



A VL real life claim example

# Associations Liability

## Improper Advice

The Insured was investigated by the Commerce Commission for giving advice to its members, that allegedly as advocated price-fixing in breach of the Commerce Act 1986.

The association made a claim for representation costs in respect of the Commerce Commission's investigation. The policy responded to provide legal assistance under the "Official Investigations" extension.

No enforcement steps were instigated by the Commerce Commission following its investigation. The association was, however directed to modify its advice to its members. The costs were significant.

CEG 003-102019/000