

IN A WORLD THAT HAS ENDLESS POSSIBILITIES, SIMMLANDS INSURANCE SERVICES LTD. HAS WORKED TO DEVELOP A UNIQUE PRODUCT THAT WILL CATER TO RELIGIOUS INSTITUTIONS THAT HAVE OPERATING BUDGETS UP TO \$10,000,000. IN PARTNERSHIP WITH UNDERWRITERS AT LLOYD'S OF LONDON AND THEIR LOCAL SERVICE PROVIDERS WE HAVE A BASE OF EXPERTISE UNMATCHED BY ANY OTHER COMPANY IN CANADA.



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LEGAL EXPENSE INSURANCE FOR RELIGIOUS INSTITUTIONS / PLACES OF WORSHIP

WHAT IS LEGAL EXPENSE INSURANCE?

Legal Expense Insurance (LEI) provides affordable coverage for the reasonable legal fees, expenses and disbursements incurred by a lawyer on specified matters. These matters are defined as fortuitous events, or issues that are not anticipated. These could include employment disputes, landlord and tenant disputes, contractual disputes, disciplinary actions, Human Rights complaints and criminal charges. This is an insurance policy; coverage is not a discretionary program. If the claim is covered within the governing terms and conditions of the policy, the policy responds.

LEI offers the most universal and affordable option for Canadians.

COVERAGE FEATURES:

Toll-Free Telephone Legal Advisory Service

For added peace of mind, LEI provides Insureds with access to a toll-free Telephone Legal Advisory service. This service provides unlimited access to a lawyer for immediate general advice on any commercial matter and is available between the hours of 9.00 am and 5.00 pm. This service is provided on behalf of the Underwriters by STERLON Underwriting Managers Ltd.

Contract Disputes

Pursuit or defence of contractual disputes relating to the sale, purchase, lease or rental of goods or the provision of services (e.g. disputes with customers/suppliers, defence against claims of poor workmanship)

N.B. The contract must be entered into during the policy period or during any continuous period of coverage, and the legal fees and expenses are limited to 75% of the amount in dispute. The sum in dispute must exceed \$5000.

Employment Disputes

Defence of any dispute with an employee (e.g. defence against wrongful dismissal charges, discrimination)

N.B. There is a ninety (90) day waiting period from inception of the policy before this section of coverage takes effect.

The Insured will be required to contact STERLON Underwriting Managers Ltd. before taking any actions with respect to a contentious employment matter.

Your client will receive telephone legal advice with respect to the issue and your client must follow the recommendations given.

Criminal Prosecution

Defence of criminal or statutory proceedings (e.g. Criminal Code (Canada), Occupational Health and Safety Act)

Property Disputes

Pursuit or defence of disputes relating to freehold/leasehold property including damage by a third party to that property (e.g. landlord and tenant disputes, nuisance and trespass)

Personal Injury

Pursuit of claims for compensation relating to death or bodily injury sustained away from the workplace but while engaged in business activities.

N.B. This coverage extends to any employee acting within the scope of their employment.

LIMITS AVAILABLE:

Up to \$50,000 per claim / \$250,000 Annual Aggregate for reasonable legal fees (at a rate of up to \$275/hour)

FEATURES:

- Legal proceedings must commence in Canada
- No deductible
- 10% co-insurance applies to all legal fees in excess of \$10,000
- No payment for awards, damages, fines or penalties APPOINTMENT OF LAWYER
- Selected from an approved panel of law firms with expert knowledge of commercial matters/disputes
- Appointed to represent Insured – not agent of STERLON
- Legal fees paid to a maximum hourly rate of \$275

PRINCIPAL EXCLUSIONS:

- Actions against STERLON or Underwriter
- Appeals or Judicial Review
- Pre-existing matters
- Legal fees incurred prior to approval
- Employment disputes occurring within the initial ninety (90) days of coverage
- Matters relating to assault, violence, fraud, conspiracy to defraud or dishonesty
- Any dispute between the Insured and any parent, subsidiary or associated company or partner
- Debt recovery

EXAMPLES OF CLAIMS

Telephone Legal Advice

A church has serious problems with chronic absenteeism by a member of the staff and seeks advice. The lawyer provides direction on how to handle the matter, including the need to produce an action plan setting out the concerns and expectations for staff attendance. Appropriate warnings are required regarding the unacceptable attendance as well as an opportunity for corrective behaviour. Advice is provided on the liability of the employer if a termination is made without due process.

Substandard Sub-Contractor

After the board of deacons of the Insured had hired a company to clean the exterior of the church building some “white specks” appeared on the brickwork that appeared to be salt stains. The Insured refused to pay the account and was threatened with a lawsuit. The lawyer appointed for the Insured negotiated with the cleaning company to rectify the damage, including withholding the balance of the invoice, until the Insured was satisfied with the work.

Tenant Problems

A church rents their premises to an outside group who are now disturbing the neighbours with excessive noise, leaving the main door open at night, and leaving the washrooms in an unusable state. The Insured is provided with legal representation to terminate the rental agreement.

Faulty Goods

A church takes delivery of goods from a supplier but the goods were faulty. The Insured refuses to pay the invoice and is taken to court by the supplier. The policy provides legal representation to defend the action.

Unfair Dismissal / Constructive Dismissal

A member of staff resigns voluntarily and then several months later files a Statement of Claim alleging constructive dismissal based on workplace harassment and claiming damages. The insured had no knowledge that there had been any issues at work at the time the employee resigned. The Insured is provided with legal representation to defend the matter.

Pursuit of Personal Injury Claims

The Minister is injured when making a pastoral visit. The liability insurer for the homeowner disputes liability.

The CLEI cover appoints a lawyer to negotiate a fair settlement on behalf of the Minister.

Criminal Charges

A custodian suffers minor injuries when a stack of chairs topples over, crushing his hand. This incident prompts an investigation by The Ministry of Labour and charges are laid. A lawyer is appointed to defend the church and to mitigate its liability.

The coverage provided is on a claims-made basis which means that the policy will only respond to claims made and/or reported to insurers during the period of insurance.

