

# Coverage

## LAWPRO evolves in step with the profession

2014 marked the fourth year that LAWPRO's base premium held steady at \$3,350, but the terms of the policy have evolved continually since it was first introduced. As lawyers change the way they practise law, LAWPRO has taken steps to ensure that coverage remains relevant and responsive.

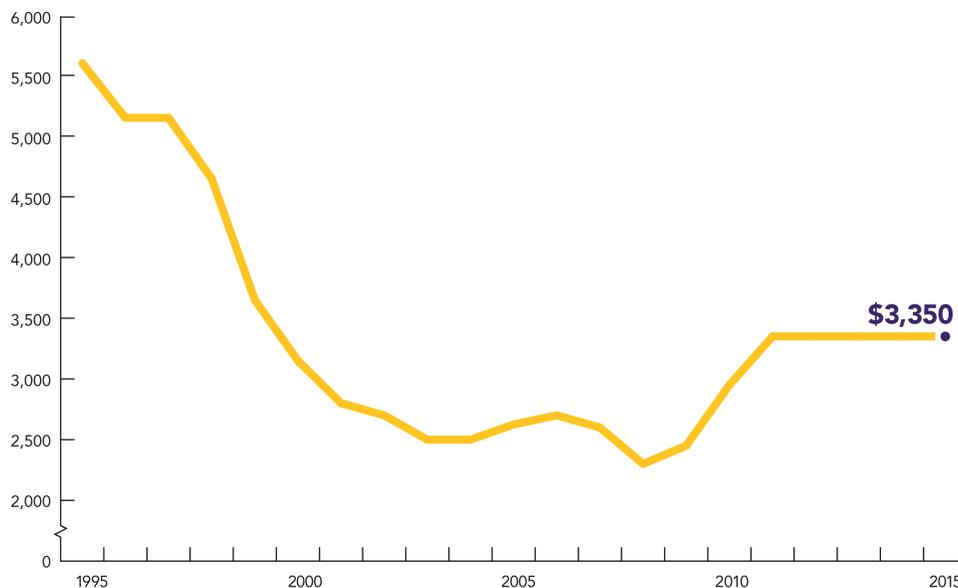
To facilitate geographical mobility, LAWPRO introduced co-ordinated coverage for Ontario lawyers also called in Quebec. In recognition of the need for consistent coverage for individuals practising together, paralegal licensees who practise in partnership with lawyers must now carry LAWPRO professional indemnity insurance.

In response to the growing threat of cyber attacks against lawyers, LAWPRO clarified its approach to the problem by establishing a \$250,000 coverage sublimit for cybercrime losses. Also, a \$10,000 increase in deductible was introduced for certain claims based on the administrative dismissal of actions for delay.

As always, coverage options are designed to reflect the risk profiles of lawyer categories, and many lawyers pay less than the base premium. See the chart on page 12 for details.

Figure 8 Base premium per lawyer

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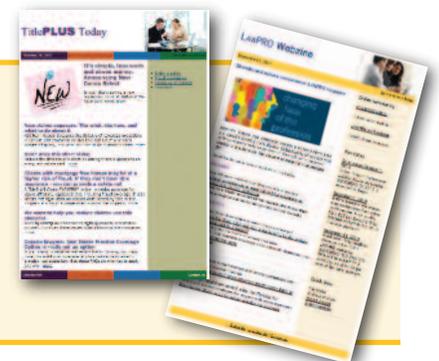


Figure 9 Participation rates for discounts and coverage options

Feature		No. of lawyers participating as of Jan. 31, 2014	No. of lawyers participating as of Jan. 31, 2015
New call discount	» 20 to 50 per cent base premium discount for those called in the last one to four years	4,499	4,690
Part-time practice	» 50 per cent base premium discount for eligible lawyers	1,675	1,772
Restricted area of practice option	» 50 per cent base premium discount for immigration/criminal law practitioners	1,512	1,556
Innocent Party buy-up	» Increase in Innocent Party sublimits up to as much as \$1 million per claim/aggregate	3,424 <small>(based on \$249/lawyer)</small>	3,394 <small>(based on \$249/lawyer)</small>
Run-Off buy-up	» Increase limits for past services from \$250,000 per claim/aggregate to as much as \$1 million per claim/\$2 million aggregate	965	1,027
Real Estate practice coverage	» Required for all lawyers practising real estate law in Ontario. Sublimit coverage of \$250,000 per claim/\$1 million aggregate	7,499	7,676

## Excess coverage offers peace of mind for large claims

The number of claims reported with a value exceeding \$100,000 continues to increase (See Figure 4 on page 7). LAWPRO's Excess insurance program offers coverage beyond the limits of the mandatory program and up to \$9 million per claim/\$9 million in the aggregate. LAWPRO insures more small firms (defined as firms with fewer than 15 lawyers) than any other insurer operating in Ontario; in fact, 74 per cent of the firms in this category that carry excess insurance purchase it from LAWPRO.

Don't think you need excess coverage? Our claims statistics indicate that the size of the firm in which a lawyer participates does not correlate particularly closely to claims size. For more details about why excess insurance is useful for smaller firms, see "Untangling the myths of excess insurance" in the September 2014 issue of *LAWPRO Magazine*. As claims value increases, so does the risk that your basic coverage of \$1 million per claim/\$2 million in the aggregate may not cover all losses in the event of one or more large claims, or even a "cluster" of claims. For a better picture of your excess insurance needs, you can complete an excess self-assessment at [lawpro.ca/excess](http://lawpro.ca/excess). We invite you to contact us to discuss your coverage needs, and to request a quotation. ■

As of February 28, 2015

**3,790** insured lawyers

**1,436** law firms