



NICHE SHEET

COMMERCIAL SURETY

Fiduciary Bond Products

A fiduciary is an individual who occupies a position of trust, particularly one who manages the affairs or funds of another. A fiduciary bond is required of administrators, committees, executors, guardians or trustees, to guarantee their faithful performance of duties in accordance with the relevant laws.

Fiduciary bonds ensure that the fiduciary fulfills his/her obligations as specified in the will or in the court order. This bond guarantees that the fiduciary is honest, financially stable, and capable of completing the duties as outlined.

Fiduciary Bond Examples

Administration Bond - This bond is needed when someone dies leaving no will. The court must appoint an estate trustee who will collect and distribute the assets of the deceased person to the rightful beneficiaries.

Administration bond (with a will) - This bond is required when a person dies leaving a will, but:

- does not name an executor of the will
- the named executor does not agree to the appointment
- the named executor has passed away or is incompetent
- the named executor has been removed by the court.

Guardianship Bond - A guardianship bond is required when a person has been declared incapable of managing his or her own affairs either due to age, illness or accident. There are two main types of guardianship bonds - those that handle the matters of an incompetent, and those handling the matters of a minor.

Person Deemed Incompetent - The courts, or other legal authorities, appoint a guardian who handles and preserves the assets of an incompetent until the incompetent becomes better, or passes away.

Trustee in Bankruptcy - When dealing with any form of bankruptcy, whether it is corporate or personal, a bond is required to protect the creditors from dishonest or improper acts of the trustee who has control of the assets in a bankruptcy situation.

Person is a Minor - The court appoints a guardian who handles and preserves the assets of a minor until the minor reaches the age of majority.

Foreign Executor Bond - A foreign executor bond is required when a fiduciary resides outside of the jurisdiction of the court overseeing the estate.

Appetite

At Trisura we underwrite all risks on an account by account basis by taking into consideration the unique risk characteristics of each client.

We specialize in servicing the bond requirements for large corporations, as well as, small to mid-size companies.

Trisura also offers the efficiencies required for large and small programs through innovative technology and the expertise in underwriting you clients' specific needs.

Submission Requirements

1. Fiduciary Bond Application and Indemnity Agreement
2. True Copy of the assets and liabilities of deceased estate
3. For and Administration with Will Annexed Bond, provide copy of the deceased last will and testament.
4. For foreign Executor Bonds the estate must be handled by an estate solicitor licensed in Canada
5. For Committee or Guardianship Bonds Copy of Draft Court Order
6. All other pertinent court documentation and courts orders

Cancellation & Discharge Procedures

In order to discharge and/or cancel any Fiduciary Bond, Trisura will require either of the following items:

- Return of the original sealed bond
- Official and unconditional release discharge from the Court.

About Trisura

Trisura is a member of the Surety Association of Canada and is licensed across Canada to provide the commercial surety bonds required by your clients.