

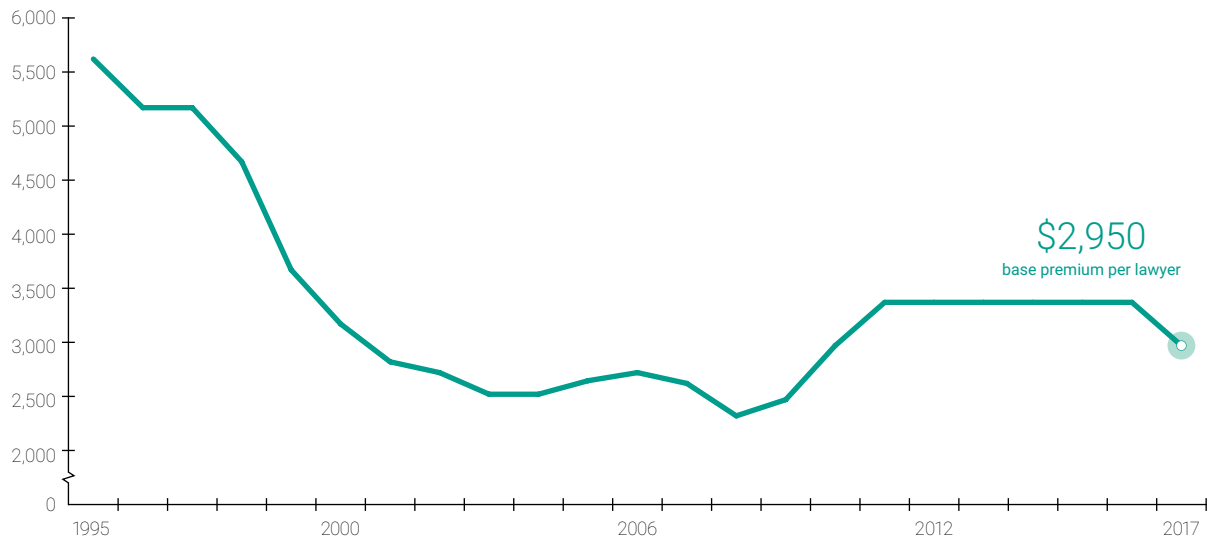
Coverage

Premium remains stable in 2016

The year 2016 marked the sixth year in which most insured lawyers paid a base premium of \$3,350 for their professional indemnity insurance. As rents and property values continue to climb, and as technology becomes obsolete at an ever-increasing rate, we were proud to be among the few practice expenses NOT growing in 2016. LAWPRO is well positioned to lower the base premium to \$2,950 for the 2017 program.

FIGURE 7

Base premium per lawyer



REPCO reduced again

Real estate lawyers benefited, in 2016, from a new reduction in the premium for the Real Estate Practice Coverage Option (REPCO). In 2016, the REPCO premium was \$100, down from \$250 the previous year. Introduced in 2010 at a premium of \$500, REPCO was established to support changes to the protection for the registration of interests in land in Ontario.

Other changes

There were two other changes to the policy for 2016. First, in recognition of the willingness of lawyers not in private practice to make a contribution to newer entrants to the profession, run-off coverage was made available for mentoring activities by exempt lawyers.

Second, to harmonize coverage as between lawyers and paralegal shareholders in combined-licensee professional law corporations, coverage was introduced for those paralegal shareholders. By the end of 2016, all paralegal shareholders in combined licensee firms were required to be covered under the LAWPRO program.

The LAWPRO program premium is customized to respond to a variety of practice circumstances. New lawyers, part-time practitioners, and lawyers who restrict their practice to criminal and/or immigration law pay reduced premiums, while lawyers exposed to additional risks, or who have stopped practising but want enhanced run-off protection can tailor their coverage accordingly. Figure 8 provides an overview of lawyer participation in various coverage options in 2016:

FIGURE 8

Participation rates for discounts and coverage options

New call discount

20 to 50 per cent base premium discount for those called in the last one to four years



Part-time practice

50 per cent base premium discount for eligible lawyers



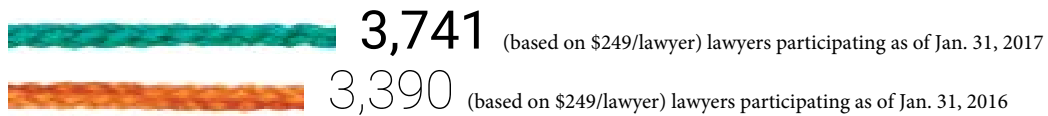
Restricted area of practice option

50 per cent base premium discount for immigration/criminal law practitioners



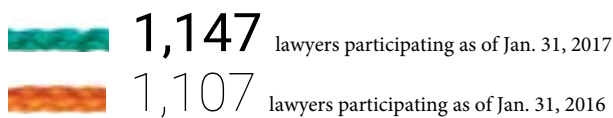
Innocent Party buy-up

Increase in Innocent Party sublimits up to as much as \$1 million per claim/aggregate



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



Real Estate Practice Coverage

Required for all lawyers practising real estate law in Ontario. Sublimit coverage of \$250,000 per claim/\$1 million aggregate

