



Mark Surchin

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Chair

Message from the Chair

As we enter an uncertain and unpredictable economic and political environment, a secure and financially stable mandatory professional liability insurer is paramount for the Ontario bar and members of the public.

As an independent insurance company that is scrutinized by the Financial Services Regulatory Authority, LAWPRO must meet a number of financial rules and risk assessments. One key measure is the minimum capital test (MCT), which evaluates whether a financial institution's assets are sufficient to meet its present and future obligations. At the end of 2024, LAWPRO's MCT measured 258%, 17 points above 2023 year end. While this higher MCT ratio reflects LAWPRO's financial stability, it was primarily driven by unrealized gains from investments, a factor unrelated to our insurance operations. Our strong capital position puts the Company in a solid position to weather market volatility that may arise in 2025.

As in previous years, the Company's reliability and resilience was externally recognized by the A.M. Best Co. rating agency which, again, awarded LAWPRO with a financial strength rating of "A" and an outlook of "stable."

While financial stability is imperative, LAWPRO also values the importance of fostering a just community. LAWPRO is committed to being a responsible, engaged, and accountable corporate citizen. This commitment is reflected in LAWPRO's focus on four key areas of Corporate Social Responsibility:

- Providing a healthy and rewarding workplace
- Respecting the environment
- Fostering the legal community
- Supporting the broader Canadian community

Before closing, I'd like to congratulate Andrew Spurgeon, who acted as Chair of the Board from September 4, 2019, to March 3, 2025, before his appointment as a Judge of the Superior Court of Justice of Ontario. We are grateful for his strategic direction and steady leadership during turbulent times including the COVID-19 pandemic. I also want to thank Fred Gorbet who is retiring from the LAWPRO board after serving for 20 years. His extensive financial, economic, and public policy experience was essential in guiding the Company to success.

This Report outlines the Company's actions to support the Ontario bar, protect them when an error is made, and make a positive impact on the community. I am confident that LAWPRO will continue deliver on its mission of providing insurance products and services that enhance the viability and competitive position of the legal profession.



Daniel E. Pinnington

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President & CEO

Message from the CEO

Leading LAWPRO as its CEO is a privilege I am proud to undertake. In 2024, we continued our technology transformation journey, assisted and defended Ontario lawyers facing claims, and found many opportunities to help them avoid a claim when possible.

In 2024, LAWPRO handled 3,758 new claims, responded to over 50,000 requests through our customer service department, and saw more than 213,000 visits to our risk management resources. Not only that, LAWPRO delivers TitlePLUS, the only wholly-owned all Canadian Title Insurance program.

I can't overstate the critical part LAWPRO staff play in making this happen. That includes our Customer Service Team, members of our Finance Department and PracticePRO, as well as our Claims Professionals, Support Staff, and our outside Defence Counsel.

In the following report, you will read about our most common claims, how we defended lawyers, and repaired claims to reduce damages and avoid going to court. You will also learn how we help lawyers deal with new risks and a changing practice environment.

Going into 2024, there were new developments that particularly concerned us: the resumption of administrative dismissals and the increasing scourge of social engineering fraud.

On May 13, 2024, the Ministry of the Attorney General of Ontario announced that administrative dismissals of Superior Court civil actions would resume. This applied to cases that had not been set down for trial within 5 years or were struck from the trial list and had not been restored within 2 years. In response, LAWPRO immediately posted a notice to the profession and mobilized our claims prevention and claims teams to support lawyers with any potential questions and concerns. We were pleased to collaborate with government and court staff and believe our collective efforts significantly reduced the number of administrative dismissals.

In general terms, social engineering is a fraud that is perpetrated by deceiving a target into revealing information or taking action for illegitimate reasons. It is often associated with phishing or email impersonation and can lead to wired funds being misdirected or fraudulent transfers of property.

To address this growing problem and to help lawyers minimize the risk to themselves and their clients, we encouraged all lawyers to take simple yet crucial steps to avoid becoming the victim of social engineering fraud. Key among these actions was to reinforce the importance of always re-confirming payment instructions by independent means. Our Social Engineering Toolkit, available on practicepro.ca, outlines practical steps to take to recognize and prevent fraud to avoid becoming a victim.

Equally important is the ongoing impact of stress that continues to affect the mental well-being of lawyers. LAWPRO has observed that mental health issues can be a leading contributor to both individual claims and clusters of claims. For this reason, we financially support the Member Assistance Program and promote its use to our insureds.

Through initiatives such as CPD programs and informative articles, LAWPRO continues to educate legal professionals on recognizing mental health warning signs, effectively managing mental health challenges, and adopting healthier wellness practices.

As we celebrate our third decade protecting the Ontario legal profession, it has become clear that LAWPRO continues to meet the challenges it faces and seizes new opportunities as the profession grows.

Thank you to everyone in LAWPRO's community for your continued support for the organization.