



CLAIM EXAMPLES

Home Health Aide (Non-medical)

ABC Home Helpers is a small home health aide company with five employees including Reethi. Reethi has been assigned work at the home of an elderly couple needing daytime assistance. She has been working with the couple for almost six months when a family emergency forces her to take a leave of absence from work. ABC Home Helpers quickly replaces Reethi's role with another employee who is not as familiar with the couple's daily routine. Unhappy with the new helper's services and the next two replacements following, the couple begins calling complaints to the company. Not getting the response or apology they want from ABC Home Helpers, the couple files a lawsuit against the company for professional negligence for \$2500. Although the lawsuit is closed in favor of ABC Home Helpers, the small company is not able to sustain the defence costs of the long running lawsuit and is forced to shut down.

Management Consultant

A management consultant specializing in distribution efficiency is hired to reduce the cost of distribution for a retail baked goods company. He advises the company to concentrate on baking and packaging, sell the trucking unit, contract with a trucking company specializing in food distribution and cut distribution to an 800km radius. He works closely with the company to complete the changes by the end of the fiscal year. Trucking companies demand more money for the services than first anticipated because of the rising price of gasoline and extended negotiations delay the distribution of the company's flagship product, Canada Day-themed cupcakes. The cupcakes do not arrive in supermarkets in time for the holiday. A rival's similar product capitalizes on the lack of the company's flagship product and thereafter dominates the market in that region. The management consultant is sued for negligence and \$100,000 in damages.

Travel Agency

A travel agency counts among its clients a growing Ontario software firm which specializes in billing software. After two years in development, the president of the software firm is finally ready to personally unveil software which she believes is superior to the market's leader. The travel agent arranges the flights and hotels for the firm's president and three software developers to attend the annual international conference of billing information technology specialists in Hawaii; however, the agent fails to inform the foursome that a week earlier their flight had been rerouted to leave from Hamilton Airport instead of Toronto Pearson airport. As a result, they miss their allotted time for the presentation, and their product never gets the initial boost it needs. The software firm sues the travel agent for \$250,000 for a loss of business opportunity.

Regulatory Defence for a Network Support Company

Speedy Networkers, a local network support company, was outsourced by many local businesses. Speedy Networkers employees all had laptops provided to them, which they used daily, usually at a customer's location. The information contained on the laptops consisted of customers' email addresses and passwords, as well as credit card numbers. One day, Stephen, an owner of Speedy Networks had his car broken into. Stephen's unencrypted laptop was stolen. He was embarrassed and did not report the theft. Instead, he purchased a new laptop and continued to work. He simply obtained the information from his clients again. Two months later, Stephen confessed the theft to his partner when it was discovered the clients were experiencing fraudulent charges on their accounts. Stephen resigned. Speedy Networkers notified their customers, but ultimately, the crown fined Speedy Networkers for not notifying their customers of the breach in the time frame allotted. They experienced large costs associated with hiring an attorney and filing an appeal.

Massage/Spa Services

Rose Spa and Salon is scheduled to host Janessa's bridal shower party for a two hour massage and day spa session for all nine bridesmaids. Due to a booking error, the morning of the event, Janessa receives a phone call from Rose Spa saying they need to reschedule for the week after. Janessa is furious as she had paid for four of her guests to fly in from out of province to attend the event. She is unable to find another spa at such short notice and sues the spa for \$1600 to recoup the airline fees for the booking mistake.

IT Staffing, Privacy Breach Expense

A large IT staffing company has several hundred independent contractors it places throughout the year in multiple provinces. The staffing company holds all its contractors' background screening information including name, address, and social insurance number. One night, an experienced hacker group was able to get through the intrusion detection system, among other safeguards the staffing company had in place, and stole all the records located on the staffing firm's network. The staffing firm became aware of the hack in the morning and had to notify all their independent contractors of the breach. This incurred costs for postage, overtime paid to the clerical employees that processed the notices, as well as credit monitoring costs for each independent contractor. Proper notifications were sent in accordance with each province's requirements. The staffing company had to take on a full-time customer service representative to answer calls from the contractors and clients that had heard, even though the clients were not affected. Costs were also incurred from the marketing campaign they launched to try and win back business they had lost because of the breach.



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