

Liability and Fidelity Coverage under the Insurance Adjusters, Agents and Brokers Regulations

Liability Coverage

- 36. (1)** A license shall not be issued except upon proof satisfactory to the superintendent that the applicant will be covered for the duration of the license by a policy of
- (a)** Liability insurance for an amount of at least \$1 million, or \$1.5 million in the case of a special insurance broker under section 24 of the Act, in respect of an occurrence with regard to negligent acts, errors or omissions with extended coverage for loss resulting from fraudulent acts pertaining to the licensed activity; and
 - (b)** Fidelity insurance against losses arising from dishonesty of employees, a proprietor, partners, directors, officers or shareholders for an amount of at least \$100,000 in respect of an occurrence.
- (2)** The policies of insurance referred to in this section shall be in a form acceptable to the superintendent and shall be issued by an underwriting insurer acceptable to the superintendent.
- (3)** A license expires on the date of the effective cancellation or non-renewal of an insurance policy unless before that date the insurance is replaced in compliance with subsection (1).
- 37.** A policy of insurance specified in section 36
- (1) (a)** Shall not contain a deductible clause in an amount greater than 10,000 for each occurrence, unless the licensee files proof of financial responsibility acceptable to the superintendent.