

SGI CANADA Legal Expense insurance

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1. What is Legal Expense insurance (LEI)?

Legal Expense insurance is a unique product that helps individuals defend or pursue legal action if they have a dispute with another party. With the legal expense insurance coverage from SGI CANADA, you have access to legal advice and guidance, plus the security of knowing the costs of pursuing legal action will be covered.

Effective Monday, November 17, 2014, Legal Expense insurance will be an included coverage in all SGI CANADA Home Pak, Mobile Home Pak, Tenant Pak, Condominium Owner's Pak, and Prestige policies.

We have partnered with DAS Canada to add this important coverage to our policies.

2. Will Legal Expense insurance be included in Agro Paks as well?

No, because Agro Paks include a commercial component with the farming exposures as well as habitational, we are not able to include Legal Expense insurance as part of the coverage at this time.

3. Why has SGI CANADA added Legal Expense insurance to these policies?

We researched this product and discovered it was something that could benefit policy holders. In the last five years, 55% of Canadians who accessed the legal system were not represented by a lawyer and 63% did not consult a lawyer for a legal issue because they could not afford it.

4. What do 'legal costs' include?

Legal costs include items like lawyers' fees, charges for disbursements and your opponent's legal costs should you lose and be required to pay them.

5. Will my legal expense insurance policy cover any legal dispute?

Our policies are designed to provide legal guidance and expense coverage for a wide range of common issues. The coverage provided under your particular policy is detailed in the policy wording; be sure to read it carefully and if you are unclear about your coverage, contact your insurance broker.

The telephone Legal Advice Helpline, however, will offer advice on any legal matter, except for disputes with SGI and SGI CANADA and DAS Canada. For example, although family law is not covered in any policies, you can receive legal advice regarding family law matters from the legal advice helpline.

6. What are some of legal disputes this policy doesn't cover?

While the Legal Expense insurance covers a wide range of issues, some of the situations which are not covered include:

- legal issues which have begun prior to the policy purchase
- family law
- contract review
- wills and power of attorney
- pre-incurred costs
- legal defence outside of employment

Even though these are not included, advice is still available via the unlimited, free Legal Advice Helpline.

Please refer to your policy wording for specific coverage exclusions.

7. Don't my home and auto policies cover some of this?

If you have an SGI CANADA home insurance product, this coverage is now part of your policy. Traditional home policies primarily cover third-party liability and property damage claims only, while auto insurance provides accident benefits and only defends third-party claims.

8. Who do I call for legal advice?

You can call the Legal Advice Helpline at 1-855-953-1430.

Please note your broker cannot call the legal advice line on your behalf for client/attorney privacy reasons.

9. Will a claim on my Legal Expense insurance affect my claims-free discount on my SGI CANADA policy?

No, for the sake of your rates for your SGI CANADA policy, any legal expense claims or calls to the unlimited, free Legal Advice Helpline will not affect your claims-free status.

10. What happens if my own lawyer begins work on my dispute, before I notify SGI CANADA?

If you think you may have a claim, first call the Legal Advice Helpline at 1-855-953-1430 to speak to a lawyer. Do not ask any lawyer outside of your legal expense coverage for advice unless you have been advised to do so. If you discuss your dispute with an outside lawyer before speaking to DAS and they ultimately proceed with your claim, they are unable to honour any costs incurred before your claim was opened with them. There is also a chance that your claim could be prejudiced by not taking and following their advice from the moment you became aware of the dispute.

11. What if I am not happy with the way the appointed lawyer is dealing with my claim?

After reviewing your file, DAS will assign a legal professional with the specific skills, experience and background required for your case. However, if you are unhappy with your appointed lawyer, they will work with you to agree upon another qualified person.

12. If I have a legal problem before my policy starts, will this still be covered?

Matters which you are aware of before the start of your policy are not covered.

13. When will policy holders be notified of this new coverage on their policy cover page?

Legal Expense insurance coverage is to be read in to all SGI CANADA Home Pak, Mobile Home Pak, Tenant Pak, Condominium Owners' Pak and Prestige policies on November 17, 2014.

The coverage will be added on to policy cover pages concurrent with January 1, 2015 renewals.

This means that for any new policy issued between November 17 and December 31, 2014 Legal Expense Insurance will not display on the policy cover page.

Similarly, for any revision to a policy with a 2014 effective date, Legal Expense insurance will not display on the policy cover page until the 2015 renewal has been issued.

We strongly encourage you to notify your clients they have this additional coverage by sending them an email with a link to the Legal Expense insurance section on the SGI CANADA website, posting this link to your own web site, referring the client to our Facebook page or twitter feed, or any other method you deem appropriate.

14. What is meant by the term 'reasonable prospects' when you're deciding whether or not to go forward with my claim?

It is not in anyone's best interests to support a claim which has little chance of success. In civil claims, the appointed lawyer must agree that the claim is more than likely to be successful in order for us to proceed; this is what is meant by the term "reasonable prospects." Reasonable prospects must exist throughout the duration of a civil claim.

15. If I speak to the legal advice helpline, does this automatically trigger a claim?

No; when you call the Legal Advice Helpline, a DAS advice lawyer will discuss your situation with you to determine if you have a potential claim. If you do not have a claim, they will advise you on how you may resolve the issue. If you do have a claimable legal issue, they will open a file for you at the end of the telephone call and forward it to DAS for final claims determination. If the issue is claimable, then a DAS panel lawyer will then be assigned and will contact you to set-up a meeting to help defend or pursue your legal rights.

Of course, you may also contact the Legal Advice Helpline any time if you are seeking answers or advice on a specific legal topic.

16. I already have a claim opened with SGI CANADA. Do I still need to call the Legal Advice Helpline or can I go through my adjuster?

You need to contact the Legal Advice Helpline because your claim will be handled through our Legal Expense insurance provider, DAS Canada and their legal team, not directly with SGI CANADA.

17. What happens if my legal costs end up going over my limit of indemnity?

The indemnity limit shown in your policy is the maximum that would be paid out in the event of a claim. You are responsible for any costs over the indemnity limit, and DAS will inform you if it appears likely that will happen with your claim.

18. My policy suggests that some disputes may be 'negotiated for' rather than simply pursued or defended in court. Why is this?

It is often more beneficial for both parties to try and reach a settlement rather than go to court, as going to court can be stressful, expensive and time consuming. The majority of legal disputes are, in fact, settled by negotiation. The goal is to provide the most appropriate solution to your legal dispute, which may well be negotiation as opposed to going to court.

19. Does my policy cover criminal legal representation (ex. I have been criminally charged with drinking and driving)?

Your policy will only cover a criminal defence if the alleged criminal act was in relation to employment. For example, if a nurse administers medication and patient dies, this coverage could be used for her defence.

20. Will the client ever meet with the lawyer face-to-face or is everything over the phone?

The initial contact will be on the phone via the Legal Advice Helpline, along with the first meeting with your appointed lawyer. After that, you may meet with your assigned lawyer face-to-face if that is what you want to do.