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Commercial Legal Expenses

Get on the front foot.

Legal fees have reached a level where businesses are having to consider whether or not to participate in legal actions, particularly for SMEs where they feel they have no support when entering into contracts with larger entities. SMEs also often struggle to keep up to date with business legislation and regulatory requirements, including data protection, employment, health and safety, or many other industry specific regulatory requirements. Legal Expenses insurance offers cover that protects your business, your directors and your employees against the potential costs of legal action brought by or against you.

COVERAGE INCLUDES

Data Protection

Pays for the legal expenses for any dispute brought against you under the privacy legislation

Statutory Licence

Pays legal fees for an appeal by you against a loss, revocation, suspension or proposed amendment to your operatina licenses

Employees breach of restrictive covenants

Pays legal expenses in pursuing legal proceedings against a former employee who have breached their contractual obligations

Commercial contract disputes

Pays legal expenses in the pursuit or defence of legal proceedings with a customer or supplier, including pursuit of unpaid invoices.

Tax Audit Protection

Pays for accountancy & legal expenses incurred in respect of an ATO investigation or inquiry under the provisions of Income Tax Legislation, GST dispute or a fringe benefits dispute.

COVERAGE BENEFITS

Free legal advice

Free access to telephone advice from experienced lawyers

Extensive coverage Cover for a wide range of situations/disputes which would not trigger a liability policy



CAPACITY

Both pursuit and defence coverage

Both pursuit and defence coverage included (legal pursuit coverage is outside the remit of standard liability policies)



TERRITORY



Australia & New Zealand

\$100,000

TARGET SEGMENTS



Broad range of industries





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Pays for legal expenses incurred in defending a criminal prosecution against you or an appeal by you, against the service of a remedial or stop-work order under the Workplace Safety and Health Act.

Pays for legal expenses in respect of property

Pays legal expenses incurred by you for defending

proceedings brought against you by an employee or

Discrimination Protection*

Property Disputes

ex-employee.

and tenancy disputes.

Employment Disputes*

Criminal Prosecution*

Pays for Legal Expenses for a dispute brought gainst you in respect of an infringement of rights under discrimination legislation.



*Not available under the Management Liability Package.



No alleged liability is required to activate the policy, merely the fact a dispute exists



Any dispute activates policy





The description of coverage contained in this document is a summary and is for illustrative purposes only. The coverage is subject to terms and conditions outlined and certain restrictions, limitations and exclusions contained in the policy of insurance. In the event of any conflict betweenthe descriptions of coverage in this document and the policy of insurance, the provisions contained in the policy of insurance will prevail. This document is accurate as at February 2022. Delta Insurance Australia Pty Ltd. All rights reserved. @ 2022 www.deltainsurance.com.au













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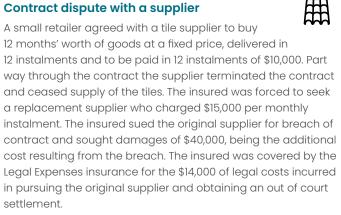
CLAIMS EXAMPLES

Contract dispute with a customer

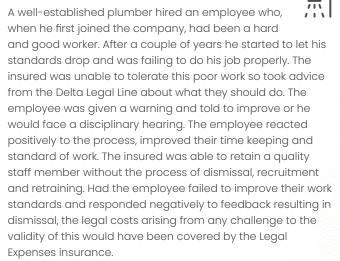


A honey manufacturer provided goods to a new customer. The usual quality standards were in place and the honey was delivered on time, however the customer hadn't paid the invoices by the required date. Upon chasing, the customer refused to pay due to alleged contamination of the honey in transit. The insured informed the customer the honey was of satisfactory quality and must be paid for or legal action would follow. Investigations found that the goods were of appropriate quality and the customer was simply trying to avoid payment. The insured was covered by Legal Expenses insurance for the \$25,000 of legal costs incurred in pursuing the customer and enforcing the contract in Court.

Contract dispute with a supplier



Employment dispute



Property dispute as a landlord

An accountancy firm owned an office building that subleased sections to various tenants. One tenant

used their unit as a showroom and office. At the end of the lease, the tenant did not renew the lease and left for alternative premises. The terms of the lease required the property to be put back in the same condition as the date the tenancy commenced. The tenant merely left the unit for the future incoming tenant to return to the original state. The insured sued for damages. The matter was eventually resolved at a court hearing, but not before the insured had incurred \$30,000 of legal costs which were covered by the Legal Expenses Insurance.

Property dispute with a landlord



The insured leased the top floor of a large complex for their IT consulting business. After a heavy day of rain, the roof began leaking, preventing the insured from using their office and further damaged their equipment. The insured requested the landlord repair the roof, however they claimed it was the tenant's responsibility to repair. The insured sued the landlord and took him to court, where the judge found the roof was the responsibility of the landlord to repair. The landlord was ordered to pay the insured damages to compensate for their losses. The insured's legal costs of \$30,000 were covered by the Legal Expenses Insurance, some of which was recovered from the landlord.

Employee breach of restrictive covenant



The sales manager of a small printing business that provided flyers for a number of real estate agents handed in his resignation and went to work for a rival business within the same city. Within a month, all the insured's major customers were approached by the ex-sales manager offering to supply the same or similar services at a cheaper price. The insured sued the former sales manager for breach of the non-solicitation clause in the ex-employee's employment contract. Following contact from the insured's lawyers, the ex-sales manager eventually agreed not to approach those customers for a one year period. The insured had his legal costs of \$5,000 covered by the Legal Expenses Insurance.

Statutory licence



Following a number of complaints over a popular nightclub's noise and occasional violence outside the club, police investigated and chose to oppose the renewal of the insureds liquor licence, resulting in this being removed. The insured appealed the decision, setting out their excellent record and number of years trading with no incidents. On appeal, the license was reinstated, and the insured was able to continue trading. The club's legal costs of \$15,000 were covered by the Legal Expenses Insurance.

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