



2003 insurance program:

Enhanced insurance coverage, lower insurance premiums

Base premium reduced by \$200 to \$2,500 per lawyer

For the seventh consecutive year, the majority of lawyers across Ontario will pay less for their professional liability insurance.

Base premiums for 2003 will be \$2,500 per lawyer – \$200 less than in 2002, and significantly below the \$5,600 paid by lawyers in 1995, when LawPRO assumed responsibility for the administration of the liability insurance program.

Many lawyers will pay lower premiums still, depending on variables such as options selected, years in practice and practice areas. For example, part-time practitioners, those who restrict their practice to criminal and/or immigration law, and lawyers newly called to the bar could pay a premium of \$1,500 or less in 2003.

Premiums for other insurance coverages, transaction levies and discounts will remain the same as they were in 2002.

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Enhanced coverage for *pro bono* legal services

Effective January 1, 2003, changes will be made to the insurance program to encourage the provision of *pro bono* legal services.

The changes apply specifically to *pro bono* legal services provided by lawyers after January 1, 2003, through approved programs associated with Pro Bono Law Ontario, and will not include legal services beyond:

- (a) those rendered to low income persons in civil matters or in criminal matters for which there is no government obligation to provide counsel;
- (b) services that simplify the legal process for, or increase the availability and quality of legal services, to persons of limited means; and/or
- (c) those rendered to charitable, non-profit and public interest organizations with respect to matters or projects to address the needs of low-income and disadvantaged individuals.

PROGRAM CHANGES FOR EXEMPT LAWYERS

Lawyers who claim an exemption, and also provide approved *pro bono* legal services through an approved *pro bono* legal services program associated with Pro Bono Law Ontario, will have insurance coverage as follows:

- They will be provided with the standard run-off insurance coverage of \$250,000 per claim/in the aggregate for their approved *pro bono* legal services, even though the services are provided while exempt under the program; and
- They will NOT be required to pay any deductible amount for claims relating solely to such services.

PROGRAM CHANGES FOR LAWYERS WHO BUY THE STANDARD INSURANCE PROGRAM COVERAGE

Lawyers who purchase the standard insurance program coverage will qualify for the following program changes with respect to the approved *pro bono* legal services provided through an approved *pro bono* legal services program associated with Pro Bono Law Ontario:

- They will not be required to pay any deductible amount or claims history levy surcharge for claims relating solely to such services; and
- Those applying for the part-time practice option will not be required to consider any hours of professional time or past claims relating solely to these services in their application for this part-time practice option.

Defence cost protection against statutory penalties

Effective January 1, 2003, lawyers carrying the standard insurance coverage will have limited defence cost coverage for certain penalties levied under section 163.2 of the *Income Tax Act* or section 285.1 of the *Excise Tax Act*.

Policy coverage is being expanded to reimburse these lawyers for the first \$100,000 in investigation and defence costs which they incur in successfully defending a penalty assessed against them under either Act.

Although lawyers will not have to pay an additional premium for this expanded coverage, the coverage would be reduced by the deductible amount payable to LAWPRO; as well, the \$100,000 limit will be the total coverage limit available to all members of the same law firm for eligible penalties reported in the year when the services were provided and when the claim is first made.

In some cases, LAWPRO may enter into an agreement with the lawyer to fund the first \$100,000 in investigation and defence costs, as they are incurred.

Full Run-Off insurance coverage for lawyers' estates for 90 days

Recognizing that it takes time to settle matters after the death of a lawyer in practice, LAWPRO will provide a lawyer's estate with the full Run-Off Buy-Up limit coverage of \$1 million per claim/\$2 million in the aggregate for the first 90 days after the death of a lawyer carrying the standard insurance coverage. This coverage will be provided at no charge.

During the 90-day grace period, the estate can assess the ongoing liability of the deceased member's practice and opt to either revert to the basic Run-Off Coverage limit of \$250,000 per claim/in the aggregate, or apply to increase the Run-Off Coverage to either \$500,000 per claim/aggregate or the full \$1 million/\$2 million limits.

Exempt status of legal aid lawyers recognized

By-Law 16 of the *Law Society Act*, and the 2003 LAWPRO exemption form have been updated to reflect the exempt status of lawyers indirectly employed through Legal Aid Ontario (but who are not employees of Legal Aid Ontario).

Lawyers who are employed in community legal clinics, student legal aid services societies, and aboriginal legal services corporations, funded by Legal Aid Ontario, will be able to apply to exempt themselves from the payment of insurance premiums and ongoing coverage under the standard insurance program.

This new exemption formalizes a long-standing decision of Convocation to exempt this group of lawyers, recognizing that liability insurance was purchased and maintained for lawyers and others by the former Legal Aid Plan and the clinics.

PRO BONO WORK DOES NOT AFFECT EXEMPTION

Lawyers who qualify for this exemption but also provide *pro bono* legal services to non-profit organizations would continue to qualify for the exemption. However, where the lawyer otherwise engages in private practice, she or he would be considered to be providing services in private practice and would not qualify for the exemption and would have to pay the LAWPRO insurance premium, as required by the Law Society.

“Occasional practice” criteria amended

The criteria governing what constitutes “occasional practice” have been amended to allow a lawyer who is a member of the Law Society of Upper Canada but residing in another Canadian jurisdiction, to provide legal services in Ontario for a maximum of 10 matters over not more than a total of 20 days in the year.

Previously, occasional practice had been defined as “not more than 10 real estate transactions or not more than 80 hours for work usually billed on an hourly basis.”

This change brings the insurance program’s occasional practice exemption criteria in line with By-Law 33 of the *Law Society Act* concerning the activities of non-member lawyers in Ontario, and the Inter-Jurisdictional Practice Protocol, and ensures a greater

measure of equity among lawyers (Law Society members and non-members alike) who practise on an occasional basis in Ontario.

Mobility protocol will mean additional insurance program changes

Once the Law Society becomes a signatory to the National Agreement on Mobility, LAWPRO will modify the insurance program to ensure that it reflects the insurance coverage and defalcation provisions defined in the mobility protocol. Additional details will be provided in an upcoming issue of LAWPRO magazine.

For details on any of these programs, contact the LAWPRO Customer Service Department at 416-598-5899 or 1-800-410-1013 or service@lawpro.ca.

Information on filing for 2003



Application filing deadlines:

November 1, 2002: e-file deadline

E-file your 2003 insurance application by November 1, 2002, and you’ll receive a \$50 premium discount on your next year’s insurance premium. Last year, close to 70 per cent of lawyers opted to take advantage of this discount and completed their applications via the **File Online** option on our Web site – www.lawpro.ca.

November 8, 2002: filing deadline

To avoid paying a late filing surcharge of 30 per cent of the base premium, applications must be filed with LAWPRO by November 8, 2002. Applications can be filed in one of three ways: electronically, by fax or mail.

New in 2003: New filing option for smaller firms

Starting this year, lawyers who work in firms of five or more lawyers will be able to file their 2003 insurance applications on a firm basis – eliminating the need for each individual lawyer in these firms to file a separate application form. Previously, this option had been available only to firms of 10 or more lawyers.

Application packages explaining the firm filing option were mailed to managing partners in these law firms in early October. Included in the package were a Firm Summary Form, pre-populated with information on the insurance coverage and options selected by the firm the previous year, as well as individual lawyer applications.

Similar packages containing pre-populated application forms were mailed to sole practitioners and lawyers who practise in firms of less than five lawyers.

Pre-populating the applications and expanding the number of lawyers who can complete firm filings further streamlines the filing process for the majority of lawyers.

If you have not yet received your application/exemption package and are in private practice, you should immediately contact LAWPRO Customer Service at 416-598-5899 or 1-800-410-1013, or via e-mail at service@lawpro.ca.

Who must file an application?

- Any lawyer insured under the LAWPRO program in 2002 who intends to continue in private practice in 2003.
- Any lawyer who was exempt under the program in 2002 but intends to return to private practice in 2003.
- Any in-house counsel, government or education lawyer, or legal aid clinic lawyer who, in the course of employment or otherwise, provides legal services to third parties.
- Any lawyer who, although retired from active private practice, occasionally provides legal services.
- Any Law Society member who, although not resident in Ontario, engages in more than “occasional practice” in Ontario, as defined under the *Rules for Exemption Eligibility*.
- Any lawyer first coming into private practice in 2003 (including those called to the bar in September/October 2002).

2003 insurance materials incorporate personal information statement

As part of its preparations for new privacy legislation, LAWPRO has adapted its insurance materials to address the need to obtain consent for information gathered in relation to our optional insurance programs, as follows:

- Our new LAWPRO Personal Information Statement outlines how we will use and disclose information related to these optional programs. The Statement is included in the Program Guides accompanying the 2003 insurance application materials, mailed to you in early October. The full text also is available on our Web

site via a link in the Warranty & Signature section of your online application.

- The **Warranty & Signature** section of our 2003 insurance forms includes reference to this Personal Information Statement.
- Our new LAWPRO Privacy Code is available on our Web site at www.lawpro.ca/privacy or in hard copy from our Customer Service Department at 416-598-5899 or 1-800-410-1013, e-mail service@lawpro.ca. The Code describes how LAWPRO will exercise its commitment to the privacy of information related to its optional insurance programs.

E-file in minutes

WHAT YOU'LL NEED

Before you e-file, make sure you have the following at hand:

- your Law Society (LSUC) member number (check the mailing label on your 2003 insurance application package mailed to you in early October);
- your unique, confidential password.

ABOUT YOUR PASSWORD

- If you have completed any online LAWPRO filings in the past, the password you used will still be valid.
- If you have forgotten your password, you may be able to reconfirm it using the "Forgot your password" function on the LAWPRO Web site at www.lawpro.ca
- If you do not have a password you can complete our online password request form (a Customer Service representative will then contact you to establish your password), or you can call 416-598-5899 or 1-800-410-1013 during regular business hours and request a password. To minimize your wait time, we suggest you call and arrange your online filing password as soon as possible. DO NOT WAIT UNTIL OCTOBER 31st.

E-FILE IN 4 EASY STEPS

1. Go to the LAWPRO Web site at www.lawpro.ca and click on **File Online**.
2. You will be prompted to enter your Law Society member number (see your mailing label on your 2003 application package) and your unique, confidential password.
3. Select **2003 Professional Liability Insurance Application (renewals)** from the list of options. Your application form will appear, pre-populated with your information pulled from our database.
4. Follow the on-screen instructions for completing your application – in minutes! All of the information on the 2003 insurance program and options are available online.

RECEIVE YOUR \$50 PREMIUM DISCOUNT

- Complete the online filing by November 1, 2002, and you will receive a \$50 per lawyer discount on your 2003 insurance premium.