
Update on anti-money laundering legislation

A number of recent initiatives by law enforcement agencies and law societies have again put anti-money laundering legislation in the news.

A recent report prepared for the RCMP, but not released to the public, indicated that in half of the 149 dirty money cases tracked by the RCMP between 1993 and 1998, the proceeds of crime slipped into the legitimate economy through the hands of a lawyer. Given that a lawyer's trust account is an essential part of money laundering transactions, the federal government likely will push to have lawyers subject to the anti-money laundering legislation.

Officials with the Departments of Justice and Finance have been meeting with representatives of the Federation of Law Societies and the Canadian Bar Association to reach an agreement on if, when and how a lawyer should be caught by the anti-money laundering legislation. There are no public details as to the substance of their discussions.

For the time being, however, lawyers are exempt from the obligations imposed by Part I of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, including the recording and reporting required respecting suspicious, large cash and terrorist financing related transactions, and the requirement to implement a compliance regime. Lawyers are exempt from reporting further to the terms of the consent filed April 15, 2003, in B.C. Supreme Court on the constitutional challenge of the PCMLTFA legislation. The trial for that challenge is set for November 2004.

Ontario lawyers remain subject to the cross-border reporting obligations imposed by Part II of the PCMLTFA.

The Law Society of British Columbia recently adopted a rule prohibiting lawyers from accepting \$10,000 or more in cash in other than a limited set of enumerated circumstances. This new rule took effect on May 7, 2004.

LawPRO admitted to North American bar-related title insurance association

LAWPRO has become the first and only Canadian member of the National Association of Bar-Related Title Insurers (NABRTI), a North American association of title insurance companies which are owned and controlled by a broad base of lawyers and operate primarily through lawyers who issue the title policies.

Admission to NABRTI represents a milestone for LAWPRO's TitlePLUS program as applicants have to demonstrate compliance with 10 operating principles such as a commitment to working with the real estate bar in the public interest over the long term, delivering the title product only through lawyers, demonstrated financial strength and viability, and evidence of educational initiatives aimed at informing both the public and lawyers about the role of the lawyer and title insurance in real estate transactions.

"Our goals are very much consistent with the vision of NABRTI members for title insurance companies: We all believe that lawyers should be at the centre of a real estate transaction and that title insurance is a tool that enables lawyers to better serve and protect the public," says TitlePLUS Vice President Kathleen Waters.

"As NABRTI itself says: 'Since the evaluation of the status of real estate title involves many constantly changing laws, lawyers are well suited to be involved in title insurance policy insurance. Those who receive lawyer-issued title insurance policies benefit from this professionalism. Many legal rights are affected by real estate transfers besides that title itself, and a lawyer's involvement through a bar-related title insurer helps make the other legal services in real estate transactions more readily available and affordable.'"

NABRTI has its roots in the Florida Fund, founded in 1948. Excluding LAWPRO, NABRTI now encompasses eight

companies operating through approximately 35,000 lawyers which service 14 states, including Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Massachusetts, Minnesota, Missouri, Pennsylvania, Rhode Island, Vermont, Wisconsin, and Utah.

TitlePLUS coverage in Manitoba and Saskatchewan

LAWPRO's TitlePLUS program has recently signed agreements that will enable lawyers in Manitoba and Saskatchewan to offer TitlePLUS coverage to their clients.

In Manitoba, lawyers will be able to secure TitlePLUS coverage through Winnipeg-based insurance brokerage, Reider Insurance Services. Reider is an independent insurance brokerage, founded in 1966 and still owned and operated as a family business by members of the Reider family. It currently manages more than \$12 million in insurance premiums annually with a staff of 21 people. The company provides Manitoba consumers with a full range of insurance products and services, including autopac, tenants, home and business insurance.

In Saskatchewan, an agreement between LAWPRO and the Insurance Brokers Association of Saskatchewan (IBAS) paves the way for IBAS member brokers to facilitate the process of obtaining TitlePLUS coverage. As part of their initial discussions with clients, lawyers will direct clients to seek advice from an IBAS brokerage member on the options for protecting both their ownership interests when they purchase or refinance a property, and the priority of a lender's security interest in a property. (Consumers may also seek information from an IBAS broker member before consulting with a lawyer). Once consumers have signed a document indicating they understand their options and have opted for TitlePLUS coverage, the broker will forward that document back to the lawyer who will complete the process of securing a TitlePLUS policy

for that client. Brokers will assist in delivering the issued TitlePLUS policy to insured consumers through their lawyers.

These agreements mean TitlePLUS is now available in all provinces of Canada, except Quebec.

Technology for Lawyers 2004 Conference

The Law Society/OBA 2004 Technology for Lawyers Conference and Vendor Expo will be held November 11-12, 2004, at the OBA Conference Centre in Toronto.

The two-day conference, sponsored by LAWPRO, will feature 28 unique CLE sessions presented by a faculty of practitioners and legal technology experts, and a Vendor Expo with approximately 30 vendors.

The CLE sessions are organized in four tracks. The **E-Discovery Track** will teach you about the tools to handle all aspects of an electronic discovery; feature a plain English primer on computer forensics; and demonstrations of the latest software tools for dealing with electronic evidence. Closing out this track will be an electronic mock trial that will highlight the latest in trial technology in a two-hour presentation by a team of experienced technology litigators.

Participants in the **Getting Things Done Track** will learn how to use Adobe Acrobat™ and PDF™ files, and the latest ways to capture and use electronic content in a paperless office environment. Other sessions will demonstrate how technology can help you better manage time and information, and will feature a face-off between two leading practice management software products: Time Matters™ versus Amicus Attorney™

The **Better, Faster, Cheaper Track** will offer candid assessments and tips for various marketing techniques; teach you to better manage law practice finances using the advanced features of PCLaw™; and showcase document automation.

The **Tech University Track** will provide practical tips from seasoned “road warriors” who will help take your office on the road; highlight how to make maximum use of online resources such as CanLII™, Quicklaw™, and e-Carswell™; cover PowerPoint™ and presentation basics from the absolute beginners’ point of view; teach you how to prevent security breaches and “clean” a compromised computer; and reveal how to do more with the advanced features of the DIVORCEmate™ products.

The Vendor Track (back after its successful launch last year) will feature a wide array of vendor product demonstrations.

Register through the Law Society, or online at ecom.lsuc.on.ca. Register before October 4, 2004, to take advantage of the early bird discount.

CLE Premium Credit deadline: September 15, 2004

How would you like to save up to \$100 on your 2005 insurance premium? It’s easy, with the LAWPRO CLE Premium Credit program – a risk management initiative that provides a \$50 credit for each qualifying CLE program you have completed between September 16, 2003, and September 15, 2004 (to a maximum of \$100 per lawyer). Your credit will be automatically applied to your 2005 insurance premium invoice.

To obtain the credit, you must complete the online Survey and Declaration on the LAWPRO Web site at www.lawpro.ca/cledec no later than September 15, 2004.

Two types of programs currently are eligible for this premium credit initiative:

- **LAWPRO-approved CLE programs:** LAWPRO has worked closely with major CLE providers over the past three years to develop CLE programs that include a risk management component and therefore qualify for the

CLE Premium Credit program. A list of CLE programs that qualify for the premium credit is available online at www.lawpro.ca/clelist. Promotional material for programs that qualify for the credit also carry the LAWPRO “seal of approval.”

- **The practicePRO Online Coaching Centre (OCC):** This online, self-help tool offers 150 modules that help lawyers enhance the “soft skills” that are vital to law practice. To qualify for a \$50 premium credit, you must complete three OCC modules that you have not completed previously. The maximum credit for using the OCC in 2003-04 is \$50. Access the OCC at www.practicepro.ca/occ

To learn more about the CLE Premium Credit program contact practicePRO by e-mail: practicepro@lawpro.ca, or call 416-598-5899 or 1-800-410-1013.



Deadline reminders

Please note the following deadlines:

- Real estate and civil litigation transaction levy surcharge payments for the second quarter of the year ending June 30, 2004, are due on July 31, 2004.
- Real estate and civil litigation transaction levy surcharge payments for the first quarter of the year ending March 31, 2004, were due on April 30, 2004.

2004 Insurance premium payment deadlines:

- The final quarterly instalments by pre-authorized bank account withdrawal or credit card will be processed on July 15, 2004, and October 15, 2004.