

For Immediate Release

New Insurance Protection Available for Executors

- *ERAssure™ is the first errors and omissions insurance for executors and estate administrators not acting in a professional capacity to be introduced in Canada.*
- *First-in-class product insures for the legal costs of defense and indemnity associated with claims for damages as a result of errors made during the administration of an estate.*
- *ERAssure™ is relevant to every estate in Canada.*

Kitchener, Ontario, June 22, 2011 – Serving as the executor of an estate is a challenging responsibility that many people are asked to fulfil, for which they are personally liable and have no personal insurance protection. Changes in Canadian society are increasingly placing executors at greater risk of litigation and personal liability than ever before. A new insurance product for executors can provide protection and peace of mind as they seek to perform their unfamiliar and complex duties in an ever more unpredictable and litigious environment.

ERAssure™ Executor Errors and Omissions Insurance protects executors and estate trustees from personal liability incurred in the process of estate administration. It is exclusively available with the counsel of a lawyer for the estate.

According to Scot Dalton, C.E.O. of Estate Risk Protection Plan Inc., “Our ERAssure™ products respond to the convergence of a growing number of economic and social factors that create a perfect storm of risk for estate executors.”

“The ‘modern family’ is now often characterized by second marriages and blended families, which can mean more emotionally distant or even antagonistic relationships amongst beneficiaries and with the executor,” Dalton says. “Beneficiaries today also have ready access through the internet to information about investment practices, real estate trends, and beneficiary rights. This knowledge brings with it a host of expectations from the beneficiaries that today’s executor must manage. Financial volatility has also contributed to an executor’s legal risk. Added to that, society in general is more litigious today than in past. Individuals no longer look at a lawsuit as a dispute resolution of last resort.”

Conflicts with beneficiaries generally involve errors – or the perception of errors – in any or all of the following areas in the administration of an estate:

- **Favouritism:** Preferential or prejudicial treatment of certain beneficiaries resulting in a loss of entitlement by another beneficiary.
- **Loss of money or value:** Timing issues related to the sale of real property or various types of financial instruments that results in diminished value of the asset.

- **Conflict of interest:** Allegation of conflict of interest on the part of the executor whether or not the executor is also a beneficiary.
- **Error in value:** Failure to value or improper valuation of assets.

Premium costs depend on the estimated value and complexity of the estate and amount of coverage but are inexpensive for the 3-year coverage period.

Individuals can provide protection for their executors by specifying executor insurance in their will. Newly appointed executors can obtain insurance provided the estate is represented by legal counsel, and for a limited time only, executors of estates that have been open and active for longer than the standard sixty-day eligibility period following creation of the estate are also eligible for coverage. ERAssure™ is available nationally, excluding Quebec, with plans to expand in the future.

“No matter how soundly reasoned, well-crafted, and well-intentioned the Will is, it is ultimately interpreted by the beneficiaries and family, often incorrectly, as the last expression of how the decedent felt about them.” Dalton says. “Even with the best written Will, the emotions and reactions of beneficiaries are impossible to predict, challenging to manage, and expensive to resolve. An ERAssure™ policy directly protects the executor, but the estate is also beneficially protected since, in the absence of insurance, the assets of the estate may need to be liquidated in whole or in part to fund litigation arising out of estate administration.”

For more information about errors and omissions protection for executors, contact your lawyer, visit www.erassure.com, or call 1-855-636-3777.

About ERAssure™

ERAssure™ is a trademark of Estate Risk Protection Plan Inc. which is currently the exclusive provider of errors and omissions insurance for non-professional estate trustees in Canada. Estate Risk Protection Plan Inc. is an insurance brokerage licensed under the Registered Insurance Brokers of Ontario and staffed by nationally licensed (excluding PQ) professionals who provide risk advice and information to lawyers and their estate and estate trustee clients.

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