

**Form #EOICON (Rev. May 2019)**  
**Endorsement – Ontario**

This Endorsement applies to the Insureds who are licensed to practice in the Province of Ontario.

It is hereby understood and agreed that this endorsement forms part of the Errors and Omissions policy Form #EO-IB-100 as follows:

1. The coverage afforded under this policy shall also apply to loss in excess of the deductible and subject to the limit indicated in the declarations of this policy for which the Named Insured 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 or contribution), for failure to obtain or provide insurance as a result of any dishonest or fraudulent act or omission by one or more Insureds acting directly or in collusion with others in the conduct of the business of the Named Insured as a registered insurance broker, as defined in the Registered Insurance Brokers of Ontario Act, while this coverage is in force and for which claim is made against the Insured during any indemnity period; subject to the following provisions:
  - i) The amount payable under this policy by virtue of this endorsement shall in no event exceed the amount which would have been payable under such policy of insurance which the Insured failed to obtain or provide.
  - ii) The coverage afforded under this policy by virtue of this endorsement shall not:
    - a. benefit any person committing, making or condoning any such dishonest or fraudulent act or omission;
    - b. benefit any creditor or any Insured hereunder for non-payment of accounts, or refunds of premiums or premium taxes;
    - c. apply to loss which is afforded by Section 1 of the policy to which the endorsement is attached;
    - d. apply to loss arising out of the insolvency of the Named Insured or any affiliate of the Named Insured.
  - iii) The Named Insured or any Insured not implicated in such dishonest or fraudulent act or omission shall give written notice as soon as practicable of:
    - a. the discovery of any act or omissions which will or may give rise to a claim under the coverage afforded by this endorsement;
    - b. the discovery of reasonable cause for suspicion of any act or omission on the part of any Insured which may give rise to a claim under the coverage afforded by this endorsement.
  - iv) In the event of a claim hereunder, the Named Insured and any other Insured not implicated in such dishonest or fraudulent act or omission shall cooperate with the Underwriters in the investigation of any such claim and shall give such information and assistance to the Underwriters as requested to enable the Underwriters to obtain restitution from any Insured committing such act or omission, and shall withhold for the benefit of the Underwriters any such money due or other property belonging to such Insured.
2. Under **SECTION 3 – EXCLUSIONS**
  - i) **3.1 Retroactive Date** has been deleted
  - ii) **3.21 Transacting with Unlicensed Insurers** has been deleted
3. Under **SECTION 4 – CONDITIONS**
  - i) **4.1 Self Insured Excess/Deductible** is amended to include:

In the event of the failure of the **Named Insured** to pay loss to which this policy may apply by virtue of this endorsement upon demand of any third party, then the Underwriters shall make payment directly to such third party and shall be entitled to reimbursement from the **Named Insured** for the amount of the Self Insured Excess applicable to such loss. The **Named Insured** shall reimburse the **Underwriters** within ten days of receipt by the **Insured** of a statement setting out the amount thereof.
  - ii) **4.2 Notice of Claim** is amended and replaced with:

As a condition precedent to its rights under this policy, an Insured, OR anyone, including Registered Insurance Brokers of Ontario, if the Insured is unable or unwilling to, must provide written notice of any claim to the **Underwriters** as soon as possible during the policy period or during any applicable reporting period as set out in Conditions 4.13 Extended Reporting Period.
  - iii) **4.15 Assignment** is deleted and replaced with:

This policy and any rights hereunder cannot be assigned without the prior written consent of the **Underwriters**. However the legal representatives of the **Insured** are covered in the event of such **Insured's** death, incapacity, insolvency, or bankruptcy, without notice to the **Underwriters**
  - iv) **4.16 Action Against the Underwriter** is amended to include:

In the event judgement is obtained against the Insured, claimants will have a direct right of action against the Underwriters under the policy, without affecting the Underwriters right to adjudicate the claim in accordance with the policy's terms and conditions or the Underwriters right of action against the Insured.
4. **Notification**

The Underwriters hereby agrees to give the Registered Insurance Brokers of Ontario, Suite 1200, 401 Bay Street, P.O. Box 45, Toronto, Ontario M5H 2Y4, written notice of any cancellation, non-renewal, deletion of an Insured or reduction in the limit of this policy and further agrees that such cancellation, non-renewal, or reduction in the limit of this policy shall not become effective until thirty days after actual receipt of such notice by the Registered Insurance Brokers of Ontario.
5. **Addition to Definition of Insured**

The definition of Insured is hereby amended to include the following:  
The unqualified term "Insured" shall include the Named Insured and any owner, partner, executive officer, director, stockholder, employee or sub-broker of the Named Insured while acting within the scope of that person's duties as such.

**6. Automatic Extension Period**

If the Underwriters or the Named Insured cancels this policy for any reason, this policy shall apply to claims first made against the Insured during the 12 months immediately following cancellation (to be called the extension period) caused by such acts, errors or omissions occurring during any prior policy periods of this policy or any policy which this policy replaced. The coverage provided during this extension period shall apply only to claims for which no other valid and collectible insurance is applicable. This extension period does not extend the policy period or change the scope of coverage provided nor does it reinstate or increase the Limit of Liability as stated in the Schedule.

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.

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