

Legal
Defence **Legal**



Insurance
Policy



1. Insuring clause

Where headings are used in this policy they are purely descriptive in nature and are not intended to be used for interpretative purposes.

- 1.1 We will reimburse *you* for the *legal expenses* of defending *legal action*.
- 1.2 This policy consists of:
 - (a) Any written proposal;
 - (b) This policy wording;
 - (c) The *policy schedule*;
 - (d) Any supporting information provided.
- 1.3 The validity of this policy depends on:
 - (a) The accuracy of the answers in *your* written proposal and any supporting information provided. They are the basis of *your* insurance contract with us;
 - (b) *You* having paid the premium.
- 1.4 We will pay *you* up to the limit of indemnity as contained in the *policy schedule* for all *legal action(s)* commenced against *you* during the *policy year*.

2. What we cover

2.1 Work Place Protection

Any alleged offence under any statute arising in the course of *your* employment. But:

- (a) *You* must not have been charged with any similar offence in the 7 years before *you* obtained this policy; and
- (b) *You* must be intending to plead not guilty; and
- (c) *Your* plea of not guilty must be reasonable, based on the evidence and the law; and
- (d) *You* must not have cover under any other policy, or otherwise be entitled to indemnity from any other source; and
- (e) In relation to any traffic prosecution:
 - (i) *You* must have been charged with an alleged offence or infringement under the Land Transport Act 1998, or Transport Act 1962, or their amendments; but
 - (ii) *You* must not have been charged with any of the following types of offences; alcohol/drug-related, log book, overloading, road user charges, or speeding including dangerous or excessive speed;
 - (iii) *You* must be liable to be disqualified from driving; and.
 - (vi) If *you* are under 24 years old at the date of the alleged offence, *you* must be at risk of being imprisoned for more than 3 months

2.2 Criminal Prosecution

Any alleged offence under any statute, other than a traffic prosecution (see 2.3 below). But:

- (a) *You* must not have been charged with any similar offence in the 7 years before *you* obtained this policy; and
- (b) *You* must be intending to plead not guilty; and
- (c) *Your* plea of not guilty must be reasonable, based on the evidence and the law.

2.3 Traffic prosecution

Any alleged offence or infringement under the Land Transport Act 1998, or Transport Act 1962, or their amendments, for which *you* are liable to be disqualified from driving. But:

- (a) *You* must not have been charged with any similar offence or infringement in the 7 years before *you* obtained this policy; and
- (b) *You* must be intending to plead not guilty; and
- (c) *Your* plea of not guilty must be reasonable, based on the evidence and the law; and
- (d) If *you* are under 24 years old at the date of the alleged offence, *you* must be at risk of being imprisoned for more than 3 months; and
- (e) *You* must not have been charged with any of the following types of offences; alcohol/drug-related, logbook, overloading, road user charges, or speeding including dangerous or excessive speed.

2.4 Personal contracts

Any alleged breach of a personal contract, such as disputes with tradesmen and other household service providers, or the sale or purchase of a residential house, vehicle or household item.

2.5 Neighbours

Any claim by a neighbour against *you* alleging trespass, nuisance, negligence, removal of support, or fencing issue. But the action has to relate to a residential property, which *you* own or rent and *you* normally occupy.

2.6 Local Authority

Any action against *you* by a local authority. But the action has to relate to a residential property, which *you* own or rent and *you* normally occupy.

2.7 Other actions (at our discretion)

Any other action against *you*, which at *our* sole option and in *our* absolute discretion, we elect to treat as covered by this policy.

3. Definitions

3.1 Legal action

Legal action means any legal proceedings, including appeals, of the type in Section 2 above, in any court, authority or tribunal in New Zealand. But:

- (a) The alleged conduct must have taken place in New Zealand; and
- (b) *You* must have been first threatened with the *legal action* during the *policy year*; and
- (c) *You* must also have notified *us* of the *legal action* during the *policy year* or within 28 days of its expiry.

3.2 Legal expenses

Legal expenses means the amount(s) which *you* had to spend and which it was reasonable for *you* to spend on *legal action* in relation to *Solicitors' fees*, expenses and disbursements;

3.3 Policy schedule

Policy schedule means the current or latest *policy schedule* for this policy

3.4 Policy year

Policy year means the period in the *policy schedule*.

3.5 Solicitor

Solicitor means any solicitor, firm of solicitors, barrister or Queens Counsel appointed to act for *you* in relation to any *legal action*.

3.6 We/us/our

We/Us/Our means Vero Liability Insurance Limited.

3.7 You / your / yourself

You/Your/Yourself means:

- (a) If this is a Individual LawSafe Legal Defence insurance policy, the person named in the policy schedule.
- (b) If this is a Couple LawSafe Legal Defence insurance policy, the person named in the *policy schedule* and his/her named *spouse* or *domestic partner*:
 - (i) Actually and normally residing with him/her, on the first date of the *policy year*; and
 - (ii) Still actually and normally residing with him/her at the date of which the *legal action* commenced;
- (c) If this is Family LawSafe Legal Defence insurance policy, the person named in the *policy schedule* and every person named in the policy schedule who is in his/her immediate family:
 - (i) Actually and normally residing with him/her, or temporarily residing elsewhere as a student, on the first date of the *policy year*; and
 - (ii) Still actually and normally residing with him/her, or temporarily residing elsewhere as a student, at the date on which the *legal action* commenced;

4. Exclusions

We will not be liable in relation to:

4.1 Events before you obtained the policy

Legal action arising from anything which, as at the date on which *you* first bought continuous LawSafe insurance from us, had already happened or is alleged to have already happened and/or was still happening or is alleged to have still been happening.

4.2 Legal action arising from any:

- (a) **Professional duties**
Alleged breach of professional duty, or duty as a director, trustee, or power of attorney;
- (b) **Agreement** under which *you* have agreed to accept a liability which *you* would not have otherwise have had;
- (c) **Family disputes/wills**
Dispute concerning a will, bequest, devise, contract to leave assets in a will, probate, Testamentary Promises claim, Family Protection claim, inheritance or gift.
- (d) **Employment disputes**

4.3 Domestic problems

(a) Legal action:

- (a) Between *you* and *your* spouse, ex-spouse, domestic partner or ex-domestic partner;
- (b) By way of criminal prosecution in which a spouse, ex-spouse, domestic partner or ex-domestic partner, or any relative of them or of *you*, is a complainant/victim
- (c) In relation to dissolution, maintenance, custody, access or property disputes.
- (d) In which more than one person within the definition of *you*:
 - (i) Is involved; and
 - (ii) Have conflicting positions and interests.

(b) Government disputes

By or on behalf of any state agency involving any state-funded grant, income, revenue collecting, income-support, aid, subsidy, surcharge or assistance, including liable parent contributions.

4.4 Deliberate events

Legal action which *you* have intentionally encouraged.

4.5 Costs before you tell us

Legal expenses for which *you* did not first get *our* written consent.

4.6 Fines / Penalties / Damages

Fines, penalties, damages of any type or any other form of compensation payment, and interest.

4.7 Certain Acts excluded

Any offence alleged to have been committed:

- (a) whilst in breach of any order made under the Domestic Violence Act 1995 or its amendments;
- (b) Under Fisheries legislation.

5. Conditions

5.1 Take Care

You must take all reasonable care and precautions to avoid any circumstances which might give rise to a claim under this policy.

5.2 Tell us:

You must give *us* immediate notice in writing of any:

- (a) Circumstances which might give rise to a claim under this policy, as soon as *you* become aware of them. It does not matter whether or not *you* believe that:
 - (i) A claim is justified; or
 - (ii) *Legal action* is likely.
- (b) Notice of any indication that someone intends or may intend to make a claim against *you* which might result in *legal action*. It does not matter whether or not *you* believe that:
 - (i) A claim is justified; or
 - (ii) *Legal action* is likely.
- (c) Claim against *you* which might result in *legal action*. It does not matter whether or not *you* believe that:
 - (i) A claim is justified; or
 - (ii) *Legal action* is likely.
- (d) Document served on *you* in relation to *legal action*.

5.3 Appointing a solicitor

You must not appoint a *Solicitor* to defend any *legal action* without first getting *our* written consent, except in an emergency in which case *you* should use *our* emergency assistance service. We can:

- (a) Withhold or withdraw *our* consent to any *Solicitor* whom *you* propose to appoint or have appointed;
- (b) Require *you* to appoint a *Solicitor* from *our* preferred panel

5.4 Helping us

In relation to any *legal action*, you must:

- (a) Give *us* all information and documents which *we* ask for;
- (b) Keep *us* fully and continually informed of all significant developments;
- (c) Advise *us* immediately of any offers of compromise, proposals, or recommendations to make any offers or compromise proposals;
- (d) Authorise and instruct *your Solicitor* to do (a) to (c) above on *your* behalf.

5.5 Advancement of costs

If cover has been confirmed in writing then *we* may advance *your legal expenses* as and when they are incurred.

5.6 We can immediately stop reimbursing your legal expenses if:

- (a) *You* unreasonably refuse to follow *your Solicitor's* advice about how the *legal action* should be conducted, including advice about making or accepting any offer, compromise or payment, or discontinuing the *legal action* or any step in it; or
- (b) *You* do not give *us* or *your Solicitor* full co-operation and assistance; or
- (c) A barrister of at least 15 years experience advises *us* that *your* defence to the *legal action* has no reasonable prospect of being actually or economically successful (including, if the likely *legal expenses* are out of reasonable proportion to the likely outcome): and *you* decline to accept *our* written instructions on how to resolve or terminate the *legal action*.

5.7 Appeals

We will not be liable for *legal expenses* in relation to any appeal unless *we*:

- (a) Receive written notice of *your* intention to appeal at least 5 clear days before any time limit for bringing the appeal expires; and
- (b) Have given *our* prior written consent to the appeal.

5.8 Reviewing costs

If *we* instruct *you* in writing to so do, *you* must direct *your Solicitor* to have any account or fee referred to any appropriate officer, authority or body to be taxed, assessed or audited.

5.9 Recovering costs

You must;

- (a) Let *us* have any amounts which *you* recover on account of *legal expenses*; and
- (b) Co-operate with and assist *us* in any steps which *we* want to take at *our* own cost to recover these amounts.

5.10 Good faith

If *you* put forward a claim which is any way intentionally exaggerated or fraudulent, or if *you* use any fraudulent means or devices to obtain a benefit under this policy, *you* will lose the entire benefit of this policy.

5.11 Cancelling the policy

You may cancel this policy at any time by sending *us* written notice. *We* may cancel this policy on the expiry of 14 days written notice sent to *you* at the address in the *policy schedule* or any other address which *you* have notified to *us* in writing to replace the address in the *policy schedule*.

- 5.12** Unless *you* notify *us* and *we* agree in writing to continue *your* cover under this policy, *you* immediately stop being insured under this policy if *you*:
- (a) Commit any act of bankruptcy; or
 - (b) Are made bankrupt; or
 - (c) Make any arrangement with creditors, including a composition or assignment.

5.13 Reimbursement

If *you* are charged with one or more offences arising out of the same general circumstances and are convicted of at least one such offence, and *we* have reimbursed/paid any *legal expenses* relating to the offences, *we* have the right to claim all the *legal expenses* from *you*.

5.14 Correspondence Address

You appoint the person who signed the proposal for this policy as *your* agent for the purpose of receiving any *policy schedule*, paying the premium, and receiving or giving notices under this policy, including any notice of cancellation or endorsement. *We* may deal with him/her as if *we* were dealing with *you* personally, unless *you* give *us* written notice, including full contact details, appointing someone else in his/her place.

5.15 Other insurance clause

If at the date on which the *legal action* commenced, *you* had *legal expenses* cover under another policy, or *you* are otherwise entitled to indemnity from any other source, (even if an excess applies) *we* do not have to reimburse *your legal expenses*, even if the other policy has a condition to the same or similar effect, but *we* will provide cover to *you* until the availability of such other insurance or indemnity is determined provided *you* co-operate with *us* in reviewing other insurance or indemnity entitlements.



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