

A listing agent of a house successfully completes a sale. Prior to going to the notary, the owner asks the agent to run over to the house to check the oil tank reading so the notary can calculate the adjustments at closing. The agent, delighted to help the owner, runs over to get the reading.

Once at the house, the agent can't see the guage well so he climbs on a table to get a closer look. The table gives way, and the agent comes down on the oil feed line which breaks and **spills 90 litres of oil in the basement.**

The insurer of the home pays the claim however subsequently **sues the the agent as the responsible party.**

The agent says "no problem, I have E&O insurance, which I am mandated to buy it to get my license". Unfortunatley, E&O insurance did not cover this. The coverage he needed was **Commercial General Liability (CGL) coverage.**

The agent's real estate house has a CGL policy however **the agent is not a "named insured"** by definition in the wording as it typically includes only owners and employees. As the owners of an agency do not remit deductions at source on the agents behalf, the agents are actually subcontractors of the real estate brokerage, thus excluded.

Leaving the agent fully responsible for the \$52K claim.



**ALL OF THIS IS AVOIDABLE
CALL US AND FIND OUT HOW.**

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