

LIBERTY INTERNATIONAL UNDERWRITERS

Professional Liability Insurance for Financial Advisors





Professional Liability Insurance for Financial Advisors Declarations

This is a **Claims** made policy. This **Policy** covers only **Claims** first made against an **Insured** during the **Policy Period** and reported to Liberty International Underwriters, a division of Liberty Mutual Insurance Company (hereinafter referred to as "Liberty") as soon as practicable. Please read the attached **Policy** terms carefully.

Item 1 SPONSOR ORGANIZATION:

R.G. Packman & Associates Ltd.
Certika Investments Ltd.

Item 2 SPONSOR ORGANIZATION'S ADDRESS:

201-666 Kirkwood Ave.
Ottawa, ON K1Z 5X9

Item 3 POLICY PERIOD:

(A) From 12:01 a.m. September 01, 2013
(B) To 12:01 a.m. September 01, 2014
Both at local time at the address shown in Item 2

Item 4 LIMIT OF LIABILITY:

- | | |
|--------------------------------------|--|
| (i) Insuring Agreements 1.1 and 1.2: | As per the Individual Certificate each Claim and per Policy Period (in accordance with the attached Limit, Deductible and Premium Schedule) |
| (ii) Insuring Agreement 1.3: | \$10,000 Sub-Limit of Liability each Regulatory Investigation , per Policy Period and per Individual Certificate |



Item 5 DEDUCTIBLE:

As per the **Individual Certificate**
(in accordance with the attached Limit, Deductible and Premium Schedule)

Item 6 INSURED CAPACITY:

Licensed Insurance Agent
Registered Mutual Fund Representative
Licensed Assistant

Item 7 ENDORSEMENT(S):

1-9

Item 8 PREMIUM:

As per the **Individual Certificate**
(in accordance with the attached Limit, Deductible and Premium Schedule)

Item 9 RETROACTIVE DATE:

As per the **Individual Certificate**

Item 10 EXTENDED REPORTING PERIOD:

	Extended Reporting Period	Additional Premium (% of Premium stated in Item 8 above)
4.19 (b)	1 Year	100%
	2 Years	125%
	3 Years	150%
	4 Years	175%
	5 Years	200%
	6 Years	225%
4.19 (d)	1 Year	150%

Policy Number: FITOAAVOCK001
Renewal of: NEW



This **Policy** is valid only if, in addition to the facsimile signature of the President of Liberty Mutual Insurance Company, it is dated and signed below by a duly authorized representative of Liberty Mutual Insurance Company.

A facsimile signature in black ink, consisting of a stylized, cursive script that is difficult to decipher but appears to be a name followed by a period.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Liberty Mutual Insurance Company's insurance business in Canada.



Limit, Deductible and Premium Schedule

Insured Capacity Option 1: Licensed Insurance Agent (No Financial Planning)

PROVINCE	LIMIT OF LIABILITY	DEDUCTIBLE (EACH CLAIM)	ANNUAL PREMIUM
All Provinces	\$1,000,000 each Claim \$2,000,000 per Policy Period	\$1,000	\$550

Insured Capacity Option 2: Registered Mutual Fund Representative Licensed Insurance Agent – if applicable

PROVINCE	LIMIT OF LIABILITY	DEDUCTIBLE (EACH CLAIM)	ANNUAL PREMIUM
All Provinces	\$1,000,000 each Claim \$2,000,000 per Policy Period	\$1,000	\$650

Insured Capacity Option 3: Licensed Assistant

PROVINCE	LIMIT OF LIABILITY	DEDUCTIBLE (EACH CLAIM)	ANNUAL PREMIUM
All Provinces	\$1,000,000 each Claim \$2,000,000 per Policy Period	\$1,000	\$300

No additional premium to be applied with respect to provincial regulatory insurance requirements

POLICY TERMS

This **Policy** of insurance, subject to its terms, conditions and limitations, applies to **Claims** or **Regulatory Investigations** first made against an **Insured** during the **Policy Period** and reported to Liberty International Underwriters, a division of Liberty Mutual Insurance Company (hereinafter referred to as “Liberty”), as soon as practicable.

It is agreed that this **Policy** is issued in reliance upon the statements made and information furnished in the application submitted for this **Policy** including any attachments, supporting materials, agreements and representations, all of which are deemed to be made a part hereof and in consideration of and subject to the payment of premium as indicated in the Declarations, and subject to the terms, conditions and exclusions of this **Policy**:

1. **INSURING AGREEMENTS:** Liberty agrees to:
 - 1.1 pay on behalf of an **Insured Person** all **Loss** for which the **Insured Person** becomes legally obligated to pay because of a **Claim** first made against the **Insured Person** during the **Policy Period** resulting from a **Wrongful Act** by the **Insured Person** arising out of the performance of or the failure to perform **Insured Services**;
 - 1.2 pay on behalf of the **Sponsor Organization** all **Loss** for which the **Sponsor Organization** becomes legally obligated to pay because of its vicarious liability for a **Claim** first made against the **Sponsor Organization** during the **Policy Period** resulting from a **Wrongful Act** by an **Insured Person** arising out of the performance of or the failure to perform **Insured Services**;
 - 1.3 reimburse an **Insured Person** for **Regulatory Investigation Costs**, subject to the Sub-Limit of Liability stated in Item 4 (ii) of the Declarations, such expenses being reasonably incurred by the **Insured Person** as a party to or when called upon to appear as part of a **Regulatory Investigation** brought against the **Insured Person** or **Sponsor Organization** during the **Policy Period**.
2. **EXCLUSIONS:** The coverage afforded under this **Policy** does not apply to a **Claim**:
 - 2.1 **BANKRUPTCY/INSOLVENCY:**

resulting from the bankruptcy or insolvency of an **Insured Person**.
 - 2.2 **BODILY INJURY/PROPERTY DAMAGE**

for bodily injury, sickness, disease, mental distress or anguish, or death of any person, or the injury to or destruction of property including the loss of use thereof, whether such property is in the care, custody or control of an **Insured**.

2.3 DELIBERATE/DISHONEST OR FRAUDULENT ACTS

based upon, arising from or in any way related to any deliberately dishonest, malicious, criminal or fraudulent act or omission by an **Insured**, however this exclusion does not apply to:

- (a) an **Insured** who is neither the author of nor an accomplice to the act or omission; or
- (b) **Defence Costs**.

2.4 GUARANTEES, WARRANTIES OR PROMISES

based upon, arising from or in any way related to any express warranties, guarantees or estimates of profit, return on capital, economic return, or other estimates giving rise to forecasts of economic return, including any promises or guarantees of fluctuation in interest rates or future premium payments or market value(s) of insurance products or funds.

2.5 RELATED PARTIES

brought by or on behalf of:

- (a) an **Insured**;
- (b) a **Relative**; or
- (c) a **Related Entity**.

2.6 PRIVACY RIGHTS

based upon, arising from or in any way related to an actual or alleged violation of a person's privacy rights.

2.7 OTHER ACTIVITIES

based upon, arising from or in any way related to the legal liability of an **Insured** as a proprietor, partner, superintendent, officer, director, employee, operator or trustee of any business enterprise or non-profit organization.

2.8 PRIOR KNOWLEDGE

based upon, arising from or in any way related to circumstances, whether reported in the application or not, known to an **Insured** before the effective date of the relevant **Insured Person** joining this **Policy** which may reasonably result in a **Loss** under this **Policy**. However, when this **Policy** replaces, without interruption, a policy previously issued by Liberty, this exclusion applies only to **Claims** based upon, arising from or in

any way related to circumstances previously known to an **Insured** before the inception date of the first **Individual Certificate** issued on behalf of Liberty to the **Insured Person**.

2.9 PROVISION OF UNLICENSED AND UNREGISTERED SERVICES

based upon, arising from or in any way related to services for which an **Insured Person** does not have the appropriate license or registration in both the **Client's** resident province and in the province in which any **Insured Services** are to be provided. However, an **Insured Person** is deemed to be licensed or registered if they are operating under an exemption granted by the regulator of their license or registration.

2.10 WILFUL VIOLATION OF ANY STATUTE OR REGULATION

based upon, arising from or in any way related to a wilful violation of any statute, rule or regulation.

2.11 LIFE INSURANCE PRODUCTS ENTITY/SECURITIES BROKER/DEALER FIRM AGAINST INSURED

brought by or on behalf of a **Mutual Fund Dealer, Investment Dealer, Exempt Market Dealer**, investment company or any life insurance company or agency against an **Insured**.

2.12 TRADE SECRETS/INTELLECTUAL PROPERTY/PROPRIETARY INFORMATION/INSIDER TRADING

based upon, arising from or in any way related to any actual or alleged insider trading or unauthorized use of trade secrets, intellectual property, confidential or proprietary information by an **Insured Person**.

2.13 CONTRACTUAL LIABILITY

based upon, arising from or in any way related to any liability assumed by an **Insured Person** under contract, provided that this exclusion shall not apply to: (i) liability for **Loss** which would have attached in the absence of such contract, or (ii) any actual or alleged breach of any **Client** service contract describing or calling for **Insured Services**.

2.14 FIDUCIARY/POWER OF ATTORNEY

based upon, arising from or in any way related to an **Insured Person's** capacity as a named fiduciary or power of attorney. However, this exclusion shall not apply to the discretionary management of an investment account to the extent that the **Insured Person**, as defined in Paragraph 5.10 (a)(iii) and (iv) of this **Policy**, has a power of attorney signed by the **Client**.

2.15 COMPENSATION DISCLOSURE

based upon, arising from or in any way related to an **Insured Person's** failure to disclose to a **Client**, as may be required by the laws of any applicable jurisdiction, any compensation the **Insured Person** receives from any third party in connection with the **Insured Services** provided to such **Client**.

2.16 RETROACTIVE DATE

based upon, arising from, or in any way related to any circumstance or any **Wrongful Act** where all or any part of such act was committed, attempted or allegedly committed or attempted prior to the Retroactive Date stated in the **Individual Certificate**.

3. COMPUTATION OF AMOUNTS PAYABLE BY THE INSURER:

3.1 LIMIT OF LIABILITY OF THE INSURER

The liability of Liberty under Insuring Agreements 1.1 and 1.2 of this **Policy** is limited, for each **Claim** and in the aggregate per **Policy Period**, to the amounts as stated in the **Individual Certificate**. Any Sub-Limit of Liability for an Insured Capacity stated in the **Individual Certificate** shall be part of and not in addition to the Limit of Liability stated in the **Individual Certificate**.

The Sub-Limit of Liability of Liberty under Insuring Agreement 1.3 of this **Policy** is limited, to each **Regulatory Investigation** and in the aggregate per **Policy Period**, to the amount as stated in Item 4 (ii) of the Declarations. This Sub-Limit of Liability shall be part of and not in addition to the per **Policy Period** Limit of Liability stated in the **Individual Certificate** and any payment under this Sub-Limit of Liability shall erode the per **Policy Period** Limit of Liability stated in the **Individual Certificate**.

3.2 DEDUCTIBLE

Amounts payable for each **Claim** under Insuring Agreements 1.1 and 1.2 of this **Policy** shall be excess of the Deductible as stated in the **Individual Certificate**. **Defence Costs** shall erode the Deductible.

The Deductible stated in the **Individual Certificate** shall be borne by the **Insured** uninsured and at their own risk as respects each **Claim**. The terms of this **Policy** with respect to notice and Liberty's right to investigate, negotiate and settle any **Claim** apply irrespective of the application of the **Insured's** Deductible.

Notwithstanding the above, no Deductible shall apply to:

- (a) **Defence Costs** in respect of a **Claim** made against an **Insured** arising out of the performance of or the failure to perform **Insured Services** by an **Insured Person** in his/her Insured Capacity as a **Licensed Insurance Agent** or **Registered Mutual Fund Representative**; and

(b) Insuring Agreement 1.3.

In the event that more than one **Deductible** may apply to any one **Claim**, only the highest applicable **Deductible** shall apply.

4. CONDITIONS:

4.1 DUTY TO DEFEND

Only with respect to the coverage afforded by Insuring Agreements 1.1 and 1.2 of this **Policy**, Liberty and the **Insured** agree that Liberty shall have the right and duty to defend an **Insured** in any **Claim**.

Liberty's duty to defend ends as soon as the applicable Limits of Liability are exhausted. If the applicable Limits of Liability are exhausted prior to the conclusion of any **Claim**, Liberty can withdraw from the defence of such **Claim**, and thereafter Liberty will have no further obligations whatsoever with respect to any **Claim** under the **Policy**.

4.2 DEFENCE INCLUDED IN LIMIT

The payment of **Defence Costs** shall reduce the applicable Limit of Liability stated in Item 4 of the Declarations.

4.3 TERRITORIAL LIMIT

This **Policy** applies only to **Claims** brought against the **Insured** within Canada.

4.4 ACTION AGAINST THE INSURER

No action or legal proceedings may be initiated against Liberty unless the **Insured** has fully complied with the requirements of this **Policy**.

4.5 AMENDMENTS

Any amendment or change to this **Policy** in whole or in part shall only be effective if made in writing and signed by an authorized representative of Liberty.

4.6 ASSIGNMENT

Assignment of interest under this **Policy** shall not bind Liberty until its consent is made in writing and signed by an authorized representative of Liberty. If, however, the **Sponsor Organization** should be adjudged bankrupt, insolvent or incompetent within the **Policy Period**, this **Policy** shall enure to the benefit of the **Sponsor Organization's** legal representatives. The **Insured Persons** agree that any notice of any kind Liberty mails to the **Sponsor Organization** at the address stated in Item 2 of the Declarations shall constitute notice to the **Sponsor Organization's** legal representatives.

4.7 CANCELLATION OF POLICY

- (a) The **Sponsor Organization** may cancel this **Policy** by giving written notice to Liberty, indicating when thereafter the cancellation shall be effective. Liberty will reimburse the excess of premium paid by the **Insured** over and above the premium earned for the time on risk, the calculation shall be made on a pro rata basis.
- (b) Liberty may only cancel this **Policy** in the event of non-payment of premium by giving to the **Sponsor Organization** written notice to this effect, either by registered mail or by delivering it by hand and the termination takes effect fifteen (15) days after the date of the notice.

4.8 NOTICE OF NON RENEWAL

Liberty has no obligation to renew this **Policy**, however, if Liberty refuses to renew this **Policy**, it shall provide written notice of non-renewal to the **Sponsor Organization** no less than 90 days prior to the effective date of termination of this **Policy**. An offer by Liberty of renewal terms and conditions or premiums different from those in effect prior to the effective date of termination of the **Policy** shall not constitute refusal to renew.

4.9 CONFORMITY WITH LAW

Provisions of this **Policy** which are at variance with the laws of the Provinces in which the **Insured Person** is licensed or registered to perform **Insured Services** will be modified in order to conform with such law.

4.10 CO-OPERATION OF THE INSURED

The **Insured** must co-operate with Liberty and, at the request of Liberty, assist to effect settlement, forward proceedings, attend hearings and trials, assist in securing and giving evidence and in obtaining the attendance of witnesses.

The **Insured** shall not admit liability or make any voluntary payment or settlement, assume any obligation or incur any expense without the prior written consent of Liberty, such consent not being unreasonably withheld.

4.11 SPONSOR ORGANIZATION REPRESENTS ALL INSUREDS

The **Sponsor Organization**, **Insured Person** and Liberty agree that the **Sponsor Organization** represents all **Insured Persons** under this **Policy**.

4.12 NOTICE OF CLAIM

The **Insured** shall, as soon as practicable after being made aware of a **Claim** or **Regulatory Investigation** for which coverage would be afforded under this **Policy**, give written notice with the **Claim** or **Regulatory Investigation** particulars to Liberty at the following address:

Liberty International Underwriters
Bay Wellington Tower, Brookfield Place
181 Bay Street, Suite 1000
Toronto, Ontario
M5J 2T3

Or by email at claims.liu@libertyiu.com

If during the **Policy Period** an **Insured** becomes aware of a circumstance which could reasonably give rise to a **Claim**, the **Insured** may give written notice thereof to Liberty with the following details:

- (a) the names of the potential claimants and a description of the specific **Wrongful Act**, which forms the basis for the potential **Claim**;
- (b) the identity of the **Insured Person** allegedly responsible for such **Wrongful Act**;
- (c) The potential monetary relief which may be sought in consequence with such **Wrongful Act**, if available; and
- (d) The circumstances by which the **Insured Person** first became aware of such **Wrongful Act**.

Any such **Claim** received by the **Insured** resulting from such circumstances shall be treated as a **Claim** made during the **Policy Period** in which such notice was given.

4.13 OTHER INSURANCE

If, any other valid and collectible insurance policy(ies) covers a **Loss** or any amount of a **Loss** which would, but for this paragraph, be covered by this **Policy**, then this **Policy** shall cover the **Loss** (subject to the terms, limitations, exclusions and conditions of this **Policy**) which is in excess of the coverage provided by such other insurance policy(ies) (regardless of whether they are stated to be primary, umbrella, contributory, excess or otherwise), provided that the limitation in this paragraph shall not apply to any insurance policy(ies) that expressly refer to this **Policy** as primary insurance and is specifically written as excess to the Limit of Liability of this **Policy**.

4.14 RIGHT TO AUDIT

In relation to the object of this **Policy**, Liberty may examine the financial records and files of the **Insured** 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**.

4.15 SEPARATION OF INTERESTS

In the event that a **Claim** or a **Regulatory Investigation** is made against more than one **Insured Person**, as defined in Paragraph 5.10 (a) of this **Policy**, it is agreed that the obligation of Liberty under this **Policy** is the same as if separate policies have been issued to each **Insured Person** as defined in Paragraph 5.10 (a). The total amount payable hereunder on behalf of all **Insureds** and notwithstanding the number of **Insureds** involved, shall not exceed the Limit of Liability stated in the **Insured Persons'** respective **Individual Certificates**.

4.16 SUBROGATION

Liberty shall be subrogated to the extent of any payment under this **Policy** to all the rights of recovery of any **Insured** and shall be entitled to seek recovery in the name of any **Insured**. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, to enable Liberty effectively to bring suit in the name of the **Insureds**. The obligations of an **Insured** pursuant to this Paragraph 4.16 of this **Policy** survive the termination of the **Policy Period**. Liberty shall use its best efforts to advise the **Insured** of any instance of subrogation.

4.17 SUSPENSION OF PERMIT OR PROVISIONAL ADMINISTRATION

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

4.18 ALLOCATION

Where a **Claim** involves a **Loss** covered by this **Policy** and a loss or payment not covered by this **Policy**, or if a **Claim** is against any **Insured** and another person(s), the **Insured** and Liberty will in good faith negotiate an allocation of **Loss**.

4.19 EXTENDED REPORTING PERIOD

- (a) If during the **Policy Period**, an **Insured Person**, as defined in Paragraph 5.10, (a) of this **Policy**, dies, becomes disabled, retires or terminates their employment or contract with the **Sponsor Organization** the **Insured** shall receive an automatic extended reporting period under this **Policy** for a period of 30 days following the effective date of such death, disability, retirement or

termination. Such extended reporting period applies only to **Claims** resulting from a **Wrongful Act** prior to the date of such death, disability, retirement or termination.

- (b) If during the **Policy Period**, an **Insured Person**, as defined in Paragraph 5.10 (a) of this **Policy**, dies, becomes disabled, retires or terminates their employment or contract with the **Sponsor Organization** the **Insured** shall have the right to purchase an extended reporting period under this **Policy**. Such extended reporting period applies only to **Claims** resulting from a **Wrongful Act** prior to the date of such death, disability, retirement or termination, and in such event the automatic extended reporting period provided in Paragraph (a) above shall form part of and shall not be in addition to such extended reporting period provided in this Paragraph (b).

The extended reporting period and additional premium required in order to purchase this extended reporting period is set out in Item 10 of the Declarations. Notification of the **Insured Person's** death, disability, retirement or termination along with payment of the additional premium and a completed Liberty Extended Reporting Period Application must be received by Liberty no later than 30 days after such death, disability, retirement or termination.

- (c) If during the **Policy Period**, the **Insured Person's** employment or contract is terminated by the **Sponsor Organization**, the **Insured** shall receive an automatic extended reporting period under this **Policy** for a period of 30 days following the effective date of such termination. Such extended reporting period applies only to **Claims** resulting from a **Wrongful Act** prior to the date of such termination.
- (d) If during the **Policy Period**, the **Insured Person's** employment or contract is terminated by the **Sponsor Organization**, the **Insured** shall have the right to purchase an extended reporting period under this **Policy**. Such extended reporting period applies only to **Claims** resulting from a **Wrongful Act** prior to the date of such termination, and in such event the automatic extended reporting period provided in Paragraph (c) above shall form part of and shall not be in addition to such extended reporting period provided in this Paragraph (d).

The extended reporting period and additional premium required in order to purchase this extended reporting period is set out in Item 10 of the Declarations. Notification of the **Insured Person's** termination and payment of the additional premium must be received by Liberty no later than 30 days after such termination.

- (e) The extended reporting periods in Paragraphs (a) through (d) above shall form part of the immediate preceding **Policy Period** in which the termination occurred and shall not in any way increase the Limit of Liability set forth in the **Individual Certificate**.

- (f) Notwithstanding the above and only with respect to an **Insured**, extended reporting periods provided in Paragraphs (a) and (c) above shall only apply where there is no **Replacement Policy**.

4.20 NOTICE OF MEMBERSHIP IN LIBERTY MUTUAL HOLDING COMPANY INC.

While this **Policy** is in effect, the **Sponsor Organization** first named in Item 1 of the Declarations is a member of Liberty Mutual Holding Company Inc. and is entitled to vote either in person or by proxy at any and all meetings of the members of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

The **Sponsor Organization** first named in Item I of the Declarations shall participate in the distribution of any dividends declared by Liberty Mutual Holding Company Inc. for this **Policy**. The amount of such **Sponsor Organization's** participation is determined by the decision of Liberty Mutual Holding Company's Board of Directors in compliance with any laws that apply.

4.21 CURRENCY

Unless expressly stipulated otherwise in this **Policy**, all dollar amounts expressed throughout this **Policy** or any **Individual Certificate** refer to the lawful currency of Canada, and all **Loss** or **Regulatory Investigation Costs** are payable in such currency.

5. DEFINITIONS: As used in this **Policy**, the following words or expressions in the singular or plural shall mean:

5.1 **Claim** means:

- (a) a verbal or written demand for monetary damages;
- (b) a written allegation of breach in the rendering of **Insured Services**; or
- (c) an investigation by the Ombudsman for Banking Services and Investments;

in connection with such damages as are covered under this **Policy**.

Claim does not include a **Regulatory Investigation**.

All **Claims** arising from a common nexus shall be deemed one **Claim** and shall be deemed first made as of the date that the earliest of such **Claims** was made regardless of whether such date is before or during the **Policy Period**.

5.2 **Client** means any natural person or entity for whom **Insured Services** are rendered by an **Insured Person**.

- 5.3 **Defence Costs** means any:
- (a) fees, costs and expenses resulting from the investigation, adjustment, or defence, of a **Claim** or appeal thereof incurred by Liberty; but, **Defence Costs** do not include salary charges of regular employees of either Liberty or the **Insured**; or
 - (b) any premium payable under guarantee bonds required to release attachments and any premium payable on appeal bonds but without any obligation to apply for or furnish any such bonds.
- 5.4 **Exempt Market Dealer** means a dealer or underwriter firm, regulated by provincial securities legislation and subject to National Instrument 31-103, who engages in the business of trading in exempt securities or trading in securities to qualified exempt market clients as defined by National Instrument 45 – 106.
- 5.5 **Exempt Market Dealing Representative** means
- (a) an individual who is currently registered under National Instrument 31-103 as an exempt market dealing representative; or
 - (b) any individual who performed activities related to the sale of **Exempt Products** prior to the inception of National Instrument 31-103, but solely with respect to such **Insured Services** rendered prior to the inception of National Instrument 31-103.
- 5.6 **Exempt Products** means exempt securities as defined by National Instrument 45 – 106, including but not limited to limited partnership units, hedge funds, principle protected notes, non-prospectus based mutual funds, flow through shares, labour sponsored funds, real estate investment trusts, mortgage investment corporations and GIC's approved for sale by the **Sponsor Organization**.
- 5.7 **Financial Planning** means activities relating to estate or retirement plans, personal financial plans, employee benefit plans, group plans, pension plans, profit sharing plans, retirement annuities, life health and disability plans.
- 5.8 **Individual Certificate** means a document issued on behalf of Liberty to an **Insured Person**, as defined under Paragraph 5.10 items (a) , which confirms coverage is afforded under this **Policy** and sets out the **Insured Person's** purchased Limit of Liability, Deductible and **Insured Capacity**.
- 5.9 **Insured** means the group composed of the **Insured Persons** and the **Sponsor Organization**.
- 5.10 **Insured Person** means:
- (a) (i) any **Licensed Insurance Agent** who is currently licensed as such;

- (ii) any **Registered Mutual Fund Representative** who maintains a contract with a **Mutual Fund Dealer**;
- (iii) any **Registered Investment Representative** who maintains a contract with an **Investment Dealer**;
- (iv) any **Exempt Market Dealing Representative** who maintains a contract with a registered **Exempt Market Dealer**; or
- (v) any individual who is no longer licensed or registered in an Insured Capacity listed in (i) through (iv) above, but was appropriately licensed or registered at the time of the **Wrongful Act**, and was employed or maintained a contract with the **Sponsor Organization** at the time of the **Wrongful Act**;

and who is currently employed or contracted with the **Sponsor Organization** and presently subscribes to this **Policy**;

- (b) (i) any current or former assistants for whose acts the **Insured Person**, as defined under item (a) above, is responsible and who are not otherwise insured under a professional liability policy of insurance;
- (ii) any **Personal Corporation** associated with an **Insured Person**, as defined under item (a) above, but only in respect of a **Wrongful Act** committed by an **Insured Person** as defined in items (a) above; or
- (iii) any legal heirs, beneficiaries or appointed legal representatives of the estate of a deceased **Insured Person**, but only in respect of a **Wrongful Act** committed by an **Insured Person** as defined in items (a) above.

5.11 **Insured Services** means those services or activities performed or required to be performed by an **Insured Person** in the Insured Capacity stated in Item 6 of the Declarations and the **Individual Certificate**.

Insured Services shall also include:

- (a) the referral of professional services, provided such referral is approved by the **Sponsor Organization's** compliance department;
- (b) any sales management or supervisory activities in relation to the **Insured Services** referenced in the **Insured Person's Individual Certificate**;
- (c) **Tax Services** that are ancillary to and form part of the above noted **Insured Services**; and

(d) **Financial Planning.**

5.12 **Investment Dealer** means any firm registered with the Investment Industry Regulatory Organization of Canada (hereinafter referred to as “IIROC”).

5.13 **Licensed Insurance Agent** means an individual who is licensed to sell life or accident and sickness insurance within Canada including the sale of insurance annuities, hospitalization or medical insurance plans, critical illness insurance, disability insurance, group benefit plans, group benefit administration service agreements, segregated funds, variable annuities and variable life insurance contracts providing for participation in life insurance company separate investment accounts.

5.14 **Loss** means any:

(a) compensatory damages including applicable judgements, settlement amounts, pre-judgment and post-judgment interest, legal fees and costs awarded pursuant to judgements. **Loss** shall also include civil penalties, punitive or exemplary damages, the multiple portion of any multiplied damage award where insurable by law; or

(b) **Defence Costs.**

However **Loss** shall not include:

(i) fines and penalties (other than civil penalties referred to in (a) above);

(ii) any portion of compensatory damages that constitute fees or commissions;

(iii) any portion of an **OBSI Recommendation** that an **Insured** would not otherwise be legally obligated to pay in the absence of such **OBSI Recommendation**; or

(iv) any other matter uninsurable by law.

It is understood and agreed that with respect to the insurability of punitive or exemplary damages, the multiple portion of any multiplied damage award and civil penalties, of all the jurisdictions applicable to a **Claim**, the jurisdiction with the most favourable laws to the **Insured** concerning the insurability of such damages or penalties shall apply to determine whether coverage is available for such damages or penalties.

5.15 **Mutual Fund Dealer** means any firm that is registered with the Mutual Fund Dealers Association (hereinafter referred to as “MFDA”).

5.16 **OBSI Recommendation** means an amount which is recommended by the Ombudsman for Banking Services and Investment to be paid by the **Sponsor Organization** to a claimant as a result of a complaint being submitted to the Ombudsman for Banking Services and Investment by the claimant.

- 5.17 **Personal Corporation** means any corporation owned solely by an **Insured Person** or their spouse, which is incorporated for the purposes of tax benefits or to limit personal liability and has no employees working for the corporation.
- 5.18 **Policy** means the applicable applications, **Individual Certificate**, the attached **Policy** terms and endorsements stated in Item 7 of the Declarations, and any endorsements added during the **Policy Period**.
- 5.19 **Policy Period** means the lesser of:
- (a) the period of time stated in Item 3 of the Declarations; or
 - (b) the period as stated in the **Individual Certificate**;
- and any applicable extended reporting period as stated in Paragraph 4.19.
- 5.20 **Registered Mutual Fund Representative** means an individual registered as a representative and/or investment representative with the MFDA.
- 5.21 **Registered Investment Representative** means an individual registered as a representative and/or investment representative with the IIROC.
- 5.22 **Regulatory Investigation** means an investigation or proceeding by a disciplinary committee formed by virtue of any provincial act or the rules of any relevant self-regulatory organization or any court called upon to adjudicate any infraction envisioned in the said act(s) or rules.
- All **Regulatory Investigations** arising from a common nexus shall be deemed one **Regulatory Investigation** and shall be deemed first made as of the date that the earliest of such **Regulatory Investigations** was brought regardless of whether such date is before or during the **Policy Period**.
- 5.23 **Regulatory Investigation Costs** means fees, costs and expenses resulting from the investigation, adjustment or defence of a **Regulatory Investigation**. **Regulatory Investigation Costs** shall also include settlement amounts and costs awarded pursuant to judgments.
- 5.24 **Related Entity** means an entity of which:
- (a) an **Insured** or **Relative** owned totally or partially at the time the **Wrongful Act** took place;
 - (b) an **Insured** or **Relative** controlled or managed totally or partially at the time the **Wrongful Act** took place;

Professional Liability Insurance for Financial Advisors



- (c) an **Insured** or **Relative**'s business is directly or indirectly owned or managed in any way at the time the **Wrongful Act** took place; or
 - (d) an **Insured** or **Relative** is a partner or employee.
- 5.25 **Relative** means any persons related to the **Insured Person** in the following manner: spouse, common law spouse, parent, child, stepparent, stepchild, grandparent, sibling or stepsibling and their estates, heirs, beneficiaries, assigns and legal representatives.
- 5.26 **Replacement Policy** means any financial advisor professional liability policy, which replaces this **Policy**, whether or not its terms, conditions and premiums are comparable to those provided in this **Policy**.
- 5.27 **Sponsor Organization** means the organization(s) stated in Item 1 of the Declarations.
- 5.28 **Tax Services** means personal tax advice and the preparation or filing of a **Client**'s personal income tax return.
- 5.29 **Wrongful Act** means an actual or alleged act, error, misstatement, misleading statement, omission, neglect, or breach of duty committed or allegedly committed in the rendering of or failure to render **Insured Services** to a **Client**.

In witness whereof, Liberty Mutual Insurance Company has caused this Policy to be signed by its president and secretary and counter-signed on the Declarations page by a duly authorized representative of Liberty.

PRESIDENT

VICE PRESIDENT and SECRETARY



Endorsement No. 1

QUEBEC REGULATORY ENDORSEMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed in accordance with the Autorité des Marchés Financiers:

1. **Wrongful Act** means fault, errors, negligence or omissions.
2. The Limit of Liability shall be no less than \$1,000,000 each **Claim** and \$2,000,000 in the aggregate per **Policy Period**.
3. **Defence Costs** shall be in addition to and shall not reduce the applicable Limit of Liability.
4. Solely in regards to a Quebec representative of the **Sponsor Organization**, the following are added to paragraph 5.10:

should the **Sponsor Organization** be an independent representative: its mandatories, employees, past or present trainees in the performance of their duties whether or not such persons are still so engaged on the date of the **Claim**;

should the **Sponsor Organization** be a firm: its mandatories, representatives, employees, past or present trainees of representatives employed by the **Sponsor Organization** in the performance of their duties whether or not such persons are still so engaged on the date of the **Claim**;

should the **Sponsor Organization** be a partnership: its partners, mandatories, representatives in his employ, employees, past or present trainees of partners and representatives employed by the **Sponsor Organization** in the performance of their duties whether or not such persons are still so engaged on the date of the **Claim**.
5. The Limits of Liability provided in this Endorsement are a part of and erode the Limits of Liability indicated on the **Insured Person's Individual Certificate**.



6. Subject to all of the other terms and conditions of this **Policy**, if an **Insured Person** ceases to pursue activities, irrespective of whether he or she is still alive, the **Insured Person** shall receive an automatic extended reporting period of five years from the date the **Insured Person** ceases to pursue activities. The extended reporting period applies only to **Wrongful Acts** which occurred prior to the discontinuance of practice. Such extended reporting period shall be a part of and not in addition to the immediately preceding **Policy Period** and shall not in any way increase the applicable Limit of Liability.
7. In the event Liberty cancels or does not renew this **Policy** Liberty undertakes to give thirty (30) days advance notice to, or in the event that the **Sponsor Organization** terminates or refuses to renew this **Policy** Liberty undertakes to notify by registered mail, the Autorité Des Marchés Financiers at the address indicated below:

Autorité Des Marchés Financiers
Place de la Cité, tour Cominar
2640 Boulevard Laurier, bureau 400
G1V 5C1
8. Liberty agrees to notify the Autorité Des Marchés Financiers of any **Claim** of which notice is provided to Liberty under the **Policy** regardless of whether coverage is afforded for such **Claim**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 2

SASKATCHEWAN REGULATORY ENDORSMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed to sell life insurance and / or accident and sickness insurance in the Province of Saskatchewan the following shall apply but solely with respect to the sale of life insurance and /or accident and sickness insurance.

1. The Limit of Liability shall be no less than \$1,000,000 each **Claim** and in the aggregate per **Policy Period** with a Deductible of \$1,000 each **Claim**.
2. With respect to the coverage afforded under this paragraph only and whose **Individual Certificate** includes coverage for fraudulent acts coverage afforded by this Endorsement, coverage shall also apply to a **Claim**, in excess of the Deductible and subject to the minimum Limit of Liability indicated in paragraph 1 of this Endorsement, for which the **Insured Person** is legally liable to any third party (other than an insurance company which may have or assert a right of action for breach of contract or for indemnity of contribution), as a result of any dishonest or fraudulent act by one or more **Insured Person** acting directly or in collusion with others in the conduct of the business of a licensed life insurance agent and / or licensed accident and sickness insurance agent in the Province of Saskatchewan, as defined in the Life Insurance Council Bylaws while this coverage is in force and for which a **Claim** is made against the **Insured Person** during the **Policy Period**, subject to the following provisions:
 - (a) In the event of the failure of the **Insured** to pay a **Loss** to which this **Policy** may apply by virtue of this paragraph upon demand of any third party then Liberty shall make payment, after investigating coverage, directly to such third party and shall be entitled to reimbursement from the **Insured** for the amount of the Deductible as outlined in paragraph 1 of this Endorsement and any other amount expended by Liberty.
 - (b) The coverage afforded under this **Policy** by virtue of this paragraph shall not:
 - i. benefit any person or entity committing, making or condoning any such dishonest or fraudulent act;



- ii. benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes; or
 - iii. apply to **Loss** arising out of the insolvency of any **Insured** or any affiliate of any **Insured**.
- (c) The **Sponsor Organization** or any other **Insured** not implicated in such dishonest or fraudulent act shall give written notice of:
- i. the discovery of any act which may give rise to a **Claim** under the coverage afforded by this paragraph;
 - ii. the discovery of reasonable cause for suspicion of any act on the part of any **Insured** which may give rise to a **Claim** under the coverage afforded by this paragraph.
- (d) In the event of a **Claim** hereunder, the **Sponsor Organization** and any other **Insured** not implicated in such dishonest or fraudulent act shall cooperate with Liberty in the investigation of any such **Claim** and shall give such information and assistance to Liberty as requested to enable Liberty to obtain restitution from any **Insured** committing such act and shall withhold for the benefit of Liberty any such money due or other property belonging to such **Insured**.
3. The Limit of Liability provided in this Endorsement is part of and shall erode the Limit of Liability indicated on the **Insured Person's Individual Certificate**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 3

ALBERTA REGULATORY ENDORSEMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed to sell insurance in the Province of Alberta the following shall apply but solely with respect to the sale of insurance in the Province of Alberta which is otherwise covered under the **Policy**.

1. The Limit of Liability shall be no less than \$500,000 each **Claim** and \$2,000,000 in the aggregate per **Policy Period** with a Deductible of no more than \$1,000 each **Claim**.
2. For an **Insured Person** who is not a resident of Alberta, the Limit of Liability in paragraph 1 above are with respect to **Claims** brought in the Province of Alberta.
3. With respect to the coverage afforded under this paragraph only and whose **Individual Certificate** includes coverage for fraudulent acts coverage afforded by this Endorsement, coverage shall also apply to a **Claim**, in excess of the Deductible and subject to the Limit of Liability indicated in paragraph 1 of this Endorsement, for which the **Insured Person** is legally liable to any third party (other than an insurance company which may have or assert a right of action for breach of contract or for indemnity of contribution), as a result of any dishonest or fraudulent act by one or more **Insured Person** acting directly or in collusion with others in the conduct of the business of a licensed life insurance agent in the Province of Alberta while this coverage is in force and for which a **Claim** is made against the **Insured Person** during the **Policy Period**, subject to the following provisions:
 - (a) In the event of the failure of the **Insured** to pay a **Loss** to which this **Policy** may apply by virtue of this paragraph upon demand of any third party then Liberty shall make payment, after investigating coverage, directly to such third party and shall be entitled to reimbursement from the **Insured** for the amount of the Deductible as outlined in paragraph 1 of this Endorsement and any other amount expended by Liberty.
 - (b) The coverage afforded under this **Policy** by virtue of this paragraph shall not:



- i. benefit any person or entity committing, making or condoning any such dishonest or fraudulent act;
 - ii. benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes; or
 - iii. apply to **Loss** arising out of the insolvency of any **Insured** or any affiliate of any **Insured**.
 - (c) The **Sponsor Organization** or any other **Insured** not implicated in such dishonest or fraudulent act shall give written notice of:
 - i. the discovery of any act which may give rise to a **Claim** under the coverage afforded by this paragraph;
 - ii. the discovery of reasonable cause for suspicion of any act on the part of any **Insured** which may give rise to a **Claim** under the coverage afforded by this paragraph.
 - (d) In the event of a **Claim** hereunder, the **Sponsor Organization** and any other **Insured** not implicated in such dishonest or fraudulent act shall cooperate with Liberty in the investigation of any such **Claim** and shall give such information and assistance to Liberty as requested to enable Liberty to obtain restitution from any **Insured** committing such act and shall withhold for the benefit of Liberty any such money due or other property belonging to such **Insured**.
4. The Limit of Liability provided in this Endorsement is part of and shall erode the Limit of Liability indicated on the **Insured Person's Individual Certificate**.
 5. Subject to all of the other terms and conditions of this **Policy**, unless replacement coverage is obtained after the expiration or cancellation of this **Policy**, the **Insured** shall receive an automatic extended reporting period of 12 months immediately following the date of cancellation. The extended reporting period applies only to **Wrongful Acts** which occurred prior to the expiration or cancellation of this **Policy**. Such extended reporting period shall be a part of and not in addition to the immediately preceding **Policy Period** and shall not in any way increase the applicable Limit of Liability.
 6. In the event Liberty cancels or does not renew this **Policy** Liberty undertakes to give thirty (30) days advance notice by registered mail to the Alberta Insurance Council (AIC) at the address indicated below; or in the event the **Sponsor Organization** cancels or does not renew this **Policy**, Liberty undertakes to give immediate notice by registered mail to AIC at the address indicated below.

Alberta Insurance Council
Superintendent of Insurance
Alberta Finance
Room 402
9515 - 107 Street
Edmonton, Alberta
T5K 2C3



ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "J. D. ...". The signature is written in a cursive style with a long horizontal stroke at the end.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 4

BRITISH COLUMBIA REGULATORY ENDORSEMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed to sell insurance in the Province of British Columbia the following shall apply but solely with respect to the sale of insurance for which coverage is otherwise afforded under this **Policy**.

1. The Limit of Liability shall be no less than \$1,000,000 each **Claim** and \$2,000,000 in the aggregate per **Policy Period**.
2. The Limit of Liability provided in this Endorsement is part of and shall erode the Limit of Liability indicated on the **Insured Person's Individual Certificate**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 5

MANITOBA REGULATORY ENDORSEMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed to sell life and / or accident and sickness insurance in the Province of Manitoba the following shall apply but solely with respect to the sale of life and / or accident and sickness insurance in the Province of Manitoba which is otherwise covered under this **Policy**.

1. The Limit of Liability shall be no less than \$1,000,000 each **Claim** and \$5,000,000 in the aggregate per **Policy Period**.
2. **Defence Costs** shall be in addition to and shall not reduce the applicable Limit of Liability.
3. With respect to the coverage afforded under this paragraph only and whose **Individual Certificate** includes coverage for fraudulent acts coverage afforded by this Endorsement, coverage shall also apply to a **Claim**, in excess of the Deductible and subject to the minimum Limit of Liability indicated in paragraph 1 of this Endorsement, for which the **Insured Person** is legally liable to any third party (other than an insurance company which may have or assert a right of action for breach of contract or for indemnity of contribution), as a result of any dishonest or fraudulent act by one or more **Insured Person** acting directly or in collusion with others in the conduct of the business of a licensed life insurance agent and / or licensed accident and sickness insurance agent in the Province of Manitoba while this coverage is in force and for which a **Claim** is made against the **Insured Person** during the **Policy Period**, subject to the following provisions:
 - (a) In the event of the failure of the **Insured** to pay a **Loss** to which this **Policy** may apply by virtue of this paragraph upon demand of any third party then Liberty shall make payment, after investigating coverage, directly to such third party and shall be entitled to reimbursement from the **Insured** for the amount of the Deductible as outlined in paragraph 1 of this Endorsement and any other amount expended by Liberty.
 - (b) The coverage afforded under this **Policy** by virtue of this paragraph shall not:



- i. benefit any person or entity committing, making or condoning any such dishonest or fraudulent act;
 - ii. benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes; or
 - iii. apply to **Loss** arising out of the insolvency of any **Insured** or any affiliate of any **Insured**.
 - (c) The **Sponsor Organization** or any other **Insured** not implicated in such dishonest or fraudulent act shall give written notice of:
 - i. the discovery of any act which may give rise to a **Claim** under the coverage afforded by this paragraph;
 - ii. the discovery of reasonable cause for suspicion of any act on the part of any **Insured** which may give rise to a **Claim** under the coverage afforded by this paragraph.
 - (d) In the event of a **Claim** hereunder, the **Sponsor Organization** and any other **Insured** not implicated in such dishonest or fraudulent act shall cooperate with Liberty in the investigation of any such **Claim** and shall give such information and assistance to Liberty as requested to enable Liberty to obtain restitution from any **Insured** committing such act and shall withhold for the benefit of Liberty any such money due or other property belonging to such **Insured**.
4. The Limit of Liability provided in this Endorsement is part of and shall erode the Limit of Liability indicated on the **Insured Person's Individual Certificate**.
 5. If the Retroactive Date stated in the **Individual Certificate** is later than June 1, 2001, it shall be amended to read June 1, 2001.
 6. Subject to all of the other terms and conditions of this **Policy**, unless replacement coverage is obtained after the expiration or cancellation of this **Policy**, the **Insured** shall receive an automatic extended reporting period of five years immediately following the date of cancellation. The extended reporting period applies only to **Wrongful Acts** which occurred prior to the expiration or cancellation of this **Policy**. Such extended reporting period shall be a part of and not in addition to the immediately preceding **Policy Period** and shall not in any way increase the applicable Limit of Liability.
 7. In the event Liberty cancels or does not renew this **Policy** Liberty undertakes to give fifteen (15) days advance notice by registered mail to the Insurance Council of Manitoba at the address indicated below:

Insurance Council of Manitoba
466-167 Lombard Avenue
Winnipeg, Manitoba
R3B 0T6



ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "J. D. ...". The signature is written in a cursive style with a long horizontal stroke at the end.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 6

NEWFOUNDLAND AND LABRADOR REGULATORY ENDORSMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed to sell insurance in the Province of Newfoundland and Labrador the following shall apply but solely with respect to the sale of insurance for which coverage is provided under this **Policy**.

1. The Limit of Liability shall be no less than \$1,000,000 each **Claim** and in the aggregate per **Policy Period**.
2. Notwithstanding anything to the contrary, and with respect to the coverage afforded under this paragraph only, for those **Insured Persons** licensed in the Province of Newfoundland and Labrador and whose **Individual Certificate** includes coverage for fraudulent acts coverage afforded by this Endorsement, coverage shall also apply to a **Claim**, in excess of the Deductible and subject to the minimum Limit of Liability indicated in paragraph 1 of this Endorsement, for which the **Insured Person** is legally liable to any third party (other than an insurance company which may have or assert a right of action for breach of contract or for indemnity of contribution), as a result of any dishonest or fraudulent act by one or more **Insured Person** acting directly or in collusion with others in the conduct of the business of a licensed insurance agent in the Province of Newfoundland and Labrador, while this coverage is in force and for which a **Claim** is made against the **Insured Person** during the **Policy Period**, subject to the following provisions:
 - (a) In the event of the failure of the **Insured** to pay a **Loss** to which this **Policy** may apply by virtue of this paragraph upon demand of any third party then Liberty shall make payment, after investigating coverage, directly to such third party and shall be entitled to reimbursement from the **Insured** for the amount of the Deductible as outlined in item (e) of this paragraph and any other amount expended by Liberty.
 - (b) The coverage afforded under this **Policy** by virtue of this paragraph shall not:
 - i. benefit any person or entity committing, making or condoning any such dishonest or fraudulent act;



- ii. benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes; or
 - iii. apply to **Loss** arising out of the insolvency of any **Insured** or any affiliate of any **Insured**.
- (c) The **Sponsor Organization** or any other **Insured** not implicated in such dishonest or fraudulent act shall give written notice of:
- i. the discovery of any act which may give rise to a **Claim** under the coverage afforded by this paragraph;
 - ii. the discovery of reasonable cause for suspicion of any act on the part of any **Insured** which may give rise to a **Claim** under the coverage afforded by this paragraph.
- (d) In the event of a **Claim** hereunder, the **Sponsor Organization** and any other **Insured** not implicated in such dishonest or fraudulent act shall cooperate with Liberty in the investigation of any such **Claim** and shall give such information and assistance to Liberty as requested to enable Liberty to obtain restitution from any **Insured** committing such act and shall withhold for the benefit of Liberty any such money due or other property belonging to such **Insured**.
- (e) The Deductible amount applicable to the coverage afforded under this paragraph shall be \$10,000 each **Claim**.
3. The Limit of Liability provided in this Endorsement is part of and shall erode the Limit of Liability indicated on the **Insured Person's Individual Certificate**.
4. In the event this **Policy** is cancelled or does not renew Liberty undertakes to give sixty (60) days advance notice by registered mail to the Superintendent of Insurance of the Province of Newfoundland.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 7

ONTARIO REGULATORY ENDORSEMENT

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Notwithstanding anything to the contrary, for **Insured Persons** licensed to sell life insurance and / or accident and sickness insurance in the Province of Ontario the following shall apply but solely with respect to the sale of life insurance and /or accident and sickness insurance.

1. The Limit of Liability shall be no less than \$1,000,000 each **Claim** and \$2,000,000 per **Policy Period**, with a Deductible of \$1,000 each **Claim**.
2. Notwithstanding anything to the contrary, and with respect to the coverage afforded under this paragraph only, for those **Insured Persons** licensed in the Province of Ontario and whose **Individual Certificate** includes coverage for fraudulent acts coverage afforded by this Endorsement, coverage shall also apply to a **Claim**, in excess of the Deductible and subject to the minimum Limit of Liability indicated in paragraph 1 of this Endorsement, for which the **Insured Person** is legally liable to any third party (other than an insurance company which may have or assert a right of action for breach of contract or for indemnity of contribution), as a result of any dishonest or fraudulent act by one or more **Insured Person** acting directly or in collusion with others in the conduct of the business of a licensed life insurance agent and / or licensed accident and sickness insurance agent in the Province of Ontario, as defined in the Insurance Act of Ontario, while this coverage is in force and for which a **Claim** is made against the **Insured Person** during the **Policy Period**, subject to the following provisions:
 - (a) In the event of the failure of the **Insured** to pay a **Loss** to which this **Policy** may apply by virtue of this paragraph upon demand of any third party then Liberty shall make payment, after investigating coverage, directly to such third party and shall be entitled to reimbursement from the **Insured** for the amount of the Deductible as outlined in paragraph 1 of this Endorsement and any other amount expended by Liberty.
 - (b) The coverage afforded under this **Policy** by virtue of this paragraph shall not:
 - i. benefit any person or entity committing, making or condoning any such dishonest or fraudulent act;



- ii. benefit any creditor of any **Insured** hereunder for non-payment of accounts, or refunds of premiums or premium taxes; or
 - iii. apply to **Loss** arising out of the insolvency of any **Insured** or any affiliate of any **Insured**.
 - (c) The **Sponsor Organization** or any other **Insured** not implicated in such dishonest or fraudulent act shall give written notice of:
 - i. the discovery of any act which may give rise to a **Claim** under the coverage afforded by this Endorsement;
 - ii. the discovery of reasonable cause for suspicion of any act on the part of any **Insured** which may give rise to a **Claim** under the coverage afforded by this paragraph.
 - (d) In the event of a **Claim** hereunder, the **Sponsor Organization** and any other **Insured** not implicated in such dishonest or fraudulent act shall cooperate with Liberty in the investigation of any such **Claim** and shall give such information and assistance to Liberty as requested to enable Liberty to obtain restitution from any **Insured** committing such act and shall withhold for the benefit of Liberty any such money due or other property belonging to such **Insured**.
- 3. In the event Liberty cancels or does not renew this **Policy** Liberty undertakes to give thirty (30) days advance notice by registered mail to the Financial Services Commission of Ontario (FSCO) at the address indicated below; or in the event the **Sponsor Organization** cancels or does not renew this **Policy**, Liberty undertakes to give immediate notice by registered mail to FSCO at the address indicated below:

Financial Services Commission of Ontario
5160 Yonge Street, 16th Floor, P.O. Box 85
Toronto, Ontario
M2N 6L9



ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "A. J. ...". The signature is written in a cursive style with a long horizontal stroke at the end.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date

Endorsement No. 8

LICENSED ASSISTANT

(Life, Accident & Sickness and MFDA)

Effective Date: September 01, 2013
Policy Number: FTTOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

1. Paragraph 5.10, **Insured Person**, subparagraph (a) is amended to include the following:

Any **Licensed Assistant** who is currently employed or contracted with the **Sponsor Organization** and presently subscribes to this **Policy**.

2. Paragraph 3.2, **DEDUCTIBLE**, is amended to include the following:

No Deductible shall apply to **Defence Costs** in respect of a **Claim** made against an **Insured** arising out of the performance of or the failure to perform **Insured Services** by an **Insured Person** as a **Licensed Insurance Agent or Registered Mutual Fund Representative** in his/her Insured Capacity as a **Licensed Assistant**.

3. Paragraph 5, **DEFINITIONS**, is amended by adding the following:

Licensed Assistant means:

- (a) a **Licensed Insurance Agent** who is currently licensed as such; or
- (b) a **Registered Mutual Fund Representative** who maintains a contract with a **Mutual Fund Dealer**;

and who is under the management or supervision of an **Insured Person**, as defined in Paragraphs 5.10 (a)(i) or (ii), and does not independently handle their own book of business.



ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "J. P. ...". The signature is written in a cursive style with a long horizontal stroke at the end.

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date



Endorsement No. 9

INSURED SERVICES DEFINITION AMENDED

(Removal of Financial Planning)

Effective Date: September 01, 2013
Policy Number: FITOAAVOCK001
Issued To: R.G. Packman & Associates Ltd.
Certika Investments Ltd.
By: Liberty Mutual Insurance Company

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

Paragraph 5.11 is deleted in its entirety and replaced with the following:

5.11 **Insured Services** means those services or activities performed or required to be performed by an **Insured Person** in the Insured Capacity stated in Item 6 of the Declarations and the **Individual Certificate**.

Insured Services shall also include:

- (a) the referral of professional services, provided such referral is approved by the **Sponsor Organization's** compliance department;
- (b) any sales management or supervisory activities in relation to the **Insured Services** referenced in the **Insured Person's Individual Certificate**; and
- (c) **Tax Services** that are ancillary to and form part of the above noted **Insured Services**.



ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

A handwritten signature in black ink, appearing to be "A. D. ...".

Authorized Representative of Liberty Mutual Insurance Company

February 11, 2014

Date