

IMPORTANT Your E&O Insurance Policy

Our E&O Program at PIB is designed to provide liability coverage to Life Insurance Agents, their producer offices, AGA's, MGA's and TPA's. The insurance coverage offers defense and indemnity for claims involving the sales, service and advice provided on Life and Living Benefits products and Mutual Funds.

The most common questions we are asked, relate to which operations are covered or not covered, and Cyber/Privacy Liability.

Our policy has exclusions for certain investment products. The insurer will not provide coverage for: "Claim(s)" arising out of, directly or indirectly the placement of, or consultation with respect to, or the sale of:

- (a) securities, securitization agreements, syndication offerings, viatical settlements, commodities, options contracts, junk or high yield bonds.
- (b) The business of trading, dealing, and or administering mortgages as defined under the Mortgage Brokerages, Lenders and Administrators Act, 2006.

As a licensed agent you need to be aware that these products are excluded, and you should arrange coverage for these products outside of this program. As an agency where multiple agents place business through you, you need to ensure that the agent will protect you if they are engaged in the sales of these investments. Compelling them to provide proof of vicarious liability coverage for your firm is essential. Under our program agents have the ability to add their AGA/MGA as vicariously insured when they complete their online renewal (step 7 of online renewal process). Compliance officers should check each agent's certificate to ensure their agency is protected.

Cyber Attack or Privacy Breach

It is no longer if, but when, you will suffer from a cyber attack or privacy breach.

We offer an endorsement to our E&O policy which provides limited first party and third-party coverage, for an additional premium. The endorsement is suitable for an individual agent, however, we recommend that agencies purchase their own stand-alone cyber liability policy.

Please contact me directly to discuss your insurance policy and I would be happy to answer any questions you might have regarding your coverage and/or cyber liability and privacy breach coverage.

Charlotte Speers | Program Coordinator, General Insurance Division
Programmed Insurance Brokers Inc.
49 Industrial Dr., Elmira, ON N3B 3B1
t. 1-800-265-6197 or eando@pib.com