



LAWPRO lowers lawyers' insurance premiums for 2008

MEDIA RELEASE – For immediate release

Toronto, ON; September 20, 2007: LAWPRO today announced a \$300 per lawyer decrease in the base insurance premium for 2008, bringing premiums to the lowest they have been since before 1995. Also, in direct response to the provincial government's plan to combat mortgage and title fraud, LAWPRO will introduce a new real estate practice coverage for all lawyers practising real estate law in Ontario starting in 2008.

Base premium decreases by \$300

Ontario lawyers will now pay a base premium of \$2,300 per lawyer for professional liability insurance in 2008, compared to \$2,600 in 2007. Many lawyers will pay significantly less than this base premium, with some paying as little as \$1,007, depending on practice and coverage options selected. Premiums for other insurance coverages, transaction levies and discounts will remain the same as they are in 2007.

New mandatory real estate practice coverage

Following the passage of Bill 152 in 2006, the Ontario government has announced that it will be implementing a number of fraud-prevention reforms which will reshape real estate practice, including a new set of criteria for those registering documents through the electronic land registry system. To satisfy the government requirements, it is expected that lawyers will be required to have a prescribed form of insurance coverage that would respond in the event of fraud. This coverage will be available under the LAWPRO policy, starting in 2008, for an annual premium of \$500.

Recognizing that this coverage may not be required of Ontario real estate practitioners until some time in the first quarter of 2008, LAWPRO will charge only \$375 of the \$500 annual premium. In so doing, LAWPRO is opting to not charge any premium for this real estate practice coverage for the first three months of 2008, even if the coverage may first

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be required of Ontario lawyers at some point during this period.

This premium adjustment, combined with the \$300 decrease in the base premium, means real estate lawyers will be paying only \$75 more in 2008 compared to 2007, for expanded coverage that addresses a growing area of risk.

This mandatory sub-limit coverage of \$250,000 per claim and \$1 million in the aggregate will be required of any lawyer intending to practise real estate law in Ontario. It will apply only to the registration of fraudulent instruments under the *Land Titles Act*, and not to any other situations involving fraud; as well it will not apply to claims for which title insurance would apply.

About LAWPRO

Lawyers' Professional Indemnity Company (LAWPRO) is owned by the Law Society of Upper Canada and licensed to provide professional liability insurance and title insurance in numerous jurisdictions across Canada.

Through our malpractice insurance program, LAWPRO insures more than 21,600 practising lawyers in Ontario, as well as providing them with risk and practice management programs to assist them in their law practices.

Our TitlePLUS program helps lawyers better meet their clients' needs for professional legal advice and superior protection for their real estate investment. TitlePLUS title insurance provides buyers and lenders with the most comprehensive protection available from an insurer in the market today.

**Contact: Michelle Strom
President & CEO
michelle.strom@lawpro.ca
416-598-5802**