

Life Agents Insurance Package

Reasons for Plan Development

Life Agents need to carry a variety of insurance coverages that carry significant costs. **The minimum premium with most Insurers is \$1,000 annually** for General Liability coverage only. As a result, we looked for a way to provide something more affordable and yet maintain coverage excellence. **Most agents operating their practice from home do not realize that their homeowner's policy does NOT COVER the physical assets of their business or General Liability suits arising from its operation.** Most homeowners policies cover \$2,500, or less, in business related contents and will only cover liability suits from an office in the home that is for 'Incidental Use' only.

Incidental Use means the occasional use of the office such as bringing home paper work at night from time to time.

Result

Erb and Erb Insurance Brokers Ltd has developed a deluxe office package for Life Agents. A summary is attached with an explanation of some of the many coverages, in plain English.

**THERE IS A 25% DISCOUNT FOR SUBSCRIBERS OF THE COMPULIFE SYSTEM
- SEE ATTACHED, SIMPLE TO COMPLETE, APPLICATION. -**



DESCRIPTION OF COVERAGE	CO %	DED \$	LIMIT
SECTION I - PROPERTY COVERAGES - LOCATION 1			
BUILDING (Optional at additional premium)	80	500	TBD
OFFICE CONTENTS including Exterior Signs and Electronic Data Processing Equipment and Media.	80	500	TBD
Office Contents Temporarily Off Premises or in Transit	80	500	TBD
Building Damage by Theft (for tenants)		500	\$5,000
Fire Fighting Expenses		500	\$5,000
Growing Plants, Trees, Shrubs or Flowers in the open		500	\$5,000
Newly Acquired Buildings - 30 days		500	\$50,000
Newly Acquired Office Contents - 30 days		500	\$50,000
Office Contents at Newly Acquired Locations - 30 days		500	\$50,000
Personal Property of Officers or Employees		500	\$5,000
Exterior Building Glass		500	Replacement Cost
Business Income - Actual Loss Sustained			as on form
Business Income - Leasehold Interest			as on form
Business Income - Newly Acquired Location - 30 days			\$100,000
Accounts Receivable			\$5,000
Valuable Papers and Records			\$5,000
Auditors/Professional Fees			\$5,000
Applicable to Buildings and Equipment: Replacement Cost and Inflation Guard (Inflation Rate 3%)			
SECTION II - CRIME COVERAGES - LOCATION 1			
Coverage A Employee Dishonesty			\$30,000
" B Loss Inside Premises			\$2,500
" C Loss Outside Premises			\$2,500
" D Money Orders and Counterfeit Paper Currency			\$2,500
" E Depositors Forgery			\$2,500
SECTION III - COMMERCIAL GENERAL LIABILITY COVERAGES			
Each Occurrence			\$2,000,000
Personal Injury			\$2,000,000
Tenants' Legal Liability any one premises			\$500,000
Tenants' Legal Liability Deductible \$500			
Medical Payments any one person			\$10,000
SECTION IV - NON-OWNED AUTOMOBILE INSURANCE COVERAGE			
Non-Owned Automobile			\$2,000,000
Damage to Hired Automobiles (Deductible \$500)			\$50,000
Forms/Endorsements attached:			
001501	Total Office Plan Insurance Form		
001506	Total Office Policy Electronic Data Processing Systems Breakdown Coverage Endorsement		
001507	Total Office Policy Employers' Bodily Injury Liability Coverage Extension Endorsement		
2000TP	Misinterpretation Of Date Exclusion Endorsement		
001608	Backing-Up Of Sewer Endorsement		
001602	Stated Amount Co-Insurance		
000900	Voluntary Compensation Benefits For Employees Endorsement		
Options:			
Earthquake			
Flood			

Some Coverage Explanation

We are highlighting just a few of the included coverages.

1. **Property Coverages** – The coverage provided is on the broadest format, known in the industry as “All Risk” coverage. The package covers all property purchased in the name of your business, usual to the operation of a life agent. Exterior signs, computer equipment, office desks, chairs, filing cabinets are some examples. The backing up of sewers is a coverage that is included, and not provided under your packages.

The chart of options allows for choices of Property Limits of \$20,000, \$40,000 or \$60,000. Since premiums are so low, choose the higher limit that is closest to the values you have. (If you have more than \$60,000 value, a special rate needs to be determined ... please contact us). We can also insure buildings if you own them and add options such as earthquake and flood to most policies.

2. **Business Income (Actual Loss Sustained)** – This coverage is very important for Life Agents, as it provides for any new or extra expenses that are necessarily incurred by the Agent to continue or resume his practice, as near to normal as possible, after an insured catastrophe. The coverage is on an actual loss sustained basis ... or ‘unlimited’. There is no limit to the amount of coverage, but whatever is needed if the expenses are necessary to continue. Installation of new phone lines, new printing to show change of address, restoration of data, or the rental of a temporary location are some possible coverage examples.
3. **Business Income (Leasehold Interest)** – What happens if you have to rent some space that is at a higher rent than you were paying after the insured loss? Indemnity shall be based on the difference between the existing monthly rent on the insured premises and the rent required at the replacing location multiplied by the number of months remaining in the lease at the insured premises. (Of course the difference is calculated on the basis that the replacing location is of similar size, condition and location without allowance for improvement).
4. **Crime Coverage** – For larger practices, employee dishonesty with limits of \$30,000 is included. Statistics show that those we hold closest as friends and business associates are, unfortunately, those most likely to steal from us. ‘Kiting’ on the computer, or just the theft of cash by an employee are examples of possible losses.

A limit of \$2,500 is included for loss of money due to theft, fire, and other insured perils such as depositor’s forgery.

5. **Commercial General Liability** – This is the most important part of the package as it prevents against the large loss that may financially destroy your practice.

Coverage is provided for bodily injury and property damage loss for which you become legally obligated to compensate for. Someone slips and falls on your premise, hurts their eye when you inadvertently leave the cupboard door to your credenza open, or sues for the destruction of their building when wiring to your computer shorts and causes a fire or a space heater is improperly used. A neighbour’s insurance company may sue when their house is also damaged by a fire caused by your home business.

Suits for personal injury, such as libel and slander, can also be brought against you and your package would respond here as well. The limit of coverage for each occurrence under the policy is \$2,000,000.

If you are a tenant in a building, the space that you occupy is covered by Tenants Legal Liability up to \$500,000. (The rest of the building that you don't occupy is covered up to \$2,000,000 for insured losses).

6. Non-Owned Automobile Coverage

Examples:

- (i) You employ people in your practice. One of your employees is involved in a car accident, using their owned vehicle, and causing bodily injury. Your practice is named in the resulting liability suit as the third party injuries were caused in the course of doing business for your practice (such as going to the bank, or a clients place to pick up some material)

Your non-owned auto policy would respond to your practice being named in the suit.

- (ii) Damage to Hired Automobiles – If you are away on business and have to rent a vehicle, the non-owned automobile portion of your insurance package has been extended to cover physical loss to the rented vehicle for up to \$50,000 (Canadian) and for up to a 30 day period, as well as providing coverage for liability suits brought against you, up to \$2,000,000.

All of these examples are subject to:

The exact coverages, conditions, limitations and exclusions that appear in the policy wordings you will receive when your policy is issued.