



Legal Expense Insurance

**A Legal Risk Mitigation Solution for Professional
or Industry Association Members**



Disclaimer

ARAG



- The content within this presentation is descriptive and for general training purposes
- For full details of coverage, including conditions, exclusions, limitations and deductibles that may apply, please read the policy wording



- GoToWebinar actively monitors your attentiveness
 - Keep this presentation as your main and active screen
 - Answer all poll questions
 - Try not to multitask
- An attentiveness score above 30 is required for CE purposes

Agenda



1. ARAG overview
2. What is Legal Expense Insurance (LEI)?
3. Association member benefits of having Legal Expense Insurance
4. Summary of insured events and customer stories
5. Legal assistance and support services review
6. Limits of indemnity review
7. Claims process review
8. Wrap up and answering your questions

ARAG is the LEI Global Market Leader and Largest Family Owned insurer in Germany

ARAG

Total Legal Expense Insurance experience:

87 years

Operations within:

19 countries and ~4,700 employees

2021 year end ARAG Group GWP:

€2.0 billion / CAD\$2.9 billion

In Canada we are the market leader with more than:

3 million legal assistance services and/or legal expense insurance customers.

Our insurer partner is HDI Global Specialty SE.

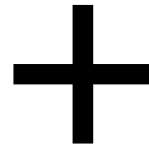
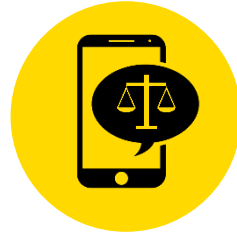


What Is Legal Expense Insurance?

Two Key Elements That Help Mitigate Legal Risks



Legal Assistance



Legal Insurance

Unlimited access to a Legal Helpline, staffed by lawyers.

Document Review and Simple Legal Letter Drafting.

Unlimited access to HR Assistance.

Unlimited Emotional Support Assistance for the named insured and their employees!

Covers a pre-selected and qualified lawyer's hourly rate, plus disbursements and adverse costs.

Customer Benefits

When an Association Member Faces an Unforeseen Legal Event



**Exercise
Their Rights**



**Protect
Their Budget**



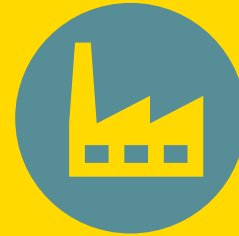
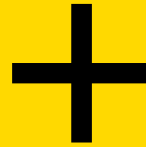
**Save
Time and Effort**

Customer Benefits

Legal Expense Insurance's Flexibility and Scope



**Personal
Legal Risks**



**Business
Legal Risks**

Legal Risk Mitigation

For a Wide Range of Associations

Medical Professionals

Retailers

Accountants

Landscapers

Dental Professionals

Restaurateurs

Real Estate Agents

Consultants

Paramedical Practitioners

Auto Dealers

Marinas

And Many More!

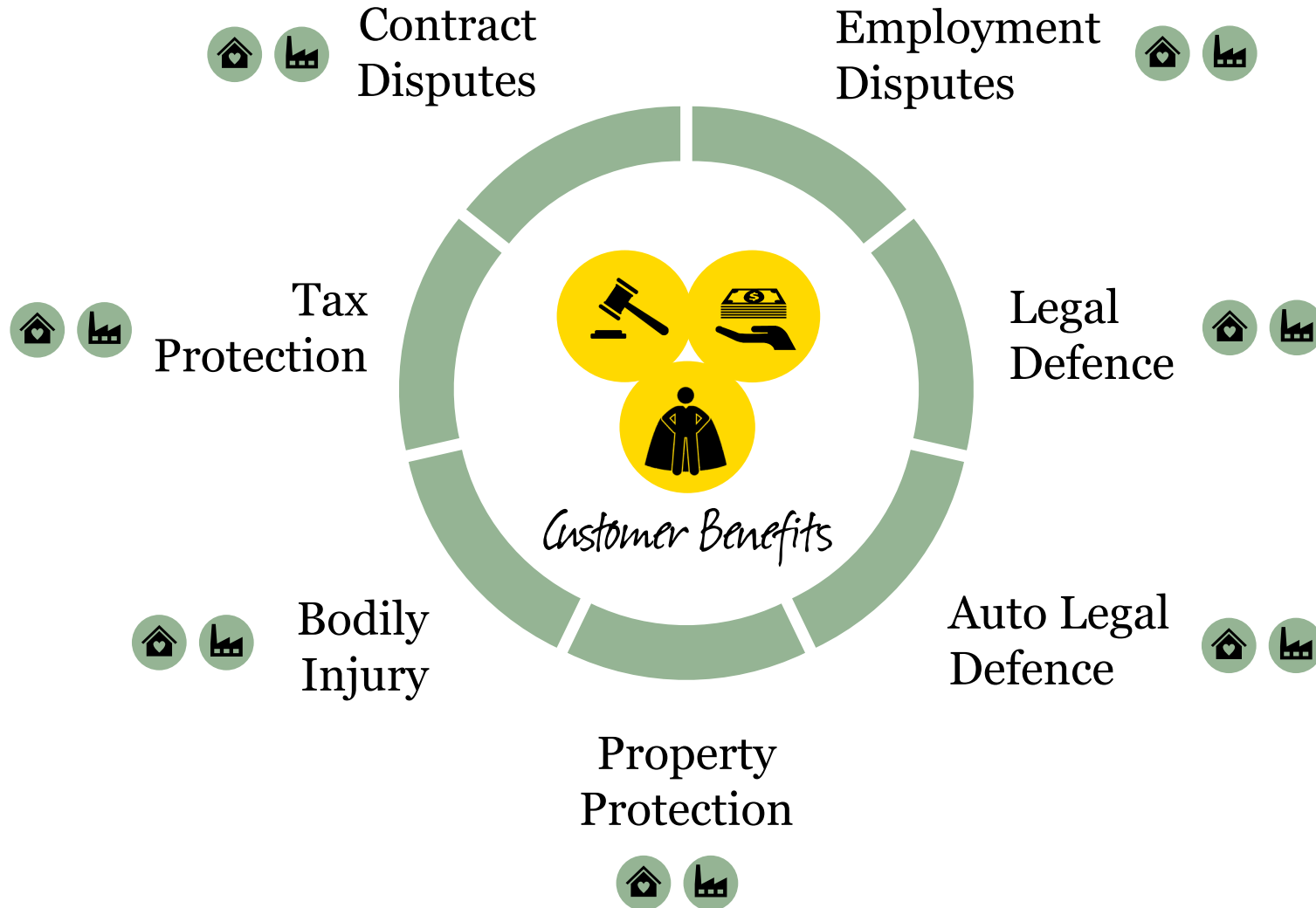
Day Cares

Transit Unions

Financial Advisors

Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members



Business Only

- Employees' Extra Protection
- Statutory Licence Appeals
- Debt Recovery

Personal Only

- Tenancy Disputes
- Driver's Licence Protection
- Total Loss Valuation Disputes



Insured Events Review and Customer Stories

Definition of Insured

For an Association Member's **Business** Related Legal Risks



* If consent for coverage is provided by the name insured *



Insured Event

Named Insured

Directors, Officers and/or Partners

Managers

Employees

Employment Disputes

✓

Employees' Extra Protection

✓

✓

✓

Legal Defence

✓

✓

✓

✓

Auto Legal Defence

✓

✓

✓

✓

Statutory Licence Protection

✓

Property Protection

✓

Bodily Injury

✓

✓

✓

✓

Tax Protection

✓

Contract Disputes & Debt Recovery


✓

Definition of Insured

For an Association Member's **Personal** Related Legal Risks

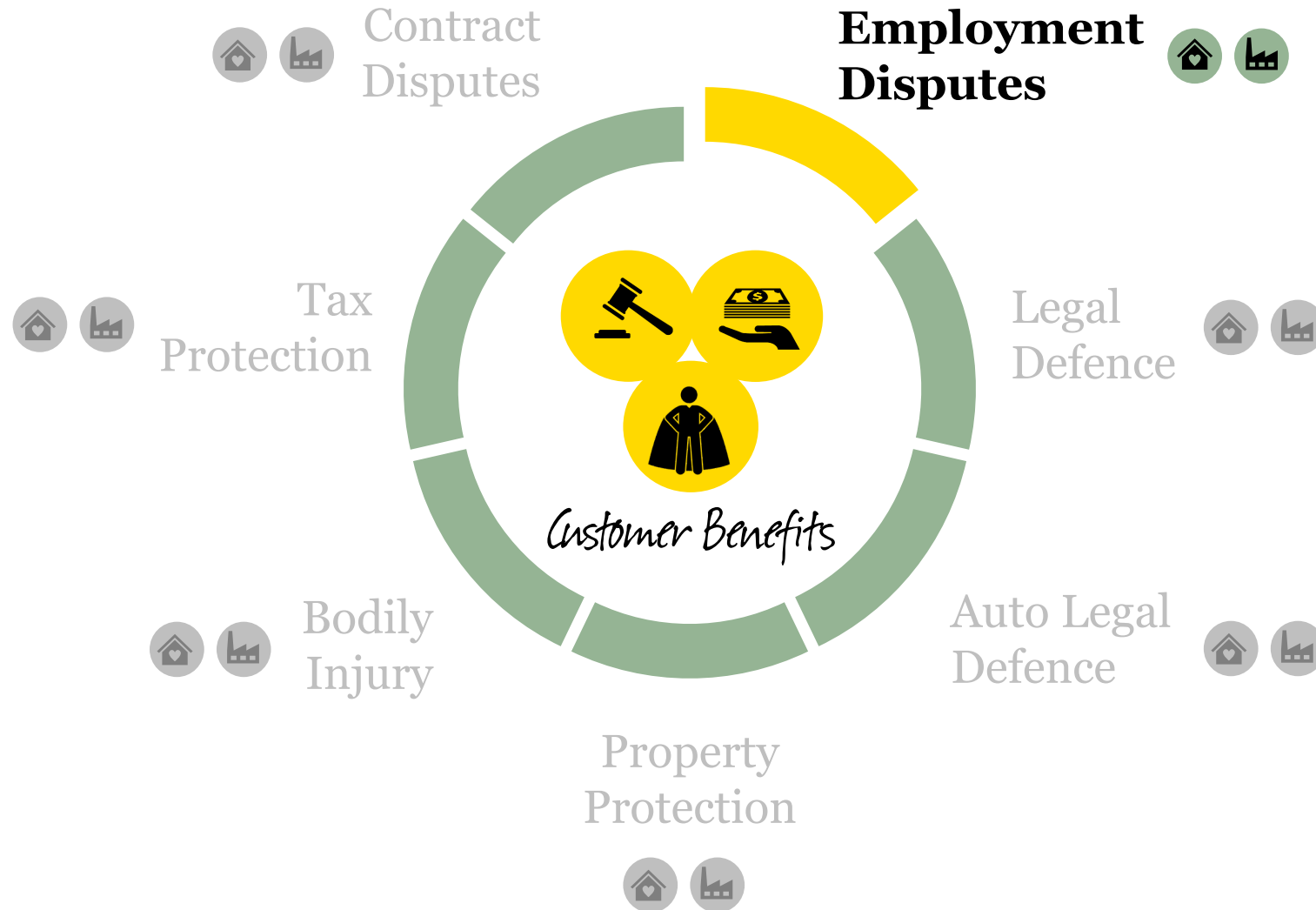


* If consent for coverage is provided by the name insured *

 Insured Event	Named Insured	Spouse or Common Law Partner	Children Including Dependent Students	Relatives Living At The Principal Resident
Employment Disputes	✓	✓	✓	✓
Contract Disputes	✓	✓	✓	✓
Tenancy Disputes	✓			
Total Loss Valuation Disputes	✓	✓	✓	✓
Driver's Licence Protection	✓	✓	✓	✓
Legal Defence Incl. Auto Legal Defence	✓	✓	✓	✓
Bodily Injury	✓	✓	✓	✓
Property Protection	✓	✓	✓	✓
Tax Protection	✓	✓	✓	✓

Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members



Employment Disputes

Coverage | Business and Personal

ARAG



- Employee dismissal
- Employment contracts
- Statutory rights
- Human rights



- Employment contracts
- Statutory rights
- Human rights

Susan's Story

Employment Dispute | Business Coverage

ARAG



- Paid a \$16,000 settlement versus paying \$80,000.
- **Saved \$41,000** in legal fees.

Parth's Story

Employment Disputes | Personal Coverage

ARAG



- Notice pay was doubled.
- Restrictions removed.
- **Saved \$3,500** in legal fees.

Employment Disputes

Exclusions and Conditions | Business and Personal

ARAG



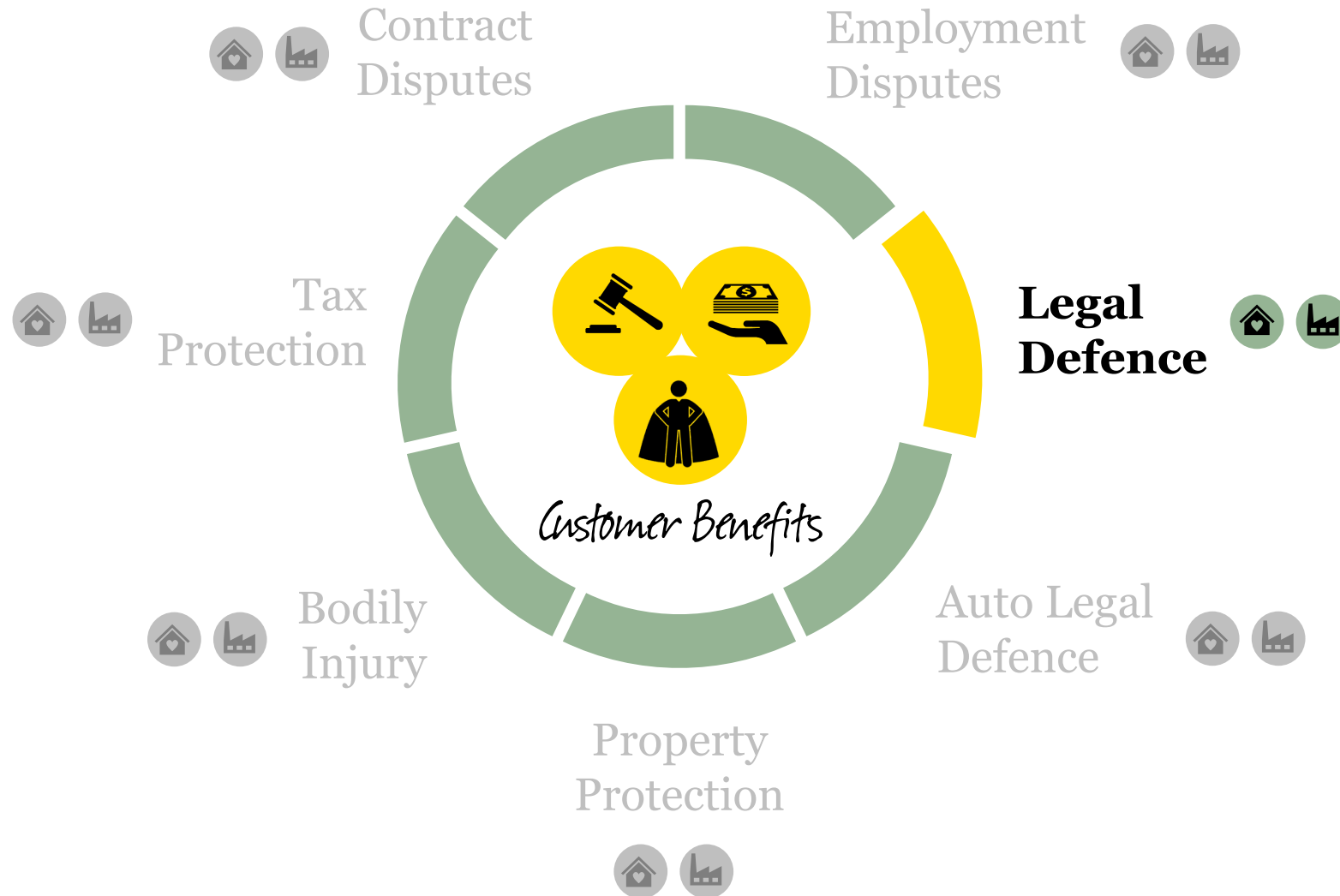
- Waiting periods.
- Collective bargaining agreements.
- Contract for services.



- Waiting periods.
- Union disciplinary hearings.
- Contract for services.

Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members



Legal Defence

Coverage | Business and Personal

ARAG



- Health and safety investigations.
- Police investigations and/or criminal prosecution.
- Breach of privacy or anti-spam laws.



- Police investigations and/or criminal prosecution arising from their work as an employee.

Jack's Story

Legal Defence | Business Coverage

ARAG



- Charges were dropped.
- **Saved \$27,000** in legal fees

Legal Defence

Exclusions and Conditions | Business and Personal

ARAG



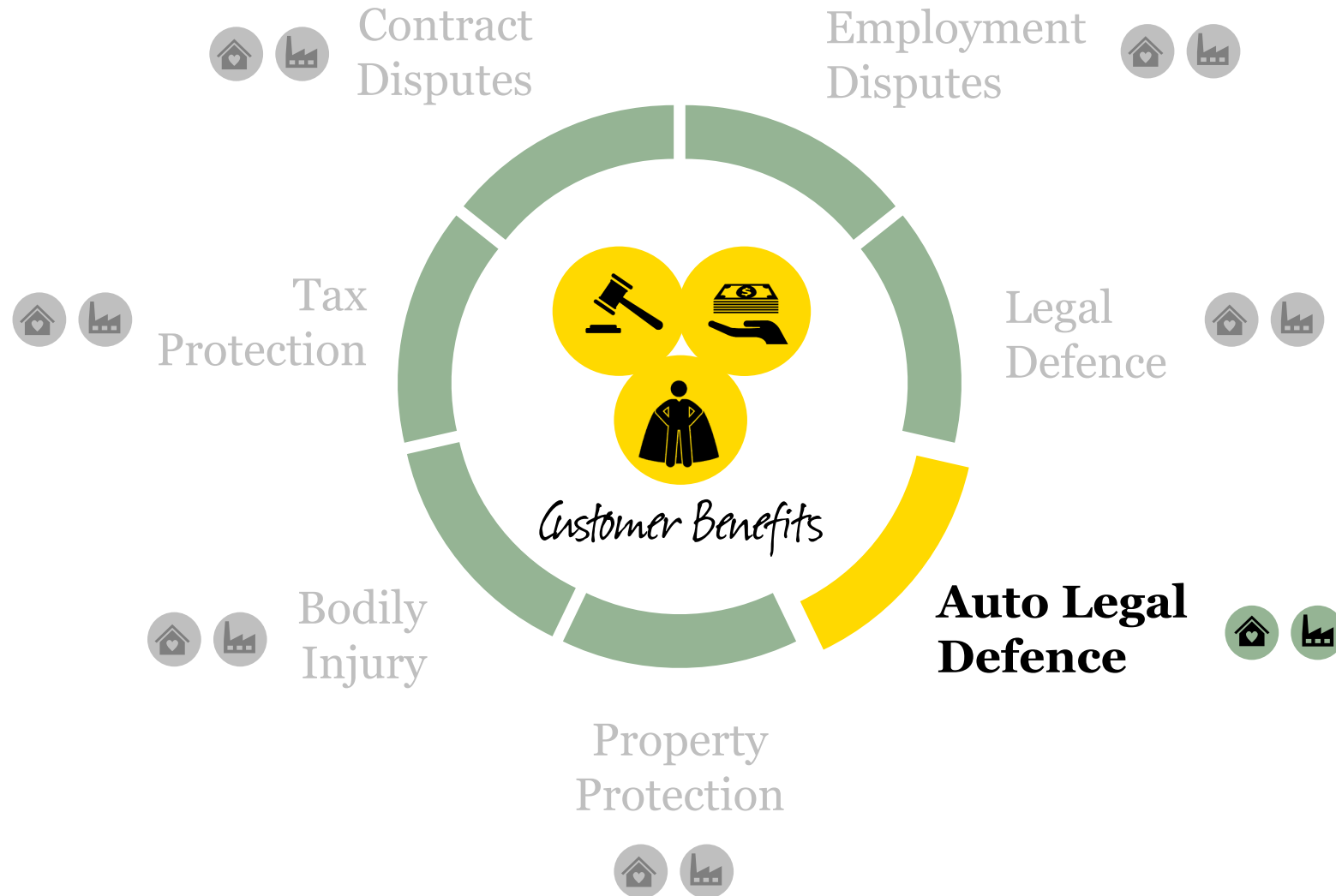
- Breach of highway traffic and motor vehicles laws.
- Hindering or refusing to comply with anti-spam investigations.



- The alleged criminal matter must be in relation to the insured's employment.

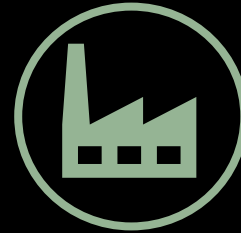
Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members



Auto Legal Defence

Coverage | Business and Personal



- Breach of highway traffic or motor vehicle laws

Fatima's Story

Auto Legal Defence | Business or Personal Coverage

ARAG



- The charge was dropped to a lesser disobeyed sign charge
- **Saved \$450** in legal fees.

Auto Legal Defence

Exclusions and Conditions | Business and Personal

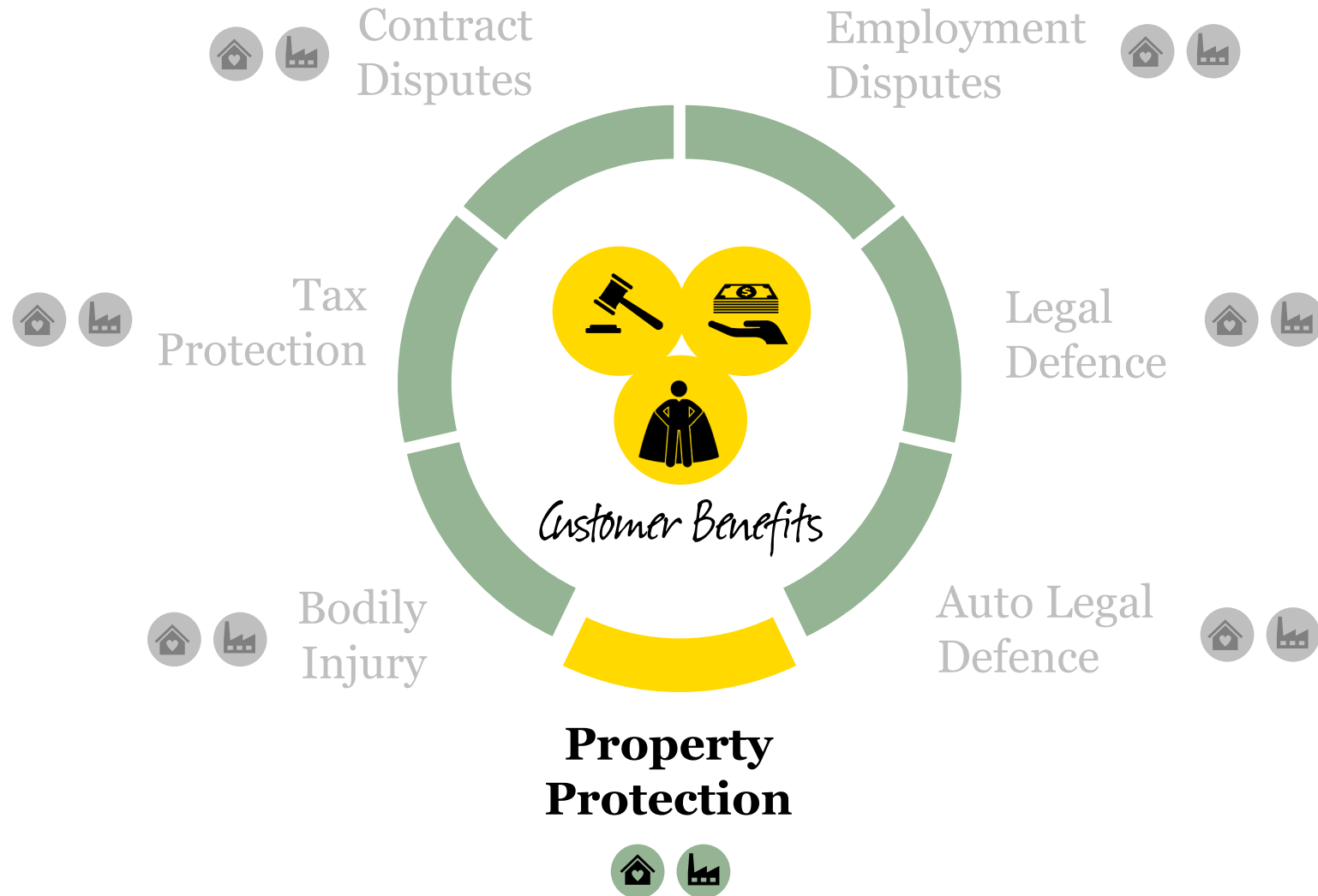
ARAG



- Vehicles with a gross weight of more than 4,500 kgs.
(Under business coverage)
- Alcohol, cannabis or illegal drug use and failure to be tested for those substances.
- Racing or stunt driving.
- Use of prohibited electronic devices while driving.
- Parking and automated traffic enforcement camera offences.

Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members

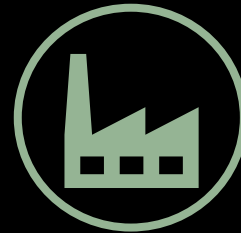


Property Protection

Coverage | Business and Personal

ARAG

NO
TRESPASSING
PRIVATE PROPERTY



- Physical damage over a specified dollar amount.
- Trespassing.
- Legal nuisance.
- Recover or repossess items from an ex-employee.
(Under business coverage)

Dr. David's Story

Property Protection | Personal Coverage

ARAG



- \$2,500 deductible was recovered.
- **Saved \$1,200** in legal fees.

Property Protection

Exclusions and Conditions | Business and Personal

ARAG



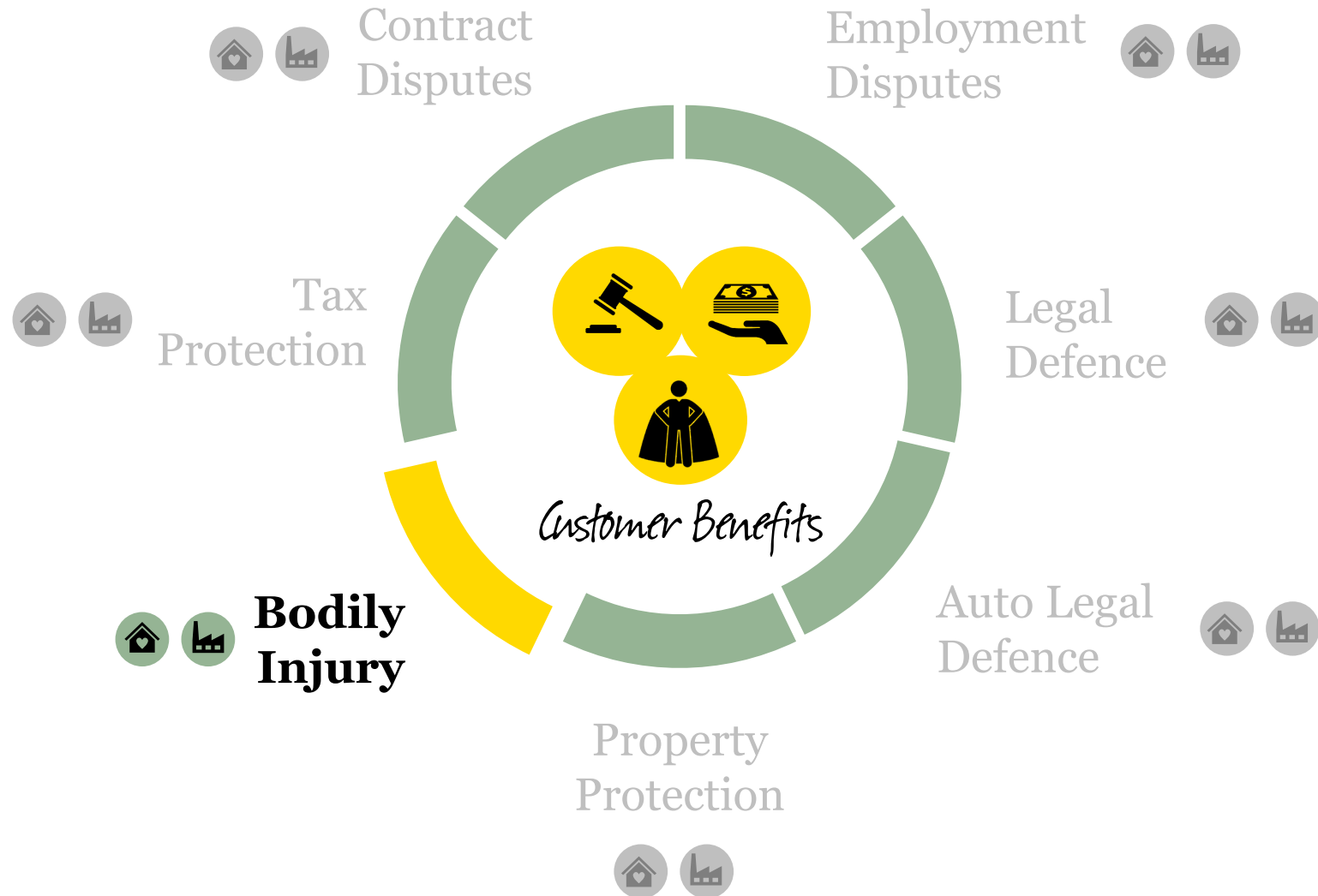
- Contracts entered into by the insured.
- Goods not on the premises.
- A purchase or work done by governmental authorities.
- Motor vehicles.



- Deductible
- Not the principal residence or recreational home.
- Contracts entered into by the insured.
- A purchase or work done by governmental authorities.
- Motor vehicles.

Insured Events Summary

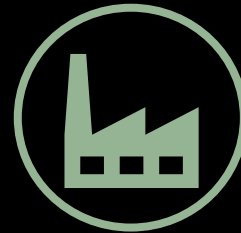
For Common Personal and Business Legal Risks Faced by Association Members



Bodily Injury

Coverage | Business and Personal

ARAG



- An accident that causes illness, bodily injury or death.

Victoria's Story

Bodily Injury | Business Coverage

ARAG

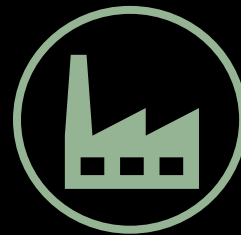


- Recovered significant percentage of lost income.
- **Kept 100%** of the settlement.

Bodily Injury

Exclusions and Conditions | Business and Personal

ARAG



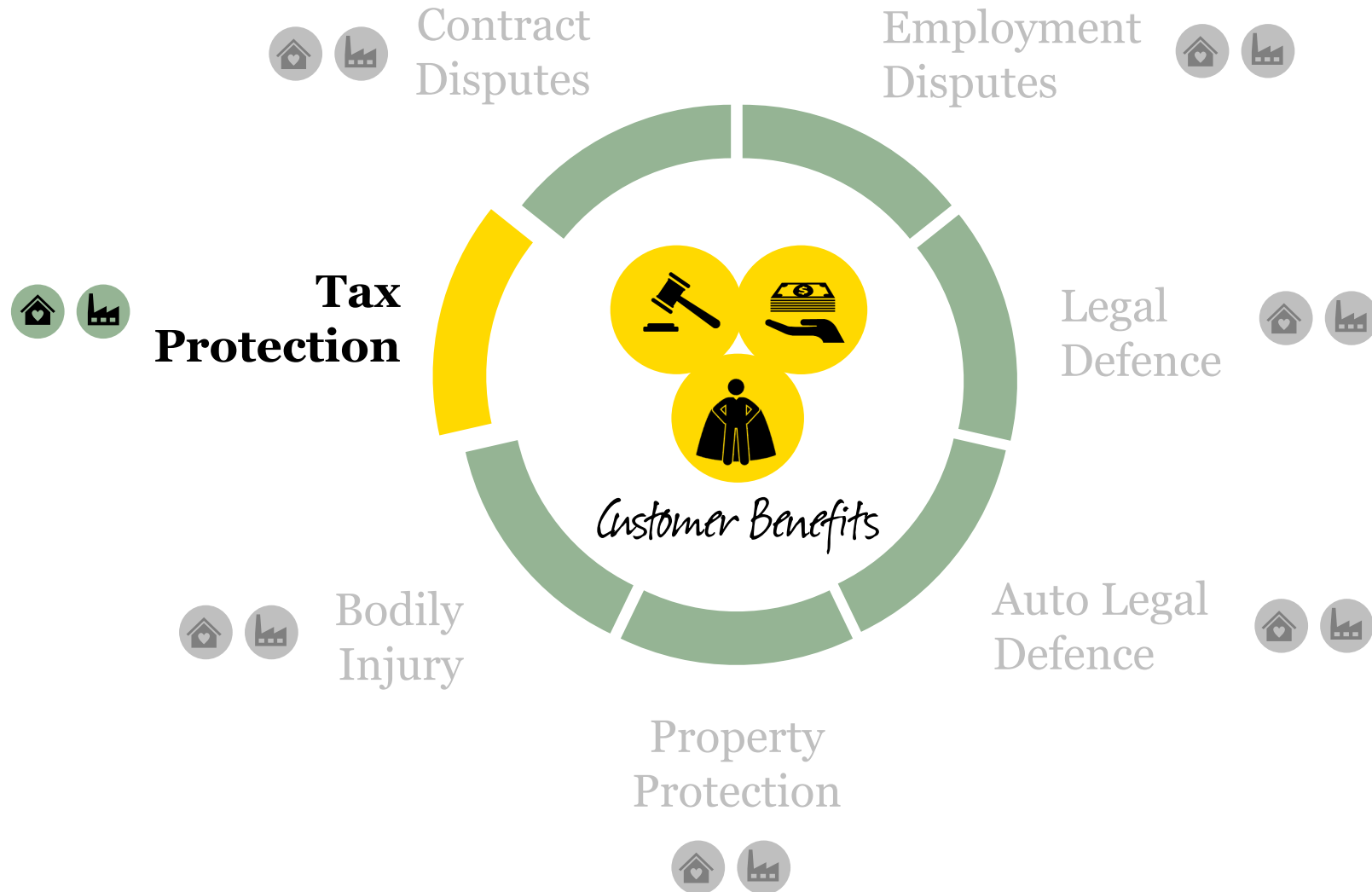
- Disputes with a provincial worker's compensation board.
- Psychological illness, unless it's due to the injury.



- Condition or illness that develops over time.
- Motor vehicle related.

Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members



Tax Protection

Coverage | Business and Personal

ARAG



- Business income tax, payroll deductions, GST, PST, or HST audit or appeal.



- Personal income tax audit or appeal.

Ted's Story

Tax Protection | Business Coverage

ARAG

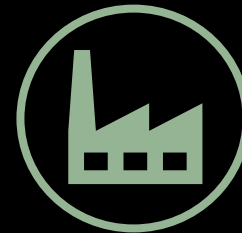


- Reassessment resulted in only paying \$18,000 instead of \$50,000.
- **Saved \$12,000** in legal and accountancy fees.

Tax Protection

Exclusions and Conditions | Business and Personal

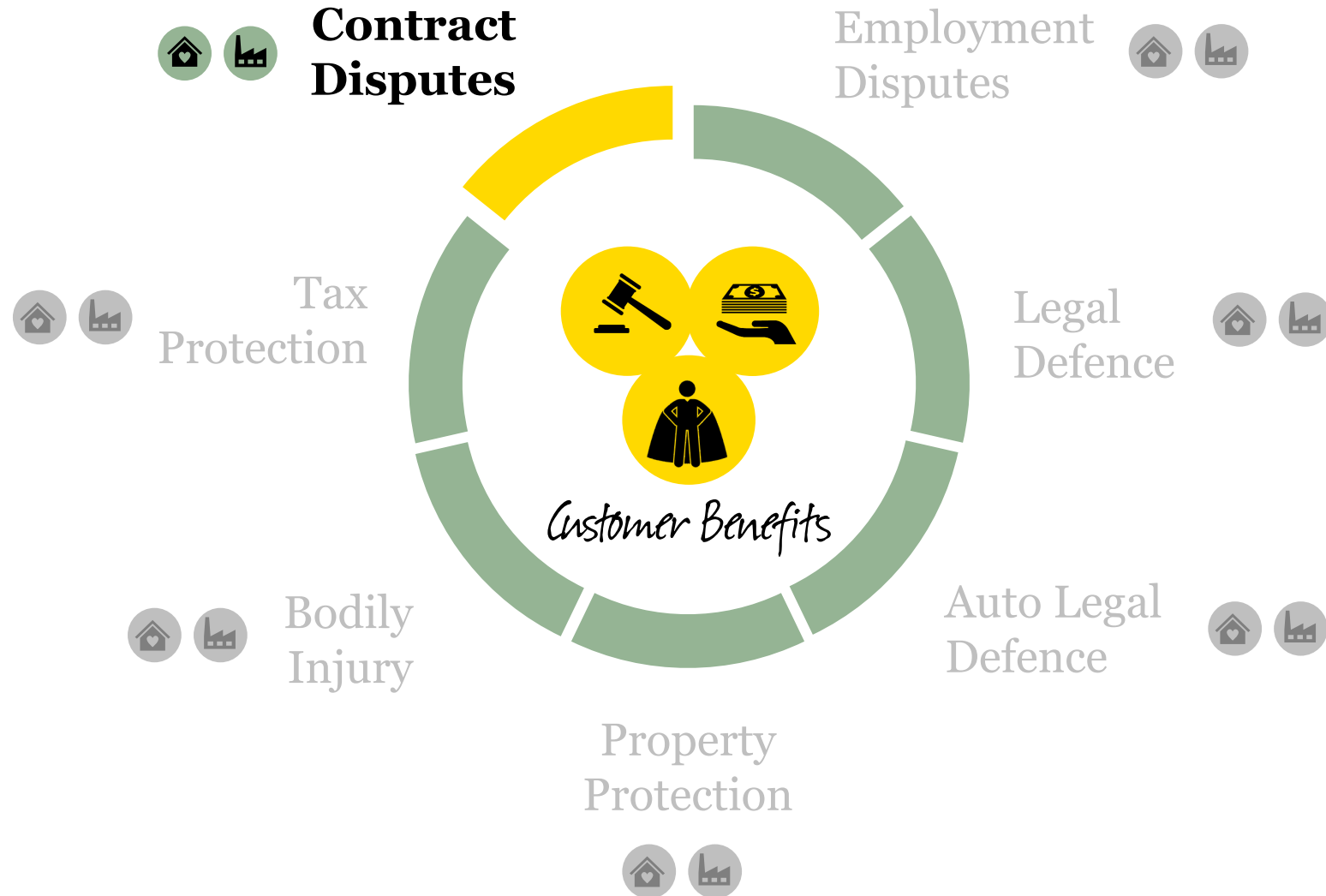
ARAG



- Tax avoidance schemes.
- Gross negligence or criminal offences.
- Failure to register for GST / PST / HST. (Under business coverage)

Insured Events Summary

For Common Personal and Business Legal Risks Faced by Association Members



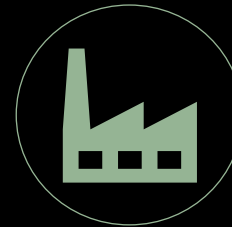
Contract Disputes

Coverage | Business and Personal

ARAG



- Buying or selling goods.
- Obtaining services.
- Purchase, rental, lease, repair or cleaning of a motor vehicle.



- Buying or selling goods.
- Providing or obtaining services.
- Premises rented to conduct the insured's business.

Shalena's Story

Contract Disputes | Business Coverage



- Contractor refunded \$8,000.
- **Saved \$4,000** in legal fees.

Jenn's Story

Contract Disputes | Personal Coverage

ARAG



- 2/3 of vacation expenses were recovered.
- **Saved \$1,500** in legal fees.

Contract Disputes

Exclusions and Conditions | Business and Personal

ARAG



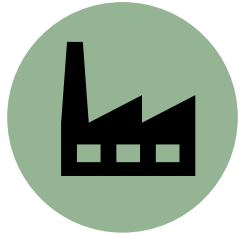
- Waiting period.
- Dispute must exceed a specified dollar amount.
- Breach of professional obligations.
- Terms of a lease or tenancy if the insured is a landlord.
- The sale or purchase of all or part of a business.
- The sale or purchase of real property.



- Waiting period.
- Dispute must exceed a specified dollar amount.
- Contract related to any business venture.
- Purchasing or selling real property.
- Construction or renovations that exceed small claims court statutory limits.

Additional Insured Events Summary

That Are Specific to Business or Personal Legal Risks



Business Only

- Employees' Extra Protection
- Statutory Licence Appeals
- Debt Recovery



Personal Only

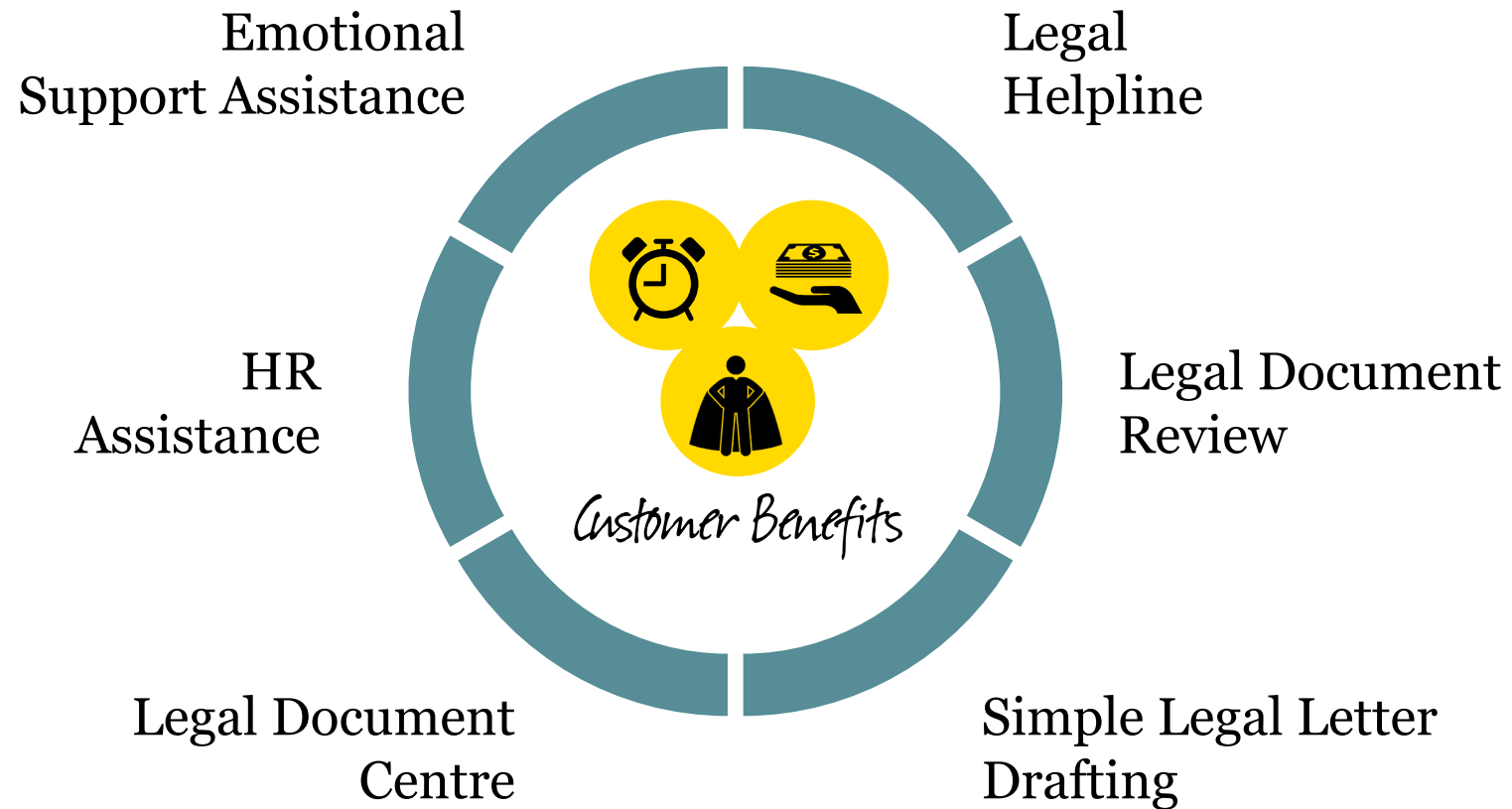
- Tenancy Disputes
- Driver's Licence Protection
- Total Loss Valuation Disputes



Legal Assistance and Support Services

Legal Assistance & Support Services

Help Association Members Save Time, Money and Effort



Legal Helpline

Unlimited Access For General Legal Assistance For Any Legal Question

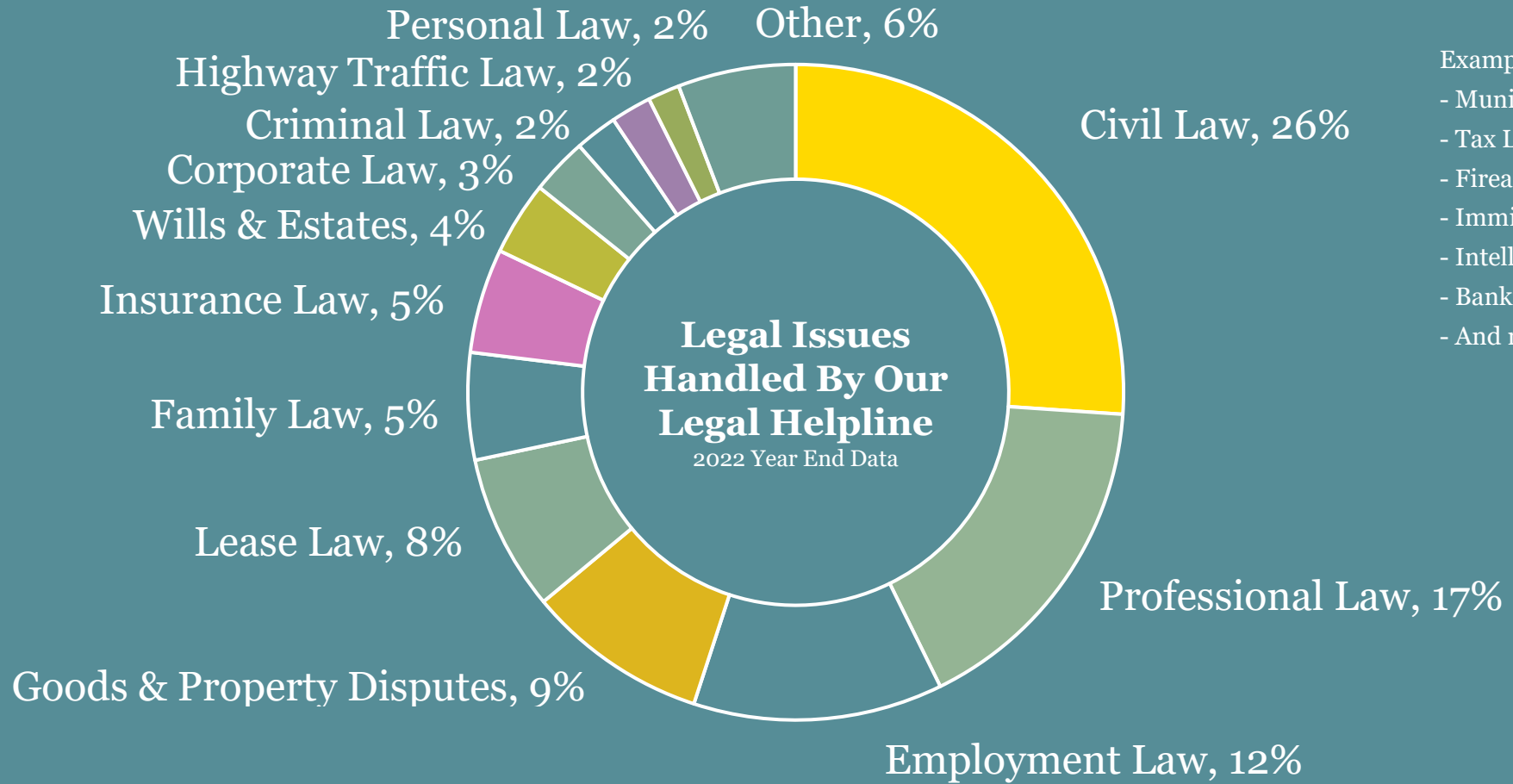
ARAG



- Contract or document review
- Claim determination

Legal Assistance Provided

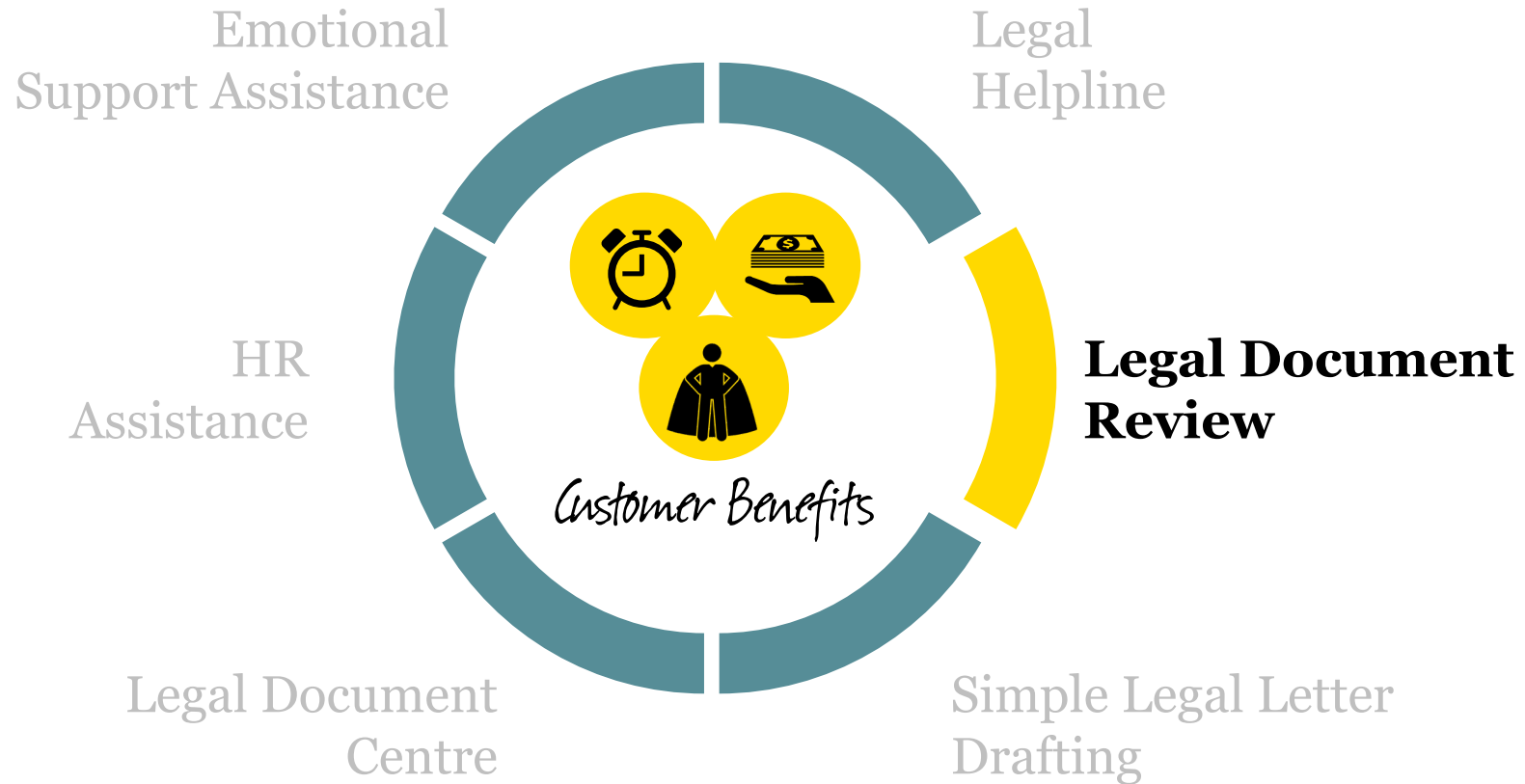
For A Wide Range of Issues Not Covered = **Access To Justice!**



- Examples of "other" include:
- Municipal Law
 - Tax Law
 - Firearms Law
 - Immigration Law
 - Intellectual Property Law
 - Bankruptcy & Insolvency Law
 - And more!

Legal Assistance & Support Services

Help Association Members Save Time, Money and Effort



Legal Document Review

An Additional Legal Risk Mitigation Service

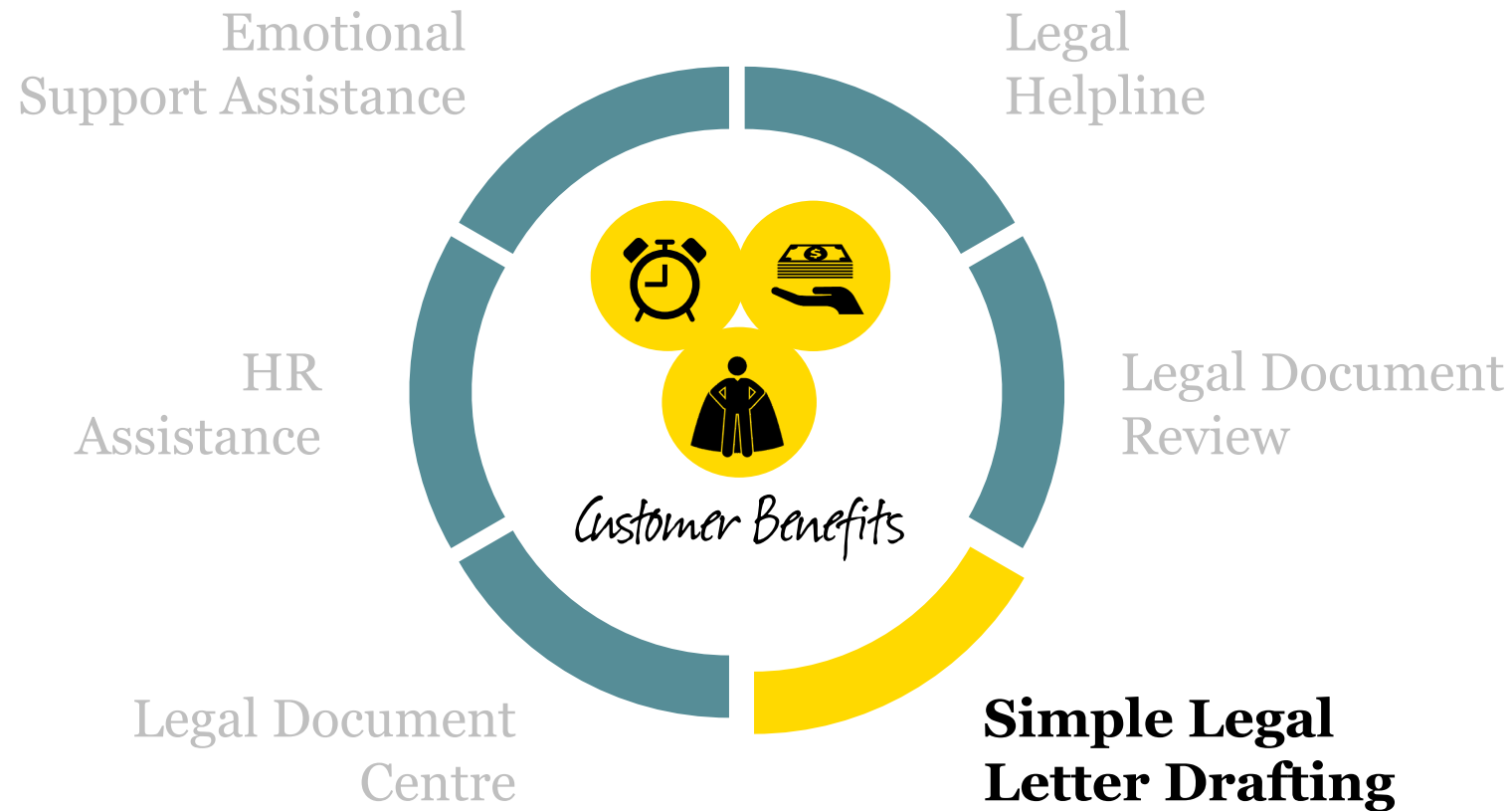
ARAG



- Access limited to 12 times per year.
- Must be the entire legal document not sections.
- Documents cannot be drafted by the insured.

Legal Assistance & Support Services

Help Association Members Save Time, Money and Effort



Simple Legal Letter Drafting

Yet Another Legal Risk Mitigation Service

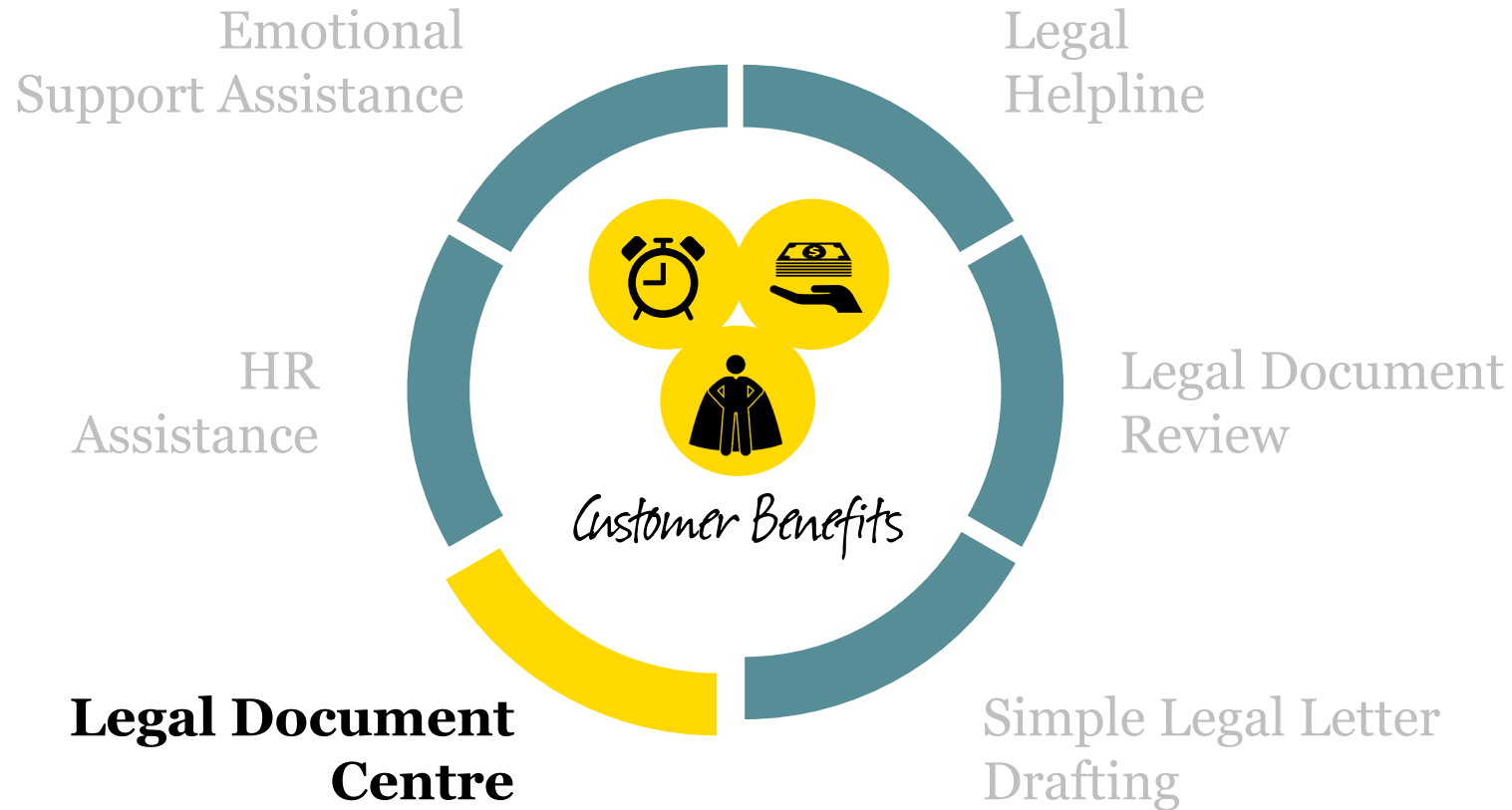
ARAG



- Wills
- Contracts
- Termination Letters
- Lease Agreements

Legal Assistance & Support Services

Help Association Members Save Time, Money and Effort



Legal Document Centre

Unlimited Access to an Online Library

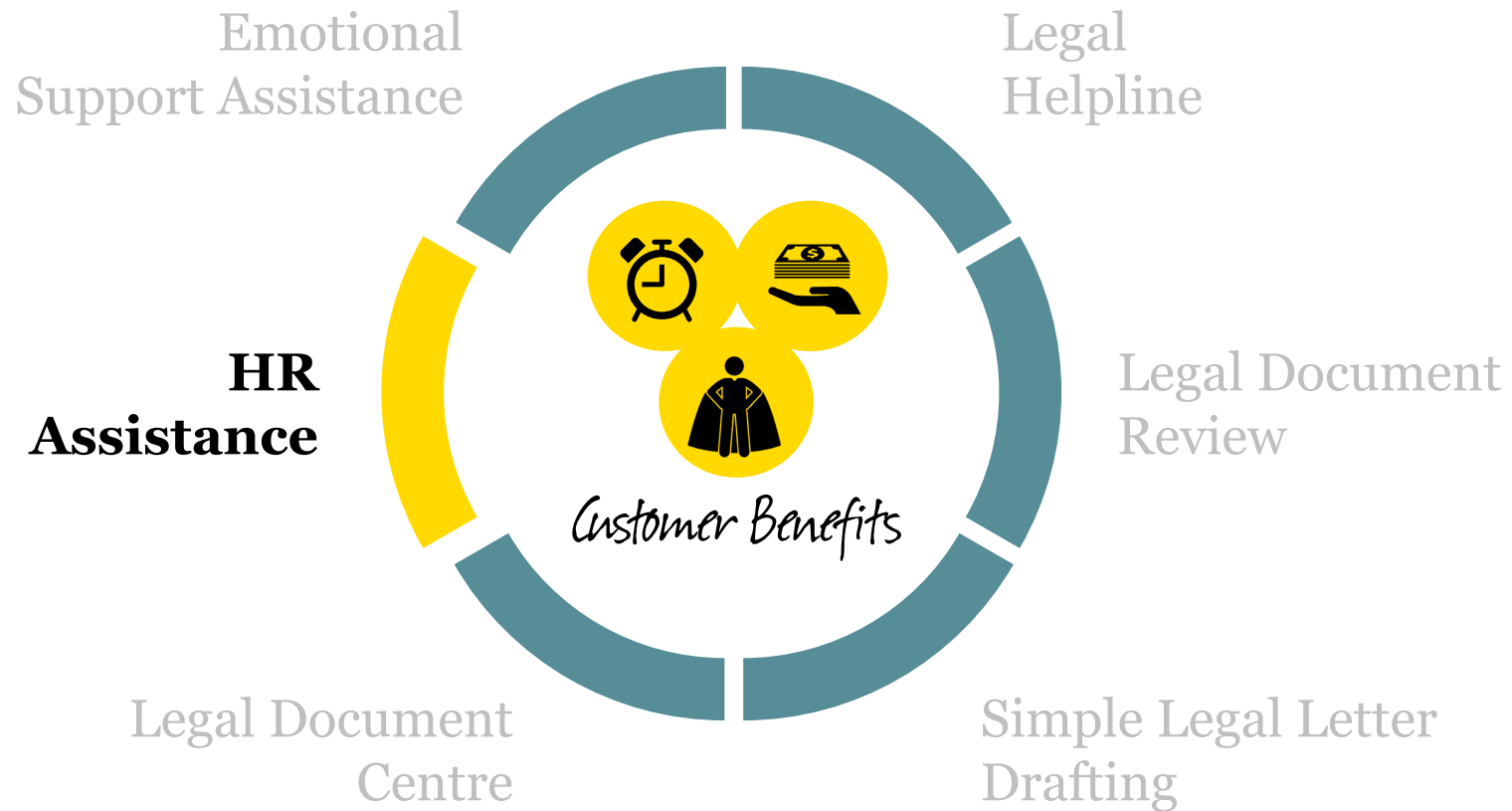
ARAG



- Easy step-by-step legal document creation.
- Documents are based on Canadian laws and legal best practices.
- Documents can be downloaded and saved securely for future reference or reuse.

Legal Assistance & Support Services

Help Association Members Save Time, Money and Effort



HR Assistance

Unlimited Access to HR Professionals for Support and Guidance

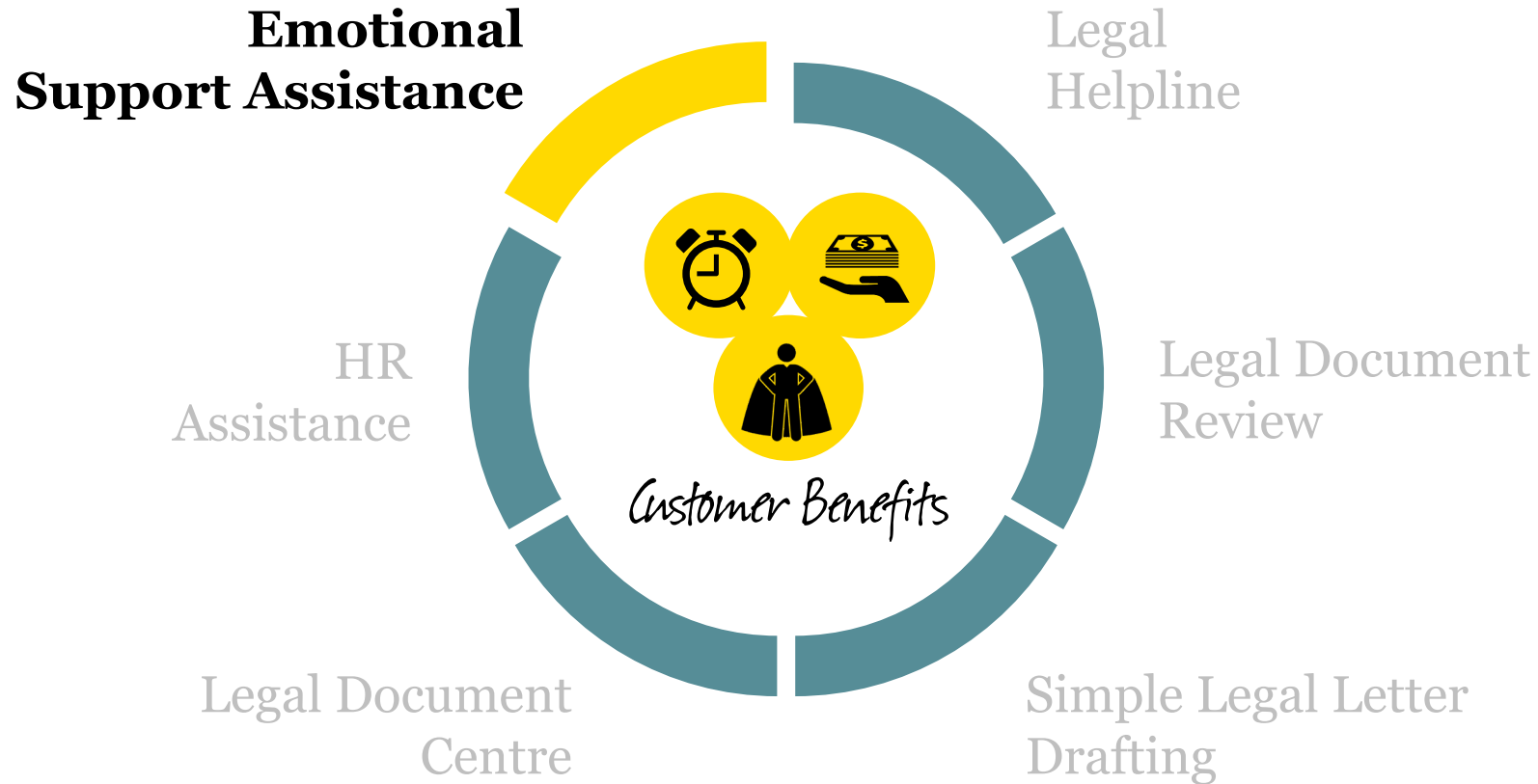
ARAG



- Provides assistance and best practices on a wide range of HR related topics
- Service is available 9:00 a.m. to 6:00 p.m. EST
- Service is arranged by calling the Legal Helpline

Legal Assistance & Support Services

Help Association Members Save Time, Money and Effort



Emotional Support Assistance

Unlimited Access for the Named Insured and All of Their Staff



• This is not a crisis helpline



Limits of Indemnity and Claims Process Review

Limits of Indemnity

Typical Limits Available to Professional or Industry Associations



Business Coverage

- ~\$100,000 to \$200,000 per claim.
- ~\$500,000 to \$1,000,000 in aggregate per policy period.
- Minimum amounts in dispute are:
 - ~\$1,000 in physical damages for Property Protection claims.
 - ~\$2,500 for Contract Disputes and Debt Recovery claims.



Personal Coverage

- ~\$50,000 per claim.
- ~\$250,000 in aggregate per policy period.
- ~\$1,000 minimum amount in dispute for:
 - Physical damages under Property Protection.
 - Contract Disputes.
- ~\$500 deductible for legal nuisance or trespass claims if an appointed representative is required.

**ONLY LEGAL EXPENSES ARE COVERED, NOT DAMAGES, FINES
OR NEGOTIATED SETTLEMENTS**

120 Days Notification Period

Major Claims Criteria

ARAG

Tue	Wed	Thu	Fri	Sat	Sun
		1 Meeting, AD Monthly report	2 Call Jonh Meet stylist Dinner	3 Meeting at NBC	4 Cinema
6 Business trip	7 Business trip	8 Business trip	9 Meeting, AD Photoshoot Report	10	11 Shopping BD Party
13 Meeting, AD Photoshoot Get report	14 Prepare plan Pay for insurance Lunch with John	15	16	17	18
20	21	22	23	24	
26	27	28	29	30	



- Notification must occur within 120 days of the date of occurrence, OR;
- 120 days of the date the insured knew or reasonably should have known of the claim

Reasonable Prospects

Major Claims Criteria

ARAG



- Applies to civil cases only
- More likely than not will recover losses or damages

Claims Handling Journey

A 4-Step Summary of How Association Member Legal Risks Are Well Managed



1




**Member calls
the Legal
Helpline**

2



**Claims
Analyst
assignment
and further
information
gathering**

3



**Member is
notified if
they're
covered
or not**

4



**A Panel
Lawyer
is assigned**



Why Legal Expense Insurance?

Remember The Benefits

When an Association Member Faces an Unforeseen Legal Event



**Exercise
Their Rights**



**Protect
Their Budget**



**Save
Time and Effort**

Legal Risk Are Well Managed!



Thank you and your Questions