

Private Company Solutions: Canadian Claims Examples

Directors & Officers Liability



Class Action Lawsuit

Coverage Section: Directors & Officers Liability

Claim: Class action suit

Company: Privately held

Number of Employees: Approximately 80 (Mix of union and non-union employees)

Annual Revenue: Approximately \$15,000,000

Location of Loss: Canada

A class action suit was brought by the City against the Directors and Officers of EFG Limited for alleged pollution emissions in residential areas near their plants. Originally, the matter went to court and was dismissed; however the Court of Appeal overturned the decision finding that damages should be awarded. The matter is now awaiting trial.

Over \$480,000 have been paid in defence costs.

Judicial Proceeding

Coverage Section: Directors & Officers Liability

Claim: Judicial proceeding

Company: Privately held

Number of Employees: Approximately 360 (Canada and abroad)

Annual Revenue: Approximately \$60,000,000

Location of Loss: Outside of Canada

ABC Company was sued by a competitor, Green Inc., for collusion and conspiracy with regard to unfair trade practices. Green Inc. alleged that ABC Company had enticed an employee to leave Green Inc., in order to come work for ABC company and bring with them Green Inc.'s trade secrets. ABC Company filed a motion to dismiss the claim.

Over \$155,000 have been paid in defence costs.

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