

## Your 2021 insurance program: Expanded coverage; easy renewal

### Quick summary:

- Innocent Party coverage for all insureds
- No change to transaction levies
- Consolidated renewal deadlines
- Base premium for 2021: \$3,000
- Simplified one-click renewal
- Reduced late renewal surcharges

We've all encountered enough challenges this year. LAWPRO wants to ensure your professional insurance renewal process isn't one of them.

We've made changes to your E&O program and online renewal process to best address the need for broader vicarious liability risks while creating time and cost savings through an easy, one-click renewal process.

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## What is new for 2021?

The 2021 E&O program focuses on expanding the availability of coverage for claims involving vicarious liability, simplifying the renewal process, and continuing LAWPRO's commitment to pursuing comprehensive data in order to ensure lawyers are paying premiums that are appropriate for their level of risk.

## Innocent Party coverage for all insureds

For the 2021 policy year, Innocent Party coverage will be included in the base coverage and required for all insureds.

This coverage protects lawyers who may find themselves associated with someone that engaged in dishonest, fraudulent, criminal, or malicious conduct while purporting to serve clients as a lawyer.

Inclusion of Innocent Party coverage in the standard policy **will lower the premium for over 20,000 Ontario lawyers by \$75 and increase it by \$25-\$50 for the remaining lawyers, depending on whether they are paying a discounted base premium.**

This change addresses the increasingly fluid practice structures, marketing, and office arrangements as Ontario's legal and business markets adapt to a changing landscape and a possible recession. Our claims data indicates that not all insureds who require Innocent Party coverage purchase it.

This new, standard Innocent Party coverage included in the base coverage has a sublimit of \$250,000 per claim and in the aggregate. As in past years, optional Innocent Party Coverage sublimit increases to \$500,000 or \$1 million per claim and in the aggregate will be offered for an additional \$75 or \$125 premium, respectively.

## Renewal filing deadline: November 9, 2020

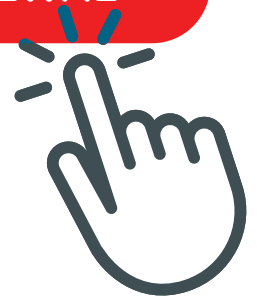
This year, the deadline to file for renewal is November 9, 2020. The website will be open for renewal filing beginning October 1.

Our data indicates that lawyers who file late or do not file at all are more than twice as likely to report a claim than those that meet filing deadlines. Accordingly, any renewal applications received after November 9 will be subject to a no-application surcharge to account for the greater risk late filers represent. This surcharge will be \$600 (reduced from \$885 in prior years), with an option to reduce this to \$350 by filing renewal applications by a specified late filing deadline. To ensure fairness for all, these deadlines and surcharges will be strictly enforced.



## Introduction of one-click renewal

To improve the renewal process for lawyers, LAWPRO has developed a one-click renewal process. If a lawyer has no changes from the previous year, they can quickly file online with one click in the My LAWPRO portal instead of completing the online application form as in previous years. This saves time, reduces the likelihood of error, and decreases administrative costs for LAWPRO.



LAWPRO was one of the first malpractice insurance companies to offer online renewal over 2 decades ago. We encourage insureds to file and pay levies online in the My LAWPRO portal. If an insured will not be practising in real estate or civil litigation they can save time by requesting an exemption from the transaction levy filing requirements during the renewal process. ■



## Frequently asked questions regarding renewing your coverage

### **Q. How do I renew my insurance coverage?**

**A.** Filing your renewal application online is quick and easy:

- 1) Go to lawpro.ca and click on the yellow “LOGIN” box on the right side of the page
- 2) Log in with your Law Society number and confidential online password. If you cannot remember that password or need to set up a new one, follow the online instructions or contact Customer Service for assistance at 416-598-5899 or at 1-800-410-1013
- 3) If you will be making no changes to your policy or personal information, click on the “No Changes? One-Click Renewal for 2021” button under the “File Online” tab and then “SUBMIT”

OR

If you will be making changes to your policy options or personal information, click on the “Renew Professional Liability Insurance for 2021 With Changes” button under the “File Online” tab. Complete the application, click “Review” at the bottom of the form, and then “SUBMIT”

- 4) Record your confirmation number (starting with “P”)

### **Q. I filed my renewal application online. It was fast and easy. Although I received a confirmation number that started with the letter “R”, I have received another email reminder to file my renewal application. What gives?**

**A.** Successful online filing of your renewal application will result in a confirmation number beginning with the letter “P”. The confirmation number starting with the letter “R” means that you have only updated your contact information. You will need to go back online to complete your renewal application. The deadline to renew is November 9, 2020.

### **Q. Although the deadline to renew my insurance for 2021 is November 9, 2020, I will be practising at a new firm effective January 1, 2021. What should I do?**

**A.** You can renew your insurance by providing either your current employment status, or your practice at the new firm effective January 1, 2021.

If your insurance renewal is completed to reflect your current employment status, you will need to subsequently send an email to service@lawpro.ca with the details of your new employment circumstances, including effective date, contact information, and name of the firm.

If your insurance renewal is completed to reflect your practice at the new firm, make sure your current firm does not also remit a filing on your behalf. If they do, your renewal will be processed pursuant to your current firm’s filing.

### **Q. I will be leaving my current firm on December 31, 2020 to begin my own sole practice. How do I show this change in my renewal filing?**

**A.** You should call Customer Service at 416-598-5899 or 1-800-410-1013 to obtain a new firm number prior to renewing your insurance for 2021 and then e-file your renewal application online. (For instructions on e-filing, see Question 1 above.)

### **Q. I will be retiring from the practice of law as of December 31, 2020. Do I need to file a renewal application for my insurance by the November 9 deadline?**

**A.** If the effective date of your retirement will be December 31 or January 1, you will need to file an Exemption Form before the November 9, 2020 filing deadline. You can e-file your exemption form by following these simple steps:

- 1) Go to lawpro.ca and click on the yellow “LOGIN” box
- 2) Log in with your Law Society number and confidential online password. If you cannot remember that password or need to set up a new one, follow the online instructions or contact LAWPRO Customer Service for assistance at 416-598-5899 or at 1-800-410-1013
- 3) Select “Apply for an Exemption” from the list of options
- 4) Complete the filing using the online instructions
- 5) Successful e-filing will result in an online confirmation number that begins with the letter “X”

If you are not yet sure of the date of your retirement from the practice of law, or the effective date is after January 1, you should renew your insurance coverage by the November 9 deadline and then subsequently file an Exemption Form noting the effective date on the form.

### **Q. I filed my renewal application online myself (logging in using my own LSO# and password) and my firm also completed a filing on behalf of all the members of my firm (including me). Which filing will be processed?**

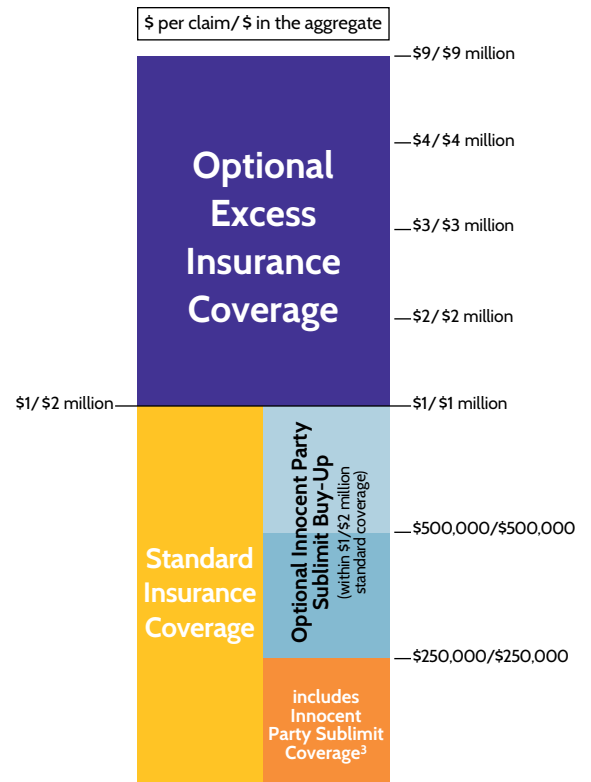
**A.** You should note that if both you and your firm submit separate renewal filings for the same renewal policy year, the filing done by the firm will trump any individual filing. If you wish to pay by a separate method of payment than that provided by the firm, please file an on-line Premium Payment Authorization Form with your individual payment information.

### **Q. What happens if I miss the November 9 filing deadline?**

**A.** Applications filed after this date will be subject to a \$600 additional premium. ■

# Lawyers in private practice

sole practitioners and lawyers in association or partnership<sup>1</sup>



## Standard insurance coverage

### The base program

#### Eligibility:

Required of all lawyers<sup>1</sup> providing services in private practice.<sup>2</sup>

#### Premium reductions for new lawyers

LAWPRO provides premium discounts for new lawyers with less than 4 years of practice:

- 50% discount - less than one year of practice
- 40% - 2 years of practice
- 30% - 3 years of practice
- 20% - 4 years of practice

A "full year" of experience is deemed to be at least 200 days in practice, and years of experience as a licensed lawyer in practice in any jurisdiction will be considered when considering discount eligibility.

#### Coverage limit:

\$1 million per claim/\$2 million in the aggregate (i.e., for all claims made in 2021), applicable to claim expenses, indemnity payments and/or costs of repairs together.

#### Standard deductible:

\$5,000 per claim, applicable to claim expenses, indemnity payments and/or costs of repairs together (some exceptions apply).

#### Base premium:

\$3,000 per insured lawyer (plus PST).

#### Innocent party sublimit<sup>3</sup>

\$250,000 per claim/in the aggregate, applicable to claim expenses, indemnity payments and/or costs of repairs together.

<sup>1</sup> Includes paralegals practising as partners or shareholders in combined licensee firms.

<sup>2</sup> Lawyers who are on temporary leave and qualify for exemption (c) are provided with the full limit coverage of \$1 million per claim/\$2 million in the aggregate provided under the base program.

<sup>3</sup> Coverage for dishonest (as defined), fraudulent, criminal or malicious acts or omissions.

## Mandatory Real Estate Practice Coverage (for real estate practitioners)

### Eligibility:

Required of all lawyers practising real estate law in Ontario in 2021.

Lawyers not eligible for the Real Estate Practice Coverage Option are:

- those who are in bankruptcy;
- those who have been convicted or disciplined in connection with real estate fraud; and/or
- those under investigation, where the Law Society obtains: an interlocutory suspension order or a restriction on the lawyer's practice prohibiting the lawyer from practising real estate; or an undertaking not to practise real estate.

### Coverage sublimit:

\$250,000 per claim/\$1 million in the aggregate, applicable to claim expenses, indemnity payments and/or costs of repairs together.

### Premium:

\$100 per lawyer (plus PST).

## Optional insurance coverages

### Innocent Party Sublimit Buy-Up<sup>4</sup>

#### Eligibility:

Optional for all lawyers and eligible paralegal licensees practising in association or partnership (including MDPs, LLPs, and lawyer/paralegal partnerships), law corporations (with more than one lawyer and/or paralegal shareholder) and sole practitioners practising with employed lawyers.

#### Sublimit buy-ups & premiums:

Innocent Party Sublimit can be increased as follows:

- to \$500,000 per claim/aggregate for an additional \$75 per insured; or
- to \$1 million per claim/aggregate for an additional \$125 per insured.

### Excess insurance coverage

#### Eligibility:

Available to law firms (including multi-discipline partnerships and combined licensee firms) and to lawyers with topped-up Run-Off coverage.

#### Coverage limits:

Up to \$9 million per claim/\$9 million in the aggregate

See page 7 for details of the Excess program. ■

<sup>4</sup> LAWPRO strongly recommends that lawyers increase their optional coverage protection to the maximum sublimit offered, to provide comprehensive coverage and reduce the likelihood of gaps in coverage.

**LAWPRO**  
magazine

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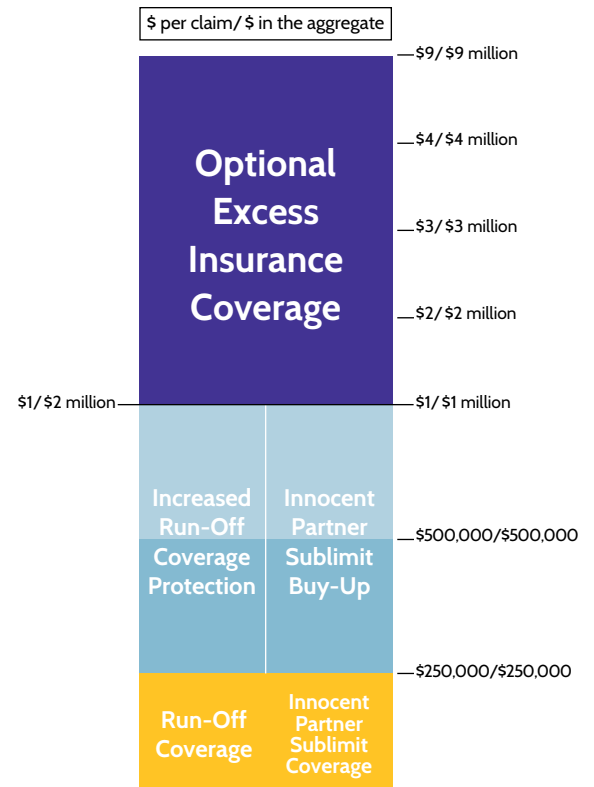


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*The comments in this publication are intended as a general description of the insurance and services available to qualified customers through LAWPRO. Your policy is the contract that specifically and fully describes your coverage and nothing stated here revises or amends the policy.*

# Exempt lawyers

- in-house corporate counsel
- government lawyers, educators and others not in active private practice
- retired lawyers, estate trustees, emeritus lawyers, judges and others no longer practising law
- legal aid clinic lawyers (not directly employed by Legal Aid Ontario)
- lawyers who engage in only occasional practice in Ontario and are resident in a Canadian jurisdiction other than Ontario



## The standard Run-Off coverage

### Eligibility:

Provided at no charge to all lawyer members of the Law Society who are not in active private practice who qualify for exemption<sup>1</sup> from payment of insurance premiums and levies.

### Coverage limits:

\$250,000 per claim/in the aggregate, not re-instated annually, subject to the following:

- applies to claims arising out of services provided while the lawyer was in private practice or otherwise maintained the full ongoing practice coverage;
- does not provide coverage for claims arising out of any services a lawyer provides while exempt from paying the insurance premium. The only exceptions to this are with respect to pro bono legal services provided through an approved pro bono legal services program associated with Pro Bono Ontario, with respect to qualifying mentoring activities, or where the lawyer has applied for and purchased additional coverage specifically for certain services yet to be performed as estate trustee, trustee for inter vivos trust, or attorney for property;

- applies to claim expenses, indemnity payments and/or costs of repairs together;
- includes a sublimit coverage of up to \$250,000 per claim/in the aggregate for Innocent Partner claims;
- includes a sublimit coverage of up to \$250,000 per claim/in the aggregate for cybercrime claims.

### Premium:

None for standard Run-Off coverage.

### Deductible:

Deductible for Run-Off coverage is \$5,000 per claim applicable to claim expenses, indemnity payments and/or costs of repairs together (some exceptions apply).

### Member Assistance Program (MAP)

LAWPRO provides almost half of the annual funding for the Ontario lawyers' Member Assistance Program. Through the MAP, legal professionals are able to access confidential mental health and wellness resources such as counselling on topics such as stress, anxiety, depression, and addiction. The MAP also offers confidential online wellness literature, child care resources, and elder care resources. For more information visit [myassistplan.com](http://myassistplan.com).

<sup>1</sup> Lawyers who are on temporary leave and qualify for exemption (c) are provided with the full limit coverage of \$1 million per claim/\$2 million in the aggregate provided under the base program. Lawyers eligible for the "mobility" exemption have insurance coverage as described on [lawpro.ca](http://lawpro.ca)

## Optional insurance coverages

### Increased Run-Off coverage protection

**Eligibility:**

- optional for lawyers with only the basic Run-Off coverage who are concerned that claims now and in the future may exceed \$250,000 per claim/aggregate; or
- optional for lawyers named or acting as estate trustee, trustee for inter vivos trust, or attorney for property as residual work from their former law practice who wish to purchase expanded coverage for these services yet to be performed.

**Coverage limits:**

Exempt lawyers can apply to increase Run-Off coverage limits to:

- \$500,000 per claim/aggregate; or
- \$1 million per claim/\$2 million in the aggregate.

Terms ranging from two to five years are available.

**Lawyers acting as estate trustee, trustee for inter vivos trust, or attorney for property:**

Exempt lawyers can apply to increase Run-Off coverage protection to include protection for services yet to be performed as estate trustee, trustee for inter vivos trust, or attorney for property, as follows:

- apply for and purchase expanded protection for these services within the standard \$250,000 Run-Off coverage limit; and/or
- apply within the Increased Run-Off coverage limits, as described above.

Through a deeming provision, ongoing activities of this type may be included under the Run-Off coverage protection provided to you.

**Premiums:**

Underwritten on an individual basis, depending on the years practised, areas of law practised, the amount of time since the applicant was in private practice, and other risk-based factors.

### Innocent Partner Sublimit Buy-Up<sup>2</sup>

**Eligibility:**

Optional for exempt lawyers who have applied for Increased Run-Off coverage and who may be concerned about their innocent partner exposure.

## Excess insurance for law firms and lawyers with topped-up Run-Off coverage

**Eligibility:**

Available to law firms (including MDPs and CLFs), and to lawyers with topped-up Run-Off coverage.

**Coverage limits:**

The following Excess limits are above the \$1 million per claim/\$2 million in the aggregate limits of the primary program. Coverage is provided on a firm basis (i.e., for all firm lawyers for services on behalf of the firm):

- \$1 million per claim/\$1 million in the aggregate;
- \$2 million per claim/\$2 million in the aggregate;
- \$3 million per claim/\$3 million in the aggregate;
- \$4 million per claim/\$4 million in the aggregate; and
- \$9 million per claim/\$9 million in the aggregate.

**Premiums:**

Underwritten on a firm-wide basis, based on a risk assessment using, for example, information provided in the Excess insurance application, marketing materials of the firm and supporting documentation.

**Have you visited our FAQ pages?**

*Did you know that LAWPRO maintains an extensive collection of Frequently Asked Questions at [lawpro.ca/faqs](http://lawpro.ca/faqs)? If you have a question, we invite you to visit our FAQs to find the answer.*

**Coverage sublimits & premiums:**

Innocent Partner Sublimit coverage can be increased as follows:

- to \$500,000 per claim/aggregate; or
- to \$1 million per claim/aggregate.

Underwritten on an individual basis, based on a risk assessment of information provided in the Innocent Party Sublimit Buy-Up application. ■

<sup>2</sup> LAWPRO strongly recommends that lawyers increase their optional coverage protection to the maximum sublimit offered, to avoid gaps in coverage.