GENERAL CONDITIONS, Item C is amended to include:
 - a. The Insurer agrees to give written notice by registered mail of any cancellation, non-renewal, or reduction in the Limit of Liability of this Policy to the *Saskatchewan Insurance Council, 310 - 2631 28th Avenue, Regina, Saskatchewan, S4S 6X3*. The Insurer further agrees that such cancellation, non-renewal, or reduction in the Limit of Liability not become effective until 30 days after actual receipt of such notice by the *Saskatchewan Insurance Council*.
- D. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of MANITOBA, the following applies:
1. Section II. COVERAGE EXTENSIONS, Item C is amended to include:
 - a. In consideration of the premium paid, coverage afforded by way of this endorsement shall automatically include an Extended Reporting Period of 5 years, and shall apply to **Claims** arising out of errors, acts and omissions that occurred prior to the inception of coverage provided by this Policy, provided that such errors, acts and omissions occurred after June 1, 2001 and that the **Insured** had no prior knowledge of such **Claim**.



2. Section IV. EXCLUSIONS, Item E is amended to include:
 - a. This exclusion shall not apply to **Loss** in connection with any **Claim** arising out of any act, omission or misrepresentation of the **Insured** that is dishonest, fraudulent, criminal, or malicious and was committed by the **Insured** in the performing of, or in the failure to perform, **Professional Services** as a Life Insurance Agent or Accident and Sickness Insurance Agent.
 - b. Notwithstanding the above, coverage afforded by way of this endorsement shall not benefit any person committing, making or condoning any such dishonest or fraudulent act. Nor shall such coverage benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes.
3. Section V. LIMIT OF LIABILITY is amended to include:
 - a. **Defense Costs** are in addition to the Limits of Liability set forth in this Policy and therefore payment by the Insurer of **Defense Costs** will not reduce such Limits of Liability. This paragraph shall supersede any contradicting language contained within the **Application** and/or Declarations which form part of this Policy.
 - b. The Insurer's Limits of Liability for coverage afforded by way of this endorsement shall be \$1,000,000 per **Claim** and \$5,000,000 maximum aggregate per **Policy Period**. These limits will not increase the Insurer's Limit of Liability as stated in Section V. LIMIT OF LIABILITY of this Policy. Such **Claims** shall be subject to a Deductible of \$1,000 per **Claim**.
4. Section XI. GENERAL CONDITIONS, Item C is amended to include:
 - a. The Insurer agrees to give written notice by registered mail of any cancellation or non-renewal of this Policy to the *Manitoba Insurance Council*. The Insurer further agrees that such cancellation or non-renewal shall not become effective until 15 days after actual receipt of such notice by the *Manitoba Insurance Council*.
- E. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of ONTARIO, the following applies:
 1. It is agreed that Section IV. EXCLUSIONS, Item E is amended to include:
 - a. This exclusion shall not apply to **Loss** in connection with any **Claim** arising out of any act, omission or misrepresentation of the **Insured** that is dishonest, fraudulent, criminal, or malicious and was committed by the **Insured** in the performing of, or in the failure to perform, **Professional Services** as a Life Insurance Agent or Accident and Sickness Insurance Agent.
 - b. Notwithstanding the above, coverage afforded by way of this endorsement shall not benefit any person committing, making or condoning any such dishonest or fraudulent act. Nor shall such coverage benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes.
 2. Section V. LIMIT OF LIABILITY is amended to include:
 - a. The Insurer's Limit of Liability for coverage afforded by way of this endorsement shall be \$1,000,000 per **Claim** and \$2,000,000 maximum aggregate per **Policy Period**. These limits will not increase the Insurer's Limit of Liability as stated in Section V. LIMIT OF LIABILITY of this Policy. Such **Claims** shall be subject to a Deductible of \$1,000 per **Claim**.



3. Section XI. GENERAL CONDITIONS, Item C is amended to include:
 - a. The Insurer agrees to give written notice by registered mail of any cancellation, non-renewal, or reduction in the Limit of Liability of this Policy to the *Financial Services Commission of Ontario (FSCO), 5610 Yonge Street 15th Floor, Box 85, Toronto , Ontario, M2N 6L9*. The Insurer further agrees that such cancellation, non-renewal, or reduction in the Limit of Liability not become effective until 30 days after actual receipt of such notice by the *Financial Services Commission of Ontario (FSCO)*.

- F. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of QUEBEC, the following applies:
 1. The expression “act, error or omission” wherever written in this Policy and its endorsements, is replaced by the expression “error, fault, negligence or omission”.
 2. Section III. DEFINITIONS, Item H, **Insured**, is amended to include:
 - a. Employee, mandatories and trainees in the performance of their duties whether or not such persons are still so engaged on the date of the **Claim** or not.
 3. Section V. LIMIT OF LIABILITY is amended to include:
 - a. The Insurer’s Limit of Liability for coverage afforded by this Policy shall not be less than \$500,000 per **Claim** and \$1,000,000 maximum aggregate for all **Claims** made during the **Policy Period**. These limits as stated herein shall be dedicated to **Claims** arising in the province of Quebec.
 4. Section V. LIMIT OF LIABILITY, Item B. is deleted in its entirety and replaced with the following:
 - a. Pursuant to the Quebec Civil Code, **Defense Costs** are in addition to the Limits of Liability set forth in Item 4 of the Declarations and therefore payment by the Insurer of **Defense Costs** will not reduce such Limits of Liability. This paragraph shall supersede any contradicting language contained within the Application and/or Declarations which form part of this Policy.
 5. Section XI. GENERAL CONDITIONS, Item C is amended to include:
 - a. The Insurer agrees to give written notice by registered mail of any cancellation or non-renewal of this Policy to the Autorite des Marches Financiers at 2640 Boulevard Laurier, 3e etage, Sainte-Foy, Quebec, GIV5C1, as follows:
 - i. the Insurer or his representative must advise the Autorite des Marches Financiers of its intention not to renew the contract or to terminate the contract 30 days prior to the date of non-renewal or termination;
 - ii. the Insurer or his representative must notify the Autorite des Marches Financiers upon receipt from the representative notice of non-renewal or termination of an insurance contract;
 - b. The Insurer must also notify the Autorite des Marches upon receipt of any **Claim** under the contract, regardless of whether the Insurer decides to honor the **Claim**.



6. In accordance with this endorsement, it is agreed that coverage afforded by way of this Policy shall, at minimum, conform to the legal standards set out in the Quebec Civil Code.
 7. If the Insurer decides to cancel or non-renew this Policy, for any reason or if the **Insured** is suspended from the Autorite des Marches Financiers, the **Insured** shall have an automatic Extended Reporting Period of 5 years at no additional premium following the effective date of such cancellation or non-renewal. This extension, once elected, is non-cancelable. Any **Claim** made during an Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**.
 8. Any **Insured** who permanently ceases to provide **Professional Services** during the **Policy Period** shall be automatically granted an Extended Reporting Period for 5 years at no additional premium following the date of cessation, but only for any **Wrongful Act** occurring prior to the effective date of such cessation.
- G. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of NEWFOUNDLAND AND LABRADOR, the following applies:
1. Section IV. EXCLUSIONS, Item E is amended to include:
 - a. This exclusion shall not apply to **Loss** in connection with any **Claim** arising out of any act, omission or misrepresentation of the **Insured** that is dishonest, fraudulent, criminal, or malicious and was committed by the **Insured** in the performing of, or in the failure to perform, **Professional Services** as a Life Insurance Agent or Accident and Sickness Insurance Agent.
 - b. Notwithstanding the above, coverage afforded by way of this endorsement shall not benefit any person committing, making or condoning any such dishonest or fraudulent act. Nor shall such coverage benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes.
 2. Section V. LIMIT OF LIABILITY is amended to include:
 - a. The Insurer's Limit of Liability for coverage afforded by way of this endorsement shall be \$1,000,000 per **Claim** and \$1,000,000 maximum aggregate per **Policy Period**. These limits will not increase the Insurer's Limit of Liability as stated in Section V. LIMIT OF LIABILITY of this Policy. Such **Claims** shall be subject to a Deductible of \$1,000 per **Claim**.
 3. Section XI. GENERAL CONDITIONS, Item C is amended to include:
 - a. The Insurer agrees to give written notice by registered mail of any cancellation, non-renewal, or reduction in the Limit of Liability of this Policy to the *Newfoundland Insurance Council - Insurance Division, P.O. Box 8700, St John's Newfoundland, A1B 4J6*. The Insurer further agrees that such cancellation, non-renewal, or reduction in the Limit of Liability not become effective until 60 days after actual receipt of such notice by the *Newfoundland Insurance Council – Insurance Division*.
- H. Solely with respect to **Insureds** acting under license to provide **Professional Services**, Coverage A, in the province of NOVA SCOTIA, the following applies:
1. Section XI. GENERAL CONDITIONS, Item C is amended to include:



- a. The Insurer agrees to give written notice by registered mail of any cancellation, non-renewal, or reduction in the Limit of Liability of this Policy to the *Nova Scotia Department of Finance, Financial Institutions Division, 5151 Terminal Road 7th Floor, Halifax , Nova Scotia, B3J 1A1*. The Insurer further agrees that such cancellation, non-renewal, or reduction in the Limit of Liability shall not become effective until 30 days after actual receipt of such notice by the *Nova Scotia Department of Finance, Financial Institutions Division*.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "22" followed by a flourish.

Authorized Representative

January 25, 2022

Date



AXIS REINSURANCE COMPANY (CANADIAN BRANCH)
 Administrative Office – 70 York Street, Suite 1010, Toronto, Ontario M5J1S9
 Telephone 416.361.7200 | Fax 416.361.7225

FINANCIAL ADVISORS PROFESSIONAL LIABILITY – IFB ADVISORS ENDORSEMENT FAAEO808A | Edition 09/16

ENDORSEMENT 2

Issued to: Issued by: Producer: Effective:	The Independent Financial Brokers of Canada AXIS Reinsurance Company (Canadian Branch) The Magnes Group July 1, 2021
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement is attached to, and forms part of Policy Number: | CTR760587/01/2021

In consideration of the premium charged, the following is agreed:

- A. Section I. INSURING AGREEMENTS, last paragraph, is deleted in its entirety and replaced with the following:
 - 1. As a condition precedent to the coverage afforded by these Insuring Agreements, the **Insured(s)** shall give to the Insurer written notice of any **Claim** as soon as practicable after the **Insured(s)** first becomes aware of such **Claim**, but in no event later than sixty (60) days after the expiration or cancellation of the **Policy Period** or the Extended Reporting Period, if applicable.

- B. Section II. COVERAGE EXTENSIONS Item C.1. (Extended Reporting Period), first paragraph, is deleted in its entirety and replaced with the following:
 - 1. If the **Policyholder** cancels this Policy or the **Policyholder** or Insurer nonrenews this Policy, the **Policyholder** shall have the right to elect an Extended Reporting Period set forth in **Item 11** of the Declarations, during which any **Claim** first made against the **Insured(s)** shall be considered made during the **Policy Period**. This right shall lapse unless the Insurer receives written notice of the period elected together with payment of the additional premium due within sixty (60) days following the effective date of cancellation or nonrenewal.

- C. Section II. COVERAGE EXTENSIONS Item C.2. (Extended Reporting Period), first paragraph, is deleted in its entirety and replaced with the following:
 - 1. If the **Insured(s)** becomes disabled, dies, or otherwise ceases to engage in the performance of **Professional Services** for which coverage has been provided, or ceases to be an **Insured** under this Policy, the **Insured(s)** or their heir, executor or legal representative shall have the right to purchase an Extended Reporting Period by paying within sixty (60) days after coverage is cancelled or nonrenewed, the additional premium as indicated in the schedule below.

- D. Section III. DEFINITIONS, Item B.1. is deleted in its entirety and replaced with the following:
 - 1. a written or verbal demand for monetary or non-monetary relief, including a written demand to engage in arbitration or mediation or toll or waive a statute of limitations;

- E. Section III. DEFINITIONS, Item K. is deleted in its entirety and replaced with the following:



1. **Personal Corporation** means a corporation owned solely by the **Insured(s)**, their spouse or any immediate family member, employs no more than one unlicensed individual and is incorporated for the purpose of limiting personal liability, including tax liability. Such corporation has no other employees. In cases where such spouse or immediate family member is also an existing **Insured** under this Policy, the maximum limit of liability available to any **Personal Corporation** shall be no more than the single highest limit carried by such **Insured**. There will be no stacking of applicable limits due to multiple **Insureds** involved with the same **Personal Corporation**.
- F. Section IV. EXCLUSIONS, Item E., last paragraph, is deleted in its entirety.
- G. Section IV. EXCLUSIONS, Item L. is amended to include:
1. This exclusion shall not apply to **Loss** in connection with any **Claim** when such ownership, control or affiliation represents an interest of 10% or less.
- H. Section XI. GENERAL CONDITIONS, Item D. is deleted in its entirety and replaced with the following:
1. If during the **Policy Period** the **Insured(s)** ceases to be a member with the **Policyholder** during the current IFB membership year, then coverage under this Policy shall be canceled at that time, subject to any applicable notice period as may be required under provincial regulation or law. The **Insured(s)** shall retain the right to purchase an Extended Reporting Period for acts, errors or omissions that take place prior to the effective date of cancellation, in accordance to Section II. COVERAGE EXTENSIONS, Item C.
 2. If during the **Policy Period** the **Insured(s)** does not renew their membership with the **Policyholder** as of *membership expiry date* then coverage under this Policy shall be canceled *90 days from the membership expiry date*. The **Insured(s)** shall retain the right to purchase an Extended Reporting Period for acts, errors or omissions that take place prior to the effective date of cancellation, in accordance to Section II. COVERAGE EXTENSIONS, Item C.
 3. If the Insurer cancels this Policy because the **Insured(s)** has not paid the premium as required, then the date of cancellation shall be at least 15 days after the date on which the notice of cancellation was mailed, subject to any applicable notice period as may be required under provincial regulation or law.

ALL OTHER PROVISIONS OF THE POLICY REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "R. R.", written over a horizontal line.

Authorized Representative

January 25, 2022

Date



PROFESSIONAL SERVICES ENDORSEMENT

ENDORSEMENT 3

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Additional Premium: N/A

It is agreed that Section III. DEFINITIONS, Item N. **Professional Services** is deleted in its entirety and replaced as follows:

Professional Services means the following services, as indicated on the **Certificate of Insurance**, performed or required to be performed by the **Insured(s)** for a **Client**. **Professional Services** shall include the following:

Coverage A Activities relating to the sale of insurance products by a licensed life insurance agent and accident and sickness insurance agent including, but not limited to the sale of life insurance, accident and health insurance, hospitalization and medical insurance plans, group benefit administration service agreements, variable annuities and segregated funds; including the following activities that are in any way related thereto: estate plans, personal financial plans, employee benefit plans, group plans, pension plans (including Registered Retirement Savings Plans and Registered Retirement Income Funds), profit sharing plans, retirement annuities, life, personal and disability plans, including guaranteed investment funds to any of the foregoing. Such guaranteed investment funds, as used herein, refer to funds consisting of property insured by the Canadian Deposit Insurance Corporation, other than insurance contracts such as investment vehicles of banks and trust companies; including sales management or supervisory positions held by **Insured(s)** in the activities referenced above.

Coverage B Activities relating to the sale of financial products by an MFDA registered representative which are regulated by the MFDA; including the following activities that are in any way related thereto: estate plans, personal financial plans, employee benefit plans, group plans, pension plans (including Registered Retirement Savings Plans and Registered Retirement Income Funds), profit sharing plans, retirement annuities, life, personal and disability plans, including guaranteed investment funds to any of the foregoing. Such guaranteed investment funds, as used herein, refer to funds consisting of property insured by the Canadian Deposit Insurance Corporation, other than insurance contracts such as investment vehicles of banks and trust companies; including sales management or supervisory positions held by **Insured(s)** in the activities referenced above.

Coverage C Activities relating to the sale of all financial products by an IIROC registered representative which are regulated by the IIROC; including the following activities that are in any way related thereto: estate plans, personal financial plans, employee benefit plans, group plans, pension plans (including Registered Retirement Savings Plans and Registered Retirement Income Funds), profit sharing plans, retirement annuities, life, personal and disability plans, including guaranteed investment funds to any of the foregoing. Such guaranteed investment funds, as used herein, refer to funds consisting of property insured by the Canadian Deposit Insurance Corporation, other than insurance contracts such as investment vehicles of banks and trust companies; including sales management or supervisory positions held by **Insured(s)** in the activities referenced above.



Coverage D Activities relating to the sale of all Exempt Market Products as defined and regulated by NI 31-103; including the following activities that are in any way related thereto: estate plans, personal financial plans, employee benefit plans, group plans, pension plans (including Registered Retirement Savings Plans and Registered Retirement Income Funds), profit sharing plans, retirement annuities, life, personal and disability plans, including guaranteed investment funds to any of the foregoing. Such guaranteed investment funds, as used herein, refer to funds consisting of property insured by the Canadian Deposit Insurance Corporation, other than insurance contracts such as investment vehicles of banks and trust companies; including sales management or supervisory positions held by **Insured(s)** in the activities referenced above.

Solely with respect to Coverages A, B, C and D, **Professional Services** shall also include activities relating to divorce mediation as performed by an **Insured(s)** who maintains certification as a Financial Divorce Specialist and/or Certified Divorce Financial Analyst. Such activities shall not include legal advice or mediation services.

Coverage E Activities relating to fee-for-service financial planning wherein the **Insured(s)** is providing advice only and is not otherwise engaged in the activities relating to the sale of any financial product, provided that the **Insured(s)** has a current Certified Financial Planner (CFP) designation from the Financial Planning Standards Council (FPSC).

To be eligible to purchase Coverage E as afforded under this Endorsement, an **Insured** is not permitted to simultaneously purchase **Professional Services** Coverage A, B, C or D.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

Authorized Representative

January 25, 2022

Date



AMEND INSURED ENDORSEMENT

ENDORSEMENT 4

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Additional Premium: N/A

It is agreed that the definition of **Insured(s)** is deleted in its entirety and replaced by the following:

Insured(s) means the following individuals while they maintain continuous membership with the **Policyholder**:

1. any individual who is a licensed Life Insurance Agent and Accident and Sickness Insurance Agent;
2. any individual who is registered with the Mutual Fund Dealers Association (hereinafter referred to as the "MFDA") and maintains a contract with a Mutual Fund Dealer;
3. any individual who is a registered representative with the Investment Industry Regulatory Organization of Canada (hereinafter referred to as "IIROC") and maintains a contract with a Securities Dealer;
4. any individual who is a registered Exempt Market Dealing Representative under NI 31-103 and maintains a contract with an Exempt Market Dealer;
5. any employee of the **Insured(s)**, including licensed and unlicensed assistants, while acting in their duties as such. Coverage shall not apply to any employee for the performance of **Professional Services** as defined in Part III, Definition N.;
6. any manager or supervisor of the **Insured(s)**, but only with respect to supervisory liability arising out of the **Insured(s)** activities in the performance of **Professional Services** as defined in Part III, Definition N.;
7. any **Personal Corporation**, but only with respect to liability arising out of the **Insured(s)** activities in the performance of **Professional Services** as defined in Part III, Definition N.;
8. any **Firm**, but only with respect to its vicarious liability incurred in the performance of **Professional Services** by an **Insured(s)** for a **Client**; and



9. any individual who was a licensed Life Insurance Agent and Accident and Sickness Insurance Agent or who was registered as stated in items 2-4 above when the **Professional Service** was performed.

Any individual or entity seeking eligibility for coverage under this Policy based on the above caption definition for **Insured(s)** must produce a valid **Certificate of Insurance** in evidence of such coverage.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "J.J.", written over a horizontal line.

Authorized Representative

January 25, 2022

Date



CANADIAN AD&D ENDORSEMENT

ENDORSEMENT 5

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Additional Premium: N/A

It is agreed that:

The Policy is amended to include the following:

BUSINESS TRAVEL INSURANCE COVERAGE SCHEDULE (hereinafter the "Schedule")

ITEM 1. Eligible Persons:

All Insured Persons

ITEM 2. Limits of Liability:

\$100,000 Maximum Aggregate Limit For Each Insured Person
\$100,000 Maximum Aggregate Limit For All Insured Persons

ITEM 3. Loss Period:

Covered Loss must occur within 365 days of the **Covered Accident**

ITEM 4. Coverage:

Accidental Death and Dismemberment Insuring agreement with Exposure and Disappearance Extensions

ITEM 5. Covered Loss:

Loss of Life	100% of the Limit of Liability
Loss of Two or More Hands or Feet	100% of the Limit of Liability
Loss of Use of Two or More Hands or Feet	100% of the Limit of Liability
Loss of Sight of Both Eyes	100% of the Limit of Liability
Loss of Speech and Hearing (in Both Ears)	100% of the Limit of Liability
Loss of One Hand or Foot and Sight in One Eye	100% of the Limit of Liability
Loss of One Hand or Foot	50% of the Limit of Liability
Loss of Use of One Hand or Foot	50% of the Limit of Liability
Loss of Sight in One Eye	50% of the Limit of Liability
Loss of Speech	50% of the Limit of Liability
Loss of Hearing (in Both Ears)	50% of the Limit of Liability
Loss of Thumb and Index Fingers of the Same Hand	25% of the Limit of Liability
Loss of all Four Fingers of the Same Hand	25% of the Limit of Liability
Loss of all the Toes of the Same Foot	25% of the Limit of Liability

Benefit Amount:



BUSINESS TRAVEL INSURANCE COVERAGE PART (hereinafter "this Coverage Part")

I. CONDITIONS OF COVERAGE

The Insurer will pay the Benefit Amount, subject to all provisions of this Policy, only if the **Insured Person** suffers a **Covered Loss** during the **Covered Activity** that takes place while on assignment for the purpose of furthering the business of the **Insured Person**, but does not include any period of time: (a) while the **Insured Person** is working at his or her regular place of employment; (b) during the course of everyday travel to and from work; or (c) during an authorized leave of absence or vacation.

For purposes of this Conditions of Coverage section, **Covered Activity** does not mean, and coverage for business travel is not provided, during any of the following:

1. normal commuting between the **Insured Person's** home and place of work;
2. travel to another location where the **Insured Person** is expected to be assigned for more than 365 days;
3. the **Insured Person's Personal Deviation**;
4. the **Insured Person's** participation in any race or speed contest; or
5. the **Insured Person's** driving any vehicle or **Private Passenger Automobile** for pay or hire.

II. ACCIDENTAL DEATH AND DISMEMBERMENT INSURING AGREEMENT

The Insurer will pay the Benefit Amount for any one of the **Covered Losses** listed in the Schedule, subject to the Limits of Insurance and all other applicable conditions and exclusions, if the **Insured Person** suffers a loss as a result of a **Covered Injury** within the **Loss Period**.

III. EXPOSURE AND DISAPPEARANCE EXTENSIONS

- A. If by reason of an **Accident** occurring while an **Insured Person's** coverage is in force under this Coverage Part, the **Insured Person** is unavoidably exposed to the elements and as a result of such exposure suffers a **Covered Loss** for which a Benefit Amount would otherwise be payable under this Coverage Part, the **Covered Loss** will be covered under the terms of this Coverage Part.
- B. If the body of an **Insured Person** has not been found within one year of the disappearance, forced landing, stranding, sinking or wrecking of a **Conveyance** in which the **Insured Person** was an occupant while covered under this Coverage Part, then it will be deemed, subject to all other terms and provisions of this Policy, that the **Insured Person** has suffered an **Accidental** death that would have been payable under this Coverage Part.

IV. DEFINITIONS

Whether used in the singular or plural:

Accident or **Accidental** means a sudden, unexpected, specific and abrupt event that occurs by chance at an identifiable time and place while the **Insured Person** is covered under this Coverage Part.

Active Service means the **Insured Person** will be considered in **Active Service** on any day that is either of the following:



- A. one of the **Insured Person's** scheduled work days on which the **Insured Person** performs regular duties on a full or part-time basis, either at one of the **Insured Person's** usual places of business or at some other location to which the **Insured Person's** business requires them to travel; or
- B. a scheduled holiday, vacation day or period of **Insured Person's** approved paid leave of absence, other than sick leave, only if the **Insured Person** was in **Active Service** on the preceding scheduled workday.

Age means an **Insured Person's Age** attained on the later of the first day of the **Policy Period** or the date coverage becomes effective for such **Insured Person** under this Coverage Part.

Aircraft means a vehicle that has a valid **Airworthiness Certificate** and is being flown by a pilot with a valid license to operate the **Aircraft**.

Airworthiness Certificate means a "Certificate of Airworthiness" issued by Transport Canada or its equivalent issued by the governmental authority having jurisdiction over civil aviation in the country of registry.

Child means the **Insured Person's**:

- A. natural child;
- B. adopted child, beginning with the date of placement for the purpose of adoption or the date of the entry of an interim court order granting the **Insured Person** temporary custody of the child, whichever comes first;
- C. stepchild who resides with the **Insured Person**; and
- D. child for whom the **Insured Person** is legal guardian, as long as the child resides with the **Insured Person** and depends on the **Insured Person** for financial support. The term "financial support" means that the **Insured Person** is eligible to claim the dependent for purposes of any federal or provincial income tax reporting. If the **Insured Person** who is the legal guardian of a child is not a step-parent, grandparent, aunt or uncle, then the child must have resided with the **Insured Person** for at least six consecutive months and intend to reside with the **Insured Person** for an indefinite period of time.

Conveyance means a motorized craft, vehicle or mode of transportation licensed or registered by a governmental authority.

Covered Accident means an **Accident** that results in a **Covered Loss** during the **Policy Period**.

Covered Activity means any business travel sponsored, organized, scheduled or otherwise provided by the **Insured Person** that takes place as described in the first paragraph of Section I. Conditions of Coverage.

Covered Injury means **Accidental** bodily injury: (a) which is sustained by an **Insured Person** as a direct result of an unintended, unanticipated **Covered Accident** that is external to the body and that occurs while the **Injured Person's** coverage under this Coverage Part is in force, and (b) which results directly from a **Covered Accident**, and (c) which occurs while such person is participating in a **Covered Activity**. The **Covered Injury** must be caused through **Accidental** means. All injuries sustained by an **Insured Person** in any one **Covered Accident**, including related conditions and recurrent symptoms of these injuries, are considered a single injury.

Covered Loss means a loss which meets the requisites of one or more benefits, and results from a **Covered Accident, Covered Injury or Covered Activity**.

Eligible Person means an individual who qualifies as an **Insured(s)**, as defined in the Policy.



Immediate Family Member means a person who is related to the **Insured Person** in any of the following ways: **Spouse**, brother-in-law, sister-in-law, daughter-in-law, son-in-law, mother-in-law, father-in-law, parent (includes stepparent), brother or sister (includes stepbrother or stepsister), or **Child**.

Insured Person means an **Eligible Person** for whom premium under this Coverage Part has been paid when due and for whom coverage under this Coverage Part remains in force.

Loss of a Hand or Foot means complete **Severance** through or above the wrist or ankle joint.

Loss of Use of a Hand or Foot means total loss of all ability to move the hand or foot, within 365 days of a **Covered Accident** that continues for 6 months and is expected to continue for the remainder of the **Insured Person's** lifetime.

Loss of Sight means total, permanent loss of sight of one eye which is irrecoverable by natural, surgical or artificial means.

Loss of Speech means total and permanent loss of audible communication which is irrecoverable by natural, surgical or artificial means.

Loss of Hearing means total and permanent loss of ability to hear any sound in both ears which is irrecoverable by natural, surgical or artificial means.

Loss of a Thumb and Index Finger of the Same Hand or Loss of Four Fingers of the Same Hand means complete **Severance** through or above the metacarpophalangeal joints of the same hand (the joints between the fingers and the hand).

Loss of Toes means complete **Severance** through the metatarsophalangeal joint.

Loss Period means the period specified as such in the Schedule.

Personal Deviation means:

- A. an activity that is not reasonably related to the **Insured Person's** business;
- B. not incidental to the purpose of the **Trip**; or
- C. such travel or activities coincide with an **Insured Person's** business travel.

Physician means a licensed health care provider practicing within the scope of such license and rendering care and treatment to the **Insured Person** that is appropriate for the condition and locality, and who is not:

- A. the **Insured Person**;
- B. an **Immediate Family Member** of either the **Insured Person** or the **Insured Person's Spouse**;
- C. a person living in the **Insured Person's** household;
- D. a person employed or retained by the **Insured Person's** business; or
- E. a person providing homeopathic, aroma-therapeutic, or herbal therapeutic services.

Private Passenger Automobile means a validly registered, four wheel private passenger car, including an **Insured Person's** owned cars, campers, motor homes, station wagons, sport utility vehicles, pick-up trucks and van-type



cars that are not licensed commercially or being used for commercial purposes. Any vehicle being used as a taxi cab, bus or other public **Conveyance** will not be considered a **Private Passenger Automobile**.

Severance means complete separation and dismemberment of the part of the body.

Spouse means the **Insured Person's** lawful spouse, including common law spouse or domestic partner.

Trip means a trip taken by an **Insured Person** which begins when the **Insured Person** leaves his or her residence or place of regular employment for the purpose of going on the trip (whichever occurs last), and is deemed to end when the **Insured Person** returns from the trip to such residence or place of regular employment (whichever occurs first). However, **Trip** does not include any period of time during which the **Insured Person** is on an authorized leave of absence or vacation or travel to and from the **Insured Person** place of regular employment.

V. EXCLUSIONS

- A. The Benefit Amount will not be paid for any loss which is caused by or results from:
1. intentionally self-inflicted injury, suicide, or any attempt while sane or insane;
 2. commission or attempt to commit a felony or an assault;
 3. declared or undeclared war or act of war or any act of declared or undeclared war;
 4. a **Covered Accident** that occurs while on active duty service in the military, naval or air force of any country or international organization. Upon the Insurer's receipt of proof of service, the Insurer will refund any premium paid for this time. Reserve or National Guard active duty training is not excluded unless it extends beyond 31 days;
 5. travel in any **Aircraft** owned, leased, operated or controlled by the **Insured Person's business**, or any of its subsidiaries or affiliates. An **Aircraft** will be deemed to be "controlled" by the **Insured Person's** business if the **Aircraft** may be used as the **Insured Person** wishes for more than 10 straight days, or more than 15 days in any year;
 6. medical or surgical treatment, diagnostic procedure, administration of anesthesia, or medical mishap or negligence, including malpractice;
 7. voluntary ingestion of any narcotic, drug, poison, gas or fumes, unless prescribed or taken under the direction of a Physician and taken in accordance with the prescribed dosage;
 8. operating any type of vehicle or **Conveyance** while under the influence of alcohol or any drug, narcotic or other intoxicant including any prescribed drug for which the **Insured Person** has been provided a written warning against operating a vehicle or **Conveyance** while taking it. Under the influence of alcohol, for purposes of this exclusion, means intoxicated, as defined by the motor vehicle laws of the jurisdiction in which the **Covered Loss** occurred; or
 9. flight in or boarding or alighting from any craft designed to fly above the Earth's surface, including any **Aircraft**, ultra-light or glider:
 - a. flown by the **Insured Person** or in which the **Insured Person** is a member of the crew;
 - b. used for crop dusting, spraying or seeding; giving or receiving flying instruction; firefighting; skywriting; skydiving; parachuting, hang-gliding; pipeline or power line inspection; aerial photography; exploration; racing; endurance testing; stunt or acrobatic flying; or any operation that



requires a special permit from Transport Canada or its foreign equivalent, but this does not apply if the permit is required only because of the territory flown over or landed on;

- c. designed for flight above or beyond the Earth's atmosphere; or
- d. used by any military authority, except this shall not apply to loss as a fare-paying passenger on any commercial **Aircraft** provided or used by any government air mobility command.

B. The Benefit Amount will not be paid for services or treatment rendered by any person who is:

- 1. contracted or retained by the **Insured Person**;
- 2. living in the **Insured Person's** household;
- 3. an **Immediate Family Member** of either the **Insured Person** or the **Insured Person's Spouse**; or
- 4. the **Insured Person**.

VI. LIMITS OF LIABILITY

The Insurer's maximum liability under this Coverage Part for any one **Covered Loss** sustained by any **Insured Person** shall not exceed the respective Benefit Amount set forth in the Schedule. If the **Insured Person** sustains more than one **Covered Loss** as a result of the same **Covered Accident**, the Insurer will pay the Benefit Amount for the **Covered Loss** for which the greater Benefit Amount is payable.

The Insurer's maximum liability under this Coverage Part for all **Covered Losses** sustained by any one **Insured Person** shall be the Aggregate Limit For Each **Insured Person** set forth in the Schedule, regardless of the number of **Covered Losses, Covered Accidents** or **Covered Injuries**.

The Insurer's maximum liability under this Coverage Part for all **Covered Losses** sustained by all **Insured Persons** shall be the Aggregate Limit For All **Insured Persons** set forth in the Schedule, regardless of the number of **Covered Losses, Covered Accidents, or Covered Injuries**. This Aggregate Limit is payable only once. If this amount does not allow all **Insured Persons** to be paid the Benefit Amounts this Coverage Part otherwise provides, then the amount paid will be the proportion of the **Insured Person's** loss to the total of all losses, multiplied by the Aggregate Limit.

VII. GENERAL CONDITIONS

A. Beneficiary

- 1. The beneficiary, unless the **Insured Person** specifies otherwise as provided below, will be the person such **Insured Person** has named as beneficiary of any group life insurance, or if none is in force, of any group **Accident** insurance, maintained in force by the **Insured Person**.
- 2. The beneficiary is the person or persons the **Insured Person** names or changes on a form executed by the **Insured Person** and satisfactory to the Insurer. This form may be in writing or by any electronic means agreed upon between the Insurer and the **Insured Person**. Consent of the beneficiary is not required to affect any changes, unless the beneficiary has been designated as an irrevocable beneficiary, or to make any assignment of rights or benefits permitted by this Policy.
- 3. A beneficiary designation or change will become effective on the date the **Insured Person** executes it. However, the Insurer will not be liable for any action taken or payment made before the Insurer records notice of the change in the Insurer's Office shown on the Declarations.



4. If more than one person is named as beneficiary, the interests of each will be equal unless the **Insured Person** has specified otherwise. The share of any beneficiary who does not survive the **Insured Person** will pass equally to any surviving beneficiaries unless otherwise specified.
5. If there is no named beneficiary or surviving beneficiary or if the **Insured Person** dies while benefits are payable to such **Insured Person**, the Insurer may make direct payment to the first surviving class of the following classes of persons:
 - a. **Spouse**;
 - b. **Children**;
 - c. parents;
 - d. siblings; or
 - e. estate of the **Insured Person**.

B. Claim Forms

The Insurer will send claim forms to the claimant upon receipt of written Notice of Loss. If such forms are not sent within 15 days after the Insurer received written Notice of Loss, the claimant will be deemed to have met the proof of loss requirements upon submitting, within the time set forth in Subsection VII. C. 2. Proof of Loss, written proof of the occurrence and the character and the extent of the loss for which the claim is made. Such written proof may be provided in electronic or paper form.

C. Notice and Proof of Loss

1. Notice of Loss

Written notice of loss must be given to the Insurer within 30 days after the occurrence or commencement of the **Insured Person's Covered Loss**, or as soon thereafter as reasonably possible. Notice given by or on behalf of the claimant to the Insurer, with information sufficient to identify the **Insured Person**, is deemed notice to the Insurer.

2. Proof of Loss

Written Proof of Loss must be given to the Insurer within 90 days after the date of the **Covered Loss**. Failure to furnish proof within the time required neither invalidates nor reduces any claim if it was not reasonably possible to furnish proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the claimant, later than one year from the time proof is otherwise required.

3. All forms required under this section shall be given to the Insurer in the manner described in Section X. Notices in the Policy.

D. Payments

1. Currency

All payments under this Coverage Part will be paid in Canadian currency.

2. Payees



- a. Upon receipt of due written proof of death, payments for all losses, except loss of life, will be made to (or on behalf of, if applicable) the **Insured Person** suffering the loss. If an **Insured Person** dies before all payments due have been made, the amount still payable will be paid to the **Insured Person's** beneficiary as described Subsection VII.A. Beneficiary, of this Coverage Part.
- b. Upon receipt of due written proof of death, payment for loss of life of an **Insured Person** will be made to the **Insured Person's** beneficiary as described in Subsection VII.A. Beneficiary, of this Coverage Part.
- c. Upon receipt of due written proof of loss, if any payee is a minor or is not competent to give a valid release for the payment, the payment will be made to a parent, guardian, or other person actually supporting such payee. If the payee has no legal guardian, a payment not exceeding \$1,000 may be made, at the Insurer's option, to any relative by blood or connection by marriage of the payee, who, in the Insurer's opinion, has assumed the custody and support of the minor or responsibility for the incompetent person's affairs.

3. Time of Payment

Benefits payable under this Coverage Part for any loss, will be paid immediately upon receipt of due written Proof of Loss.

4. The General Condition entitled Territory is deleted and replaced with the following:

This Policy shall apply to **Claims** made against the **Insured(s)** in Canada only.

5. Insurer not Liable for Good Faith Payments

Any payment the Insurer makes in good faith fully discharges liability to the extent of the payment made.

E. Legal Actions

No action at law or in equity will be brought to recover benefits under this Coverage Part less than 60 days after satisfactory Proof of Loss has been furnished as required by this Coverage Part. No such action will be brought after expiry of the applicable statute of limitations from the time Proof of Loss is required to be furnished under this Coverage Part.

F. Physical Examination and Autopsy

The Insurer, at its own expense, has the right and opportunity to examine the **Insured Person** when and as often as the Insurer may reasonably require while a claim is pending and to make an autopsy in case of death, where it is not prohibited by law.

G. New Insureds

All **Insured Persons** added to the class of **Eligible Persons** in the Schedule are eligible for insurance under this Coverage Part.

H. Assignment

1. The rights and benefits provided by this Coverage Part, except as provided herein, may not be assigned. The payee may, after a benefit or series of benefits has become payable, assign only those benefits. Such assignment will be valid only if the Insurer receives it before any of those benefits have been paid and only for benefits payable for claims arising from the same **Covered Accident**. Any other attempt to assign will be void.



2. This insurance may not be levied on, attached, garnished, or otherwise taken for a person's debts unless contrary to law.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to be "R.R.". The signature is positioned above a horizontal line.

Authorized Representative

January 25, 2022

Date



IFB ELITE ENDORSEMENT

ENDORSEMENT 6

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Additional Premium: \$250

It is agreed that:

- I. Item 4. LIMITS OF LIABILITY of the Declarations is deleted and replaced with the following:

ITEM 4: LIMITS OF LIABILITY:

Per **Certificate of Insurance** (A) Insuring Agreement A
\$50,000 per **Insured** (B) Insuring Agreement B

- II. Section V. LIMIT OF LIABILITY, paragraph B., of the Policy is deleted and replaced with the following:

Defense Costs are in addition to the Limit of Liability set forth in **Item 4** of the Declarations and payment by the Insurer of **Defense Costs** will not reduce such Limit of Liability. This paragraph shall supersede any contradictory language contained within the **Application** and/or Declarations which form a part of this Policy.

- III. Endorsement No. 5 of the Policy, entitled Canadian AD&D Endorsement, is amended as follows:

- A. The reference to **BUSINESS TRAVEL INSURANCE COVERAGE PART** is deleted and replaced with the following:

24-HOUR BUSINESS AND PLEASURE COVERAGE PART (hereinafter "this Coverage Part")

- B. Section I. CONDITIONS OF COVERAGE is deleted and replaced with the following:

The Insurer will pay the Benefit Amount, subject to all provisions of this Policy, only if the **Insured Person** suffers a **Covered Loss** as a result of a **Covered Accident**.

- C. Section IV. DEFINITIONS is amended as follows:

1. The Definition of **Active Service** is deleted.
2. The Definition of **Covered Activity** is deleted.
3. The Definition of **Covered Injury** is deleted and replaced with the following:

Covered Injury means **Accidental** bodily injury: (a) which is sustained by an **Insured Person** as a direct result of an unintended, unanticipated **Covered Accident** that is external to the body and that occurs while the **Injured Person's** coverage under this Coverage Part is in force, and (b) which results directly from a **Covered Accident**. The **Covered Injury** must be caused through **Accidental** means. All injuries sustained by an **Insured Person** in any one **Covered Accident**, including related conditions and **recurrent** symptoms of these injuries, are considered a single injury.



4. The Definition of **Covered Loss** is deleted and replaced with the following:

Covered Loss means a loss which meets the requisites of one or more benefits, and results from a **Covered Accident** or **Covered Injury**.

D. Section V. EXCLUSIONS, Exclusion 9., is amended by the addition of the following:

This Exclusion does not apply to loss as a fare-paying passenger on a regularly-scheduled commercial **Aircraft**.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "R. R.", written over a horizontal line.

Authorized Representative

January 25, 2022

Date



DEDUCTIBLE CHANGE ENDORSEMENT

ENDORSEMENT 7

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Additional Premium: N/A

It is agreed that the DEDUCTIBLE section is amended by the addition of the following at the end thereof:

Notwithstanding the foregoing, the Insurer will waive the deductible requirement stated in the DEDUCTIBLE section above for a **Claim** made against the **Insured** and reported to the Insurer for coverage, if:

1. this policy was renewed by the Insurer at least two times in the past three consecutive policy years; and
2. such **Claim** is the first **Claim** reported to the Insurer by the **Insured** within the immediately preceding three consecutive policy years.

The deductible shall not be waived more than one time, regardless of the number of **Claims**, policies issued to the **Insured**, or the number of **Insureds**.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

Authorized Representative

January 25, 2022

Date



AXIS FINANCIAL ADVISORS PROFESSIONAL LIABILITY (ASSOCIATION) INSURANCE

AXIS REINSURANCE COMPANY (CANADIAN BRANCH)
Administrative Office – 70 York Street, Suite 1010, Toronto, Ontario M5J1S9
Telephone 416.361.7200 | Fax 416.361.7225

FINANCIAL ADVISORS PROFESSIONAL LIABILITY – EXTENDED REPORTING FORM FAAEO817A | Edition 11/21

ENDORSEMENT 8

Issued to: | The Independent Financial Brokers of Canada
Issued by: | AXIS Reinsurance Company (Canadian Branch)
Producer: | The Magnes Group
Effective: | July 1, 2021

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement is attached to, and forms part of Policy Number: | CTR760587/01/2021

In consideration of the premium charged, it is agreed that Section II. COVERAGE EXTENSIONS, Item C.2. is replaced with the following:

2. If the **Insured(s)** becomes disabled, dies, or otherwise ceases to engage in the performance of **Professional Services** for which coverage has been provided, or ceases to be an **Insured** under this Policy, the **Insured(s)** or their heir, executor or legal representative shall have the right to purchase an Extended Reporting Period by paying within thirty (30) days after coverage is cancelled or nonrenewed, the additional premium as indicated in the schedule below; provided, however, that for any such Extended Reporting Period greater than one (1) year the **Insured(s)** must request in writing to the Insurer within such thirty (30) day period such Extended Reporting Period, and the Insurer shall have the right to approve or disapprove such request solely at the Insurer’s discretion.

Extended Reporting Period	Percentage of Annual Premium as indicated on the Insured’s current Certificate of Insurance
1 Year	75%
2 Years (subject to the Insurer’s approval)	100%
3 Years (subject to the Insurer’s approval)	125%
4 Years (subject to the Insurer’s approval)	150%
5 Years (subject to the Insurer’s approval)	165%
6 Years (subject to the Insurer’s approval)	180%
7 Years (subject to the Insurer’s approval)	235%
8 Years (subject to the Insurer’s approval)	285%
9 Years (subject to the Insurer’s approval)	335%
10 Years (subject to the Insurer’s approval)	385%
Unlimited (subject to the Insurer’s approval)	500%

This Extended Reporting Period will begin immediately following the date of cancellation or nonrenewal and cover **Claims** first made against the **Insured(s)** and reported to the Insurer during the Extended Reporting Period for any act, error or omission occurring prior to the



AXIS FINANCIAL ADVISORS PROFESSIONAL LIABILITY (ASSOCIATION) INSURANCE

AXIS REINSURANCE COMPANY (CANADIAN BRANCH)
Administrative Office – 70 York Street, Suite 1010, Toronto, Ontario M5J1S9
Telephone 416.361.7200 | Fax 416.361.7225

effective date of cancellation or nonrenewal. The Limit of Liability for such Extended Reporting Period shall be the Limit of Liability set out in the **Insured's Certificate of Insurance**.

The Limit of Liability applicable to the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability for the immediately preceding **Policy Period**.

Coverage afforded by the Extended Reporting Period for the benefit of the **Insured(s)** shall be cancelled immediately in the event the **Insured(s)** purchases or is otherwise afforded coverage by another policy which is a renewal or replacement to this Policy.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "R. Z.", written over a horizontal line.

Authorized Representative

January 25, 2022

Date



AMEND DEFINITION OF CLAIM

ENDORSEMENT 9

Issued to: The Independent Financial Brokers of Canada
Policy No.: CTR760587/01/2021
Issued by: AXIS Reinsurance Company (Canadian Branch)
Producer: The Magnes Group
Effective: July 1, 2021
Return Premium: N/A

It is agreed that the definition of **Claim(s)** is amended by:

- A. Paragraphs 2 and 3 in the definition of **Claim(s)** are replaced with the following, respectively:
2. a civil or criminal proceeding commenced by the service of a summons or complaint or similar pleading or the return or issuance of an indictment, information, arrest warrant or similar charging document, including a demand for the extradition of an **Insured(s)**; or
 3. solely with respect to Insuring Agreement B,, only a **Regulatory Claim**.
- B. The following definition is added:

Regulatory Claim means:

1. an administrative or regulatory proceeding by any federal, provincial, territorial, or local insurance or securities regulator; any External Complaint Body, within the meaning of the *Bank Act* ("ECB") including but not limited to OBSI or other similar body; or any self-regulatory organization ("SRO") that regulates any of the persons, entities, or insurance or securities products described in the definition of **Professional Services**; commenced by the service of a summons or complaint or similar pleading or
2. a regulatory or administrative investigation of the **Insured(s)** by any regulator, ECB, or SRO described in paragraph 1 above, commenced by receipt by the **Insured(s)** of any formal or informal written notice of hearing or consumer complaint from such regulator, ECB or SRO.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

Authorized Representative

September 14, 2021

Date



AXIS REINSURANCE COMPANY (CANADIAN BRANCH)
 Administrative Office – 70 York Street, Suite 1010, Toronto, Ontario M5J1S9
 Telephone 416.361.7200 | Fax 416.361.7225

FINANCIAL ADVISORS PROFESSIONAL LIABILITY – NEW LICENSED AGENTS FORM FAAEO804A | Edition 10/13

ENDORSEMENT 10

Issued to: | The Independent Financial Brokers of Canada
 Issued by: | AXIS Reinsurance Company (Canadian Branch)
 Producer: | The Magnes Group
 Effective: | July 1, 2021

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement is attached to, and forms part of Policy Number: | CTR760587/01/2021

It is agreed that where CONFIRMED on each **Application**, the following applies:

- A. Solely with respect to an **Insured**, who is currently contracted with the **Policyholder**, while acting as a licensed Life Insurance Agent and Accident and Sickness Insurance Agent or who is registered with the Mutual Fund Dealers Association, the following applies:
- Such **Individual** may qualify for a discounted premium in the amount as stated below provided such license or registration as outlined above has been in effect for less than 30 days prior to the start of the Certificate Period.

| 50%

This discount shall not apply in the event such **Individual** has previously incurred a claim resulting from allegations of professional negligence or misconduct in connection with **Professional Services** performed.

ALL OTHER PROVISIONS OF THE POLICY REMAIN UNCHANGED.

 Authorized Representative

January 25, 2022

 Date