MARSH AGENTS ERRORS AND OMISSIONS (E&O) INSURANCE PROGRAM

Insurance Products Underwritten by Westport Insurance Corporation, Overland Park, Kansas, A Member of the Swiss Re Group.

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

1 JULY 2012
The information contained in this publication provides only a general overview of subjects covered, is not intended to be taken as advice regarding any individual situation, and should not be relied upon as such. Insureds should consult their insurance and legal advisors regarding specific coverage issues. All insurance coverage is subject to the terms, conditions, and exclusions of the applicable individual policies. In the event that any of the representations in the Coverage Highlights conflict with any of the provisions in the policy, the provisions in the policy will prevail. Marsh cannot provide any assurance that insurance can be obtained for any particular client or for any particular risk.

Coverage Highlights and Things You Should Know about Your E&O Insurance

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

• Various limit options to choose from - $1M, $2M and $5M
• Comprehensive coverage
• Competitive prices
• Online application at www.marsh.ca/marshagents
• Policy Inception - July 1, 2012 to July 1, 2013

(1) Coverage Limit Options for Life, A&S and Mutual Funds Licensed

<table>
<thead>
<tr>
<th>Limit</th>
<th>Per claim</th>
<th>Per policy period</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1M</td>
<td>$685</td>
<td>$1,000</td>
<td>$1,250</td>
</tr>
<tr>
<td>$2M</td>
<td>$800</td>
<td>$1,000</td>
<td>$1,250</td>
</tr>
<tr>
<td>$5M</td>
<td>$1,250</td>
<td>$2,500</td>
<td>$4,500</td>
</tr>
</tbody>
</table>

(2) Coverage Limit Options for Securities (Stocks and Bonds—IIROC Registered)

<table>
<thead>
<tr>
<th>Limit</th>
<th>Per claim</th>
<th>Per policy period</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500,000</td>
<td>$1,000</td>
<td>$2,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>$1,000,000</td>
<td>$2,000</td>
<td>$4,000</td>
<td>$6,000</td>
</tr>
</tbody>
</table>

Note: Securities limit is a sub-limit and is part of and NOT in addition to the limit of liability in (1) above. Securities premium is in addition to the premium in (1) above.

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

• **Deductible** - $1,000 per claim (applies to Damages only) for Life, A&S and Mutual Funds
• **Deductible** - $10,000 per claim (applies to claim Expenses - Defence and Damages for Stocks and Bonds (Securities) as endorsed on the policy
Coverage:

- Life Insurance Products
- Annuities
- Accident and Health Insurance Products (including Disability Income)
- Pension and Profit Sharing Plans
- Segregated Funds
- Registered Retirement Savings Plan (RRSP)
- Registered Retirement Income Fund (RRIF)
- Registered Education Savings Plan (RESP)
- Guaranteed Investment Certificates (GICs)
- Mutual Funds, including Labour Sponsored Funds
- Securities (Stocks and Bonds - IIROC Registered)

Retirement:

Retiring from the Financial Industry?

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

You can buy options ranging from 3 years to **unlimited option!**
Summary of your E&O Program

- Stable insurer with excellent financial rating
- Excellent claims handling expertise
- Your deductible does not apply to defence costs – except for Securities (Stocks and Bonds)
- **You have the option** to purchase coverage limits up to $5,000,000 on Life, A&S and Mutual Funds; sub-limit applies to Securities (Stocks and Bonds)
- Insured includes a corporation or partnership under which the insured is doing business or is employed but only for vicarious liability coverage
- Insured also includes unlicensed employees of the insured agent.
- Coverage for Disciplinary Investigation - sub-limit of **$45,000 per agent**
- Defence costs are in **addition** to your limit purchased for up to the amount of limit purchased; exceptions apply to Securities (Stocks and Bonds) where defence costs are part of the limit of liability.
- Full Prior Acts coverage - no need to prove continuous coverage in the event of a claim except for Securities (Stocks and Bonds)
- Incorporated and registered as a firm in Quebec? You can purchase an endorsement at a nominal, additional premium to comply with the Autorité des marchés financiers (AMF) requirements.