



Understand how changing your practice status affects your insurance needs

A few of our most common questions about changes to practice status

I may be taking a leave of absence from my practice. Do I have to continue to purchase insurance coverage?

If you are planning a temporary leave from practice, you may become exempt from the requirement to buy insurance. If you meet the eligibility rules, complete an application for exemption on the LAWPRO website. You will be entitled to a return of premium while you are on a leave of absence, subject to a minimum 30 days premium and limited to the premium relating to the 30-day period immediately preceding LAWPRO's receipt of your written notice, and any subsequent period thereafter. Regrettably, for those carrying the real estate practice coverage option, we are not able to backdate for this 30-day period.

I am currently a sole practitioner but will be setting up a partnership with another lawyer (also a sole practitioner). What do I need to do to let LAWPRO know and what effect does that have on my insurance policy?

As a sole practitioner, innocent party coverage is not mandatory. However lawyers practising in association or partnership, (including a general, multi-discipline, combined licensee, or limited liability partnership) are required to have innocent party coverage. Innocent party coverage protects members of the public and lawyers against the dishonest, fraudulent, criminal, or malicious acts or omissions of present or former partners, associates, employed lawyers and firm employee(s). In addition, as you will now be practising in a partnership, all lawyers are required to choose and qualify for the same insurance coverage options.

I have recently left a large firm to work as a sole practitioner. Does LAWPRO automatically cancel the insurance policy I had with the firm and if yes, how do I reinstate it?

The professional liability insurance policy belongs to the individual lawyer, and not the firm. This means that if you leave one firm to join another, your coverage follows you. You must provide written instructions to LAWPRO to make any changes to your policy coverage options or status. ■

For answers to more questions about insurance, visit our FAQ page under E&O insurance at lawpro.ca