

Business Legal Solutions Add-on



Why add Business Legal Solutions to an existing product?

Legal protection is an important risk management tool to build into the products you offer to commercial clients. It fills gaps in coverage between CGL, E&O, D&O and umbrella policies and provides affordable access to resources, legal advice and representation when your client might otherwise be deterred from exercising their legal rights.

The justice system can be complex and is expensive. Just an hour of a lawyer's time can cost hundreds of dollars and going to court could cost many thousands. It makes sound financial sense for any business to protect their organization and their legal position.

Why ARAG?

ARAG's Business Legal Solutions product offers three key benefits unique to Canada:

-  **Resources** - Our Legal Document Centre offers a digital library of documents useful to Canadian businesses, such as employment and freelancer contracts, bills of sale and commercial tenancy agreements. Starting with good contracts is a great place to start reducing legal risk and costs.
-  **Advice** - Unlimited access to our 24/7 helpline to ask our legal advisors any questions about Canadian business law. One short call to a lawyer can often prevent a small issue from turning into a large and expensive one – with ARAG, there's no reason not to pick up the phone.
-  **Indemnity** - If legal action is necessary, ARAG's insurance policy is there to cover your client's costs, including up-front legal fees, disbursements, court fees, expert witnesses as well as adverse costs if your client is ordered to pay the other party's legal fees.



About ARAG Canada

ARAG is part of ARAG SE, a €1.7 billion global leader in the legal expenses insurance market. From our Toronto head office, ARAG Canada provides nationwide service to brokers, insurers and MGAs, offering policies that include advice, legal resources and representation throughout the course of a legal issue.

Elements of cover

Employment	If a current, former or prospective employee brings a case against the business.
Restrictive Covenants	If the business faces legal action over a restrictive employment covenant.
Tax Protection	If the business is subject to a tax audit or wants to appeal a decision by the CRA.
Property	If someone damages, trespasses on or causes a nuisance to the business property.
Legal Defence	If the business faces criminal charges or a police investigation.
Compliance & Regulation	If the business faces formal investigation, regulatory or disciplinary proceedings by a professional, regulatory or disciplinary body.
Statutory Licence Appeals	If a business licence is threatened with suspension, alteration or cancellation.
Loss of Earnings	If an employee loses or foregoes pay to attend formal court or tribunal proceedings.
Employees' Extra Protection	If an employee is injured by another person, is the victim of identity theft or faces civil proceedings for discrimination or as a trustee of the company pension fund.
Contract Disputes & Debt Recovery (optional)	If you get into a dispute with a supplier or client over a business contract or the business wants to recover money that it is owed.

For a full description of policy cover, conditions and exclusions, please read the policy wording (Limit of indemnity \$200,000, up to \$1,000,000 aggregate).

What happens if...

Employment

James is a business owner who was sued for wrongful dismissal by a disgruntled ex-employee. The former employee alleged that he had been wrongfully dismissed and was seeking \$15,000 in damages. James was very worried as he knew his business could not afford to pay \$15,000.

James called ARAG and a claim was opened. An ARAG appointed lawyer contacted the former employee, who agreed to accept \$8,500 instead of \$15,000. Thanks to his legal expense insurance coverage, James saved \$5,000 in legal fees.

Contract Disputes

Stephen owns a small retail store. He hired a contractor to build and install secure cabinets which were different to those Stephen had selected. Stephen was very unsatisfied, as he had paid nearly \$9,000 for the upgrade, and the contractor refused to replace the cabinets.

Stephen called ARAG and was put in touch with a lawyer. After the contractor failed to respond to a demand letter, the lawyer issued court proceedings. The case eventually settled out of court, with the contractor agreeing to cover the cost of replacing the cabinets. Stephen paid nothing out of pocket, saving approximately \$3,000 in legal fees.

For more information

To find out how you can offer ARAG's Business Legal Solutions policy to your SME clients, please visit www.arag.ca or call us at 416 255 0344 or email inquiries@ARAG.ca