

# Is there a deductible for claims under my Run-Off coverage?

You may be one of the many lawyers that were in private practice at one point – but have now retired, opted to work for the government, as in-house counsel, or in another career entirely.

Wouldn't it be great if your exposure to claims ended as soon as you took down your private practice shingle? Unfortunately, it doesn't work that way. Claims can and do arise after lawyers leave practice. In a typical year, roughly eight per cent of the claims LAWPRO handles – more than 150 claims by count – are against lawyers that have left practice.

It will be some comfort then that LAWPRO provides \$250,000 in Run-Off coverage to lawyers who have left private practice and are exempt from the payment of premiums under the Law Society's primary professional liability program (there are certain exceptions; see [lawpro.ca](http://lawpro.ca) for details).

Occasionally, LAWPRO is asked whether there's a deductible applied to claims made under its Run-Off policy. The answer to this question is yes. There is a \$5,000 deductible applicable to claim expenses, indemnity payments, and/or costs of repairs together for claims under Run-Off coverage.

This deductible is *per claim*. In other words, while the total coverage available is \$250,000 (less the deductible(s)), you might exhaust that coverage on a single claim (and pay a single \$5,000 deductible). If the insured had more than one claim of less than \$250,000, a separate deductible would be applied to each one.

The good news is that the basic level of Run-Off coverage of \$250,000 is free: there

is no premium charged. The bad news is that it may not be adequate for the claims you might face. Wondering if you might need more than \$250,000 in cover? You can apply

to purchase increased Run-Off coverage up to \$500,000 per claim and in the aggregate or \$1 million per claim and \$2 million in the aggregate. See [lawpro.ca](http://lawpro.ca) for details. ■

## Other quick facts about LAWPRO Run-Off coverage

- To “apply” for Run-Off coverage, simply file online for exempt status on My LAWPRO
- Standard Run-Off coverage does not renew annually – once the limits have been reached by one or more claims, coverage is exhausted. For information about increasing your coverage (for example, to eliminate a “gap” between this coverage and the dollar amount where your firm's excess coverage kicks in), visit [lawpro.ca](http://lawpro.ca)
- Expecting to act as estate trustee, trustee for an *inter vivos trust*, or attorney for property after leaving private practice? Run-Off coverage does not automatically cover these activities after leaving practice, but you can contact us to apply for coverage for these activities
- The provision of *pro bono* services through a LAWPRO-approved *pro bono* program is treated slightly differently under Run-Off: *pro bono* services completed *while exempt* continue to be covered up to the Run-Off coverage limit of \$250,000, and there is no deductible for claims related to the provision of these services
- Remember – Run-Off coverage does NOT cover the provision of professional services as defined in our policy (other than under LAWPRO-approved *pro bono* programs as described above) after you have claimed an exemption, even if it is a favour for a friend or family member. That means you can't rely on Run-Off coverage if you expect to provide occasional legal services, for example, after retirement or for family while working as in-house corporate counsel. Contact LAWPRO for information about your coverage options