

LAWPRO Update

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Communications Counsel

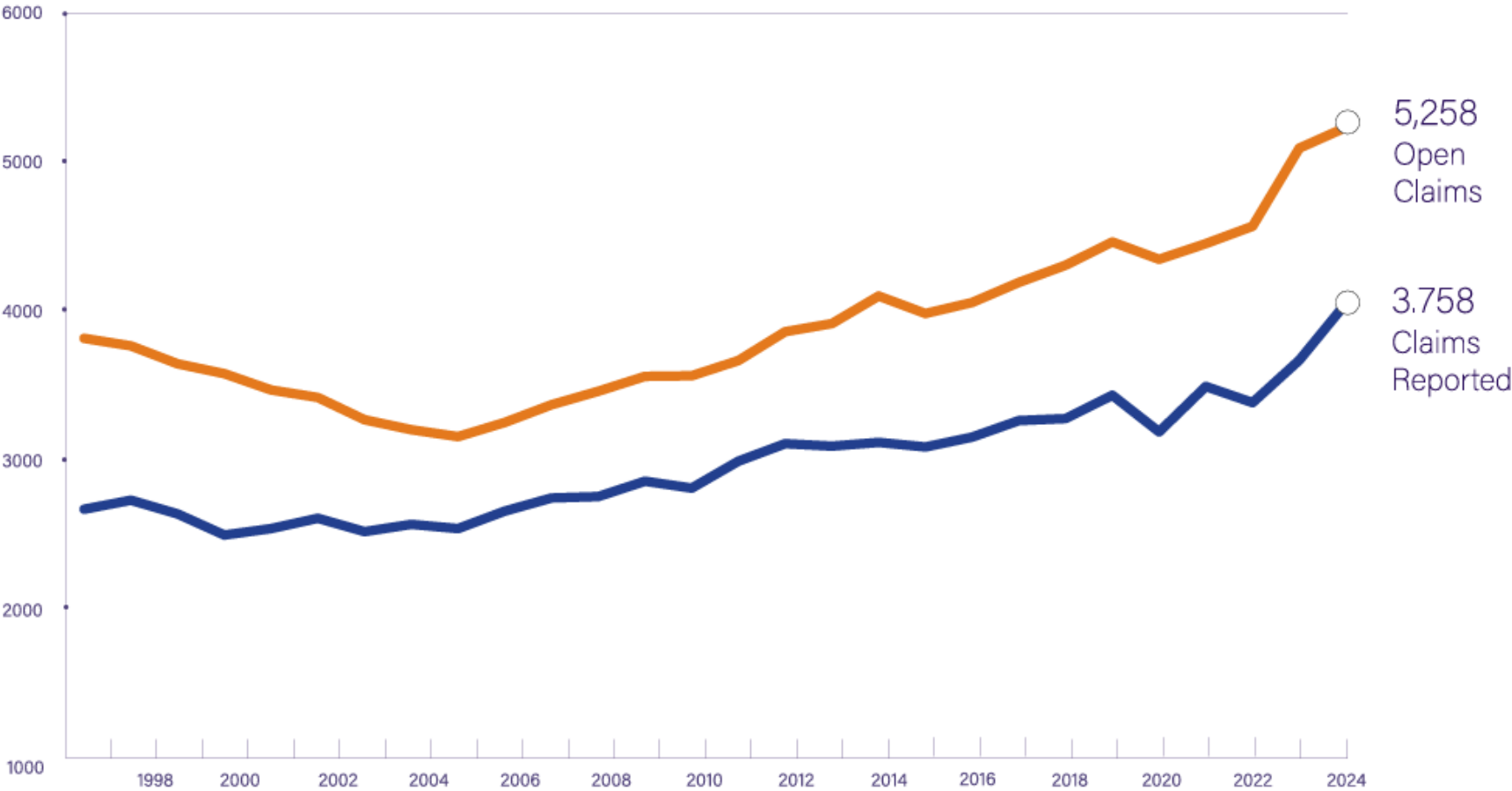
Agenda

- Claims trends
- What happens when you report a claim
- TitlePLUS
- Current Claim concerns
- PracticePRO update
- Questions

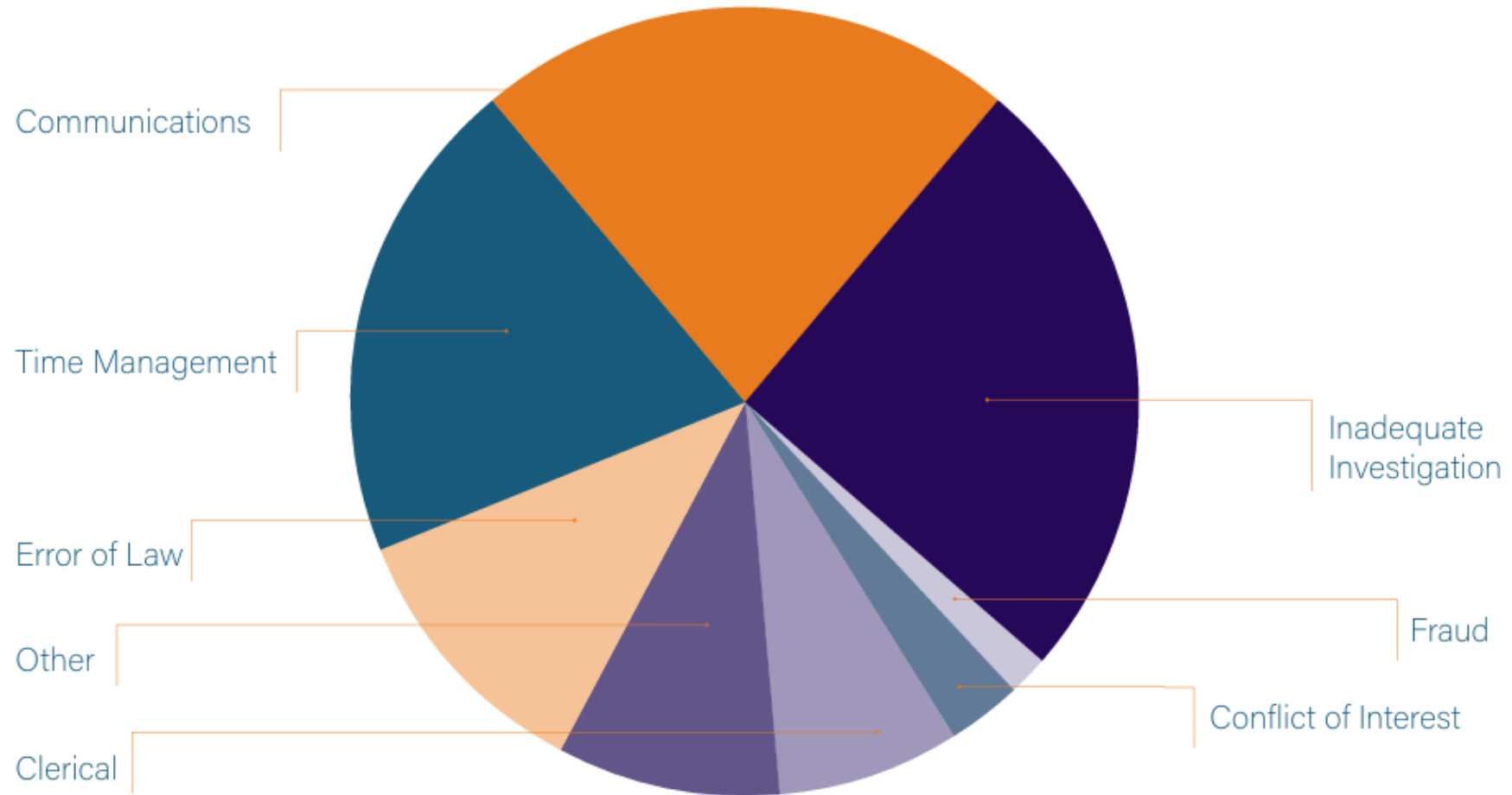
Claims trends

Number of claims reported and open claims

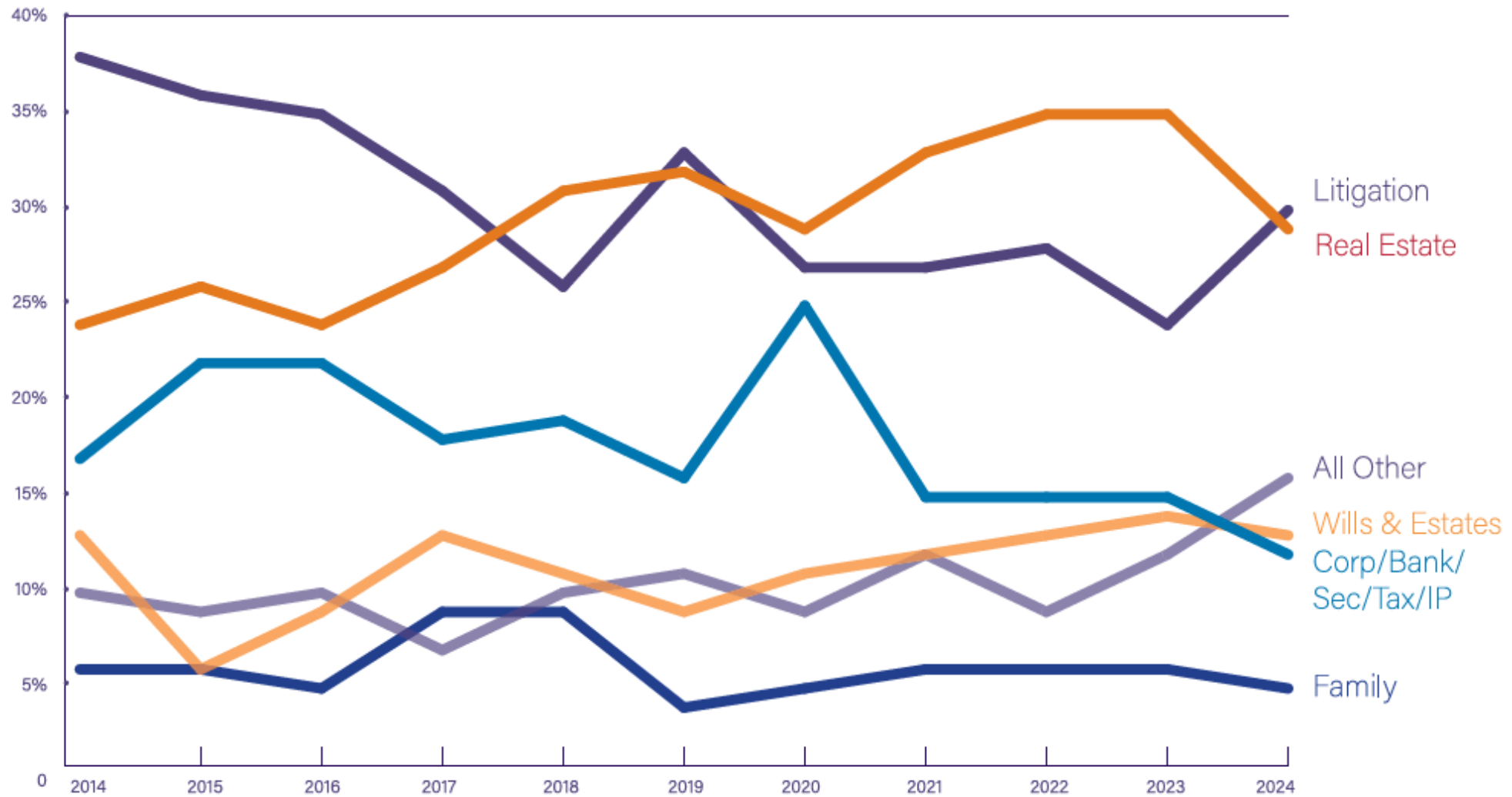
Total number of open claims at Dec. 31, 2024



What kinds of mistakes are we seeing?



Claims by area of law



When to Report – common scenarios

- Email from client that they are unhappy with your legal services
- Asked to be a witness
- Asked (or court order) to produce a file

Note: Reporting to LAWPRO does **not** trigger

- your deductible or
- any claims history levy surcharges

After you Report

- Reporting does **not** trigger deductible
- The Claims Professionals at LAWPRO evaluate the circumstances to identify the most appropriate response
- Issues are addressed through repairs, settlements, or defenses
- Claims Professionals work closely with defense counsel to oversee the claim
- Litigation is undertaken when no obvious error or damages are present

Repair

- Repairs occur when there is an evident or potential mistake by the lawyer
- Attempt made to rectify issue before claim arises
- Common examples:
 - Correct error in a Will
 - Motion to restore matter struck from trial list
 - Amend an error in a contract
 - Take steps to fix potential issues with title

Defending lawyers in court

Claims by outcome

56%

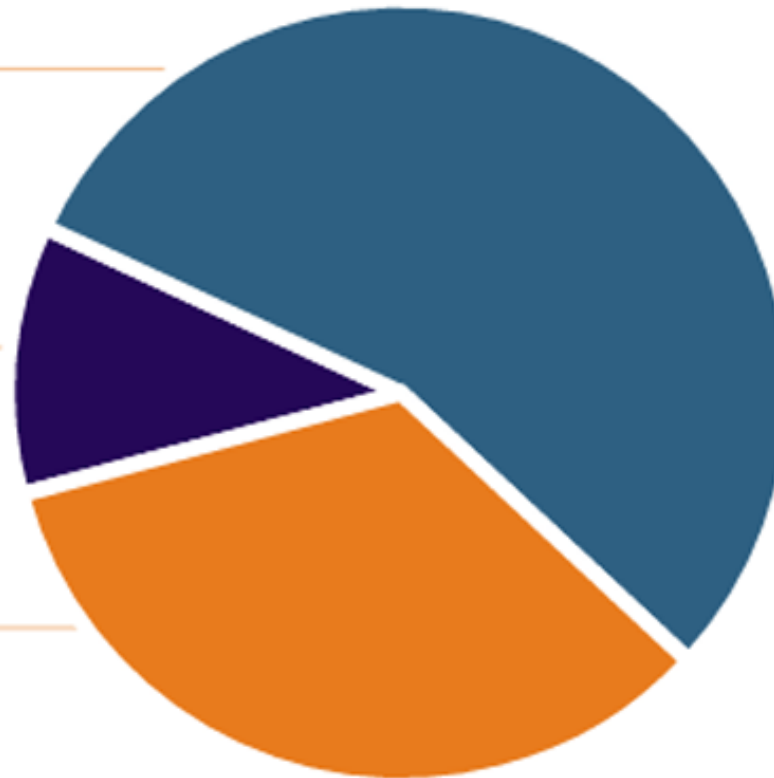
Closed with defence
costs only

12%

Closed with indemnity
payment

32%

Closed without any payment



Why does LAWPRO have a Title Insurance Company?

- Canadian alternate to US title insurers
- Canadian alternate to US model of closing real estate transactions
- Legal service coverage: Lawyers' errors and omissions is covered under the TitlePLUS policy* = keeps premiums low for the Primary Program
 - No claim against the lawyer
 - Lawyer pays no deductible and there is no claims history levy surcharge
 - Insurance payouts are subject to the title insurance policy amount, not the limits of the Primary Policy



CURRENT CLAIM CONCERNS

Fraud and Cyber crime

Fraud claims 2014-24:

- 430 claims (avg 39 a year)
- \$22.5 million in costs (avg \$2.04 million a year)

Fraud Continues to be on the Rise



Phishing

Bad Cheque Frauds

Wire Frauds

Real Estate Scams

Corporate Frauds

Internal Frauds

Cybercrime

Social Engineering

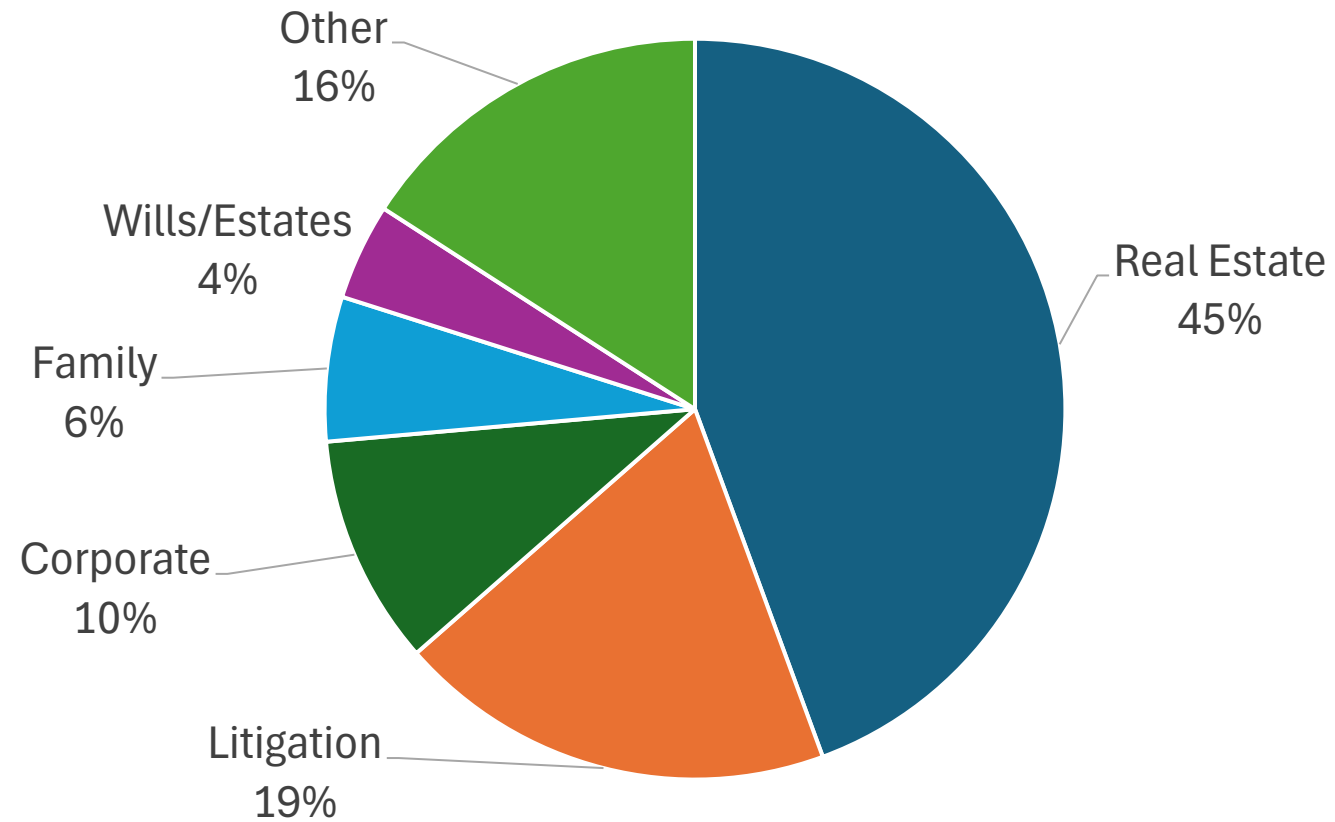
Phishing

Before paying out funds in any matter, verify that instructions sent by email are legitimate through direct phone or in-person contact with the party providing the instructions.

Social Engineering

Social engineering fraudsters frequently target law firms to intercept communications and trick lawyers into redirecting funds to scammers. These frauds involve impersonating clients, opposing counsel or other trusted contacts.

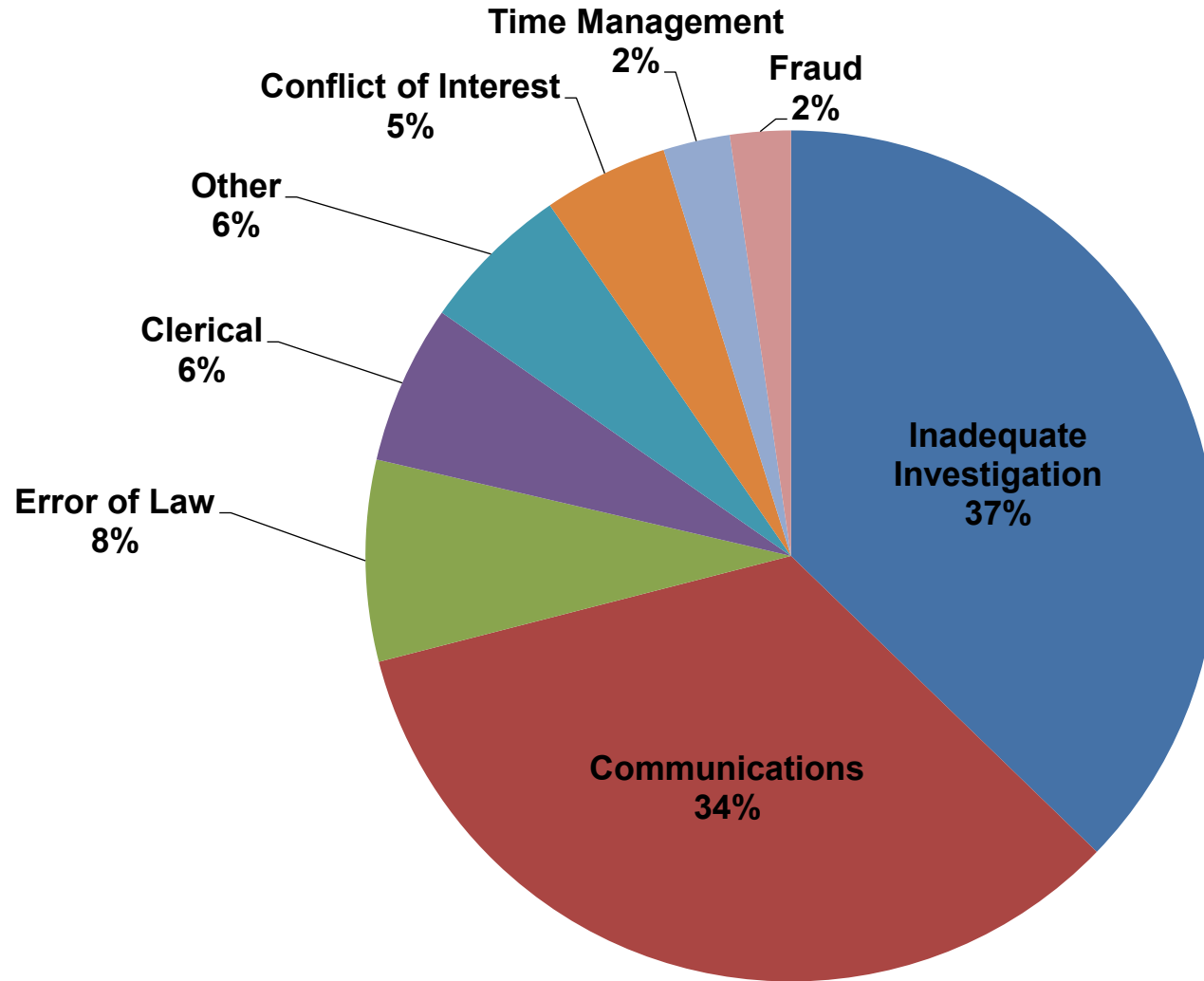
Fraud claims by area of law



Administrative Dismissal

- The administrative dismissal procedures and timelines were suspended from March 16, 2020, to September 13, 2020
- Suspension ended September 13, 2020, BUT courts put a temporary hold on issuing administrative dismissals - direction ended on May 13, 2024
- Applies to civil, family, small claims court, and divisional court matters.

Real Estate – Claims (2014-2024)

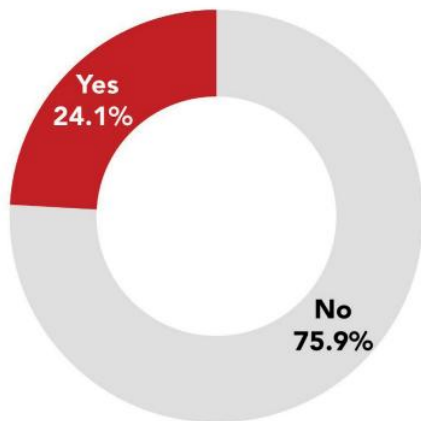


Lawyers and stress

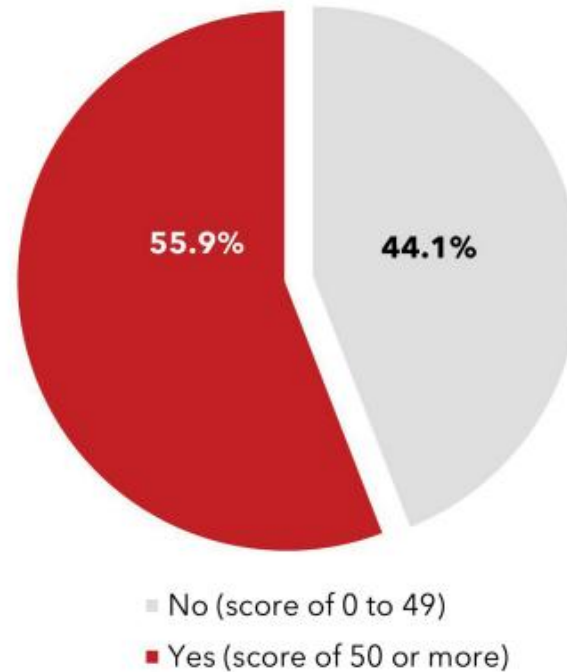
Proportion of psychological distress observed among legal professionals (n = 6,626)



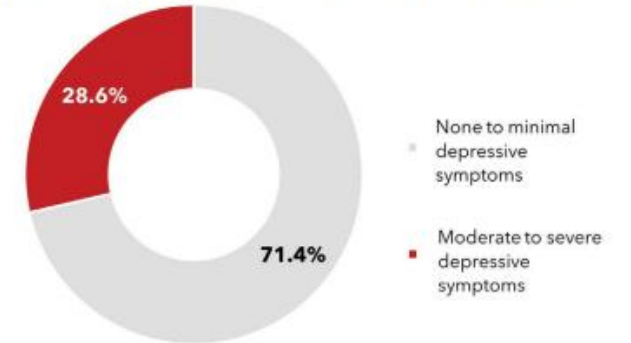
Proportion of the participating legal professionals who have had suicidal thoughts since starting their professional practice (n = 5,836)



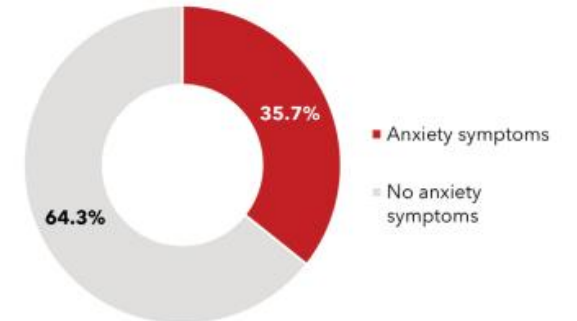
Proportion of burnout among Canadian legal professionals (n = 5,975)



Proportion of moderate to severe depressive symptoms among legal professionals (n = 6,785)



Proportion of anxiety reported by participating legal professionals (n = 6,719)



Why us?

- Almost half of Ontario lawyers work 50 hours or more/week
- 80% check their emails on vacation
- 20-40% of lawyers show symptoms of digital device addiction
- vicarious trauma and litigation stress syndrome
- Pessimistic thinking



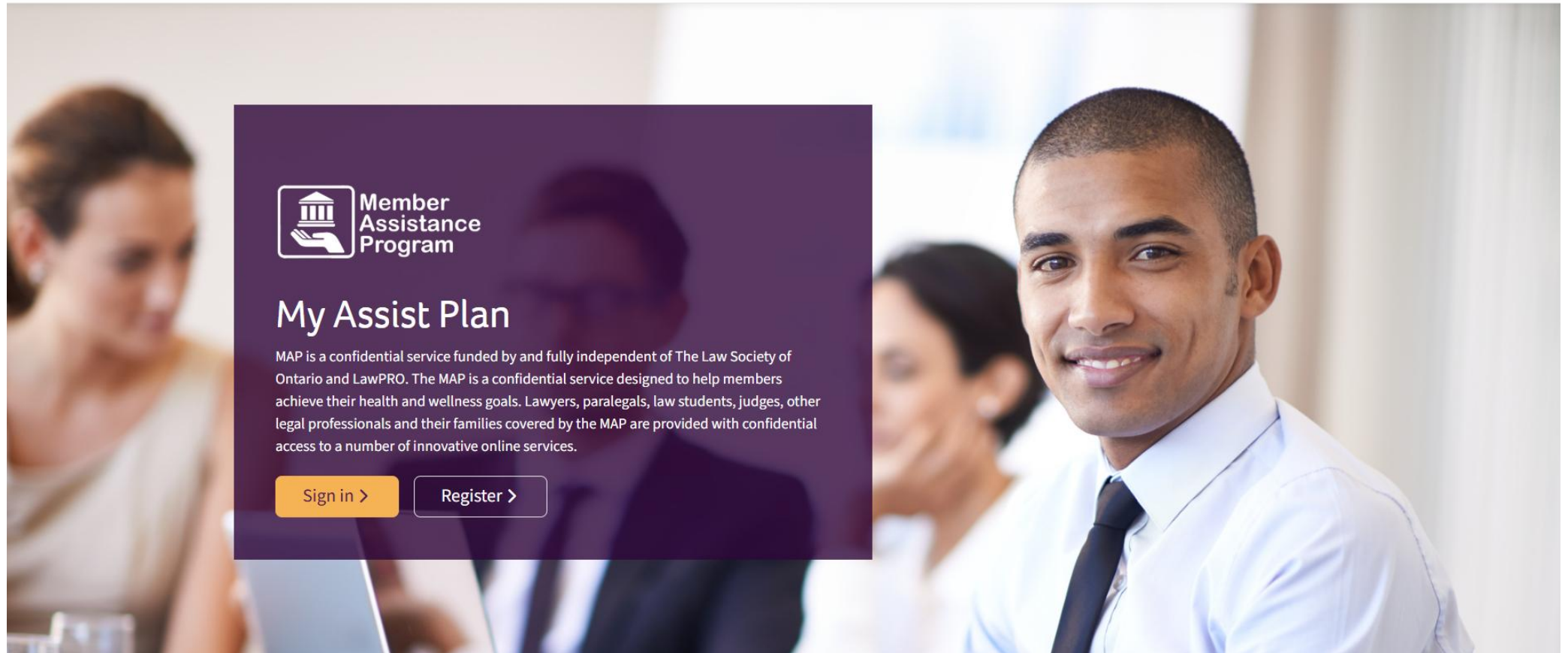



Claim Clusters

Overwork and lack of support can create a snowball effect, where anxiety causes files to be left unattended and potential claims pile up

3 Tips to Avoid Claim Clusters

1. Encourage positive communication about warning signs
2. Implement a claims notification policy
3. Promote mental health resources for lawyers



 Member Assistance Program

My Assist Plan

MAP is a confidential service funded by and fully independent of The Law Society of Ontario and LawPRO. The MAP is a confidential service designed to help members achieve their health and wellness goals. Lawyers, paralegals, law students, judges, other legal professionals and their families covered by the MAP are provided with confidential access to a number of innovative online services.

[Sign in >](#) [Register >](#)

Personal challenges lead to claims, so LAWPRO contributes to funding of MAP


Services offered by MAP

1. Lifestyle coaching
2. Peer-to-peer support
3. Short and longer-term counselling

Update from PracticePRO.ca



PracticePRO

- **Information:** LAWPRO magazine, the PracticePRO website, AvoidAClaim blog articles, newsletters, claims fact sheets, and social media.
 - **Practice Aids:** checklists, precedent or template documents, sample retainers, toolkits
 - **Education:** CPD programs – in person and virtual and RMC Credit program (over 70 per year) including our new road shows
 - **Wellness and balance:** The MAP and other resources
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Newest Resources

- Updated list of Ontario mentoring programs for lawyers
- Updated list of Technology Products for Lawyers and Law Firms
- An Undertakings Checklist
- When a Law Firm Gets Hacked: A Case Study in Cybersecurity Risks and Recovery



Thank you and stay in touch!

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