

Fraud resources

Updated LAWPRO Fraud Fact Sheet now available

LAWPRO's popular Fraud Fact Sheet (www.practicepro.ca/fraud) – a four-page summary of the frauds being perpetrated against lawyers – has been updated and is now available on our website and in hard copy.

The fact sheet is a handy, skimmable resource that lists the common red flags for bad cheque and real estate frauds, provides tips on how to avoid being caught up in these frauds, tells you who to contact if you have a file that raises suspicions, and provides a heads-up on how to spot when the fraudster is an insider – an associate, a law clerk or other member of the firm staff.

Download the Fraud Fact Sheet at www.practicepro.ca/fraud. To obtain hard copies for your lawyers or staff, please contact Tim Lemieux at tim.lemieux@lawpro.ca



How to dig deeper if you suspect a fraud

Take these steps to cross-check and verify information provided to you by the client.

- Cross-check names, addresses, and phone numbers of the client and other people/entities involved in the matter on Google and other websites. While the real names of people or businesses may be used, contact information on fake documents will put you in touch with people in cahoots with the fraudsters.
- Do reverse searches on phone numbers.
- Look up addresses using Street View in Google Maps.
- Ask your bank or the issuing bank to confirm that the branch transit number and cheque are legitimate.
- Call the entity making the payment or loan and ask if they are aware of the transaction.
- Contact the company to confirm it is expecting the debtor's payment or business loan.
- Hold the funds until your bank confirms the funds are "good" by contacting the other bank, and have the bank confirm, in writing, that it is safe to withdraw.

Fraudsters using names of celebrities to throw lawyers off guard

One sign of how audacious fraudsters are becoming is the recent use of the name of a famous Japanese baseball player – Hideki Matsui – in an attempt to quell suspicions about the legitimacy of the purported transaction. In this case, fraudsters used Matsui's

name (and a Toronto address) as part of a ploy to arrange for the purchase of property on a rush deal. Using the names of famous people is one way to attempt to bury any fraud-related web search results among the results related to the real person. For more

on this fraud and others, including examples of emails from fraudsters and copies of actual (fraudulent) cheques sent to lawyers, see the Confirmed Frauds page (http://avoidclaim.com/?page_id=1479) on LAWPRO's AvoidAClaim blog.

LAWPRO MAGAZINE

President & CEO: Kathleen A. Waters

LAWPRO Magazine is published by Lawyers' Professional Indemnity Company (LAWPRO) to update practitioners about LAWPRO's activities and insurance programs, and to provide practical advice on ways lawyers can minimize their exposure to potential claims.

www.lawpro.ca
Tel: (416) 598-5800 or 1-800-410-1013 Fax: (416) 599-8341 or 1-800-286-7639

Editor: Dagmar Kanzler dagmar.kanzler@lawpro.ca

Contributing editors: Dan Pinnington dan.pinnington@lawpro.ca
Nora Rock nora.rock@lawpro.ca
www.lawpro.ca

Design & Production: Freeman Communications studio@freemancomm.com

Photography: Rick Chard rickchard@bmts.com
The Canadian Press cpimages.com

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LAWPRO receives A (Excellent) rating from A.M. Best Co.

LAWPRO was awarded a financial strength rating of A (Excellent) and an issuer credit rating of “a” from a leading rating agency – the 12th time that LAWPRO has received this positive rating from A.M. Best Co.

In addition, the rating agency gave LAWPRO a stable outlook – citing in part the company’s strong capitalization, commanding market profile, improved underwriting performance and access to capital sources held by the Law Society of Upper Canada for the benefit of the lawyers’ professional liability program.

In its January 13, 2012, rating announcement, A.M. Best Co. also commented on the unique nature of LAWPRO compared to other insurance companies. LAWPRO writes only two lines of business – lawyers’ malpractice and title insurance. As the dedicated insurer for the Law Society’s professional liability insurance program, it can count on 100 per cent coverage and retention of its base liability program, and earns 87 per cent of its premiums from this stable base. These factors contributed to the A (Excellent) rating and stable outlook, A.M. Best said.

At the same time, A.M. Best Co. commented that factors inherent in LAWPRO’s mandate could offset these positive rating factors. Cited were the goal of providing affordable insurance; continued exposure to fraud-related claims; and increased claims frequency and severity. These factors had contributed in the past to a “negative” outlook for LAWPRO – a caution about a possible change in a company’s financial strength rating that A.M. Best has now replaced with a stable outlook based on its re-evaluation of LAWPRO’s results and structure.

A.M. Best noted that LAWPRO’s ability to maintain its positive rating over the longer term would involve: maintaining its capital base; continuing to be the provider of the mandatory insurance program; and containing underwriting costs to budgeted levels using current risk management strategies.

“These positive results from A.M. Best Co. are an important corroboration of the strength and stability of our company and of the strategies we have in place that have contributed to sound financial and claims results,” said Kathleen A. Waters, president and CEO of LAWPRO. “We are also pleased that A.M. Best has recognized the unique mandate and nature of our insurance company in its evaluation of the factors driving our rating.”

LAWPRO committed to accessible customer service

January 1, 2012, marked the coming-into-force of the Customer Service Standard established under the *Accessibility for Ontarians with Disabilities Act, 2005*. In preparation for meeting its compliance obligations under the standard, LAWPRO has conducted company-wide accessibility training and has adopted an “Accessible Customer Service Policies, Practices and Procedures” policy. This policy, points out Stephen Freedman, director, compliance risk & chief privacy officer at LAWPRO, describes how LAWPRO will meet its obligations to ensure those with disability receive services that respect their disabilities, and commits the company to train its employees appropriately. The new policy is available at www.lawpro.ca – see the Accessibility link at the bottom of every web page.

keyDATES

January 31, 2012

LAWPRO 2011 Fourth quarter real estate and civil litigation levy surcharge filings and applicable payments were due.

February 7, 2012

LAWPRO lump sum payment discount deadline. Premium cheques had to be dated and received by this date to qualify for the \$50 discount on the 2012 LAWPRO insurance premium.

April 30, 2012

LAWPRO 2012 real estate and civil litigation levy surcharge annual exemption form due.

April 30, 2012

LAWPRO 2012 first quarter real estate and civil litigation levy surcharge filings and applicable payments due.

July 31, 2012

LAWPRO 2012 Second quarter real estate and civil litigation levy surcharge filings and applicable payments due.

September 15, 2012

LAWPRO CPD premium discount deadline: Complete the online declaration by this date to receive the CPD premium credit on your 2013 insurance premium.

On or about October 1, 2012

LAWPRO Online filing of professional liability insurance applications for 2013 expected to begin.

October 31, 2012

LAWPRO 2012 Third quarter real estate and civil litigation levy surcharge filings and applicable payments due.

November 1, 2012

LAWPRO E-file deadline. LAWPRO renewal applications for 2013 professional liability insurance must be e-filed by this date to be eligible for the \$25 per lawyer e-filing discount.

November 8, 2012

LAWPRO Final deadline to submit LAWPRO renewal application for 2013 professional liability insurance.

New LAWPRO board members

The following were appointed to the LAWPRO board of directors in November 2011.

Robert F. (Bob) Evans

A principal with Evans & Evans in Bradford, Evans is a Law Society bencher and former president of the York region law association. He is also an active member of his community, serving as a school board trustee, past president of the Bradford Rotary Club and is currently chair of the local community council.

Clare Brunetta

A sole practitioner based in Fort Frances, Brunetta is a past chair of CDLPA and past co-chair of the Joint Working Group on Lawyers and Real Estate, and a deputy judge of the small claims court. He is also an active volunteer in his community and has served in many capacities in the education, health, sports and tourism sectors as well as with the aboriginal community.

Former board members make news

In October 2011, **Harvey Strosberg**, chair of the LAWPRO board of directors from 1995 to 1996 and a partner at Sutts, Strosberg LLP in Windsor; was awarded the OBA Award of Excellence in Civil Litigation. Strosberg received the award in recognition of his outstanding service to the legal community and his contributions to and achievements in enhancing the practice of civil litigation.

Gerry Swaye, a LAWPRO board member from 2003 to 2006, recently received the Hamilton Law Association (HLA) Emilius Irving Award. The award is given to members of the Hamilton Law Association in recognition of their contributions to the HLA and the community in general. Swaye is principal at Gerald A. Swaye Associates PC in Hamilton.

Former LAWPRO board member **Randall Bocock** has been appointed to the Tax Court of Canada. A partner and practice head of corporate law at Evan, Philp LLP in Hamilton until his appointment in November, Bocock served on the LAWPRO board from 2010 to 2011.

Constance Backhouse, a member of the LAWPRO board from 2003 to 2011, was recently awarded the Gold Medal for Achievement in Research by the Social Sciences and Humanities Research Council (SSHRC), the Council's highest research honour. The award was presented to Professor Backhouse for her major body of work on feminist research. Backhouse is currently doing research on a biography of former Supreme Court of Canada justice Claire L'Heureux-Dubé.

eBRIEFS

The following is a summary of the electronic communications you should have received from LAWPRO this fall. To ensure you receive timely information about deadlines, news and other insurance program developments, please make sure you have whitelisted service@lawpro.ca with your email service provider. The full content of these newsletters is available at www.practicepro.ca/enews.

Alert



Avoid administrative dismissal; fraud alert

December 15, 2011

Reminder to lawyers to take a fresh step in litigation to comply with Rule 48; warning about new and sophisticated frauds.

Insurance News



New programs approved for LAWPRO CPD credit:

File by Sept 15

September 7, 2011

A reminder of the CPD filing deadline; the launch of the *LAWPRO Magazine* summer edition; and four legal job postings open at LAWPRO.

LAWPRO transaction filings overdue

September 15, 2011

Notice to lawyers who had not made their litigation or real estate transaction levy filings and/or payments by the July 30, 2011 deadline.

Renew your LAWPRO exemption status for 2012:

File Online

September 28, 2011

A reminder to exempt lawyers to renew their exempt status for the 2012 policy year; information for exemption eligibility; and information for exempt lawyers planning to return to practice. Second renewal sent to those who had not yet filed on October 11, 2011.

Renew your (your firm's) professional liability insurance for 2012

October 3, 2011

Separate notices to lawyers and firms that online filing for the 2012 insurance renewal is now open. Several reminders sent out in mid October and at the end of October to those who had not yet filed their insurance application, as well as final reminder of the November 8, 2011, filing deadline.