

What is Legal Expense Insurance?

Legal Expense Insurance (LEI) provides affordable coverage for the legal fees and expenses 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, litigation, disciplinary actions, Human Rights complaints and criminal charges. Cover is not discretionary i.e. provided the claim is covered within the governing terms and conditions of the policy, the policy responds. Legal Expense Insurance products can also offer coverage for predictable events such as a Will or Power of Attorney.

What are Prepaid Plans?

Prepaid plans provide coverage of legal fees for a set list of predictable needs requiring legal assistance. These include preparing a will and negotiating a mortgage. The funding is a pool of money and cover is discretionary, depending on the stability of the pool. There is no form of regulation for prepaid plans. (See What is Legal Expense Insurance?)

What is Prepaid Legal Insurance?

There is no such thing in Canada. By law, insurance can only provide coverage for fortuitous events (i.e. unpredictable or accidental). Therefore predictable legal events such as preparing a will or negotiating a mortgage cannot legally be covered by insurance in Canada.

Why do I need legal protection?

We live in a litigious society. Having access to a lawyer when you need it provides you with peace of mind, while at the same time protecting your financial bottom line. More importantly, having legal representation when a conflict arises has proven to help mitigate problems and assist all parties to reach a suitable compromise without costly settlements or long, drawn-out court cases. With its low cost premium, Legal Expense Insurance means that you are not facing catastrophic legal costs at the same time as you are dealing with a conflict. Legal costs for actions brought against you can easily climb to \$ 100,000 or more.

What does Legal Expense Insurance cover?

Legal Expense Insurance (LEI) provides affordable coverage for the legal fees and expenses incurred by a lawyer for professional matters covered by the policy.

What if I'm not sure whether or not I need legal representation? As part of the coverage provided by LEI, policyholders have free access to a toll-free hotline that connects them with a lawyer between the hours of 9:00 am and 5:00 pm, Monday to Friday, for telephone legal advice. These calls are unlimited in frequency and duration.

What happens if a lawyer isn't available when I call?

Policyholders are connected immediately to a lawyer more than 90% of the time. The remaining 10% of callers will receive a callback, generally within 24 hours.

How do I contact a TLA lawyer?

Policyholders are provided with a toll-free number that provides them with access to a lawyer, Monday to Friday, from 9:00 am to 5:00 pm.

Is TLA confidential?

Completely. Solicitor/client privilege is maintained.

How do I make a claim?

Policyholders are advised to contact STERLON, using our toll-free number. Once merit has been established, a file will be opened and you will choose your lawyer from our panel of lawyers who have been selected because of their expertise in matters directly concerning policyholders.

Can I use my own lawyer?

No. However, you will be able to choose your lawyer from our selected panel of lawyers who are experienced in the areas covered by your policy.

Why do you use a panel lawyer system?

By maintaining a panel of lawyers specializing in health care, education, corporate and professional matters, STERLON provides a ready resource for its policyholders, from which you can select competent and experienced counsel. Familiar with the terms and conditions of the policies, these lawyers will ensure that you are afforded maximum protection. Legal costs will be paid directly to them on your behalf. You are not required to pay first and then seek reimbursement.

Are all legal fees and disbursements paid?

Most policies provide a maximum indemnity of \$275 per hour, plus all reasonable disbursements. Any legal fees in excess of this hourly rate remain the responsibility of the policyholder.

Why are the panel lawyers not all within the \$275 hourly maximum rate?

Providing a range of lawyers with varying degrees of expertise and experience provides policyholders with a greater choice. This enables them to select a more expensive lawyer, if they so desire. However ALL lawyers are fully competent and capable of providing excellent representation for policyholders.

If you need more information, please email us at [info\(at\)sterlon.com](mailto:info@sterlon.com)

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