



An Introduction To ARAG Business Legal Solutions

Ensure your business customers' legal risks, are well managed!



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. How prevalent are legal disputes?
3. What is Legal Expense Insurance (LEI)?
4. Customer benefits of having Legal Expense Insurance
5. Summary of insured events and customer stories
6. Legal assistance and support services review
7. Limits of indemnity review
8. Claims process review
9. 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:

88 years

Operations within:

19 countries and ~**4,700** employees

2022 Year End ARAG Group GWP:

€2.2 billion / **CAD\$3.2** 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

HDI and Hannover RE are both members of the Talanx Group based in Germany.



How Prevalent Are Legal Disputes?

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7/10 Small business owners said they **dealt with at least one legal dispute** within the last three years.

230% **Increase in legal risk exposure** in only seven years!

Only 38% Legal disputes faced by business owners in the past three years were related to the pandemic.



Reinforces legal disputes and **legal risks are ever present**, with or without a crisis.

What is Legal Expense Insurance?

Two Key Elements That Help Mitigate Legal Risks



Legal Assistance



Unlimited access to a Legal Helpline staffed by qualified lawyers from 8:00 a.m. to midnight local time and 24/7 in an emergency.

Legal Insurance

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

Customer Benefits

When Their Business Faces An Unforeseen Legal Event



**Exercise
Their Rights**



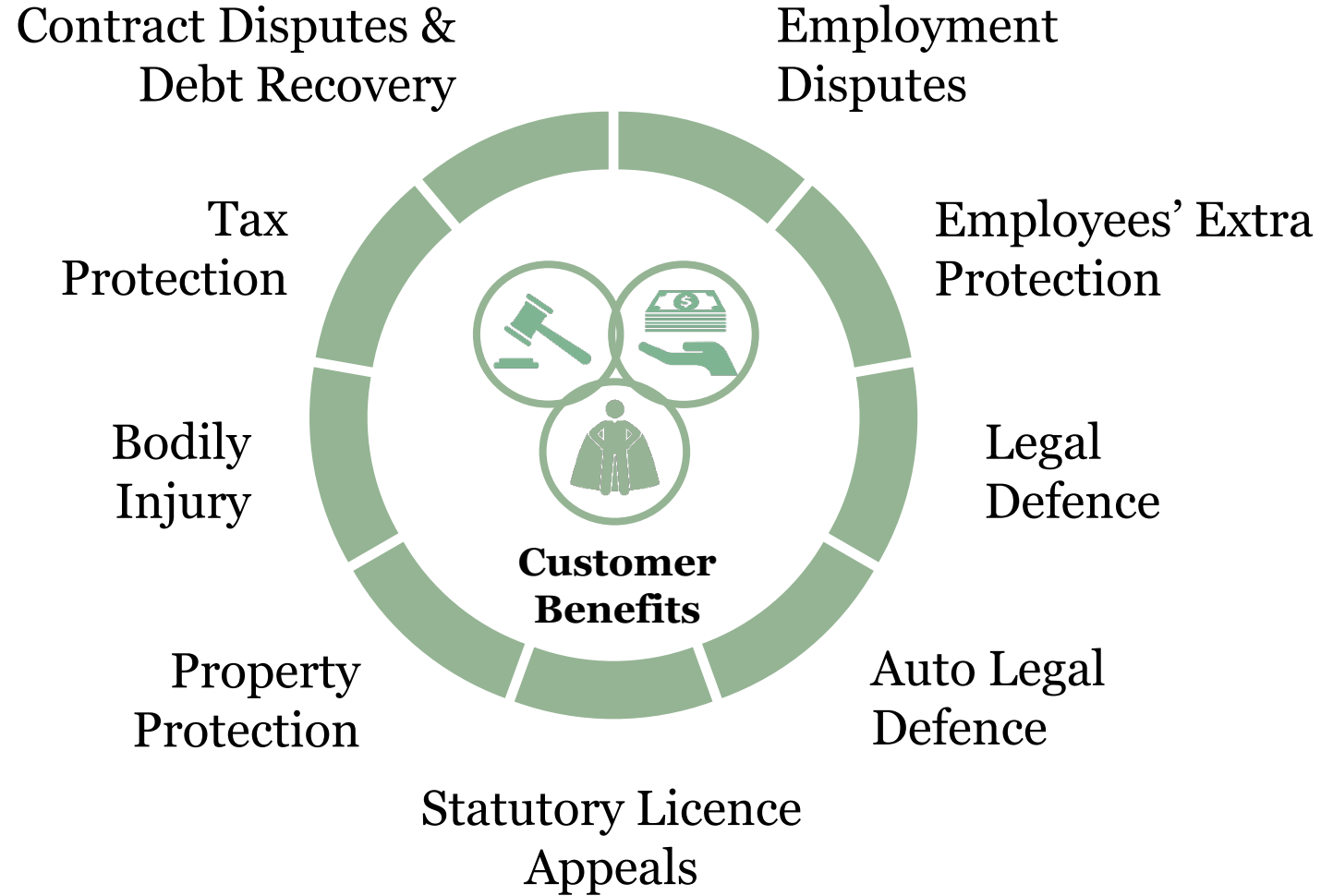
**Protect
Their Budget**



**Save
Time and Effort**

Insured Events Summary

For Common Commercial Legal Events



Contract Disputes &
Debt Recovery

Employment
Disputes

Tax
Protection

Employees' Extra
Protection

Bodily
Injury

Legal
Defence

**Customer
Benefits**

Property
Protection

Auto Legal
Defence

Statutory Licence
Appeals



Insured Events Review and Customer Stories

Definition of Insured



* 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	✓			

Insured Events Summary

For Common Commercial Legal Events



Employment Disputes

Coverage

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

Jeff's Story

Employment Disputes

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- Threat of civil litigation for \$20,000 in damages was dropped
- **Saved \$2,500** in legal fees

Employment Disputes

Exclusions and Conditions

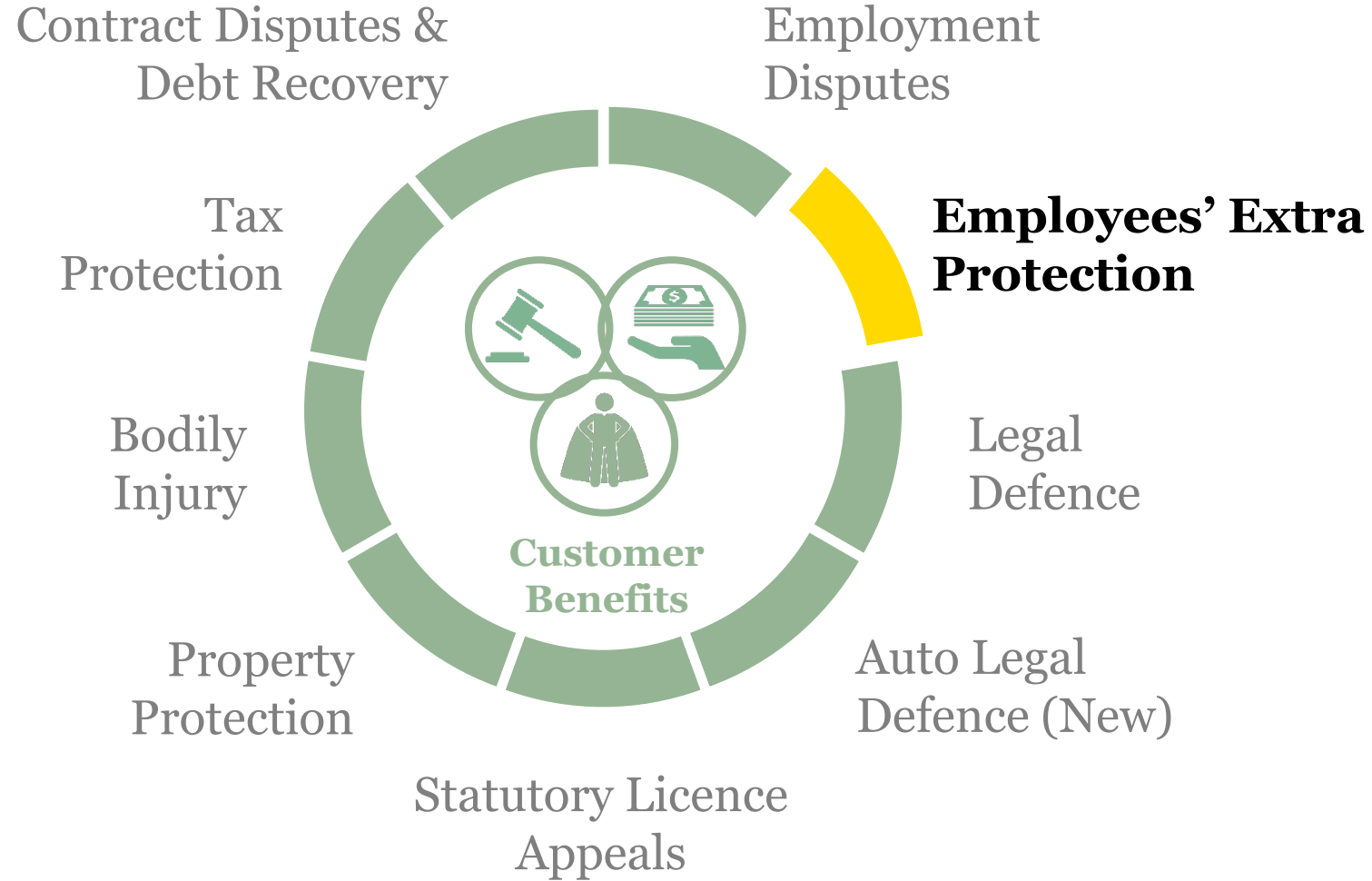
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- Waiting periods
- Collective bargaining agreements
- Contract for services

Insured Events Summary

For Common Commercial Legal Events



Employees' Extra Protection

Coverage

ARAG

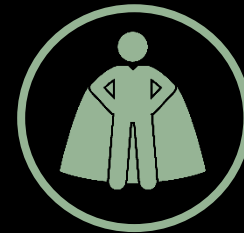


- Proceedings brought against an employee for unlawful discrimination

Andre's Story

Employees' Extra Protection

ARAG



- Human Rights tribunal action was dropped
- **Saved \$4,500** in legal fees

Employees' Extra Protection

Exclusions and Conditions

ARAG



- Any claim relating to defend the named insured as covered under Employment Disputes

Insured Events Summary

For Common Commercial Legal Events



Legal Defence

Coverage

ARAG



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

Dan's Story

Legal Defence

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- 3 charges were dropped
- 1 charge plead guilty to, which carried a small fine
- **Saved \$8,000** in legal fees

Legal Defence

Exclusions and Conditions

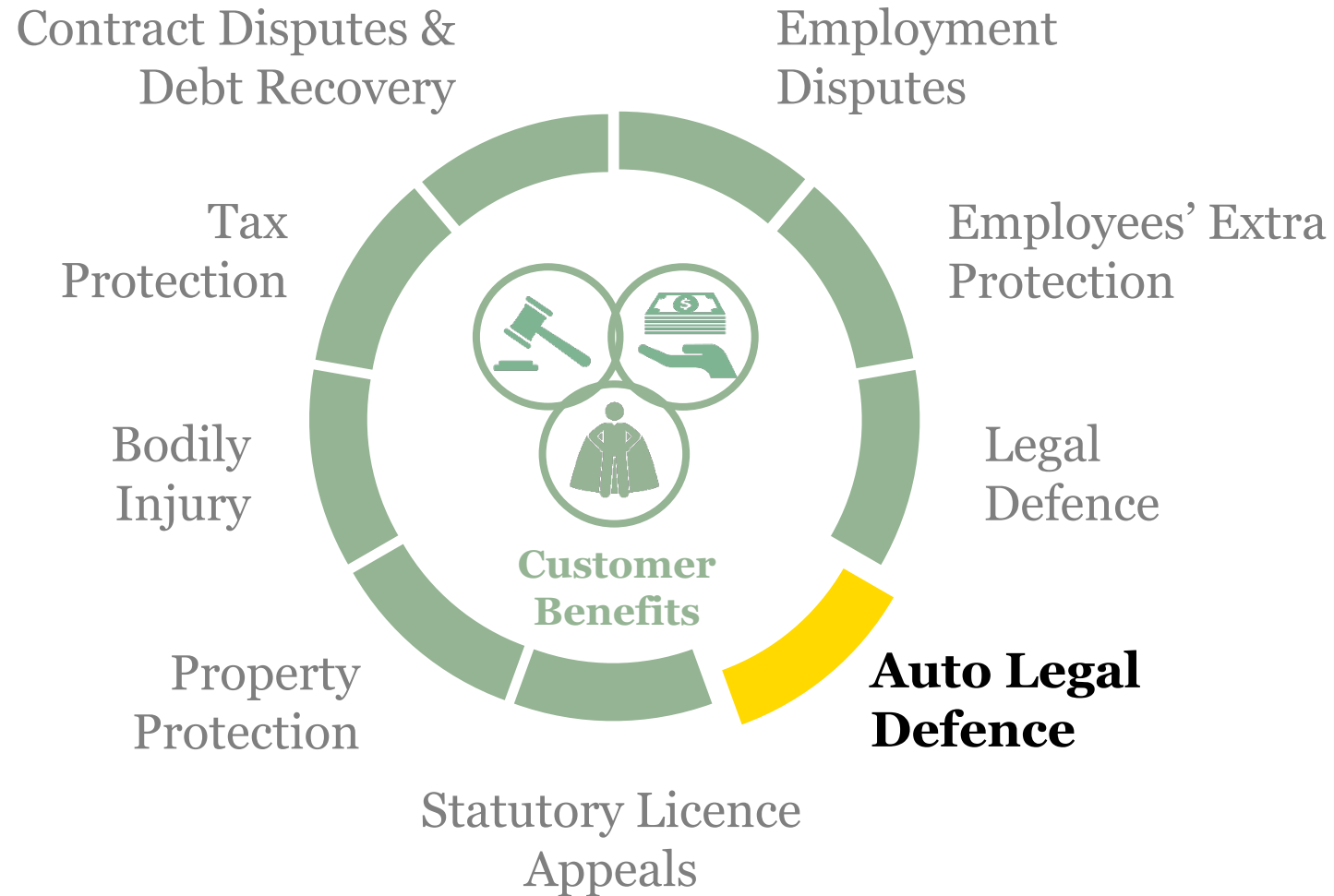
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- Breach of highway traffic and motor vehicles laws
- Hindering or refusing to comply with anti-spam investigations

Insured Events Summary

For Common Commercial Legal Events



Auto Legal Defence

Coverage

ARAG



- Breach of highway traffic or motor vehicle laws

Tina's Story

Auto Legal Defence

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

Auto Legal Defence

Exclusions and Conditions

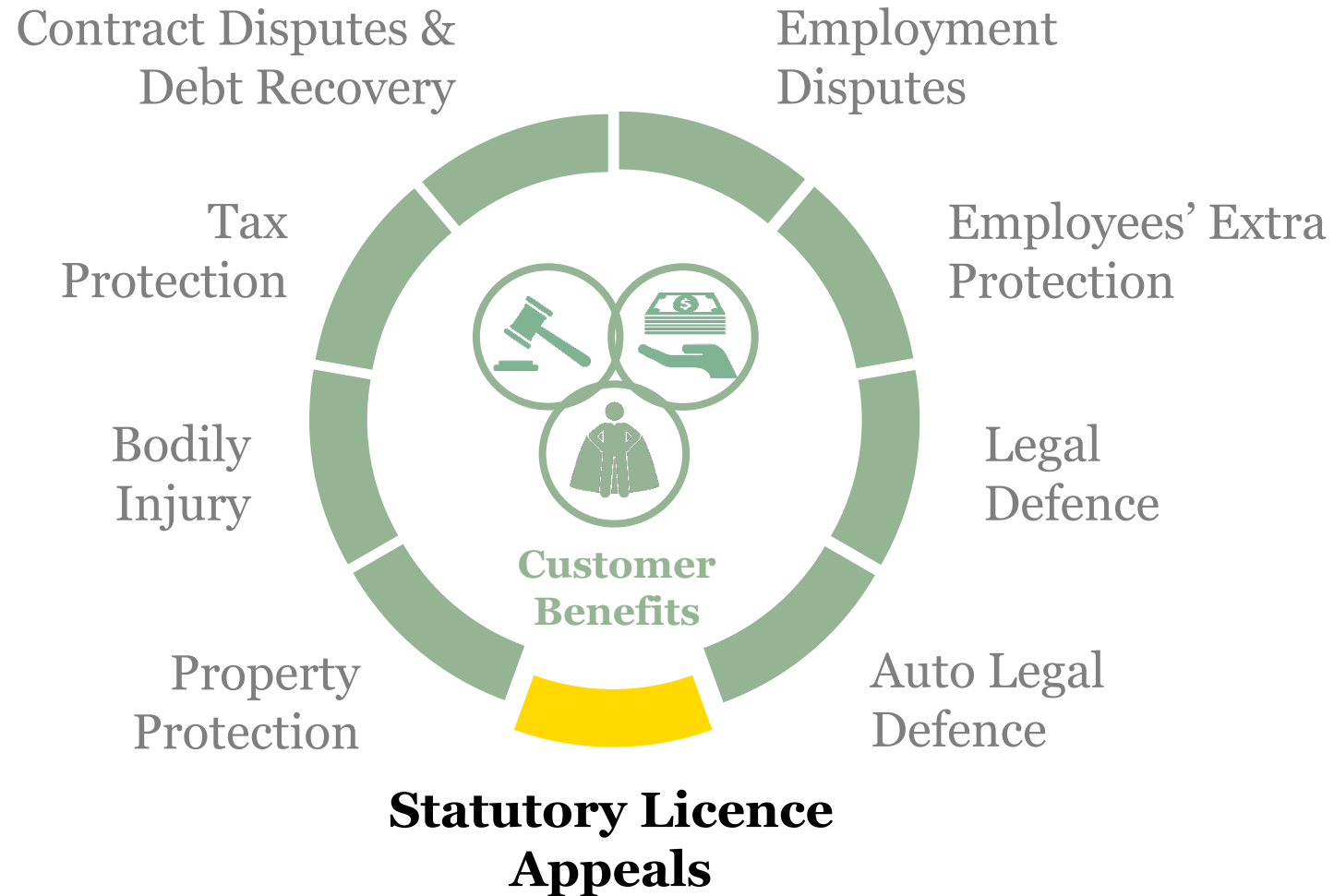
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- Vehicles with a gross weight of more than 4,500 kgs
- Alcohol, cannabis or illegal drug use and failure to be tested for those substances
- Racing or stunt driving
- Use of prohibited electronic devices while driving
- Parking and automated traffic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

Insured Events Summary

For Common Commercial Legal Events



Statutory Licence Appeals

Coverage

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- Suspension of a statutory licence
- Refusal to renew
- Licence cancellation

Alex's Story

Statutory Licence Appeals

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- Dealership licence was not suspended
- Customer complaints mediated
- **Saved \$50,000** in legal fees

Statutory Licence Appeals

Exclusions and Conditions

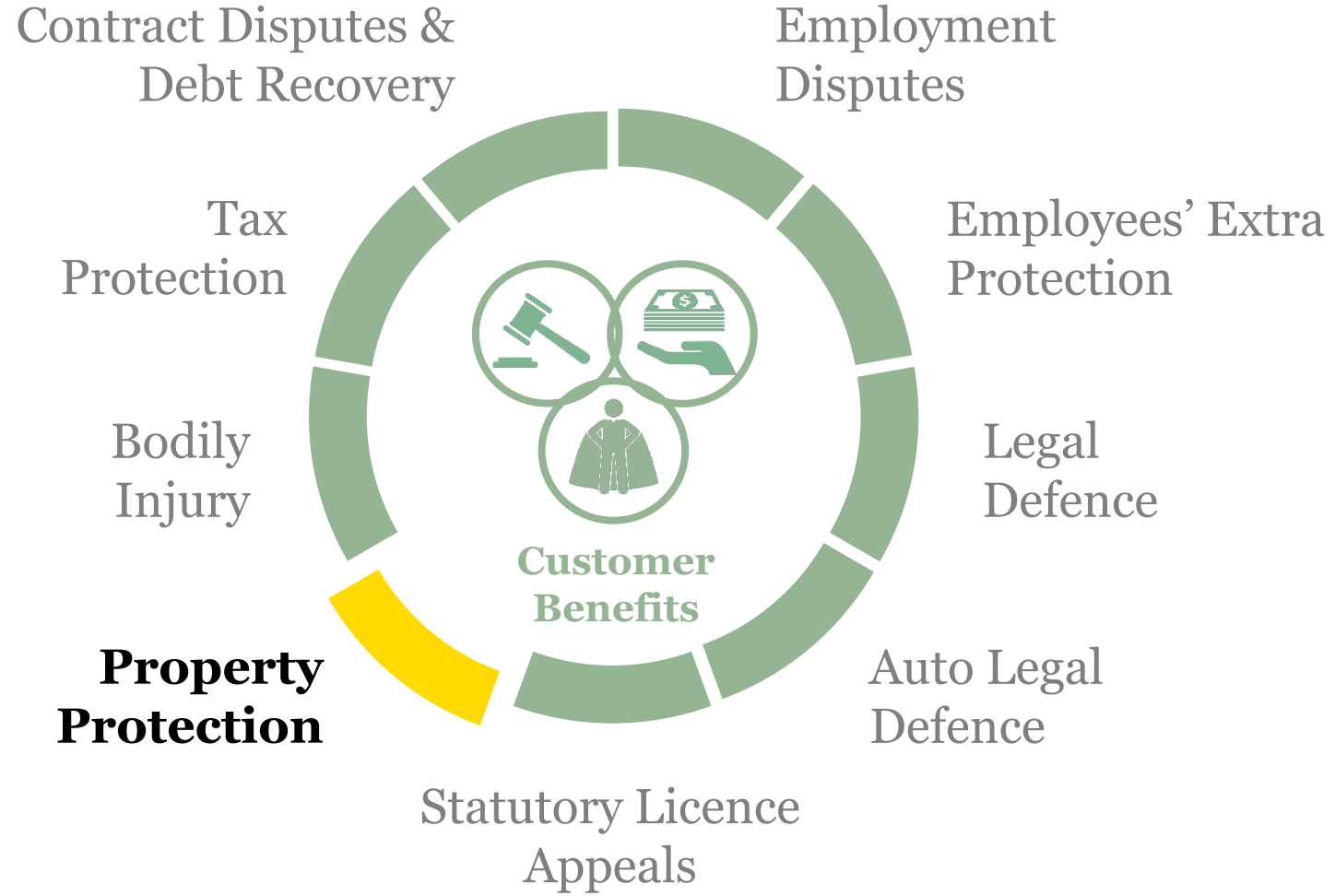
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- Original or renewal applications
- Motor vehicle licences
- Professional licences issued to an individual

Insured Events Summary

For Common Commercial Legal Events



Property Protection

Coverage

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- Physical damage over \$1,000
- Trespassing
- Legal nuisance
- Recover or repossess items from an ex-employee

Tina's Story

Property Protection

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- Negotiated \$15,000 settlement to rebuild the driveway and fence
- **Saved \$10,000** in legal fees

Property Protection

Exclusions and Conditions

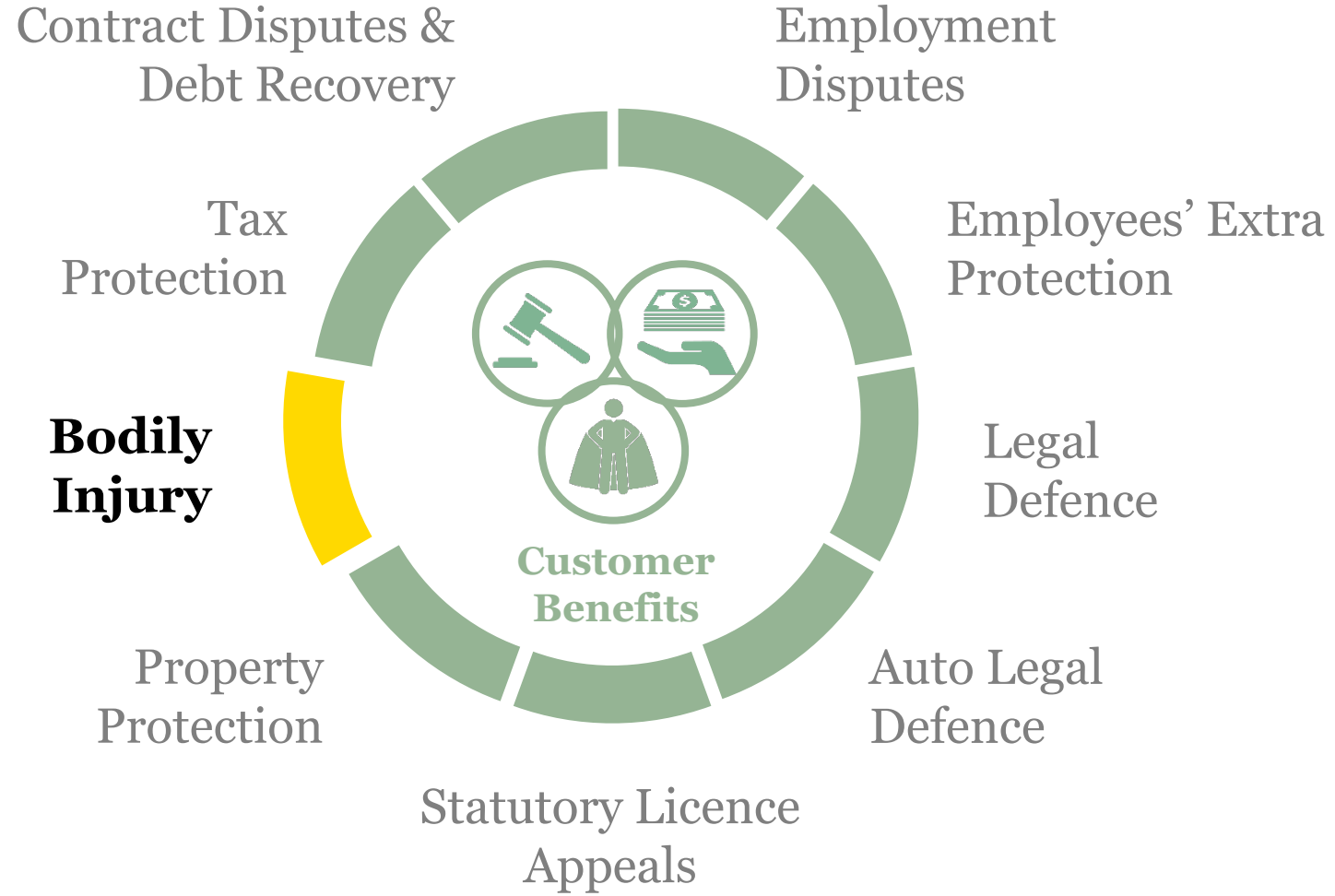
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- Contracts entered into by the insured
- Goods not on the premises
- A purchase or work done by governmental authorities
- Motor vehicles

Insured Events Summary

For Common Commercial Legal Events



Bodily Injury Coverage

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- An accident that causes illness, bodily injury or death

George's Story

Bodily Injury



- Received a fair settlement
- **Saved \$12,000** in legal fees

Bodily Injury

Exclusions and Conditions

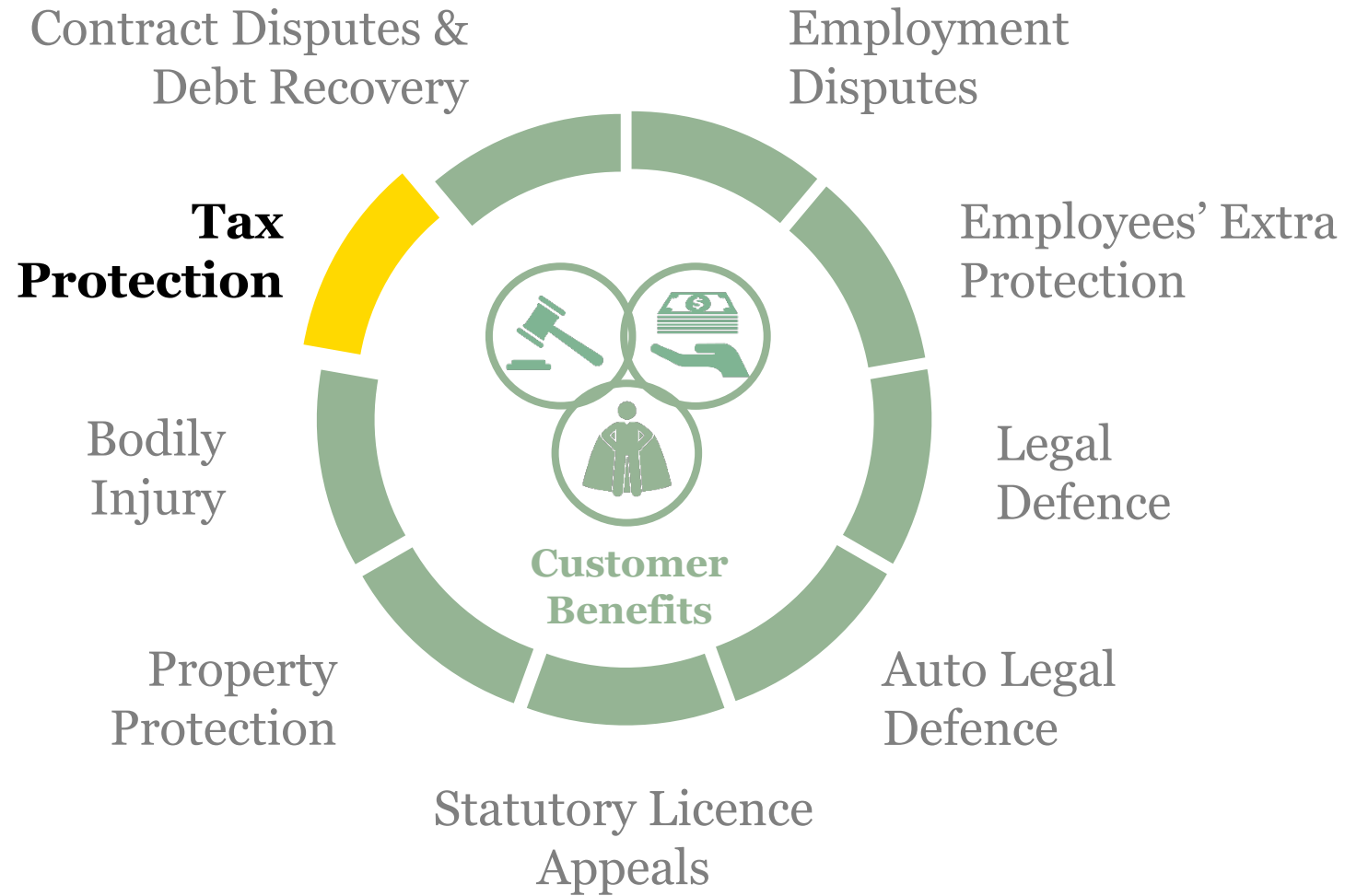
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- Disputes with a provincial worker's compensation board
- Psychological illness, unless it's due to the injury
- Condition or illness that develops over time
- Motor vehicle related

Insured Events Summary

For Common Commercial Legal Events



Tax Protection

Coverage

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- Tax audit
- Tax appeal

José's Story

Tax Protection

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- CRA withdrew initial assessment
- Did not have to pay \$5,000 in taxes
- **Saved \$2,000** in accountancy fees

Tax Protection

Exclusions and Conditions

ARAG



- Tax avoidance schemes
- Failure to register for GST / PST / HST
- Gross negligence or criminal offences

Insured Events Summary

For Common Commercial Legal Events



**Contract Disputes
& Debt Recovery**

Employment
Disputes

Tax
Protection

Employees' Extra
Protection (New)

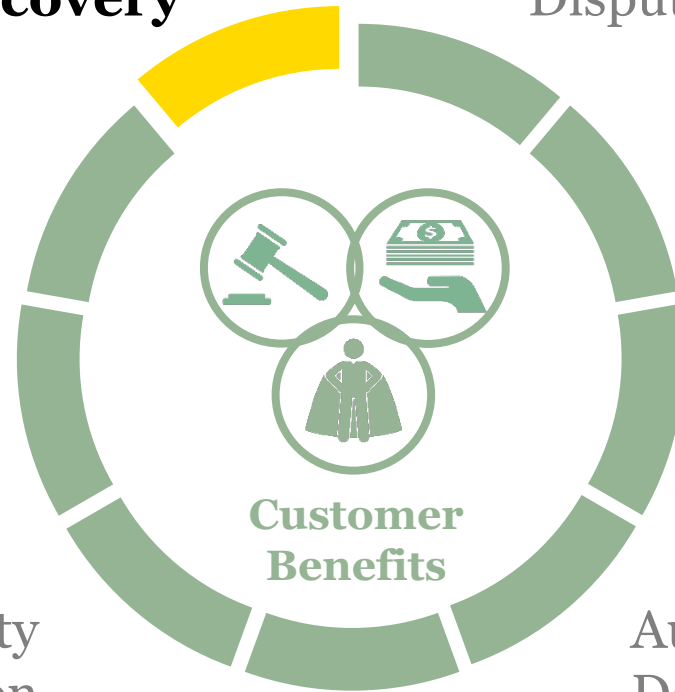
Bodily
Injury

Legal
Defence

Property
Protection

Auto Legal
Defence (New)

Statutory Licence
Appeals



Contract Disputes & Debt Recovery

Coverage

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

Michael's Story

Contract Disputes & Debt Recovery

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- CNC machine was replaced and 75% of the repair costs were refunded
- **Saved \$3,500** in legal fees

Contract Disputes & Debt Recovery

Exclusions and Conditions

ARAG



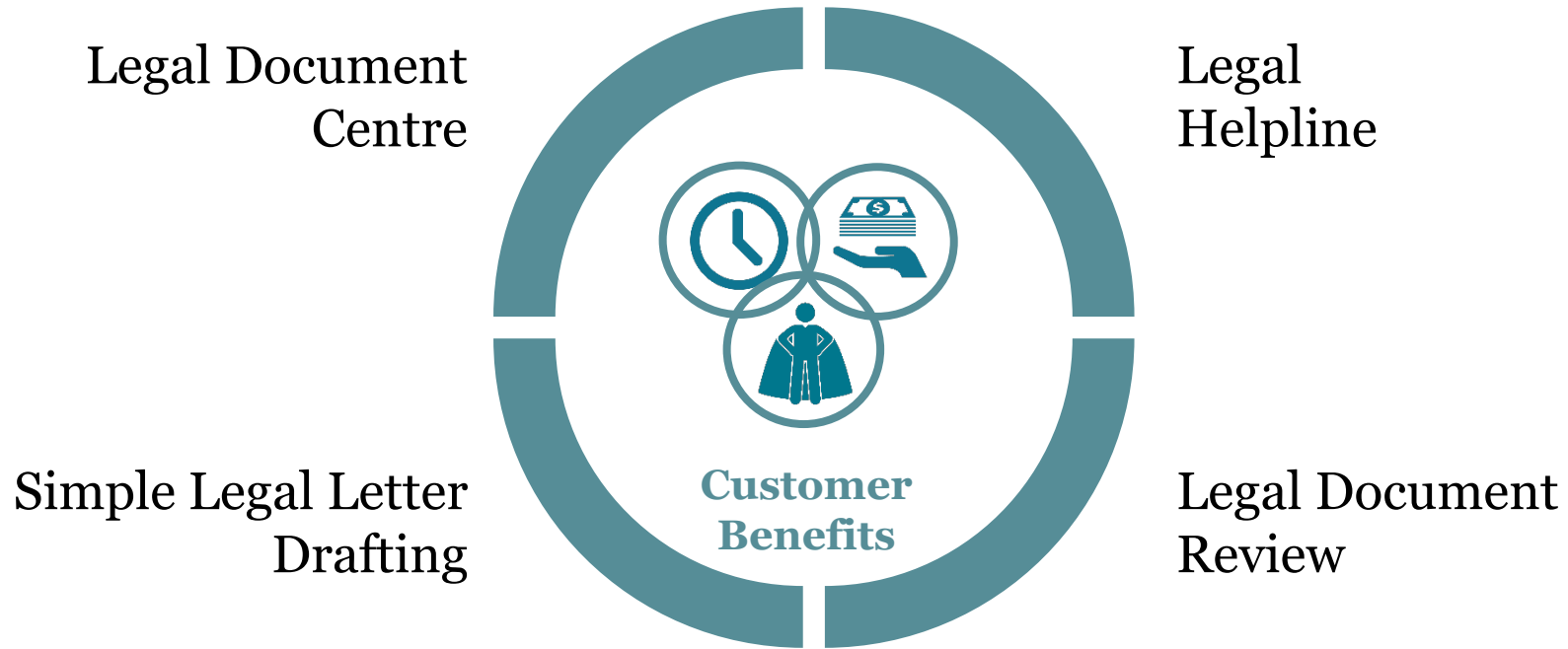
- Waiting period
- Amount in dispute must exceed \$2,500
- Breach of professional obligations
- Terms of a lease or tenancy if the insured is a landlord
- The sale or purchase of all or part of a business
- The sale or purchase of real property



Legal Assistance Services

Legal Assistance & Support Services

Helps Already Stretched Small Business Owners Save Time, Money and Effort



Legal Document
Centre

Legal
Helpline

Simple Legal Letter
Drafting

Legal Document
Review

Customer
Benefits

Legal Helpline

Unlimited Access For Assistance With Any Legal Question

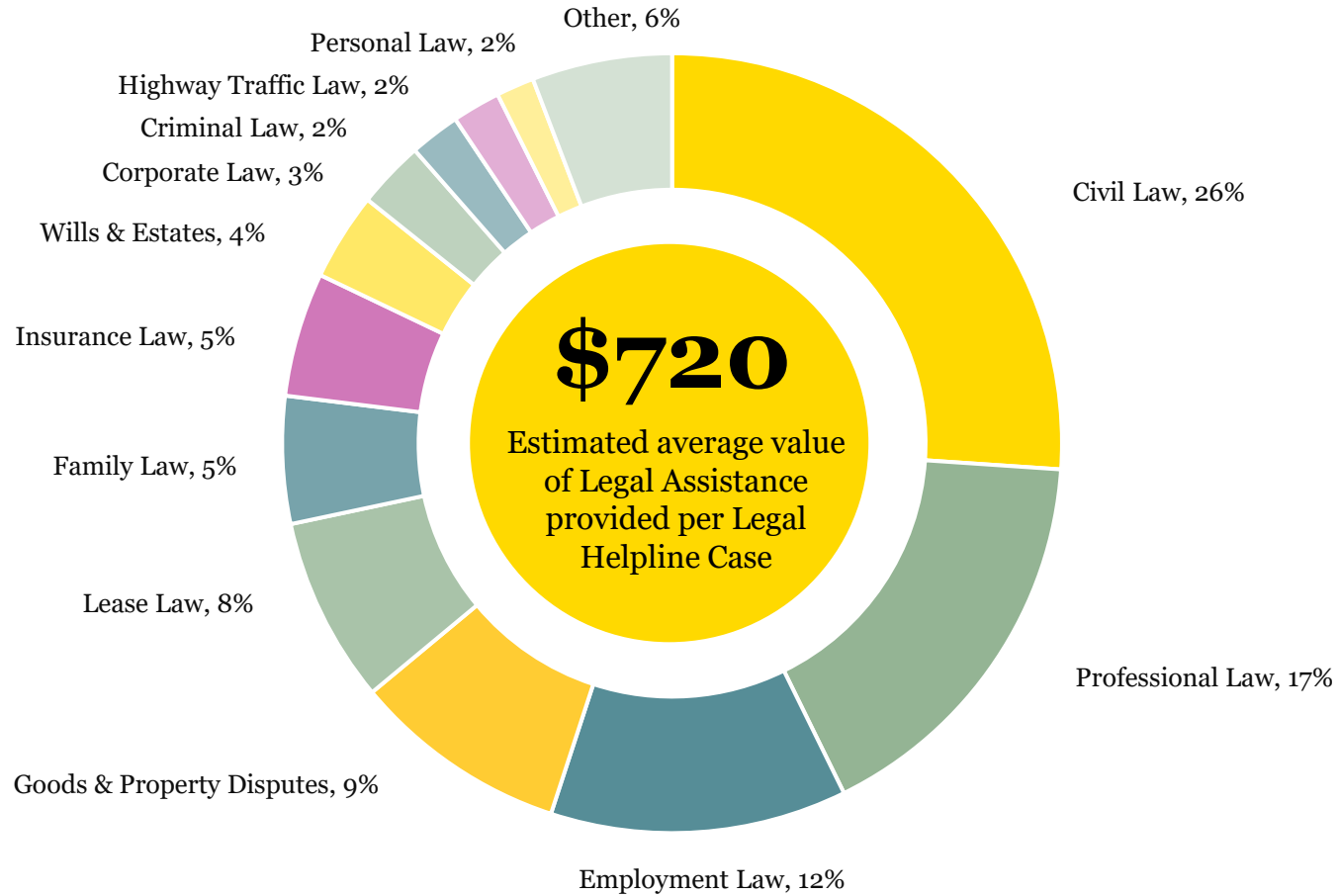
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- Contract or document review
- Claim determination

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

Helps Already Stretched Small Business Owners Save Time, Money and Effort



Legal Document Review

An Additional Legal Risk Mitigation Service



- 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

Helps Already Stretched Small Business Owners Save Time, Money and Effort



Simple Legal Letter Drafting

Yet Another Legal Risk Mitigation Service

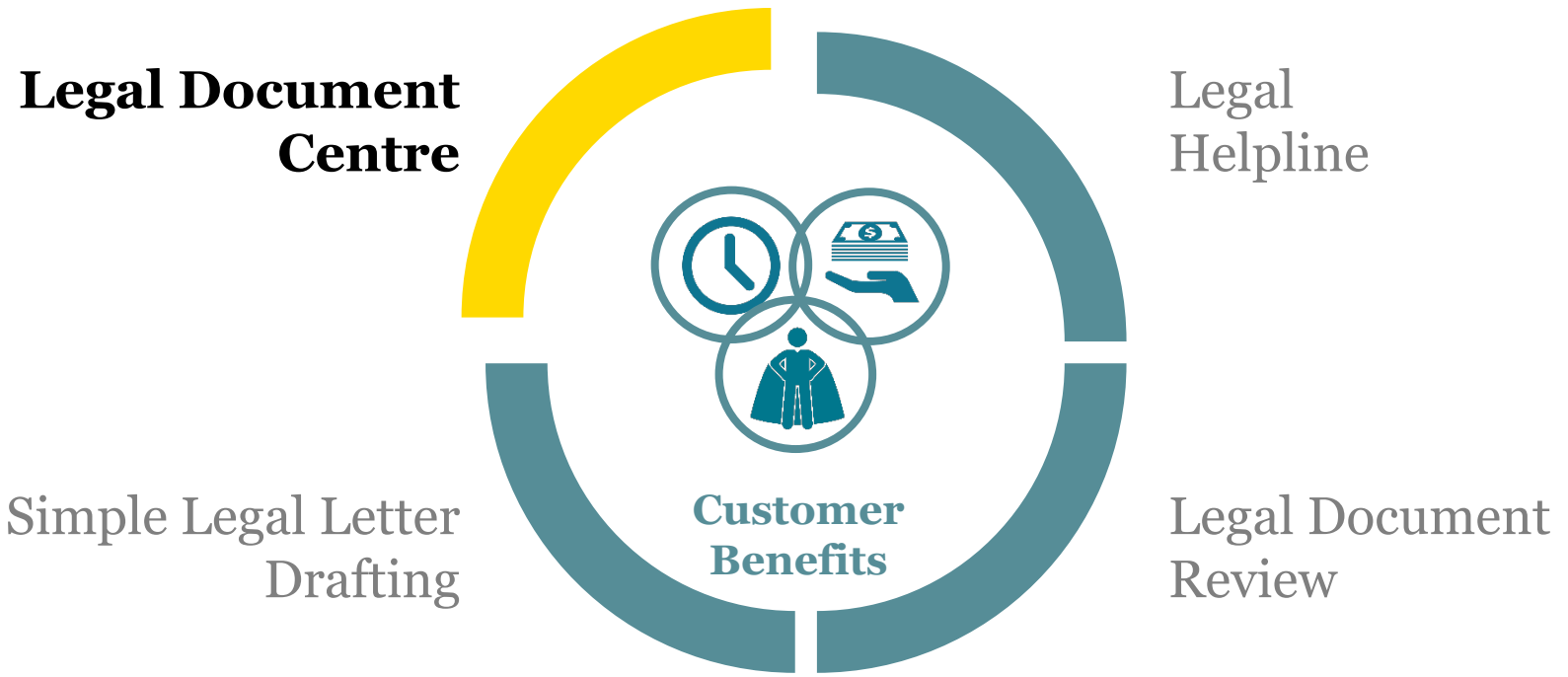
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~~Simple~~

- Wills
- Contracts
- Termination Letters
- Lease Agreements

Legal Assistance & Support Services

Helps Already Stretched Small Business Owners Save Time, Money and Effort



Legal Document Centre

Unlimited Access To An Online Library



- 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



Limits of Indemnity and Claims Process Review

Limits of Indemnity

For ARAG Business Legal Solutions

The ARAG logo is a yellow circle with a black border containing the letters "ARAG" in black, positioned in the top right corner of the slide.

- \$100,000 per claim
- \$500,000 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

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

120 Days Notification Period

Major Claims Criteria



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 Legal Risks Are Well Managed



1



**Your
customer
calls the Legal
Helpline**

2



**Customer
assignment
and further
information
gathering**

3



**Your
customer is
notified if
they are
covered
or not**

4



**A Panel
Lawyer
is assigned**

Customer Confidentiality

Is Strictly Enforced

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- You may initiate a claim on your customer's behalf
- Your further involvement requires your customer to sign a Claims Authorization Form



Why Legal Expense Insurance?

Remember The Customer Benefits



**Exercise
Their Rights**



**Protect
Their Budget**



**Save
Time and Effort**

Legal Risk Are Well Managed!

We're Here To Support You



Visit [For Brokers > Marketing Materials](#) on ARAG.CA

- Summaries for all of our Legal Expense Insurance solutions
- Claims Example sheets
- Filling the Gaps in your client's portfolio 1-page summary
- Legal Helpline and Claims Process 1-page summaries



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Thank You and Questions