



The Law Society of
Upper Canada | Barreau
du Haut-Canada

September 25, 2013
9:00 a.m.

CONVOCATION MATERIAL

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CONVOCATION AGENDA
September 25, 2013

Benchers' Landing – 8:45 a.m. Aboriginal Smudging Ceremony

Convocation Room – 9:00 a.m.

Opening Ceremony for Convocation with Law Society Eagle Feathers and Opening Remarks and Teachings on the Eagle Feathers – Elder Waasaanese, Alex Jacobs

Keynote Remarks - Diane M. Kelly, B.A., LL.B.

Treasurer's Remarks

Consent Agenda - Motion [Tab 1]

- **Confirmation of Draft Minutes of Convocation – June 27 and July 15, 2013**
- **Motions** - Appointments (including in camera appointment)
- **Report of the Director of Professional Development and Competence** - Deemed Call Candidates
- **Paralegal Standing Committee Report** - Paralegal Standing Committee Election Changes
- **J. Shirley Denison Fund Applications** (in camera)

LAWPRO Report (S. McGrath) [Tab 2]

Professional Development and Competence Committee Report (J. Minor) [Tab 6]

- In Camera Item

Equity and Aboriginal Issues Committee/Comité sur l'équité et les affaires autochtones Report (J. Falconer) [Tab 3]

- Human Rights Monitoring Group Intervention

For Information

- Challenges Faced by Racialized Licensees Working Group Update (R. Anand)
- *Accessibility for Ontarians with Disabilities Act* – Integrated Regulation
- Discrimination and Harassment Counsel Ten-Year Report for December 2002 to December 2012 and Report for January to June 2013
- Human Rights Monitoring Group Interventions
- Public Education Equality and Rule of Law Series Calendar 2013

Bencher Election Working Group Report (J. Leiper) [Tab 4]

- Amendments to By-Law 3

Tribunals Committee Report (R. Anand) [Tab 5]

- Adjudicator as Witness
- In Camera Item

For Information

- Tribunals Office Quarterly Statistics for the periods ending March 31, 2013 and June 30, 2013

Professional Development and Competence Committee Report (J. Minor) [Tab 6]

- Amendments to By-law 6.1 Respecting Approved CPD Program Changes
- Amendments to By-law 7.1 Respecting Summer Law Students
- In Camera Items (2)

For Information

- Contingency Planning Resources

Inter-Jurisdictional Mobility Committee Report (J. Horvat) [Tab 7]

Audit and Finance Committee Report (*C. Bredt, C. Hartman*) [Tab 8]

- In Camera Item (*to be distributed under separate cover*)

For information

- LAWPRO Financial Statements for the six months ended June 30, 2013
- Law Society of Upper Canada Financial Statements for the six months ended June 30, 2013
- LibraryCo. Financial Statements for the six months ended June 30, 2013
- Performance of Investment Manager
- Investment Compliance Reporting

Committee of the Whole (*M. Sandler*)

REPORTS FOR INFORMATION ONLY

Paralegal Standing Committee Report [Tab 9]

- Professional Regulation Division Quarterly Report
- 2013 Paralegal Annual Report

Professional Regulation Committee Report [Tab 10]

- Amendments to the *Rules of Professional Conduct* Arising from Implementation of the Federation of Law Societies of Canada Model Code of Professional Conduct
- Professional Regulation Division Quarterly Report

Lunch – Benchers' Dining Room

Tab 1

THE LAW SOCIETY OF UPPER CANADA

MOTION TO BE MOVED AT THE MEETING OF CONVOCATION ON SEPTEMBER 25, 2013

MOVED BY:

SECONDED BY:

THAT Convocation approve the consent agenda set out at Tab 1 of the Convocation Materials.

Tab 1.1

D R A F T

MINUTES OF CONVOCATION

Thursday, 27th June, 2013
8:30 a.m.

PRESENT:

The Treasurer (Thomas G. Conway), Anand, Armstrong, Backhouse, Boyd, Braithwaite, Bredt, Callaghan, Campion, Chilcott (by telephone), Dickson, Doyle, Dray, Earnshaw, Elliott, Epstein, Eustace (by telephone), Evans, Falconer, Ferrier, Furlong, Goldblatt, Gottlieb, Halajian (by telephone), Hare, Hartman, Horvat, Hunter (by telephone), Krishna, Leiper, Lerner (by telephone), MacLean, Manes (by telephone), Marmur, McDowell, McGrath, Mercer, Millar, Minor, Murchie, Murray, Pawlitza, Porter (by telephone), Potter, Pustina, Rabinovitch, Richardson, Richer, Ross, Rothstein, Ruby, Sandler, Scarfone, Schabas, Sheff, Silverstein, C. Strosberg, Sullivan, Swaye, Symes, Wadden, Wardlaw and Wright (by telephone).

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Secretary: James Varro

The Reporter was sworn.

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ANNOUNCEMENT OF THE ELECTION OF TREASURER

The Secretary announced that as of the close of nominations at 5:00 p.m. on May 9, 2013, there was one candidate for the election of Treasurer. Thomas G. Conway was declared elected as Treasurer.

TREASURER'S REMARKS

The Treasurer addressed Convocation on the subject of his first term as Treasurer and thanked benchers and staff for their support.

The Treasurer expressed condolences to the family and friends of The Honourable Justice Edward W. Ducharme, former bencher, who passed away on June 2, 2013.

The Treasurer thanked Diana Miles and her staff for their work on the various call to the bar ceremonies in June.

The Treasurer acknowledged the honorary LL.D. recipients at the June calls to the bar: The Honourable David C. Onley, O.Ont, The Honourable Chief Justice Annemarie E. Bonkalo, The Honourable Dennis O'Connor, Q.C., The Honourable J. Douglas Cunningham, Q.C. and The Honourable Edward W. Ducharme.

The Treasurer thanked Roy Thomas and the staff in the Communications department for facilitating a Twitter feed for the calls to the bar.

The Treasurer congratulated former bencher Wendy Matheson on her appointment to the Superior Court of Justice of Ontario.

The Treasurer congratulated The Honourable Frank N. Marrocco, former Treasurer, on his appointment as Associate Chief Justice of the Superior Court of Justice of Ontario.

The Treasurer thanked Josée Bouchard and Rudy Ticzon for their efforts in organizing another successful Pride event, and wished Mr. Ticzon success as he leaves the Law Society to study law.

The Treasurer advised of the release of the public statement respecting the arrest and detention of lawyers in Turkey.

The Treasurer spoke to his access to justice initiative and proposed next steps to integrate access to justice in the Law Society's core business and operational planning.

The Treasurer welcomed The Honourable Mr. Justice Thomas Albert Cromwell of the Supreme Court of Canada, Morris Chochla, president of the Ontario Bar Association, Bâtonnier

Gérald R. Tremblay, President of the Federation of Law Societies of Canada, and Jonathan Herman, Chief Executive Officer of the Federation of Law Societies of Canada to Convocation.

The Treasurer thanked Mr. Chochla for his support during his term.

The Treasurer advised that the Attorney General, The Honourable John Gerretsen, will join Convocation for lunch.

MOTION – ELECTION OF BENCHER

It was moved by Mr. Anand, seconded by Ms. MacLean, that, –

WHEREAS Wendy Matheson, who was elected from the Province of Ontario “A” Electoral Region (City of Toronto) on the basis of votes cast by all electors, has been appointed a judge of the Superior Court of Justice of Ontario; and

WHEREAS upon being appointed a judge of the Superior Court of Justice of Ontario, Wendy Matheson became unable to continue in office as a bencher, thereby creating a vacancy in the office of bencher elected from the Province of Ontario “A” Electoral Region (City of Toronto) on the basis of votes cast by all electors;

THAT under the authority contained in By-Law 3, Avvy Yao-Yao Go, having satisfied the requirements contained in subsections 43 (1) and 45 (1) of the By-Law, and having consented to the election in accordance with subsection 45 (2) of the By-Law, be elected by Convocation to fill the vacancy in the office of bencher elected from the Province of Ontario “A” Electoral Region (City of Toronto) on the basis of votes cast by all electors.

Carried

DRAFT MINUTES OF CONVOCATION

The draft minutes of Convocation of May 30 and Special Convocation of June 13, 2013 were confirmed.

Morris Chochla, president of the Ontario Bar Association, addressed Convocation.

MOTION – APPOINTMENTS

It was moved by Mr. Sandler, seconded by Mr. Dray, that, –

- Avvy Go be appointed to the Equity and Aboriginal Issues Committee/Comité sur l'équité et les affaires autochtones.
- Howard Goldblatt be appointed as Vice Chair of the Challenges Faced By Racialized Licensees Working Group.
- Jacqueline Horvat be appointed to the Priority Planning Committee.

- Barbara Murchie be appointed to the Access to Justice Committee.
- the attached list of appointments under Schedule A be approved.

SCHEDULE A

COMMITTEE, WORKING GROUP AND EXTERNAL/OTHER
APPOINTMENTS
June 27, 2013

COMMITTEES

Audit & Finance

Christopher Bredt (Co-Chair)
Carol Hartman (Co-Chair)
John Callaghan (Vice-Chair)
Cathy Corsetti
Adriana Doyle
Susan Elliott
Seymour Epstein
Janet Leiper
James Scarfone
Alan Silverstein
Catherine Strosberg
Robert Wadden
Peter Wardle

Government Relations

William McDowell (Chair)
John Callaghan (Vice-Chair)
Marion Boyd
Susan Elliott
Michelle Haigh
Carol Hartman
Jacqueline Horvat
Susan McGrath
Barbara Murchie
Julian Porter
Linda Rothstein
James Scarfone
Catherine Strosberg
Joseph Sullivan

Inter-Jurisdictional Mobility

Jacqueline Horvat (Chair)
Ross Earnshaw
William McDowell
Malcolm Mercer
Janet Minor
Joseph Sullivan
Peter Wardle

Litigation

Peter Wardle (Chair)
Jack Braithwaite
John Callaghan
John Campion
Michelle Haigh
Jennifer Halajian
Michael Lerner
William McDowell
Julian Porter
Linda Rothstein
Paul Schabas
Harvey Strosberg
Beth Symes

Proceedings Authorization

Paul Schabas (Chair)
Michelle Haigh
Linda Rothstein
Gerald Sheff
Alan Silverstein
Peter Wardle

Professional Development and Competence

Janet Minor (Chair)
Jacqueline Horvat (Vice-Chair)
Barbara Murchie (Vice-Chair)
Alan Silverstein (Vice-Chair)
Raj Anand
Jack Braithwaite
Robert Burd
Mary Louise Dickson
Adriana Doyle
Ross Earnshaw
Larry Eustace
Howard Goldblatt
Vern Krishna
Michael Lerner
Dow Marmur
Judith Potter
Nicholas Pustina
Jack Rabinovitch
Joseph Sullivan
Gerald Swaye
Robert Wadden
Bradley Wright

Professional Regulation

Malcolm Mercer (Chair)
Paul Schabas (Vice-Chair)
John Callaghan
Robert Evans
Julian Falconer
Janet Leiper
William McDowell
Kenneth Mitchell
Ross Murray
Jan Richardson
Susan Richer
Linda Rothstein
Peter Wardle

WORKING GROUPS

Alternative Business Structures

Susan McGrath (Co-Chair)
Malcolm Mercer (Co-Chair)
Constance Backhouse
Marion Boyd
Susan Elliott
Jacqueline Horvat
Kenneth Mitchell
James Scarfone
Alan Silverstein
Peter Wardle

Retention of Women

Barbara Murchie (Co-Chair)
Laurie Pawlitza (Co-Chair)
Kirby Chown
Janet Minor
Megan Shortread
Bradley Smith

EXTERNAL/OTHER APPOINTMENTS

Ontario Bar Association Council (for a one year term)

Susan McGrath (Treasurer's Nominee)
Jacqueline Horvat
Malcolm Mercer

Carried

REPORT OF THE DIRECTOR OF PROFESSIONAL DEVELOPMENT AND COMPETENCE

It was moved by Ms. Minor, seconded by Ms. Murchie, that the Report of the Director of Professional Development and Competence listing the names of the call to the bar candidates be adopted.

Carried

INTER-JURISDICTIONAL MOBILITY COMMITTEE REPORT

Ms. Minor presented the Report.

Re: National Mobility Agreement 2013 (Insurance Amendments)

It was moved by Ms. Minor, seconded by Ms. Horvat, that Convocation approve the amended National Mobility Agreement 2013 set out at Tab 5.1.2 of the Report and authorize the

Treasurer or his designate to execute the Agreement on behalf of the Law Society of Upper Canada.

Carried Unanimously

Bâtonnier Gérald Tremblay, President of the Federation of Law Societies of Canada, addressed Convocation.

BENCHER ELECTION WORKING GROUP REPORT

Ms. Leiper presented the Report.

Re: Proposed Reforms to the Bencher Election Process

It was moved by Ms. Leiper, seconded by Mr. Scarfone, that Convocation approve the following recommendations:

That Convocation approve a reduction in the number of nominators required for a bencher candidate from at least ten to at least five nominators.

That Convocation approve a requirement that a candidate's biographical information submitted with the nomination form include an e-mail address for the candidate.

That Convocation approve a reduction in the maximum number of words in a candidate's election statement from 700 words to 350 words.

That Convocation approve changes in the following dates:

- a. the date for the qualification of electors as eligible voters in the election (freezing of the voters list) from the fourth Friday in March in an election year to the first Friday in April; and
- b. the date for the preparation of the polling list of eligible voters in the election from on or shortly after the first Monday after the fourth Friday in March in an election year to on or shortly after the next Monday in April after the first Friday in April in an election year.

That Convocation approve that election materials described in By-Law 3 and prepared by the Law Society shall be distributed to voters electronically by e-mail subject to individual accommodation requests under the *Human Rights Code* for materials in alternate format.

That Convocation approve a call for input on a proposal, as set out in the Report, to modify the regional bencher election scheme.

Carried

The Honourable Mr. Justice Thomas Albert Cromwell, Puisne Judge of the Supreme Court of Canada, addressed Convocation.

AUDIT & FINANCE COMMITTEE REPORT

Mr. Callaghan presented the Report.

Re: LAWPRO Director Compensation

It was moved by Mr. Callaghan, seconded by Ms. Hartman, that Convocation authorize the Treasurer to sign, on behalf of the Law Society of Upper Canada, a Resolution of the shareholders of Lawyers' Professional Indemnity Company stating that LAWPRO By-law No. 20 is approved, sanctioned and confirmed.

Carried

Re: Capital Budget Transfers

Mr. Callaghan presented the Report.

It was moved by Mr. Callaghan, seconded by Mr. Bredt, that Convocation approve budget transfers within the 2013 capital budget totaling \$305,000 to fund renovations to the 4th and 6th floors of Osgoode Hall.

Carried

Mr. Silverstein presented the LibraryCo Inc. Financial Statements for the three months ended March 31, 2013 for information.

For Information

- Certified Specialty in Aboriginal Law
- Other Committee Work

EQUITY AND ABORIGINAL ISSUES COMMITTEE/COMITÉ SUR L'ÉQUITÉ ET LES AFFAIRES AUTOCHTONES REPORT

Mr. Schabas presented the Report.

Re: Human Rights Monitoring Group Requests for Intervention

It was moved by Mr. Schabas, seconded by Mr. Falconer, that Convocation approve the Human rights Monitoring Group's requests for intervention, as set out in the motion at paragraph 2 of the Report.

Carried

Mr. Lerner abstained.

For Information

- Change of Status Report
- Career Choices Study
- Certified Specialty in Aboriginal Law

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PROFESSIONAL REGULATION COMMITTEE REPORT

Ms. McGrath and Mr. Mercer spoke to the information report of the Alternative Business Structures Working Group.

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REPORTS FOR INFORMATION ONLY

Priority Planning Committee Report

- Convocation's Priority Planning - Status of Work on Convocation's Priorities

Professional Development and Competence Committee Report

- Certified Specialty in Aboriginal Law

CONVOCATION ROSE AT 12:57 P.M.

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CONVOCATION ROSE AT 9:09 A.M.

Tab 1.3

THE LAW SOCIETY OF UPPER CANADA

MOTION TO BE MOVED AT THE MEETING OF CONVOCATION ON SEPTEMBER 25, 2013

THAT Christopher Bredt be removed as Vice-Chair of the Appeal Panel.

THAT Adriana Doyle be removed as Vice-Chair of the Hearing Panel.

THAT Mark Sandler be appointed as Vice-Chair of the Appeal Panel for a term ending May 22, 2014.

THAT Linda Rothstein be removed from the Proceedings Authorization Committee and the Professional Regulation Committee.

That Linda Rothstein be appointed as Vice-Chair of the Hearing Panel for a term ending May 22, 2014 and be appointed to the Tribunals Committee.

THAT Raj Anand and Adriana Doyle be appointed to the Appeal Panel for a term ending May 22, 2014.

That Ross Earnshaw be removed from the Tribunals Committee and be appointed to the Government Relations and Public Affairs Committee.

THAT Michelle Haigh be removed as Co-Chair of the Access to Justice Committee at her request.

THAT Cathy Corsetti be removed from the Audit and Finance Committee and appointed as Co-chair of the Access to Justice Committee.

THAT Paul Dray be appointed to the Audit and Finance Committee.

THAT Jack Braithwaite be reappointed as the Law Society's representative on the Canadian National Exhibition Association for a term of one year commencing October 24, 2013.

THAT Avvy Go be appointed to the Access to Justice Committee.

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Tab 1.5

To the Benchers of the Law Society of Upper Canada Assembled in Convocation

The Director of Professional Development and Competence reports as follows:

CALL TO THE BAR AND CERTIFICATE OF FITNESS

Licensing Process and Transfer from another Province – By-Law 4

Attached is a list of candidates who have successfully completed the Licensing Process and have met the requirements in accordance with section 9.

All candidates now apply to be called to the bar and to be granted a Certificate of Fitness on Wednesday, September 25th, 2013

ALL OF WHICH is respectfully submitted

DATED this 25th day of September, 2013

CANDIDATES FOR CALL TO THE BAR

September 25, 2013

Transfer from another province (Mobility)

Joshua Ryan Brubacher
Kimberly Margaret Dewar
David Julien D'Intino
Ashley Rae Dresser
Jessica Alisi Fuller
Amanda Ashley Gelfant
Jennifer Elizabeth Halloran
Rain Alexandra Henderson
William Glenn Hodge
Kyle Close Hyndman
Ludmilla Jarda
David Raymond McKenzie Kiesman
Danielle Nicole Landry
Gavin Henry Howes Leitch
Heather Rea Mackie
James Aristotle Mercury
Christopher Daniel Misura
Joel Nicholas Myskiw
Eveline Qajaq Robinson
Taayo Thomas Simmonds
Melanie Alexandra Smith
Shayna Jaclyn Staniloff
Patricia Helen Stirbys
William Murray Wilson

Transfer from another province (Quebec)

Michael Ryan Bookman
Jiyung Choi
Marie-Christine Josée Dolbec
Sherif Mohamed Foda
Andrea Erin Grass
Stephanie Marla Orleans
Rama Pakdaman Lahiji
Julia Alice Rys

L3

David Cohen

Licensing Process

Natalie Simone Hansen



Tab 1.6

**Report to Convocation
September 25th, 2013**

Paralegal Standing Committee

Committee Members
Cathy Corsetti, Chair
Susan McGrath, Vice-Chair
Marion Boyd
Robert Burd
Paul Dray
Ross Earnshaw
Robert Evans
Michelle Haigh
Jacqueline Horvat
Dow Marmur
Malcolm M. Mercer
Kenneth Mitchell
Jan Richardson

Purpose of Report: Decision and Information

Prepared by the Policy Secretariat
Julia Bass 416 947 5228

Committee Process

1. The Committee met on September 12th, 2013. Committee members present were Cathy Corsetti (Chair), Susan McGrath (Vice-Chair), Robert Burd (by telephone), Paul Dray, Ross Earnshaw, Jacqueline Horvat, Dow Marmur, Malcolm Mercer and Jan Richardson (by telephone). Staff members attending were Diana Miles, Terry Knott, Jim Varro, Elliot Spears, Naomi Bussin, Roy Thomas, Helena Jankovic, Eric Smith, Sheena Weir, and Julia Bass.

CHANGES TO THE PARALEGAL ELECTION PROCESS

Motion

2. **That Convocation approve the changes to the process for the election of paralegals to the Paralegal Standing Committee as set out in this report.**

Background

3. On June 27th, Convocation approved a report from the Benchers Election Working Group, proposing changes to the procedural rules for the conduct of the election of lawyer benchers. The Paralegal Standing Committee has now approved those of the changes that are also applicable to paralegal elections.
4. The Recommendations in the report were as follows:

Recommendation 1: a reduction in the number of nominators required for a bencher candidate from at least ten to at least five nominators.

Recommendation 2: a requirement that a candidate's biographical information submitted with the nomination form include an e-mail address for the candidate.

Recommendation 3: a reduction in the maximum number of words in a candidate's election statement from 700 words to 350 words.

Recommendation 4:

a. a change in the date for the qualification of electors as eligible voters in the election (freezing of the voters list) from the fourth Friday in March in an election year to the first Friday in April; and

b. change in the date for the preparation of the polling list of eligible voters in the election from on or shortly after the first Monday after the fourth Friday in March in an election year to on or shortly after the next Monday in April after the first Friday in April in an election year.

Recommendation 5: that election materials described in By-Law 3 and prepared by the Law Society shall be distributed to voters electronically by e-mail subject to individual accommodation requests under the Human Rights Code for materials in alternate format.

Recommendation 6: a call for input on a proposal to modify the regional bencher election scheme.

5. Recommendations 1 and 5 are not required regarding the paralegal election, as they are already in effect, while Recommendation 6 would not be applicable to the paralegal election, as there is currently no regional structure to the paralegal election.

6. The effect of Recommendation 4 is to shorten the period between the ‘freezing’ of the voters’ list and the election. This principle is applicable to the paralegal election, although the paralegal election finishes at the end of March, while the lawyer election finishes at the end of April.
7. Recommendations 2 (requiring a candidate’s email address) and 3 (shortening the candidate’s election statement) are designed to streamline the process and make election statements easier to read. The electronic distribution of the election statements will permit hyper-links, so that candidates may present as much information as they like, on the linked websites.

The Committee’s Deliberations

8. The Committee considered the proposed changes, as was of the view that they would enhance future paralegal elections.
9. Upon approval, the recommended changes would be implemented by amendments to By-Law 3 (Benchers, Convocation and Committees), included in the report from the Bencher Election Working Group this month.

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September 16, 2013

TO: The Treasurer and Benchers of The Law Society of Upper Canada

RE: 2014 Insurance Program: Transmittal of Report to Convocation

Some years, LAWPRO's offer for the upcoming insurance program holds no surprises. While readers may not be surprised at some of the topics addressed in this year's report, it is definitely not a *status quo* offer.

The good news is that the base premium will remain stable, at \$3,350, with an additional \$5 million in premium being drawn from the E&O Fund. But in other areas, LAWPRO is having to take more proactive steps to protect the program and its value for its insureds.

What program changes will we see in 2014?

The changes to the program to implement LAWPRO insurance for combined licensee partnerships and full mobility with members of the Barreau du Québec are as mandated by Convocation earlier in 2013.

Two other areas of change are in response to the claims environment. Excluding coverage altogether for certain types of claims may be a more typical response on occasion in the commercial insurance market. But LAWPRO has once again chosen a customized approach that is designed to modify lawyer conduct while providing an insurance safety net.

LAWPRO has reported at great length about the rise of claims resulting from the administrative dismissal of civil actions. Magazine articles and bulletins have been filled with warnings and advice on how to avoid the problem. Nevertheless, such claims continue to be reported, and are trending upwards. As a result, LAWPRO has looked back to how Convocation addressed the problem of conflict of interest claims in past and has adopted a similar solution.

Conflict of interest claims declined to the more manageable levels that we see today after a more burdensome deductible was applied. Commencing in January, 2014, administrative dismissal claims that are not successfully repaired will be subject to an increased deductible (by \$10,000). LAWPRO hopes the risk of the higher deductible will encourage lawyers to better diarize their files, train their staff, and respond promptly to notices from the court. After all, this is a risk that is within the control of practicing lawyers.

An increasing area of risk for society as a whole is cybercrime. Most professional liability policies do not provide coverage for losses resulting from crime. Similarly, cyber liabilities are often the subject of broad exclusions in lawyers' policies. Why? Because other types of insurance products are intended to address these risks. They are volatile risks and need more



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individualized underwriting than a broad-based, standardized professional liability program can provide cost-effectively.

The LAWPRO professional liability policy has always been more generous than the market norm for both crime and cyber risks. For example, think of the available coverage for innocent partners, where a rogue partner steals money (in other words, where the firm is facing a claim due to crime). For cybercrime, a similar approach is being adopted. There will be \$250,000 in coverage under the policy, a limited amount that provides some protection but will need to be supplemented by a vigorous risk management program on the part of law firms. The legal community, like all businesses and individuals, needs to become serious about cyber security. The introduction of this coverage will be accompanied by a focused education program, similar to the approach used when trust account overdraft protection was rolled out in January, 2010.

What is happening with claims?

Yet again, the count of claims is up - slightly. Comparing count of claims at mid-year 2013 to mid-year 2012, there is a two per cent increase.

Of course, the count of LAWPRO lawyer-insureds also continues to rise. But LAWPRO neutralizes the impact of that change on our statistics by using a “claims per thousand lawyers” calculation: In 2012, LAWPRO reported 108 claims per 1,000 lawyer-insureds, up from 107 in 2011. (Remember that in 2007, there were fewer than 100 claims per 1,000 lawyer-insureds.) The 2013 figure will be reported in early 2014.

So, while there is no profound deterioration to report at this point in 2013, there is no improvement either. Perhaps this is the “new normal”. The 2014 program assumes annual claims costs of \$101.3 million (including internal adjusting expense) and thus is expected to be the third year with such costs in the \$100 million plus range.

Why isn't the base premium going up in light of the claims count experience?

LAWPRO is able to offer a fourth year of base premium stability at the \$3,350 level because there is \$5 million which can prudently be drawn from the E&O Fund.

The available premium has accumulated in the E&O Fund due to its use as a revolving account for levy surcharge shortfalls or overages. There have been more transaction levies collected in recent years than expected, and the excess has built up in the Fund. Under prior Reports to Convocation (in fact, since 1998), these monies were paid to the E&O Fund on the basis that they would be available to avoid or mitigate future premium increases. That is exactly their purpose this year. Without being able to draw on this \$5 million, the 2014 program would likely have needed a \$200+ increase in the base premium.

What does LAWPRO predict for the future?

The most significant financial issue on the LAWPRO horizon is the proposed change to calculation of the Minimum Capital Test (“MCT”) effective January 1, 2015. As Convocation will recall, the MCT is the main solvency test for Canadian insurance companies. As part of the broad-based international adoption of Solvency II, the test in Canada is being made stricter. Insurance companies who are unable to adapt will appear weaker, and more susceptible to

supervisory interference, even if the substance of their businesses and capital accounts have not changed at all.

In brief, there will be tougher tests to determine (a) how much of the existing capital can be counted, and (b) how much capital is needed given the type of insurance business conducted and how it is proceeding. For example, in calculating existing capital, how much of a discount should be applied to any capital that LAWPRO has invested in equities (due to the risk of the market) – should it be a bigger discount than previously required? In determining capital needed, how much should professional liability insurers be required to mark up their claims estimates, given that the quantum of such claims are hard to estimate and take a long time to become final? If the amount of capital eligible to be counted is smaller, and the liabilities are to be estimated at a much higher number, one does not need to be an actuary to realize that the MCT result may look significantly less healthy than in the past.

The \$5 million being drawn from the E&O Fund is definitely helping LAWPRO smooth the way towards this new world. At this point, it is not possible to predict accurately where things will stand next fall. The final regulatory requirements are projected to be released in mid-2014 and some other factors could help to mitigate the overall impact on the LAWPRO program, such as:

- Possible adjustments to LAWPRO's investment policy;
- Changes in interest rates; and/or
- Further refining of LAWPRO's actuarial models.

So, like the rest of the Canadian insurance industry, LAWPRO is in “wait and see” mode, while modeling possible coping mechanisms and making submissions in response to the regulatory proposals. There is no question that the MCT initiative is meant to make the Canadian insurance industry even stronger and more secure for the benefit of policyholders, but unfortunately that may come at a price those policyholders would prefer not to have to bear.

Conclusions

LAWPRO Board members and management look forward to continuing to provide the members of the Ontario bar with a cost-effective and responsive insurance program in 2014 and beyond. We may “live in interesting times”, but the focus remains on delivering an affordable professional liability program in a prudent fashion, given the many unknowns that will always affect a long tail insurance business plus, at this time, those unknowns which will result from significant regulatory changes on the solvency front.

Original signed by Susan McGrath

Susan T. McGrath
Chair

Original signed by Kathleen Waters

Kathleen A. Waters
President & CEO

TABLE OF CONTENTS

SECTION	PAGE
BACKGROUND	4
2014 PROGRAM SUMMARY	6
PART 1 – THE ERRORS & OMISSIONS INSURANCE FUND.....	11
PART 2 – CHANGES TO THE INSURANCE PROGRAM FOR 2014	12
Cybercrime	12
Administrative Dismissals	17
Combined Licensee (i.e., Paralegal/Lawyer) Partnerships	22
Mobility with Quebec – the National Mobility Agreement 2013	24
PART 3 – THE PROFESSIONAL LIABILITY INSURANCE PROGRAM	28
Program Costs	29
Risk Rating	31
(a) <i>Background</i>	31
(b) <i>Practice Trends</i>	33
(c) <i>Risk Management Initiatives</i>	34
(d) <i>Revalidating Risk Rating</i>	38
Reinsurance and Capital Preservation.....	43

Revenues	45
<i>(a) Investment Income</i>	46
<i>(b) Levy Surcharges</i>	47
<i>(c) E&O Fund</i>	49
<i>(d) Capital Requirements</i>	50
<i>(e) Base Premiums</i>	51
<i>(f) Other Program Features (or Adjustments)</i>	53
CONCLUSION	55

Appendices*Appendix "A"*

LAWPRO Communications on Cybercrime	56
-------------------------------------	----

Appendix "B"

LAWPRO Communications on Administrative Dismissals	57
--	----

Appendix "C"

By-law 6, section 12 (from the <i>Law Society Act</i> , R.S.O. 1990, c. L.8)	58
--	----

Appendix "D"

Standard Insurance Program Coverage for 2014 & Program Options	59
--	----

Appendix "E"

Distribution of Claims by Geographic Region	64
Distribution of Claims by Firm Size	65
Distribution of Claims by Years Since Date of Call	66
Claims Causes by Reported Claims Count and Area of Law	67
The 80-20 Rule	69

Appendix "F"

Premium Rating Examples	70
-------------------------	----

Appendix "G"

LAWPRO Vision, Mission & Values	71
LAWPRO Statement on Corporate Social Responsibility	72

LAWYERS' PROFESSIONAL INDEMNITY COMPANY ("LAWPRO")**REPORT TO CONVOCATION – SEPTEMBER, 2013****BACKGROUND**

1. The Law Society of Upper Canada ("Law Society") governs the legal profession in the public interest. One of the ways it discharges its responsibilities is through the mandatory requirement it places on practising lawyers to obtain professional liability insurance coverage for legal malpractice claims. This coverage is provided by LAWPRO, a provincially licensed insurer that is owned by the Law Society.
2. The coverage that the mandatory LAWPRO program provides is considered to be both in the best interests of the public and in the best interests of Ontario lawyers – in that the public has reasonable assurance that an insurance policy backstops errors committed by lawyers in practice, and lawyers have assurance that they have a degree of financial protection for their professional liability that is well-suited to most lawyers' practice needs.
3. In recent years, we have seen an upward trend in the number of open claim files, with over 3,600 open files as at December 31, 2012, estimated to have a gross value of \$433.3 million. Overall, the insurance program manages about 83 per cent of the Law Society's \$740 million in combined assets.
4. Each September since 1995, LAWPRO's Board of Directors has reported to Convocation on changes to the Law Society's professional liability insurance program for the following calendar year. The timing of this report is necessitated by the logistics of renewing over 24,000 policies effective January 1, and the need to negotiate and place any related or corollary reinsurance treaties.
5. This report is also an opportunity for LAWPRO's Board to review with Convocation issues of importance to its insurance operations and receive policy direction where necessary. Financial information on LAWPRO and the program is provided to Convocation throughout the year.

6. Convocation established LAWPRO's mandate in 1994 with the adoption of the Insurance Committee Task Force Report (the "Task Force Report"). The mandate and principles of operation derived from the Task Force Report are as follows:

- that LAWPRO be operated separate and apart from the Law Society by an independent board of directors;
- that LAWPRO be operated in a commercially reasonable manner;
- that LAWPRO move to a system where the cost of insurance reflects the risk of claims; and
- that claims be resolved fairly and expeditiously; however, this was not to be a system of "no-fault" compensation and there would be certain circumstances where coverage was denied or coverage was limited.

For 2014, we have conducted our annual review of the program to re-validate the approach and rating structure in light of these Task Force recommendations.

7. The LAWPRO Board of Directors believes that these recommendations have been achieved in LAWPRO's operations, and that the proposed program for 2014 continues to fulfill these principles. This report deals solely with the mandatory professional liability program. The LAWPRO optional program segment, composed of the TitlePLUS[®] title insurance and the Excess professional liability insurance programs, is operated on an expected break-even or better basis.

2014 PROGRAM SUMMARY

8. The following summarizes the 2014 professional liability insurance program, as provided for in this report.

Premium Pricing for 2014:

(i) The base premium is \$3,350 per lawyer for 2014, the same base premium charged in 2011 through 2013 (paragraph 156[a]).

(ii) Revenues from real estate and civil litigation transaction levies are budgeted at \$24.7 million for the purposes of establishing the base premium for 2014 and other budgetary purposes (paragraph 156[b]).

(iii) \$5 million (approximately \$210 per insured lawyer) is expected to be drawn from the available surplus in the Errors and Omissions (“E&O”) Fund built up in prior years and applied to the 2014 insurance premium (paragraph 156[c]).

(iv) To the extent that levies (noted in (ii) above) collected in 2014 are different than the budgeted amount, the surplus or shortfall is expected to flow to/from the E&O Fund (paragraph 156[d]).

(v) The premium for the Real Estate Practice Coverage Option (“REPCO”) will be \$250, the same amount charged in 2012 and 2013 (paragraph 108).

(vi) 100 per cent of the premiums and losses for the Ontario professional liability program will again be retained by LAWPRO in 2014, subject to limited capital backstop protection provided by the E&O Fund, and reinsurance protecting the program from multiple losses arising out of a common event or nexus (paragraph 128).

Cybercrime:

(vii) The program policy shall exclude coverage for claims relating to or arising out of cybercrime, except where claims arising out of liability for cybercrime results in the unauthorized disclosure of confidential client data and/or misappropriation of client trust funds, that have been entrusted to the lawyer as a direct consequence of the performance of professional services, in which case coverage, funded by base rate premiums, shall be available subject to a sublimit of liability of \$250,000 per claim and in the aggregate (inclusive of indemnity payments, claim expenses and/or costs of repairs, as well as deductible) per lawyer and across the law firm, for single and related claims (paragraph 31).

(viii) LAWPRO shall expand its current efforts to further ensure that lawyers and law firms are aware of the risk of cybercrime and what steps may be taken to improve related law office practices to reduce client and law firm exposures to cybercrime, including the possibility of buying increased or more comprehensive business insurance to better address the firm's cyber-related exposures (paragraph 32).

Administrative Dismissals:

(ix) For claims relating to or arising out of an administrative dismissal(s), that are not set aside despite steps that may be taken by or under the direction of LAWPRO, the deductible that shall apply will be deemed to:

- Apply to claim expenses, indemnity payments and/or costs of repairs; and
- Be \$10,000 more than the deductible amount indicated in the lawyer's policy declarations.

For clarity, no such change in deductible type and amount shall be deemed to apply in respect of a claim where the administrative dismissal(s) is set aside through steps taken by or under the direction of LAWPRO (paragraph 45).

(x) In the event that more than one policy provision modifying the deductible amount would apply to a claim, the provision providing for the larger (largest) deductible amount shall apply except in the case of a provision dealing with *pro bono* legal services for an approved program, in which case the provision concerning such *pro bono* legal services shall instead apply (i.e., the provision modifying the deductible amount in regard to administrative dismissal(s) shall not apply) to the claim (paragraph 46).

Combined Licensee (i.e. Paralegal/Lawyer) Partnerships:

(xi) LAWPRO will take steps to transition the insurance for paralegals acting in partnership with lawyers from commercial insurers to LAWPRO effective January 1, 2014 (or as that insurance comes up for renewal during the year) (paragraph 59).

(xii) The program requirements for innocent party coverage will be updated to ensure that lawyers and paralegals practising in partnership together each carry at least the basic amount of innocent party sublimit coverage and that each such partner in the firm carries the same amount of innocent party sublimit coverage (paragraph 60).

Mobility with Quebec – the National Mobility Agreement 2013:

(xiii) For greater clarity, the policy shall be amended to expressly provide that the total amount of coverage provided under the Law Society program policy shall not exceed \$1 million per claim/\$2 million in the aggregate, regardless of the number of program policies pursuant to mobility that may be involved (paragraph 73).

(xiv) The definition of “Professional Services” in the policy shall be amended so as not to provide coverage to an insured lawyer while acting in the capacity of a member of the Barreau du Québec, as that exposure will be insured under the Barreau’s program (paragraph 74).

(xv) Insurance forms and other program materials shall be updated to accommodate changes in Law Society by-laws concerning eligibility for exemption based upon mobility, having regard to changes in national mobility agreement and insurance requirements of lawyer licensees also called in Quebec (paragraph 75).

(xvi) LAWPRO will work with representatives of other program insurers/law societies to identify and then implement nationally consistent criteria to be included in insurance programs of all mobility jurisdictions that will determine which common law jurisdiction program policy should be required of lawyers called in more than one mobility common law jurisdiction who are also called and resident in Quebec (paragraph 76).

LAWPRO Risk Management Credit:

(xvii) The LAWPRO Risk Management Credit will be continued for the 2015 program, with a \$50 premium credit per approved CPD program, subject to a \$100 per lawyer maximum amount, to be applied for pre-approved legal and other educational programs taken and successfully completed by lawyers between September 16, 2013, and September 15, 2014, for which the lawyer has successfully completed the online Risk Management Premium Credit Declaration Form (paragraph 99).

Other Program Features (or Adjustments):

(xviii) Subject to the changes identified earlier in this report, the remaining exemption criteria, policy coverage, coverage options, and premium discounts and surcharges in place in 2013 will remain unchanged for the 2014 insurance program (paragraph 161).

The Errors & Omissions Insurance Fund:

(xix) The investment income of the Errors & Omissions Fund which is surplus to the obligations of the Fund will be made available to the Law Society during 2014 (paragraph 12).

Conclusion:

(xx) The LAWPRO Board considers the program changes to be appropriate and consistent with its mandate as set out in the 1994 Insurance Committee Task Force Report. The LAWPRO Board offers this program of insurance for 2014 and asks for Convocation's acceptance of this Report at the September Convocation, so that the 2014 insurance program can be implemented by January 1, 2014 (paragraph 162).

PART 1 – THE ERRORS & OMISSIONS INSURANCE FUND

9. LAWPRO provides services to the Law Society with respect to the E&O Fund of the Law Society, which is currently in run-off mode. (The E&O Fund was responsible for the insurance program prior to 1990, and for a group deductible of up to \$250,000 per claim prior to 1995.)

10. In recent years the E&O Fund resources have been utilized to settle outstanding claims (for program policies in place between July 1, 1989 and December 31, 1994), maintain its investment in LAWPRO share capital, make available \$15 million of funds to backstop the potential of significant deterioration in the loss experience under recent years' program policies, guarantee the level of supplementary premiums such as transaction levies, and make premium contributions where appropriate (see the Reinsurance and Capital Preservation section starting at paragraph 118 for more details). Where the investment income has been considered surplus to the E&O Fund's commitments, it has typically been aggregated for use to the benefit of the Law Society's general purposes.

11. As of June 30, 2013, the E&O Fund had outstanding claims liabilities of \$0.4 million. The number of open files for 1994 and prior years stood at four. Since there are sufficient assets in the E&O Fund to fully meet the outstanding liabilities, the LAWPRO Board is again satisfied that the investment income generated by the E&O Fund is surplus to the needs of the E&O Fund and can be used by the Law Society for its general purposes.

12. Accordingly, the investment income of the Errors & Omissions Fund which is surplus to the obligations of the Fund will be made available to the Law Society during 2014.

PART 2 – CHANGES TO THE INSURANCE PROGRAM FOR 2014

13. In developing the details of the 2014 program, LAWPRO has, as always, considered the changing environment in which lawyers practise and any comments received from the profession during the previous year. The general structure of the current program appears to generally meet the needs and practice realities of the profession for 2014.

14. However, for the 2014 program, four substantive modifications in the structure of the program or in the form and substance of the policy are contemplated.

Cybercrime

15. The media has reported widely on the 2011 Sony Playstation cyber hacking of client information¹, the 2012 cyber-attacks on Skype, Facebook and Windows operating systems², and the 2013 Citadel Botnet attacks that have been estimated to have stolen more than \$500 million from bank accounts by infecting up to five million computer systems world-wide³.

16. The prospect of cyber-attack, or hostile, intentional technology-based or technology-focused activity emanating from sources outside of the law firm (“cybercrime”), however, is not limited to large software or merchant companies. Indeed, most businesses and individuals face cybercrime through use of computer systems, media devices and networks.

17. Lawyers and law firms are no exception to this. In fact, given their access to confidential client information and client trust funds, as well as varying levels of technological security⁴, it can be expected that lawyers and law firms represent appealing targets to cyber criminals.

¹ “Sony’s Cyberattack and How Companies Fail in Data Security”, Fast Company 2011 – <http://www.fastcompany.com/1751318/sonys-cyberattack-and-how-companies-fail-data-security>

² “Top 10 cyber crime stories of 2012”, ComputerWeekly.com December 28, 2012 – <http://www.computerweekly.com/news/2240174301/Top-10-cyber-crime-stories-of-2012>

³ “Microsoft and FBI Launch Assault on \$500 Million Citadel Cyber Crime Ring”, Huffington Post May 6, 2013 – http://www.huffingtonpost.com/2013/06/05/microsoft-fbi-citadel_n_3393163.html

⁴ Law firms tend to “operate with relatively lax IT security” according to some information technology experts. See: “Law firms’ security requires rethink”, Legal IT Insider 2012 – <http://www.legaltechnology.com/latest-news/law-firms-security-requires-rethink/>

18. This was seen in an article by the Globe and Mail⁵ in which it was reported that at least seven major Bay Street law firms were targeted by hackers linked to computers in China in 2011. While most of the attacks were decoys, the intention of the hackers appeared to be to gain information about a pending commercial transaction with an underlying value in the range of \$38 billion. This cyber-attack against a group of Ontario law firms involving risk to client data was described as one of the top 10 security breaches in North America (since at least 2005) by virtual data room provider, Firmex⁶.

19. Of course, lawyer trust funds are also a target. In December, 2012, an Ontario law firm provided notice of a claim involving the infection of its computer system by malicious software (malware), in which the firm's bookkeeper was induced by a fraudster posing over the phone as a bank representative, to key in password and account information on the firm's infected computer system. Through the malware, fraudsters were able to follow the bookkeeper's key strokes and use this information to access the online banking system of the firm. Over the course of several days, fraudsters siphoned off \$380,000 from the firm's trust account to off-shore accounts.

20. This was a sophisticated fraud involving substantial planning, resources and software programming to access firm trust funds, including:

- Malware design and staging of what appeared to be a well-known news site, to allow transmission of malware enabling fraudsters to track and monitor third party computer activity;
- Programming to disrupt third party use of computer systems (commonly referred to as a "denial of service attack") making it impossible for users to access legitimate websites, including banking websites; and
- Deployment of mock websites which, through social engineering, manipulate third parties into performing tasks or revealing confidential information (e.g., key entry of

⁵ <http://www.theglobeandmail.com/technology/tech-news/hackers-linked-to-china-sought-potash-deal-details-consultant/article534297/>

⁶ <http://www.canadianlawyermag.com/legalfeeds/1425/law-firms-targetted-in-top-10-worst-cyber-attacks.html>

bank account access information upon being advised of a network error and initiating telephone contact with an apparent bank representative).

21. With total incurred costs of \$392,715, this claim represents the first substantial loss under the program as a result of cybercrime.

22. Whether fraudsters use malware, social engineering or other elements of cybercrime to access a law firm's computer system, client data and client funds held in trust by lawyers are at risk of being accessed, manipulated or taken by third parties.

23. That said, steps can and are being taken to mitigate law firm exposures to the risk of cybercrime. LAWPRO, through its AvoidAClaim blog posted on the practicePRO website, has been conducting an active communication campaign to provide information about technology risks, best practices and technological resources available to lawyers and law firms to avoid these types of claims. **Appendix "A"** to this report, contains some of the LAWPRO communications with the bar since last year's report on this topic.

24. From a practice perspective, the Law Society has published and updated its advice to practitioners over a number of years on ways to safeguard client data and put in place prudent safeguards to protect law firm computer systems⁷.

25. With the demonstrated exposure of the insurance program to large losses arising out of cybercrime and the potential for clusters of such claims across law firms, it is appropriate that further consideration now be given to how this risk is addressed under the insurance program and what additional steps might be taken to better ensure that lawyers and law firms are aware of this growing exposure and what they might do to better protect their client data and trust funds, as well as themselves.

⁷ "Professional Responsibilities when Using Technology", "Legal Software and Other Online Resources", "Storage and Backup", "Security", "Electronic Devices", and "Marketing" – <http://www.lsuc.on.ca/with.aspx?id=2147490139&langtype=1033>

26. With regard to coverage under the current program policy, no provision is included that directly speaks to technology-related issues or claims involving cybercrime in particular. So, as with any other claim for which notice is received, when a claim involving cybercrime arises, LAWPRO looks to the circumstances of the claim to determine whether the necessary elements are there for coverage to apply, and then ensures that there is no policy term, condition or exclusion that may serve to restrict or preclude coverage in the particular claim circumstances⁸.

27. A review of law society insurance programs across Canada indicate that almost all other programs expressly exclude coverage for most or all cybercrime exposures⁹. In the United States, members of the National Association of Bar Related Insurance Companies (“NABRICO”) have taken a similar approach as the Ontario program, but are evolving and increasingly addressing this issue through reduced limit coverage in their policies or as an optional coverage perhaps provided by a commercial insurer.

28. As well, separate from any cyber aspect, professional liability insurance policies often do not provide any coverage for claims involving criminal activity given the customary purpose of professional liability policies and the nature of criminal activity exposure. A review of law society insurance programs across Canada indicate that most programs expressly exclude coverage for claims arising out of criminal acts or omissions¹⁰. Other NABRICO members as well as commercial insurers often limit the scope of the insuring agreement or expressly exclude coverage, so as not to afford protection for such claims.

⁸ For clarity, this discussion is limited to claims involving cybercrime only, and not other types of claims that may involve cyber liability (such as claims alleging defamatory statements in blogs, breach of copyright on websites, or dishonest use of client information by lawyers through electronic means). Although the process of coverage analysis is the same, these other types of claims are generally subject to the same exclusions or limiting provisions as would apply to similar claims in more traditional circumstances.

⁹ Program policies in all but Ontario, Quebec and British Columbia provide that no coverage is available for claims relating to “...damage to or loss of use of tangible or intangible property, loss of data, disclosure of confidential information, or any other loss which is directly or indirectly connected with the receipt or transmission of a computer virus or other damaging program via the internet or in any other electronic manner, or through unauthorized interference with an internet connection, network, computer or telecommunication device”. In British Columbia the program policy expressly excludes coverage for claims “...arising out of or connected to the collection, use and/or disclosure of any information by a third party”, effectively excluding one of the largest risks associated with cybercrime. In Quebec, the Barreau has taken a similar approach as Ontario.

¹⁰ Program policies in all but Ontario, Quebec and British Columbia appear to expressly exclude coverage for claims arising out of or from “a dishonest, fraudulent or criminal act or omission” that are not otherwise excluded under a provision dealing with the theft or misappropriation of trust funds or property. For clarity, this crime exclusion is not restricted to the acts or omissions of lawyers. Each program policy includes express provisions that deal specifically with the criminal acts or omissions of lawyers.

29. Although also emanating from a criminal source, cybercrime is a very different risk from the counterfeit certified cheque/bank draft risk (“counterfeit risk”). LAWPRO’s policy was amended to address the counterfeit risk effective January 1, 2010. In designing coverage for the counterfeit risk, LAWPRO took into account that technically the individual insured has complete control over the issue, because the insured can specify the form of deposit which is acceptable and ultimately decides when and how to disburse funds from the trust account. The risk of cybercrime is less easily controlled, which makes it more difficult to underwrite. Consequently, although both are crime-related risks and both would be excluded from many professional liability insurance policies, LAWPRO is prepared to provide a level of coverage for both, but not on the same terms.

30. In considering what program protection should be made available to Ontario lawyers in 2014 regarding claims involving cybercrime, and what steps should be taken to better ensure that lawyers and law firms are aware of this growing exposure and what they might do to better protect their clients and themselves, consideration has been given to:

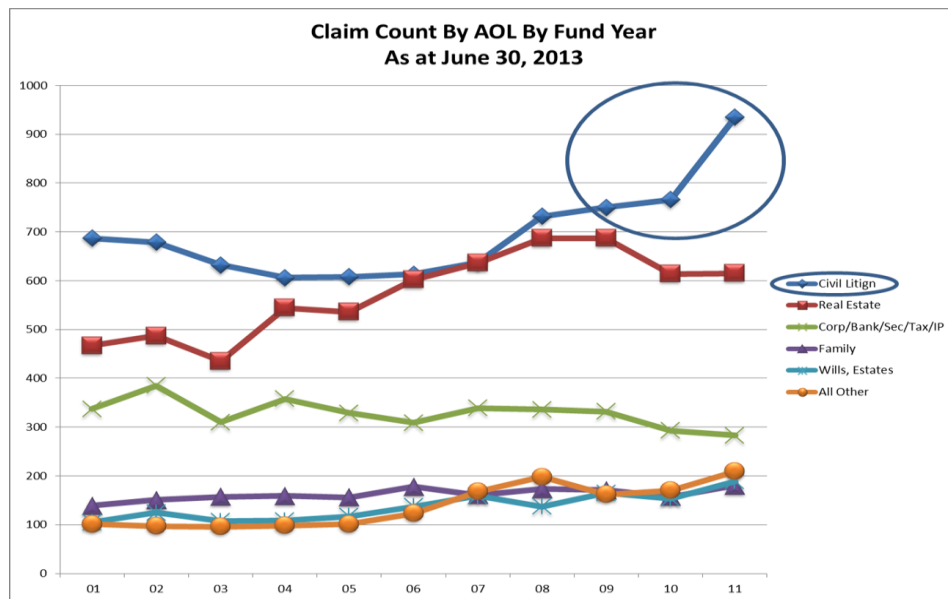
- The threat that this exposure represents to clients and the viability of law practices in Ontario;
- The limited technology resources available to many members of the bar to comprehensively address this type of risk;
- The increasing availability of business insurance from the commercial market to address many aspects of this risk;
- The growing and evolving nature of the risk and related need for increased awareness and active risk management by lawyers and law firms;
- The choices and options available to lawyers and law firms to reduce their vulnerability to cybercrime through best practices;
- The potential impact of systemic or catastrophic loss upon the program and premiums charged to lawyers, as incidents involving cybercrime against lawyers grow at an unpredictable rate and potentially involve groups of law firms at a time; and
- LAWPRO continuing to operate in a commercially reasonable manner and ensuring that risk-rating is maintained.

31. Accordingly, the program policy shall exclude coverage for claims relating to or arising out of cybercrime, except where claims arising out of liability for cybercrime results in the unauthorized disclosure of confidential client data and/or misappropriation of client trust funds, that have been entrusted to the lawyer as a direct consequence of the performance of professional services, in which case coverage, funded by base rate premiums, shall be available subject to a sublimit of liability of \$250,000 per claim and in the aggregate (inclusive of indemnity payments, claim expenses and/or costs of repairs, as well as deductible) per lawyer and across the law firm, for single and related claims.

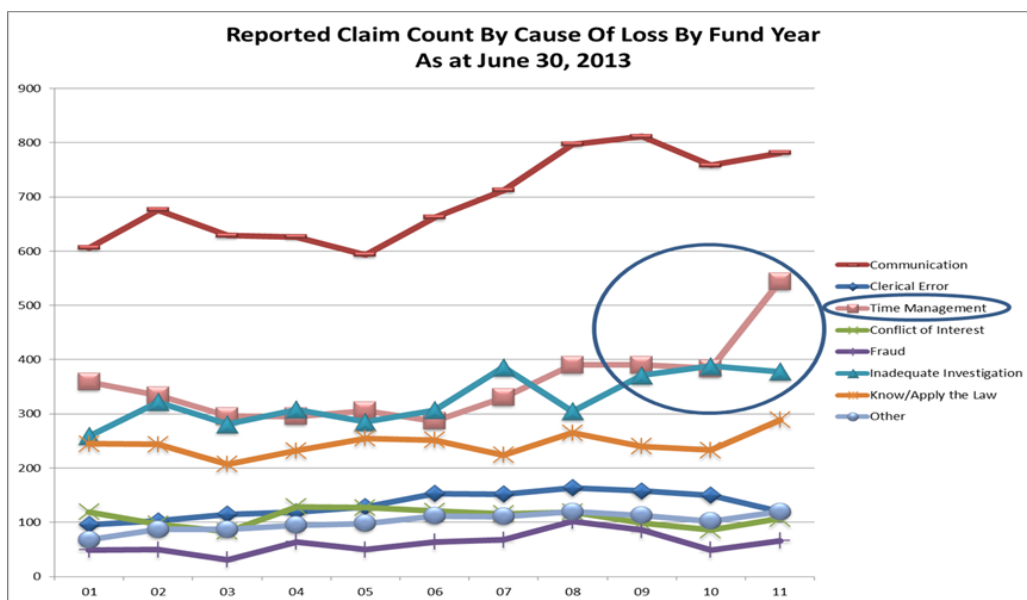
32. LAWPRO shall expand its current efforts to further ensure that lawyers and law firms are aware of the risk of cybercrime and what steps may be taken to improve related law office practices to reduce client and law firm exposures to cybercrime, including the possibility of buying increased or more comprehensive business insurance to better address the firm's cyber-related exposures.

Administrative Dismissals

33. Although the insurance program has seen on-going growth in the number of claims involving civil litigation as a practice area since 2005, the number of such claims has increased sharply since 2010.



34. The administrative dismissal of proceedings is considered to be the leading cause of this increase in civil litigation claims. This view is supported by an accompanying increase in time management claims as a cause of loss.



35. Under subrules 48.14 and 48.15 of the *Rules of Civil Procedure*, R.R.O. 1990, Regulation 194, power is granted to the registrar and judges to dismiss an action for delay or by reason of abandonment.

36. Subrule 48.14(4) requires the registrar to dismiss an action for delay, with costs, 90 days after service of a status notice unless certain conditions are met such as the action being set down for trial or if a judge or case management master orders otherwise at a status hearing.

37. Introduced as part of the changes to the *Rules of Civil Procedure* in January 2010¹¹, subrule 48.15(1) requires, unless the court orders otherwise, the registrar to dismiss as abandoned actions that have had:

- More than 180 days pass since the date of the originating process being issued;
- No statement of defense filed;
- No final order or judgment;
- No setting down for trial;
- The registrar give 45 days' notice that the action will be dismissed as abandoned.

38. As a practical matter, the sharp increase in the number of claims relating to time management issues occurred after the January 2010 changes to Rule 48 came into force.

39. Administrative dismissals can be avoided by insured lawyers through proper use of tickler systems, reasonable file oversight to ensure that pleadings have been entered and the matter is proceeding, and prompt response to notices from the court.

40. LAWPRO has published widely on administrative dismissals and time management and its staff have contributed to various other publications on these topics over the past several years. **Appendix "B"** to this report provides details regarding some of the LAWPRO communications advising lawyers about the sources of these types of errors and what steps can be taken to avoid such claims arising.

¹¹ O.Reg 394/09 and O.Reg 438/08 both came into force January 1, 2010.

41. Despite these efforts and the efforts of others, however, the number of such claims for which notice has been received has remained high.

42. In determining what program changes should be made with respect to administrative dismissal claims, consideration has been given to:

- The implications for access to justice and protection of the public when client proceedings are dismissed due to the failure of counsel to properly oversee an action;
- The large number of claims for which notice is being received involving administrative dismissal of proceedings, and the significant financial implications of such claims to the insurance program. Those implications involve not only the claims payouts themselves, but also the hidden cost of capital for LAWPRO while the claim is open, awaiting an attempted repair. A single insured will often report a number of administrative dismissal claims at one time. Some will be repairable and some will not. Where an indemnity payment is ultimately made on a claim, these claims are often very expensive. But even where the claim is repaired, LAWPRO will have suffered a reduced capital test result for regulatory purposes and must effectively carry capital for these claims. That is an indirect cost on all insureds under the program;
- The need for greater awareness among lawyers of the serious consequences arising from administrative dismissals and of the importance of effecting change in how they practice;
- The relative ease with which such dismissals can be avoided through reasonable practice management steps, and minimal additional cost associated with law firm reminder systems to avoid dismissal of actions;
- The need for lawyers with this type of claim to take greater financial responsibility for such, through payment of an enhanced deductible, so as to encourage change among lawyers;
- The fact that early notification of a dismissal to LAWPRO and prompt action may result in the matter being restored; and
- LAWPRO continuing to operate in a commercially reasonable manner and ensuring that risk-rating is maintained.

43. With regard to the above, the LAWPRO Board does want to impress upon lawyers the risk that they are taking in allowing such dismissals to take place and to encourage lawyers practising in this area to set in place proper file management techniques, but does not want to dissuade lawyers from providing early notice of such claims. For this reason, the enhanced deductible will not apply where a repair is successful and the administrative dismissal is set aside.

44. Policy provisions that modify the deductible, and in particular that apply to claim circumstances to influence how lawyers practice, are not new under the insurance program. For example, to better avoid lawyers acting in conflict of interest, the policy includes a provision that doubles the deductible amount for claims in which a lawyer provided professional services to more than one person or organization having an apparent or alleged conflict in interest. Similarly, to encourage the provision of *pro bono* legal services for approved programs, a nil deductible is generally applied.

45. Accordingly, for claims relating to or arising out of an administrative dismissal(s), that are not set aside despite steps that may be taken by or under the direction of LAWPRO, the deductible that shall apply will be deemed to:

- **Apply to claim expenses, indemnity payments and/or costs of repairs; and**
- **Be \$10,000 more than the deductible amount indicated in the lawyers' policy declarations.**

For clarity, no such change in deductible type and amount shall be deemed to apply in respect of a claim where the administrative dismissal(s) is set aside through steps taken by or under the direction of LAWPRO.

46. In the event that more than one policy provision modifying the deductible amount would apply to a claim, the provision providing for the larger (largest) deductible amount shall apply except in the case of a provision dealing with *pro bono* legal services for an approved program, in which case the provision concerning such *pro bono* legal services shall instead apply (i.e., the provision modifying the deductible amount in regard to administrative dismissal(s) shall not apply) to the claim.

Combined Licensee (i.e., Paralegal/Lawyer) Partnerships

47. Earlier this year the Law Society amended its by-laws to require paralegals working in partnership with one or more lawyers (“combined licensee partnership(s)”) to obtain their mandated insurance from LAWPRO effective January 1, 2014. Consistent with how partnerships between lawyers and multi-disciplinary partners (“MDP”) have been treated in the past (for example), the by-law amendment recognized the broader exposure of lawyer partners when acting in partnership with paralegals and/or non-licensees and that insurance coverage could be best co-ordinated by having all partners insured under the same policy. It is currently anticipated that about 10 paralegals will be affected by the by-law amendment.

48. Details are as described in By-law 6, subsection 12(1.1), pursuant to section 62 of the *Law Society Act*, R.S.O. 1990, c. L.8, included in **Appendix “C”** attached.

49. Similar to that applied by LAWPRO to non-licensee partners in an MDP, the premium charged to paralegals with one or more lawyer partners will be based upon risk. With the benefit of paralegal and other claim data, as well as assessment of adequacy of market rates, a base rate of \$600 has been established for paralegals not involved in the handling of claims for statutory accident benefits within the meaning of the *Insurance Act*, R.S.O. 1990, c. I.8. and a base rate of \$1,000 for paralegals involved in the handling of such claims¹².

50. Base premiums will be adjusted to reflect years in practice, part-time practice, claim history, etc., based upon risk. As well, transaction levies will apply to these paralegal partners in the same fashion as they do to their lawyer partners¹³.

51. While steps are being taken to transition the insurance for paralegals acting in partnership with lawyers from commercial insurers to LAWPRO effective January 1, 2014 (or as that insurance comes up for renewal during the year), consideration has also been given to program amendments that should be introduced to accommodate this change.

¹² It can be expected that base premiums, as well as discounts and surcharges, will be adjusted annually to reflect the growing claims data available, inflation and other factors commensurate with risk.

¹³ Civil litigation transaction levy details are described in Endorsement No. 3 “Civil Litigation Transaction Levy Surcharge”, which exclude transactions in respect of, *inter alia*, proceedings commenced in Small Claims Court or pursuant to Residential Landlord and Tenant matters. A copy of the 2013 program policy is available online at: http://www.lawpro.ca/insurance/pdf/LAWPRO_Policy2013.pdf

52. Some changes involving innocent party sublimit requirements are contemplated in this regard.

53. Although otherwise excluded under the program policy, where indicated in the insured's policy declarations, innocent party sublimit protection is provided to insured lawyers against liability for dishonest, fraudulent, criminal or malicious acts or omission of insureds.

54. Under the current program, innocent party sublimit coverage of at least \$250,000 per claim and aggregate is required for all lawyers buying the program coverage, other than sole practitioners who do not practise in circumstances where they could be vicariously responsible for the acts or omissions of other lawyers with whom they practise. These sole practitioners may apply for but are not required to carry this form of coverage.

55. Further, lawyers practising in a law partnership or a law corporation with other lawyers, must choose the same sublimit of liability of the innocent party coverage (whether the basic \$250,000 per claim and in the aggregate sublimit coverage, or optional buy-up sublimit coverage of \$500,000 or \$1,000,000 per claim and in the aggregate).

56. Neither of these requirements extends to the circumstance of a single lawyer acting in partnership with one or more paralegals, nor do they apply to paralegal partners acting in partnership with one or more lawyers.

57. Appreciating the importance of protection of the public and possible increase in number of lawyers/paralegal MDPs or combined licensee partnerships, it is appropriate that these innocent party requirements be revised to ensure consistency in coverage among Law Society licensees insured by LAWPRO.

58. Innocent party premiums for paralegals practising with one or more lawyer partners will be assessed on the same basis as lawyer partners, appreciating the responsibility of all partners for the conduct of firm members and access that all partners can be expected to have to firm banking information, including that involving trust accounts.

59. Accordingly, LAWPRO will take steps to transition the insurance for paralegals acting in partnership with lawyers from commercial insurers to LAWPRO effective January 1, 2014 (or as that insurance comes up for renewal during the year).

60. As well, the program requirements for innocent party coverage will be updated to ensure that lawyers and paralegals practising in partnership together each carry at least the basic amount of innocent party sublimit coverage and that each such partner in the firm carries the same amount of innocent party sublimit coverage.

Mobility with Quebec – the National Mobility Agreement 2013

61. In June, Convocation gave final approval to the National Mobility Agreement 2013 (“NMA 2013”) as approved by the Federation of Law Societies Council and amended to deal with insurance issues, with a view to execution of the agreement on behalf of the Law Society at the Federation of Law Societies signing ceremony in October 2013 and implementation of insurance program and by-law changes in time for 2014.

62. The NMA 2013 replaces and revokes the National Mobility Agreement of 2002, the Quebec Mobility Agreement of 2010 and the Addendum to the Quebec Mobility Agreement of 2012. It is also anticipated that the Territorial Mobility Agreement of 2006 will, through minor amendment, incorporate the terms of the National Mobility Agreement 2013 for the purposes of permanent mobility between the provinces and territories¹⁴.

63. Under the NMA 2013, the law society signatories agree to remove the distinction between lawyers from Quebec (i.e., members of the Barreau du Québec) and other Canadian lawyers for the purpose of permanent mobility between (or among) the various signatory law societies.

¹⁴ Upon these minor amendments being made, references to “common law province(s)” which follow in this section of the Report should be read to include those territories in which the law society is signatory to and has implemented the Territorial Mobility Agreement.

64. Unique features of the Barreau and its insurance program include providing significantly higher limits of liability¹⁵ to member lawyers than other programs and legislative restrictions that appear not to permit the Barreau to insure its member lawyers for activities that they may perform as a member of a law society of another jurisdiction. Therefore, lawyers who are called in Quebec will continue to be treated differently for the purposes of insurance requirements under permanent mobility than lawyers who are called in only Canadian common law jurisdictions.

65. Under the agreement, the insurance provisions for permanent mobility provide that if a lawyer is called in Quebec and at least one common law province, the lawyer will be required to be insured under at least two program policies: that policy required of Barreau members and the policy of a common law province in which the lawyer is called.

66. In this way, it is intended that the Quebec insurance will provide coverage with respect to services provided by the lawyer as a member of the Barreau, and the common law province's insurance will provide coverage with respect to services provided by the lawyer for all of the common law provinces in which the lawyer is a member.

67. For all lawyers called in more than one common law province (including Barreau members), the lawyer will only be required to maintain ongoing liability insurance in one common law province and will be able to claim exemption in the remaining common law provinces in which the lawyer is called, provided that for the common law jurisdiction in which the lawyer is not claiming exemption:

- (i) the lawyer is resident;
- (ii) the lawyer is a member of the governing body (law society); and
- (iii) the lawyer maintains ongoing liability insurance required in that jurisdiction that provides annual occurrence or claim limits per member of \$1,000,000 and \$2,000,000 in the aggregate.

¹⁵ The Barreau program provides \$10 million per claim limit protection. Other jurisdictions in Canada provide annual \$1 million per claim (or occurrence)/\$2 million in the aggregate limit protection to lawyers.

68. But where the lawyer is resident in Quebec, called in Quebec and called in more than one common law jurisdiction, the lawyer will be deemed to be resident in one of the common law provinces in which the lawyer is called for the purposes of determining which common law jurisdiction's program policy must be maintained by the lawyer.

69. The process for determining such deemed residence will be in accordance with nationally consistent criteria which are to be included in the insurance program of all signatory jurisdictions or, if no such consistent criteria are in place, then the common law jurisdiction where the lawyer has been a member continuously for the longest period will be the jurisdiction of deemed residence governing the purchase of insurance in a common law jurisdiction.

70. No changes are contemplated in regard to members of the Chambre des Notaires du Québec ("Quebec notaries"). Under the NMA 2013 there is no provision for temporary mobility of Quebec notaries. Permanent mobility of Quebec notaries will continue to be by way of issuance of Canadian Legal Advisor status and the Chambre will make ongoing liability insurance available to its Quebec notaries who are Canadian legal advisors in Ontario and the other common law jurisdictions.

71. The insurance provisions for all other temporary mobility between Ontario and the other provinces will be unchanged under the NMA 2013.

72. Some changes, however, will be required in the program policy and exemption provisions to implement the NMA 2013 and related Law Society by-law changes in time for 2014, with work to follow concerning nationally consistent criteria that might be included in insurance programs for all signatory jurisdictions for deemed residence purposes.

73. Accordingly, for greater clarity, the policy shall be amended to expressly provide that the total amount of coverage provided under the Law Society program policy shall not exceed \$1 million per claim/\$2 million in the aggregate, regardless of the number of program policies pursuant to mobility that may be involved.

74. Further, the definition of “Professional Services” in the policy shall be amended so as not to provide coverage to an insured lawyer while acting in the capacity of a member of the Barreau du Québec, as that exposure will be insured under the Barreau’s program.

75. Insurance forms and other program materials shall be updated to accommodate changes in Law Society by-laws concerning eligibility for exemption based upon mobility, having regard to changes in national mobility agreement and insurance requirements of lawyer licensees also called in Quebec.

76. LAWPRO will work with representatives of other program insurers/law societies to identify and then implement nationally consistent criteria to be included in insurance programs of all mobility jurisdictions that will determine which common law jurisdiction program policy should be required of lawyers called in more than one mobility common law jurisdiction who are also called and resident in Quebec.

PART 3 – THE PROFESSIONAL LIABILITY INSURANCE PROGRAM

77. Persistent increases in the number and cost of claims over the past several years are putting significant pressure on the program. The program is also subject to ongoing uncertainty regarding investment income and transaction levies. Because of the elimination of the Premium Stabilization Fund, there is no longer a significant pool of money in the Law Society's E&O Fund which can routinely be used on an annual basis to insulate the program from negative impacts.

78. As LAWPRO works through these challenging times, the company's prudent and conservative approach to the issues of the day has stood it in good stead. LAWPRO has maintained a solid capital base, with a minimum capital test ("MCT") as of June 30, 2013 of 215 per cent. This MCT result is above the regulators' minimum level of 100 per cent and supervisory threshold of 150 per cent, and above LAWPRO's internal minimum target of 180 per cent. LAWPRO has a robust asset-liability matching program to ensure that the funds are available to satisfy the claims obligations undertaken to date. Also, LAWPRO has received a consistent "A" (Excellent) rating from A.M. Best Co. each year since 2000.

79. In 2013, LAWPRO has retained its "stable" outlook based on the Company's commanding market profile and recent improvement in operating and underwriting results. (An "outlook", which looks more to the future, is different from a "rating".) However, A.M. Best Co. did note LAWPRO's unfavourable loss ratio trends would continue to place pressure on its capital base. The MCT of 215 per cent as of June 30, 2013, represents a relatively flat result from 223 per cent as at December 31, 2012, once seasonal variations related to the gradual "earning" of premium in the course of the year are taken into account. But this level of capital is somewhat lower than various Canada-wide averages, such as the overall insurer average of 260 per cent, the personal lines average of 240 per cent or the commercial lines average of over 300 per cent¹⁶. The proposals outlined in the following pages are designed to address the present

¹⁶ As reported by MSA Research Inc. and Baron Insurance Services Inc.'s Outlook Reports.

challenges in a prudent fashion and maintain the company's ability to meet the needs of the program in the years to come.

80. To establish the recommended program for 2014, the LAWPRO Board considered several factors, such as:

- the cumulative effect of the recent underwriting and investment results, and the economic environment, on the program;
- the expected future loss cost;
- the revenue sources which are expected to supplement the base levies; and
- the inherent uncertainties in predicting the results of the program each year.

81. To ensure the program's long-term viability, LAWPRO and the Board took a prudent approach to projections of revenue, as well as claims frequency and severity, taking into account factors such as emerging claims trends, general economic conditions, the tax environment and inflationary pressures on the claims portfolio.

82. As part of its ongoing planning process, LAWPRO looked at a five-year time horizon. Any LAWPRO forecast is reviewed and revised periodically based on new information as it emerges. The subject forecast reflects the trends detailed in this report, and takes a conservative approach to projecting the frequency and cost of claims under the program. This prudent approach is dictated by uncertainties associated with predicting (a) general economic and inflationary trends, and (b) claims associated with recommended or recent program changes, as applicable.

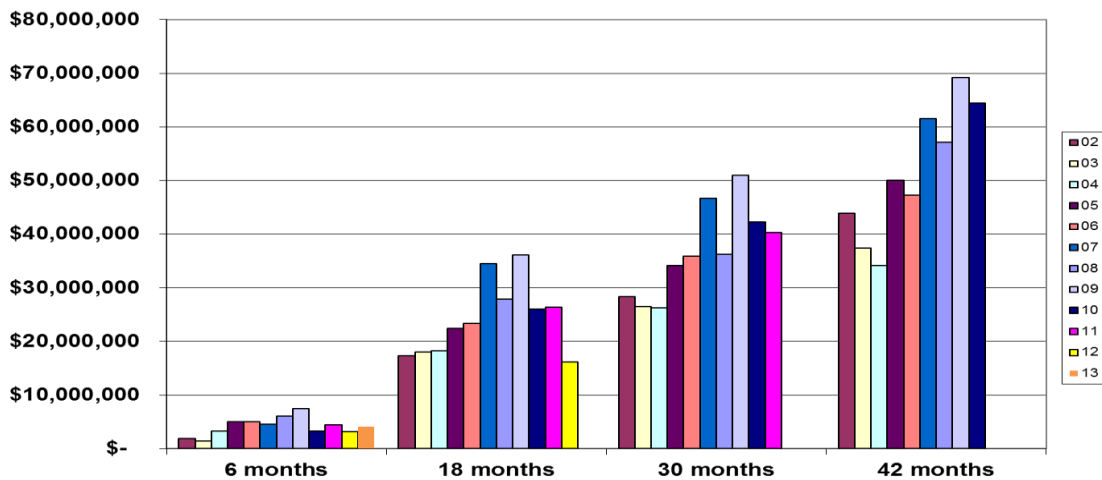
Program Costs

83. LAWPRO's revenue requirements for the 2014 insurance program are based on the anticipated cost of claims for the year, as well as the cost of applicable taxes and program administration.

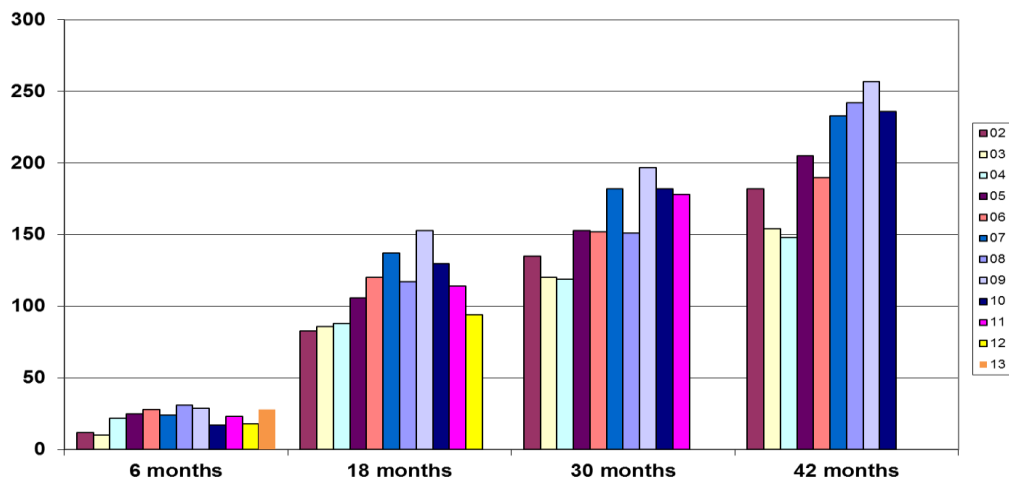
TAB 2

84. Loss experience has trended up noticeably in terms of frequency since 2004, with more claims reported than in the earlier part of the decade. It is too early to form a final view on the development of the most recent fund years' claims, such as 2011 through 2013. However, despite a very recent stabilization in the number of claims involving \$100,000 or more (as seen below), there is an overall longer term upward trend in claims severity (cost per claim).

**Aggregate Dollar Value of Claims Valued at Greater than \$100,000
by Age and Fund Year**

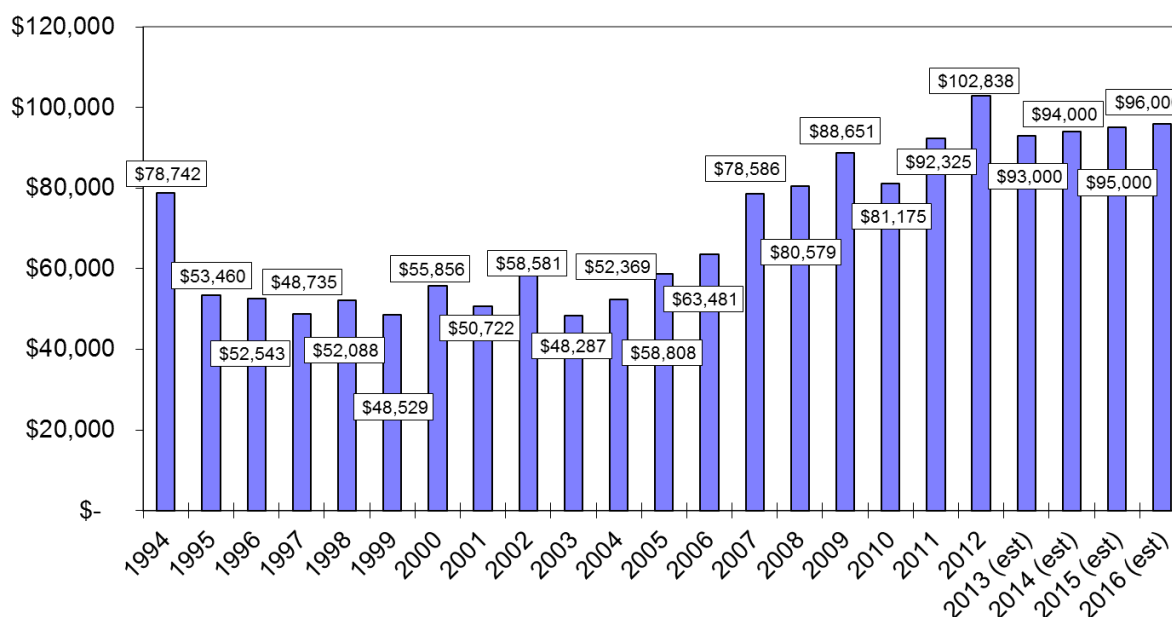


**Count of Claims Valued at Greater than \$100,000
by Age and Fund Year**



For 2014, LAWPRO expects direct claims costs alone to be \$94.0 million (see chart following). LAWPRO estimates total program funds (that is, claims costs plus general expenses) required for 2014 to be \$120.7 million. This estimate is slightly above the current forecast of total program funds needed for 2013, which is approximately \$117.9 million.

Claims Cost of Ontario Program, by Fund Year (\$000's)



Risk Rating

(a) Background

85. As already discussed in this report, the Task Force Report concluded that the cost of insurance under the program should generally reflect the risks.

86. Specifically the Task Force Report indicated that "... as a fundamental, shaping principle, the cost of insurance should generally reflect the differences in risk history, differing risks

associated with different areas of practice, and differing volumes of practice. But no insurance program can be solely risk-reflective and there must be some sharing and spreading of risk¹⁷.”

87. In keeping with this approach, LAWPRO regularly conducts detailed analyses of the risks associated with the program. The earlier results of these analyses are summarized in previous Reports to Convocation. These analyses concluded that the practice of real estate and civil litigation represented a disproportionate risk when compared to other areas of practice, and that lawyers with a prior history of claims have a greater propensity for future claims than do other lawyers.

88. The objective of risk rating was finally achieved in 1999 by applying various discounts and additional levies (such as the real estate and civil litigation transaction levies and claims history levy) to the insurance program.

89. Risk rating, however, is not static. Because the relationship between the cost of claims and different areas of practice may change, LAWPRO must continue to monitor the program to ensure that risk rating continues to be achieved. The results of these earlier risk analyses are re-evaluated each year, and the factors used to assess risk and determine premium under the program are re-evaluated for degree of relevance. The factors currently used to match risk to premium include area of practice, years in practice, claims history, liability for partners and associates, and size of practice.

90. As in the past, LAWPRO’s risk analysis also examined the degree of specialization, size of firm, and geographic location of practice as possible factors to be used in assessing risk and setting premiums. The potential factors were examined individually and on a combined basis to determine any correlation or dependencies.

91. In 2013, this review has reaffirmed the overall validity of the rating structure currently in place, subject to certain adjustments in magnitude. The results of the customary re-evaluation of the earlier risk analyses are addressed in this report at paragraphs 100 to 117.

¹⁷ 1994 Task Force Report, at page 17.

(b) Practice Trends

92. LAWPRO's present risk analysis reaffirms the results of its last report indicating that the practice of real estate and civil litigation represent a disproportionate risk when compared to other areas of practice, with real estate currently equalling or leading the practice of civil litigation as the area of practice with the greatest relative exposure for losses. In particular, the analysis indicates that overall real estate and civil litigation represent a disproportionate risk when compared to other areas of practice. These two areas of practice represent 62 per cent of the claims reported and 59 per cent of the claims costs under the program in 2012.

93. In particular:

- a) Real estate claims costs have trended upwards in the 2001 to 2012 period with real estate accounting for 28 per cent or more of costs consistently over this time. Since 2004, costs in this area of practice have increased more than 140 per cent;
- b) In 2012, the exposure relating to the practice of civil litigation again was substantially more than the traditionally seen, with civil litigation accounting for 40 per cent of the claims reported and 24 per cent of the claims costs under the program (well above the traditional levels of 27 per cent and 18 per cent seen in the 1989-94 period);
- c) In 2012, the nature of claims against civil litigators was also reaffirmed, with general conduct or handling of the matter accounting for about 75 per cent of litigation claims compared to missed limitation period claims which accounted for only 25 per cent of these claims; and
- d) Lawyers with a prior claims history continue to have a considerably greater propensity for claims than other practising lawyers. Lawyers with claims in the prior 10 years were more than three times more likely to report a claim during the past year than those with no claims in the prior 10 years.

94. The result of this analysis are summarized in the graphs contained in **Appendix “E”** of this report.

(c) Risk Management Initiatives

95. A principal mandate of LAWPRO is to help the legal profession manage the risk associated with practice. This is accomplished by providing lawyers with tools and resources that help them manage risk and practise in a more risk-averse fashion. Among LAWPRO’s major risk management initiatives are:

- **TitlePLUS® Program:** TitlePLUS insurance is a competitive title insurance product that has made a positive difference in the Ontario real estate market. It expands the choice offered to consumers and lawyers. It influences the behaviour of other title insurers. It educates consumers and has expanded policy coverages available to them. It also provides education on title insurance and real estate trends to lawyers. The TitlePLUS Program promotes real estate lawyers and recommends that consumers seek the advice of lawyers when closing their real estate transactions.

TitlePLUS staff have also given lectures at law schools and various CPD programs on title insurance and fraud prevention measures in real estate transactions. More presentations and lectures will take place in the coming months. These are designed to provide the legal profession, including new lawyers entering practice, with the tools they need to manage risk and avoid claims under both the professional liability and TitlePLUS programs.

“TitlePLUS Today”, the Department’s news bulletin, is sent regularly to subscribing lawyers across Canada, providing legal and underwriting updates on current national real estate issues. Also, in recognition of the role support staff play in real estate transactions, the Department publishes “TitlePLUS Tips”, a bulletin written specially for support staff in the offices of subscribing lawyers.

In 2012, LAWPRO continued with its consumer education program which involved a media campaign highlighting the role of lawyers in real estate transactions and TitlePLUS

insurance. Two media campaigns were based on the results of TitlePLUS-commissioned polls, measuring (i) the public's understanding of home equity lines of credit, and (ii) the prevalence of, and motivation for, preparing a will. Overall, the consumer education program involved 311 articles, with coverage in 105 newspapers and 50 websites. In total, this exposure generated over 19 million impressions. This initiative includes a consumer-oriented, online "Real Simple Real Estate Guide" which helps educate consumers about what to expect in real estate transactions and the role a lawyer plays in the transaction. Also in 2012, the campaign added social media like Facebook, Twitter and LinkedIn to further expand its reach.

- **practicePRO[®] Program:** Now in its 15th year, LAWPRO's successful risk management and claims prevention initiative is a recognized source of high-quality risk management tools and resources, both inside and outside of Ontario. This year, the practicePRO staff helped lawyers avoid malpractice claims through articles in LAWPRO Magazine and other law-related publications, information on the practicePRO website and AvoidAClaim blog, and live presentations and/or an exhibitor presence at CPD programs and other law-related events. The practicePRO program has a significant presence in the legal community by maintaining relationships and actively working with its various constituents, including the Law Society, the Ontario and Canadian Bar Associations, local law associations, legal goods and service providers, the legal and mainstream press and others.
- **LAWPRO Magazine:** With its strong risk management focus, LAWPRO's flagship publication continues to play an important role in helping lawyers avoid malpractice claims. Through a special Annual Review issue of the magazine, published each spring, LAWPRO provides lawyers with an overview of claims trends and an explanation of how these affected their premiums and LAWPRO's financial results. This Review issue also provides information on LAWPRO's efforts to prevent claims and advance lawyers' interests with the government and public opinion. The August 2012 issue of LAWPRO Magazine focused on lawyers taking the time to properly investigate a client's matter. This issue included a new Domestic Contracts Matter Toolkit and checklist for commercial transactions. The December 2012 edition focused on "New Year's resolutions" lawyers could make to

improve their practice and avoid malpractice claims. In an effort to get the risk management message to students and younger lawyers, the first Student Issue of LAWPRO Magazine was published in April 2012 and distributed to all the law schools in Ontario. LAWPRO also produced four practice area-specific webzines (in corporate/commercial, wills and estates, family, and real estate).

- **Fraud:** In terms of the risk they present to the program, fraud-related claims are a significant concern for LAWPRO. LAWPRO continues to take steps to combat fraud through measures within its own operations, its relationship with the legal profession, and by working as occasions arise with law enforcement, land registry, banking, insurance and other organizations and industries also affected by fraud. The Fraud Fact Sheet was updated in 2012 to include two new kinds of bad-cheque fraud scenarios. In addition to physical copies widely distributed to lawyers, this resource was downloaded 5,600 times from our website in 2012. As well, the AvoidAClaim blog has become an increasingly important tool for alerting lawyers to the latest online fraud scams as they happen. It averages almost 660 visitors a day and 140 fraud-related posts were made to it in 2012. Lawyers from all over Ontario and elsewhere often find relevant information on the blog when they conduct an internet search of the names of prospective clients whose matters appears to be suspicious. The information provided by LAWPRO has helped many Ontario lawyers avoid being duped.
- **Consultations:** The practicePRO program actively worked with the Law Society and various bar associations to ensure that risk management factors were taken into account when policy issues were under discussion. LAWPRO made submissions to the Law Society on a variety of consultations, such as paralegal regulation, articling, proposed rule changes based on recommendations of the Federation of Law Societies and amendments to the Lawyer Annual Report.
- **practicePRO Lending Library:** To help lawyers improve their practices, this library makes 120 of the best books on law practice and risk management topics available on loan for free to all Ontario lawyers. In 2012, 153 books went out on loan to 104 lawyers.

96. The LAWPRO Risk Management Credit offered under the program is another significant LAWPRO risk management initiative. In 2001, a premium credit of \$50 was first offered to lawyers using the practicePRO Online Coaching Centre, an Internet-based, self-coaching tool that helps lawyers enhance their business and people skills.

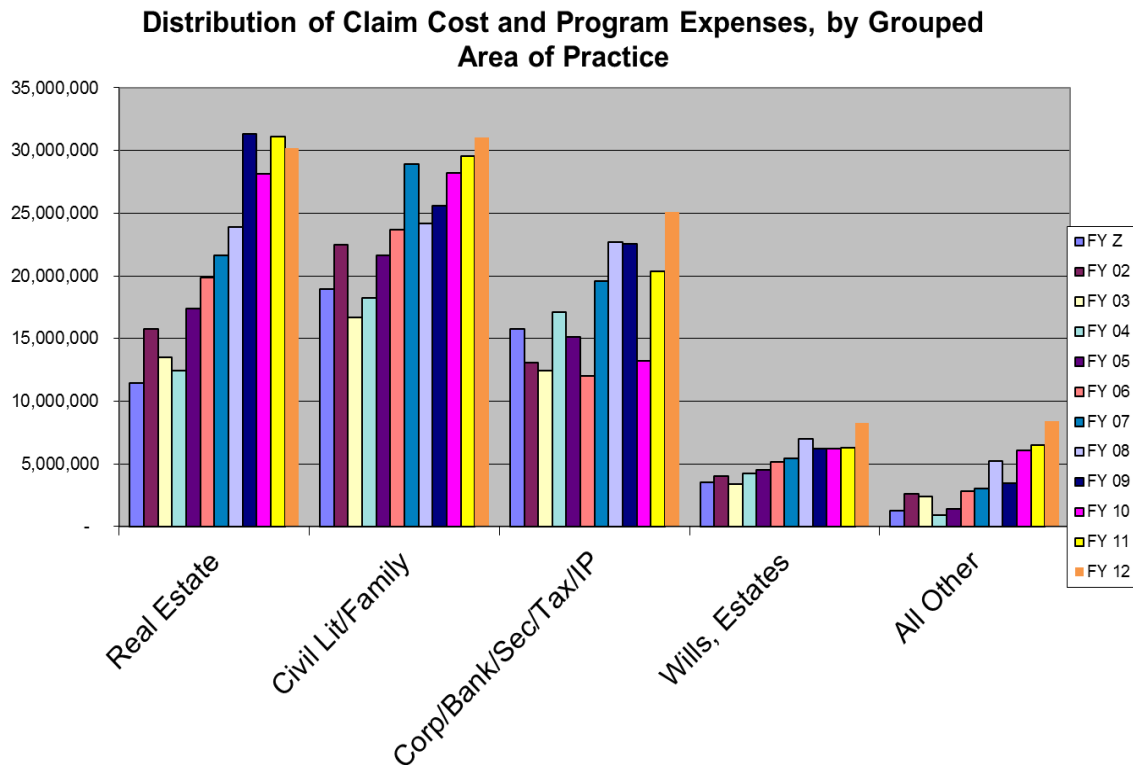
97. The premium credit was broadened in the following year to provide a \$50 credit (to a maximum of \$100 per lawyer per year) for designated law-related CPD programs completed by the lawyer. These programs are offered by the Law Society, Ontario Bar Association, The Advocates' Society and other not-for-profit CPD providers, and must include a substantial risk management component. In keeping with the most frequent causes of loss, the risk management content of these programs is often focused on dealing with the "soft" skills of lawyering, such as lawyer/client communication, documenting a file, and time management.

98. For a credit on premiums for 2014, lawyers must have participated in LAWPRO-approved CPD programs between September 16, 2012, and September 15, 2013. In addition to the Online Coaching Centre, 240 programs qualified for the credit during this period. These programs had approximately 58,000 attendees. Prior to the implementation of the Risk Management Credit, most CPD programs focused solely on substantive law. Due to the Risk Management Credit and the Law Society's new focus on mandatory ethics and professionalism content, a significant number of Ontario CPD programs have been broadened to include risk management and claims prevention content.

99. Accordingly, the LAWPRO Risk Management Credit will be continued for the 2015 program, with a \$50 premium credit per approved CPD program, subject to a \$100 per lawyer maximum amount, to be applied for pre-approved legal and other educational programs taken and successfully completed by lawyers between September 16, 2013, and September 15, 2014, for which the lawyer has successfully completed the online Risk Management Premium Credit Declaration Form.

(d) Revalidating Risk Rating

100. It is important to periodically re-evaluate the program by area of practice to ensure that it continues to be effective in its risk rating. The following chart shows the distribution of ultimate expected claims costs by detailed area of practice since 2001 (being Fund Year Z).

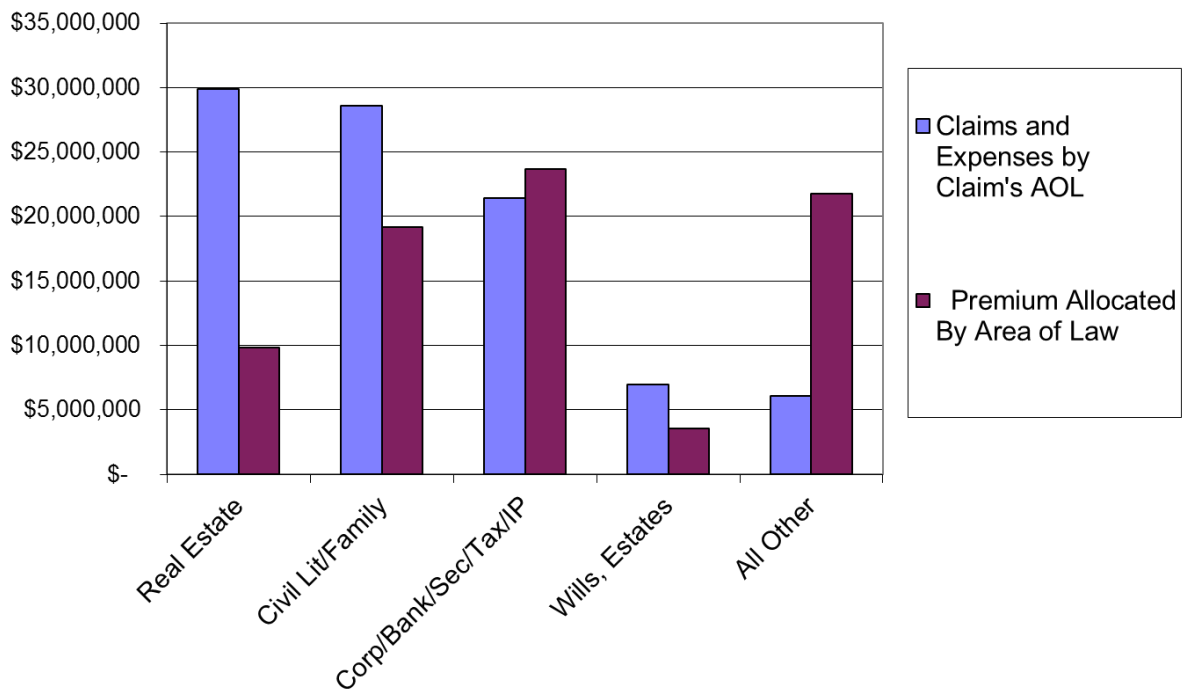


101. Apparent from this chart are the significant and growing claims costs in many practice areas and the fact that real estate and litigation continue to be higher risk on a consistent basis over a multi-year period.

102. The fact that few lawyers practise exclusively in one area provides a compelling reason to group together common or related areas of practice. However, to ensure that risk rating is being achieved, the program's anticipated losses and related costs must be compared to the premiums. Based on the most recent loss experience under the program (including that seen under the program up to December 31, 2012), the following chart compares the anticipated losses and costs

distributed by area of law to the proposed base premiums by primary area of practice. The premiums in this chart include the proposed base premiums with real estate practice coverage, innocent party and base premium adjustments, but exclude transaction levies and claims history surcharges.

Comparison of Projected 2014 Premium by Lawyer's Primary Area of Practice to Claims and Expenses by Claim's Area of Law



103. The shortfall between the anticipated claims costs and expenses to base premiums is particularly significant for the areas of real estate law and civil litigation.

104. The latest program statistics indicate that without the benefit of the transaction and claims history levy revenues, the 2014 base premium would be \$9,900 for those whose primary area of practice is real estate.

105. Past Reports to Convocation have discussed the importance of using the transaction and claims history surcharge levies as premium, to avoid any substantial dislocation among the bar in the higher risk areas of practice which would otherwise occur with risk rating¹⁸.

106. By including the transaction and claims history surcharge levies as in recent years, a shortfall for real estate and civil litigation claims costs is largely overcome. Therefore, it is proposed to maintain the transaction levy at the same level for 2014.

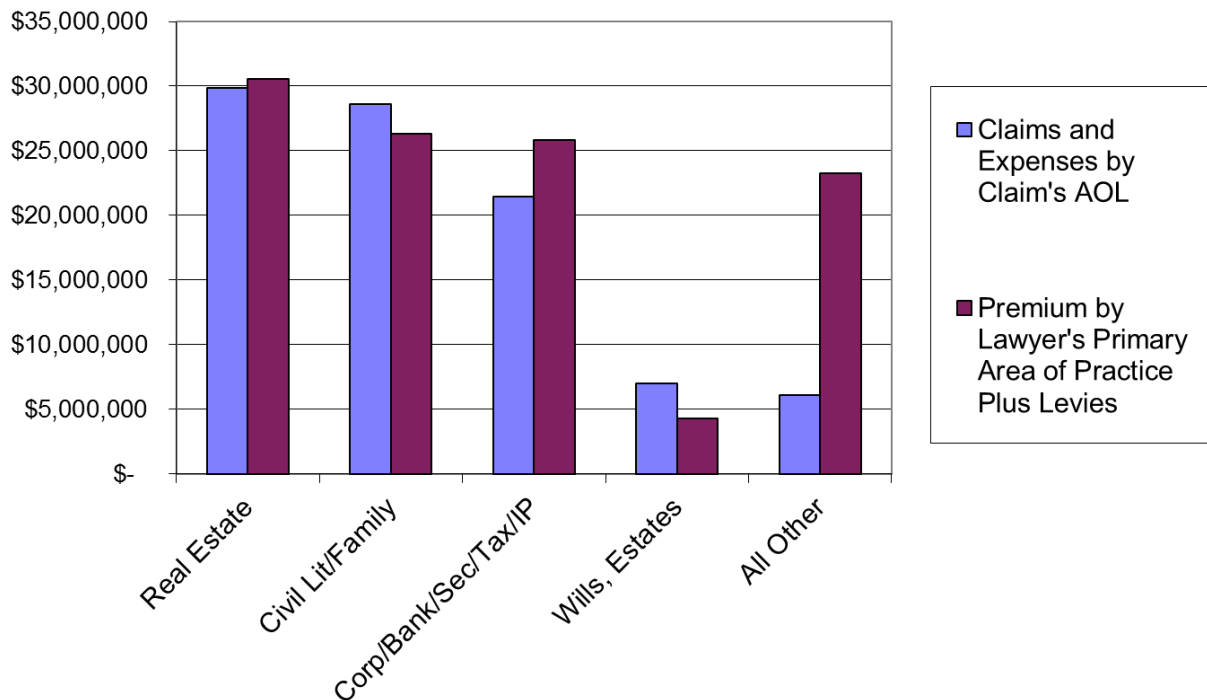
107. In April 2008, LAWPRO introduced a real estate practice coverage option (“REPCO”). One REPCO claim has arisen as of June 30, 2013, representing a limit loss of \$250,000 which was paid out. LAWPRO is maintaining an actuarial loss reserve for potential incidents that have occurred but have not yet been reported to the company. (Since the essence of REPCO coverage is to compensate for an act of fraud by the insured lawyer, it is unlikely that there will be an immediate report by the lawyer involved; therefore, LAWPRO is making a conservative assumption that there will be often be delays in reporting under this coverage.) To acknowledge the promising results to date, the price of the REPCO coverage was decreased by a prudent \$100, to \$400 from \$500, for the 2010 program, and by a further \$150 to \$250 per lawyer in 2012.

108. Accordingly, the premium for the Real Estate Practice Coverage Option (“REPCO”) will be \$250, the same amount charged in 2012 and 2013.

109. The following chart compares the anticipated premiums sorted by the lawyer’s primary area of practice (plus the claims history surcharge, REPCO premium and transaction levies as revised) to the anticipated claims costs and expenses for each area of law.

¹⁸ 1999 LAWPRO Report to Convocation, pp. 18 – 22; 1998 LAWPRO Report to Convocation, pp. 35 – 37; and 1996 LAWPRO Report to Convocation, pp. 32-36.

Comparison of Projected 2014 Premium by Lawyer's Primary Area of Practice + Allocated Levies to Claims and Expenses by Claim's Area of Law



110. This comparison indicates that, with the benefit of the transaction and claims history surcharge levies, and including the REPCO premium, there is a substantial correlation between revenues and claims for the major practice areas.

111. The graph does indicate some subsidy by area of practice, especially by the practitioners in the “All Other” category. This subsidy changes somewhat over time and may vary considerably from year to year for the smaller practice areas, if they were broken down in greater detail.

112. The area of wills and estates has experienced an increase in claim costs over the past decade. Given the relatively small number of practitioners in this area, a few large claims often skew the results. LAWPRO will continue to monitor these results and propose any action, if appropriate, at a future date.

113. Appreciating the foregoing variables and possibilities of comparison by area of practice, it appears that the program does substantially meet its objective of risk rating, and that the proposed program will continue to do so in the coming year. Although some subsidy may exist for certain areas of practice, when taking into account operating costs and commercial realities, the cost of insurance under the program is considered to generally reflect the risk. Notably, the Task Force Report acknowledged that "...no insurance program can be solely risk-reflective and there must be some sharing and spreading of risk¹⁹."

114. Other aspects reviewed in the analysis included the exposure based on the size of the firm, year of call, geographic location and prior claims history. The overall results of this analysis reaffirm the premium discounts already in place, including the surcharge applied to practitioners with a prior claims history. The results of this analysis are reproduced in select graphs in **Appendix "E"**.

115. Although the volume (size) of practice may not be wholly determinative of risk, the transaction levies do reflect the volume of business transacted in a practice as well as the higher risk associated with real estate conveyancing and civil litigation.

116. Accordingly, the LAWPRO Board is satisfied with the continued use of the transaction and claims history levy revenues as premium, with the result that the cost of insurance under the program continues to generally reflect the risk.

117. Various examples of premiums which would be charged to members depending on the nature of their practice are summarized in **Appendix "F"** of this report.

¹⁹ 1994 Insurance Committee Task Force Report, at page 17.

Reinsurance and Capital Preservation

118. LAWPRO annually assesses its need for reinsurance based on its capital position and its claims results and volatility.

119. In its early years, LAWPRO purchased program-wide quota share reinsurance. A stronger financial position and more stable claims experience enabled the company to cease reinsuring the program with quota share reinsurance starting in 2003. In addition to relying on LAWPRO's own capital, the resources of the E&O Fund up to a \$15 million cap were effectively relied on starting in 2003. An enhanced retrospective premium endorsement provided that for certain years actual loss experience above a certain threshold would be borne by the E&O Fund through additional premiums. On the other hand, actual loss experience below a certain threshold would trigger a refund on premiums to the E&O Fund. The E&O Fund has used the Premium Stabilization Fund ("PSF") as a mechanism to fulfill its potential obligation for additional premiums and as a place to hold premium refunded.

120. Given the current uncertain environment for future claims, transaction levies and investment income, and the rapidly declining balance of the PSF, it was decided in September 2009 that LAWPRO would achieve greater program stability by retaining in the company any future favourable claims development. As a result, the refund aspect of the retrospective premium endorsement was not continued in the 2010 insurance program.

121. As already noted, under the endorsement as drafted in certain years before 2010, additional premium payments relating to past insurance fund years were potentially required as final claims costs emerged. Accordingly, recognizing the decreased size of the PSF and not wanting to place undue pressure on the E&O Fund as a whole, the threshold for the additional premium aspect of the retrospective premium endorsement was increased in 2010.

122. For 2014, it is proposed that there continue to be a \$15 million dollar cap on the E&O Fund's exposure to provide additional premium to LAWPRO. As in 2010 through 2013, to the extent that the net loss ratio exceeds the anticipated loss ratio for the year by an absolute 10 per

cent, the E&O Fund would cover the losses. The 2010 through 2014 backstop provisions will be evaluated separately, with the \$15 million limit shared by the five fund years. The lower likelihood of a payout by the E&O Fund in this regime, as it commenced on January 1, 2010, makes the protection more akin to a catastrophic coverage, providing payout only in the unlikely scenario that an insurance fund year experienced significant deterioration from its initial expectations.

123. By relying on its own resources and the \$15 million backstop from the E&O Fund as described above, LAWPRO will not need to pursue the expensive course of purchasing reinsurance on a program-wide basis.

124. For 2014, LAWPRO will again look to purchase reinsurance protection against the possibility of multiple losses arising out of a common event or nexus, as it has since 2005 (the “Clash Excess of Loss Reinsurance”). This protection against aggregated losses extends across both the professional liability and TitlePLUS programs, and offers some measure of protection against a series of claims such as fraud-related claims where the fraudster targets more than one lawyer, or a single defect in title affecting an entire condominium project.

125. As discussed in the report of the LAWPRO Board to Convocation last year²⁰, there exists the potential for significant exposure to the program if many claims should arise from the same proximate cause, as typified by the example of class action proceedings against many lawyers for a common wrong.

126. Accordingly, in 2013 LAWPRO approached the reinsurance market to gauge the industry’s appetite for providing an additional layer of reinsurance protection to LAWPRO to specifically address claims affecting multiple insureds under the professional liability and/or TitlePLUS programs that involve class proceedings.

127. For 2013, therefore, LAWPRO purchased, and has in place above what had been the existing \$10 million limit under the Clash Excess of Loss Reinsurance, an additional \$20 million

²⁰ See page 27 of the 2012 LAWPRO Report to Convocation.

limit (for a possible total limit of \$30 million in coverage above LAWPRO's retained exposure). This additional \$20 million layer covers multiple claims that directly or indirectly relate to class proceedings. In 2014, LAWPRO will again look to purchase the higher layer of protection against the possibility of class proceedings against multiple insureds.

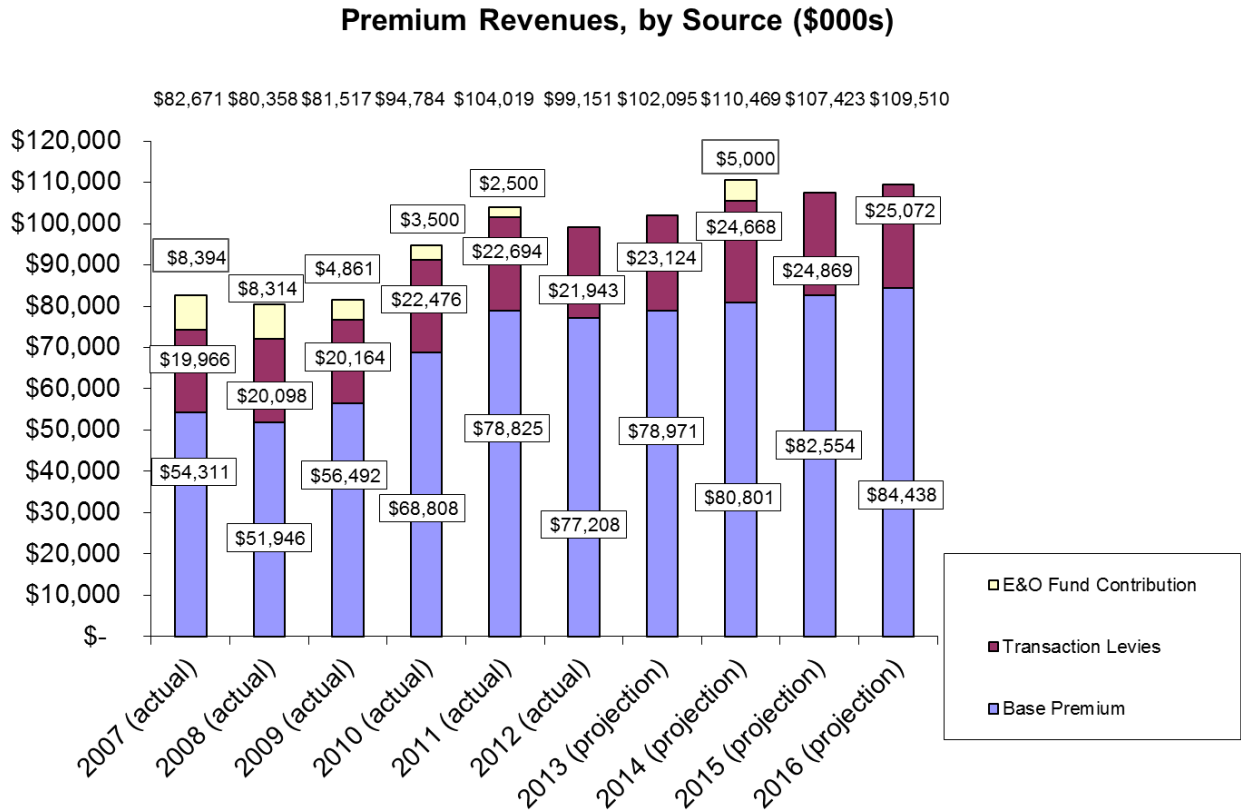
128. Accordingly, 100 per cent of the premiums and losses for the Ontario professional liability program will again be retained by LAWPRO in 2014, subject to limited capital backstop protection provided by the E&O Fund, and reinsurance protecting the program from multiple losses arising out of a common event or nexus.

Revenues

129. To meet the total expected program obligations for 2014, LAWPRO first evaluates its likely investment income, and then considers premium sources. By way of contrast with recent years (when there was no contribution from the E&O Fund to minimize the base premium), premium revenues to meet fiscal requirements for 2014 will come from three principal sources: the base premium²¹, the E&O Fund, and levy surcharges.

²¹ "Base premiums" includes base premiums with applied discounts or charges, as well as innocent party and REPCO premiums.

130. The projected premium revenues from these three sources are as follows:



(a) Investment Income

131. LAWPRO takes full advantage of the time between the collection of premiums and the payment of claim costs by investing any available funds into a well-diversified portfolio of fixed income and equity securities. LAWPRO uses the resulting investment income to help pay operating and claims expenses, thereby reducing the amount of funds that must come from premium sources.

132. LAWPRO provides further stability to the program by segregating into a separate portfolio (the liability-matched portfolio) sufficient money to pay anticipated future claims costs, with any surplus capital held in a different portfolio. The securities in the liability-matched

portfolio consist of high-quality government and corporate fixed income securities, with the future cash inflows to the company arranged to coincide with the expected payout patterns of the future claim costs. The surplus portfolio consists of a prudent mix of fixed income and equity securities.

133. During recent years, investment returns have weakened as the worldwide credit crunch resulted in some depressed equity and fixed income prices. In addition, with central banks such as the Bank of Canada lowering their overnight interest rates to rock-bottom levels, the rates of return on fixed income securities have also dropped significantly. For LAWPRO, the downward pressure on returns is exacerbated as fixed income securities mature and need to be reinvested at these low rates. Although the Bank of Canada has increased its overnight interest rates from its historic low, it will likely be some time before interest rates available upon purchasing new fixed income securities equal the rates that have been available to LAWPRO in the past.

134. LAWPRO's prudent investing philosophy helped protect its portfolios (both liability-matched and surplus as described above) from significant losses of principal during the economic turbulence of recent years. However, as a result of continued market uncertainty, the company has set its expected return on investments for 2014 at 3.55 per cent, slightly lower than the 3.75 per cent originally projected for 2013, and significantly lower than the 5 per cent (or higher) in previous years.

(b) Levy Surcharges

135. The Ontario real estate market has been quite resilient in the last few years, but there are indications that the market will cool in the near term. Statistics published by Canada Mortgage and Housing Corporation in August 2013 indicate that the number of resale transactions dropped by almost 2 per cent in 2012, and is forecast to decrease a further 1 per cent in 2013 but then increase by almost 4 per cent in 2014. Similarly, after a 13 per cent increase in 2012, new housing starts are forecast to decrease by 24 per cent in 2013, before stabilizing by increasing by 1 per cent in 2014.

136. At present, the levy surcharges include a \$50 civil litigation transaction levy and a \$65 real estate transaction levy, as well as a claims history levy surcharge²². Revenues from these levy surcharges are applied as premiums, to supplement the base levy.

137. Civil litigation and claims history levy surcharge revenues have been quite stable over time, while the revenue from real estate transaction levies declined by approximately 50 per cent between 1999 and 2009 (prior to the increase in the levy for the 2010 program).

138. The increased use of title insurance is considered to be largely responsible for a reduction in the count of real estate transaction levies since 1999. Lawyers acting for those obtaining an interest or charge in the land in many instances are not required to pay a transaction levy, where the interests of all parties obtaining an interest or charge in the property are title-insured, and the acting lawyer or lawyers are provided with the appropriate release and indemnity protection by the title insurer, based on a standard form agreement entered into between the title insurer and the Law Society on behalf of Ontario lawyers.

139. It is estimated that more than 90 per cent of residential real estate transactions in Ontario are title-insured²³. In recent years, the number of real estate transaction levies collected has moved in tandem with residential real estate sales. This indicates a maturity or saturation of this market for title insurance.

140. More recently, the number of transaction levies stabilized as a result of the solid Ontario real estate sales. As of July 2013, transaction levy revenues are largely in-line with expectations at \$0.5 million over budget.

141. To account for ongoing uncertainties in the real estate market and the prospect of a shortfall, a conservative approach has been taken in estimating revenues from levy surcharges for 2014.

²² The claims history levy surcharge ranges from \$2,500 for a lawyer with one claim paid in the last five years in practice, to \$25,000 for a lawyer with five claims paid in the last five years in practice (an additional \$10,000 is levied for each additional claim paid in excess of five).

²³ LAWPRO makes this estimate based on the correlation between real estate sales data and transaction levy filings.

142. As described above in this report, the use of transaction levies ensures an element of risk rating in the insurance program, as both real estate and civil litigation continue to represent a disproportionate risk when compared to other areas of legal practice. The use of levies also avoids the substantial dislocation which likely would occur if the base premiums were increased to reflect the risk, and reflects the consensus reached with the affected sectors of the bar and others in the profession as the most equitable way to achieve risk rating when introduced in 1995.

143. For 2014, LAWPRO estimates transaction levy revenues at \$24.7 million.

(c) *E&O Fund*

144. Since the introduction of the 1999 program, any receipts in excess of those budgeted from the transaction levies and claims history surcharges collected in the year have been held within the PSF component of the E&O Fund. They have been managed on a revolving account basis and applied to the insurance program. These funds are used to guard against any future shortfall in levy receipts in a given year, appreciating the difficulties in forecasting transaction levy revenues in a changing economic climate, and acted in some years as a buffer against the need for increases in base premium revenues.

145. Because of the obligation to meet its retrospective premium obligation for 2009, which involved a payout of \$13 million given the one-time retrospective impact of the HST, the PSF was exhausted as of December 31, 2009. While the E&O Fund has approximately \$62.4 million of surplus as at June 30, 2013, some of those funds have already been committed for specific purposes, such as the \$15 million backstop (see paragraphs 118 through 128). The remaining available surplus may be used by the E&O Fund to pay for ongoing operating costs, make an annual premium contribution, or fund potential shortfalls in expected transaction levies and/or claims history surcharges.

146. Given the funds required to fund future operating costs of the E&O Fund and provide stability against potential transaction levy shortfalls in the short term, an amount of \$5 million is

anticipated to be drawn from that surplus and applied towards the premium under the 2014 program. The current LAWPRO five-year projection does not assume further contributions from the E&O Fund to support the base rate premium.

(d) Capital Requirements

147. As a final consideration before determining the base premium, LAWPRO must consider its capital needs. Canadian regulators use the Minimum Capital Test in order to assess capital adequacy of a property and casualty insurer. The MCT is a risk-based ratio calculation which compares the insurer's capital or net assets available to the "capital required." Through the capital required component of the test, regulators prescribe certain additional capital or margins that must be held based on the various types of assets and liabilities on the insurer's balance sheet.

148. A significant margin requirement relates to the 15 per cent additional capital that must be held for all the net claims liabilities on the books that relate to commercial liability (which includes professional liability coverage). Given the steady historical growth of LAWPRO's net claims liabilities over the last decade or so, even a net income of \$5 million can often lead to a decline in LAWPRO's MCT ratio. As a very general rule of thumb, LAWPRO requires in the neighbourhood of \$5 million of either net income or increased after-tax net unrealized gains on its surplus portfolio²⁴ to achieve a stable to slightly increasing MCT ratio.

149. The determination of a specific insurer's "ideal" MCT ratio is no easy task, as the current industry metrics are primarily designed simply to identify levels that are too low. Canadian regulators require that insurers do not fall below various MCT levels, such as the 100 per cent minimum and 150 per cent supervisory levels. In addition, working in conjunction with LAWPRO, the regulators have accepted a further 180 per cent internal target level. All of these figures represent minimum MCT levels, not ideal operating targets in and of themselves.

²⁴ Increases in net unrealized gains relating to the liability-matched portfolio, as well as realized gains, are included in net income.

150. Subject to future regulatory direction in this regard, the Board believes that a long-term operating MCT target in the neighborhood of 220 to 230 per cent balances LAWPRO's risk profile and its unique ability to set premiums and raise capital, which differ significantly from those of other commercial insurers in Canada. An MCT in this range would allow LAWPRO some capacity to absorb unexpected losses or changes in market conditions, and have time to implement a strategy to restore capital levels to the desired range.

151. With LAWPRO's MCT at 215 per cent as of June 2013, slightly under the Board's preferred long term range, key near-term trends must also be considered. For example, the Canadian insurance regulators have begun implementing a multi-year plan to change the manner in which the MCT ratio is calculated. A December 2010 study published by the Office of the Superintendent of Financial Institutions noted that, based on its calculation using Canadian insurer regulatory filings, insurer's MCT tended to drop appreciably using the new rules. With no proposed reduction in the regulatory MCT targets imposed by the regulators, all Canadian insurers must act accordingly to meet these new regulatory expectations.

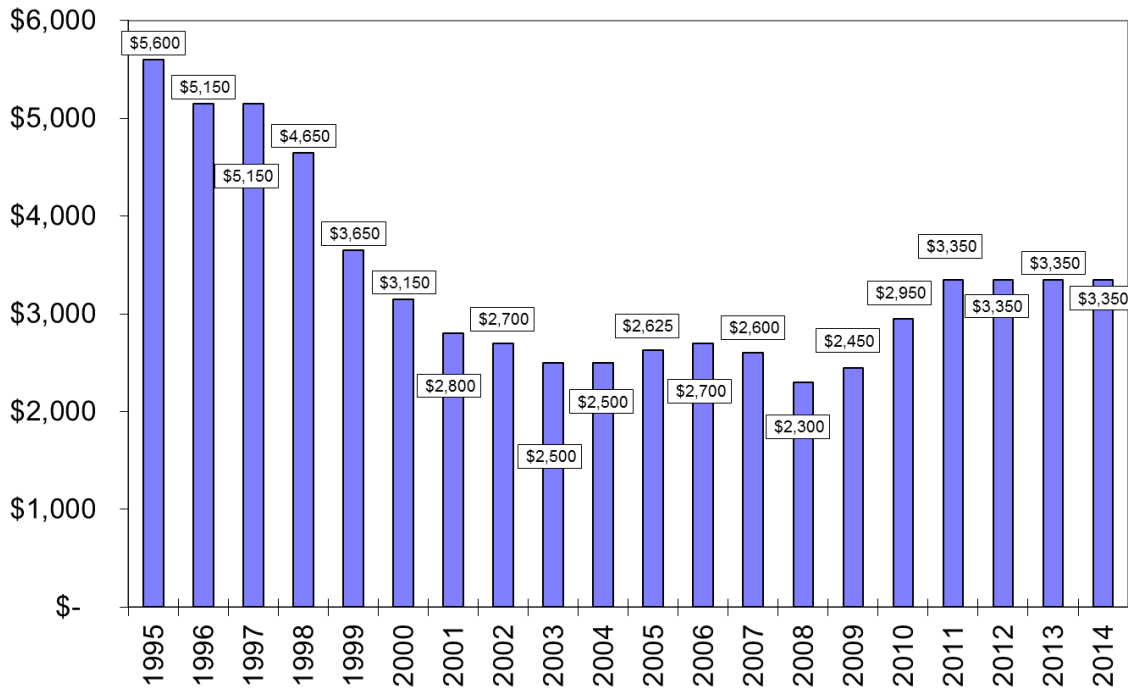
152. Given LAWPRO's current capital levels as well as near-term challenges, the premium for 2014 and onwards must be set at a level that generates significantly more than a break-even result, allowing the Company to continue a phase of capital ratio stabilization and replenishment.

(e) Base Premiums

153. Based on the previous discussion of program costs, sources of revenue and capital needs, the base premium will be set at \$3,350 per member to account for a deterioration in claims experience and the likelihood of continuing economic uncertainty. In summary, the 2014 proposed base premium is based on the following key assumptions:

- 24,847 practicing insured lawyers (full-time equivalents);
- \$120.7 million in anticipated total program costs (paragraph 84);
- \$24.7 million in budgeted transaction levy revenues (paragraph 143);

- \$5 million to be drawn from the E&O Fund on account of the premium (paragraph 146); and
- 3.55 per cent return on investment (paragraph 134).

Base Premium, by Fund Year

154. At this time, the Board is satisfied that this base premium rate appropriately recognizes the uncertainties in emerging claims experience and economic conditions, and allows the program to continue to operate on a self-sustaining basis while protecting the company's overall financial position. The rate is consistent with information provided in the Report to Convocation in recent years. It was repeatedly noted that the historically low base premium (for example, less than \$2,500 per insured lawyer) may not be sustainable in future years, as higher claims costs had already begun to emerge. In particular, the beneficial 2008 base premium level was a method of giving the benefit to the bar during 2008 of some superior 2007 investment results and favourable claim reserve development for earlier fund years. As noted earlier, investment returns in the current market are lower than in 2006 and 2007, and claims experience in terms of

frequency and severity has deteriorated. Also, the full impact on the program of Ontario's adoption of HST has now been evaluated and factored into the premium calculations. It should be noted that a base premium of \$3,350 per lawyer in 2014 is significantly lower than premiums charged in the past. In fact, if inflation were removed, this premium would be the equivalent to about \$2,300 in 1995 dollars, compared to the \$5,600 actually charged at the time.

155. In setting a base rate for 2014, LAWPRO tested its five-year planning horizon under various scenarios. Overall company results are projected to exceed break-even, thus allowing LAWPRO to both stabilize and strengthen its capital position for the possible challenges of coming years. Many factors influence this forecast, most significantly interest rates and claims experience. The results of this forecast cannot be considered definitive in nature and further base rate increases may be required in future years.

156. Accordingly:

- a) The base premium is \$3,350 per lawyer for 2014, the same base premium charged in 2011 through 2013;**
- b) Revenues from real estate and civil litigation transaction levies are budgeted at \$24.7 million for the purposes of establishing the base premium for 2014 and other budgetary purposes;**
- c) \$5 million (approximately \$210 per insured lawyer) is expected to be drawn from the available surplus in the E&O Fund built up in prior years and applied to the 2014 insurance premium; and**
- d) To the extent that levies (noted in (b) above) collected in 2014 are different than the budgeted amount, the surplus or shortfall is expected to flow to/from the E&O Fund.**

(f) *Other Program Features (or Adjustments)*

157. With the exception of the changes specifically described in this report, all aspects of the insurance program for 2014 will remain unchanged from the program now in place.

158. As detailed in **Appendix “D”**, subject to the noted changes, the current insurance program for lawyers in private practice encompasses the following:

- standard practice coverage, including Mandatory Innocent Party Coverage;
- coverage options, including Innocent Party Buy-Up, Part-Time Practice, Restricted Area of Practice and Real Estate Practice.

159. The current program also provides for premium discounts and surcharges. Discounts and surcharges expressed as a percentage of premium include:

- New Lawyer discount;
- Part-Time Practice discount;
- Restricted Area of Practice Option discount;
- adjustments for deductible options and minimum premiums; and
- a surcharge in the event that no completed application form is filed.

160. Discounts and surcharges expressed as a stated dollar amount include:

- the Mandatory Innocent Party premium;
- optional Innocent Party Buy-Up premium;
- the Real Estate Practice Coverage premium;
- premium discount for early lump sum payment;
- e-filing discount; and
- Continuing Professional Development discount.

161. Subject to the changes identified earlier in this report, the remaining exemption criteria, policy coverage, coverage options, and premium discounts and surcharges in place in 2013 will remain unchanged for the 2014 insurance program.

CONCLUSION

162. The LAWPRO Board considers the program changes to be appropriate and consistent with its mandate as set out in the 1994 Insurance Committee Task Force Report. The LAWPRO Board offers this program of insurance for 2014 and asks for Convocation's acceptance of this Report at the September Convocation, so that the 2014 insurance program can be implemented by January 1, 2014.

ALL OF WHICH LAWPRO'S BOARD OF DIRECTORS RESPECTFULLY SUBMITS TO CONVOCAATION.

September 2013

Original signed by Susan T. McGrath

Susan T. McGrath

Chair of the Board

Lawyers' Professional Indemnity Company

Original signed by Ian D. Croft

Ian D. Croft

Vice-Chair of the Board

Lawyers' Professional Indemnity Company

Appendix “A”

Examples of recent LAWPRO communications on the topics of technology risk, best practices and technological resources available to lawyers and law firms:

[Phishing scam warning from LexisNexis.](#) AvoidAClaim Blog, June 27, 2013

[LAWPRO Magazine archive: Protecting client data – 11 steps to take when using technology.](#) AvoidAClaim Blog, June 18, 2013

[The virtual estate: Are you talking about this with your will clients?](#) AvoidAClaim Blog, June 13, 2013

[In the practicePRO Lending Library: Lawyer’s Guide to Collaboration Tools & Technology.](#) AvoidAClaim Blog, June 3, 2013

[practicePRO Resource: Top 10 Technology Tools and How to Use Them.](#) AvoidAClaim Blog, May 24, 2013

[Communicating with staff about email privacy.](#) AvoidAClaim Blog, March 21, 2013

[practicePRO Resource: Directions for Enabling Security Features on Wireless Access Points.](#) AvoidAClaim Blog, March 9, 2013

[One New Year’s resolution you must follow through on: I will make a back-up of my data.](#) AvoidAClaim Blog, January 15, 2013

[Ontario law firm victim of large fraud due to infection by Trojan Banker Virus.](#) AvoidAClaim Blog and LAWPRO Alert, December 21, 2012

[Be smart about spam: Use whitelisting so you don’t miss key messages.](#) LAWPRO Magazine, May 2013

[Nine rules to help family law clients and their lawyers avoid social media dangers.](#) AvoidAClaim Blog, October 2, 2012

[LinkedIn confirms breach; how to tell if your account was compromised and what to do.](#) AvoidAClaim Blog, June 6, 2012

Appendix “B”

Examples of LAWPRO communications on the topics of administrative dismissals and time management:

[*Don't be part of the administrative dismissal claims spike.*](#) LAWPRO Webzine, February 26, 2013

[*In the news: LAWPRO makes submission on Rule 48.15.*](#) LAWPRO Magazine, December 2012

[*We're there: Claims for 2012 top \\$100 million.*](#) LAWPRO Magazine, May 2013

[*Administrative dismissals: Don't be caught standing when the music stops.*](#) AvoidAClaim Blog (September 18, 2012) and The Lawyers Weekly (August 31, 2012)

[*E&O claims management: How remedial action by LAWPRO saves the bar millions.*](#) LAWPRO Magazine, May/June 2012

[*Administrative dismissals: Part 2.*](#) LAWPRO Magazine, Summer 2011

[*Administrative Dismissals: Avoid Claims by Taking Them Seriously and Asking for Help.*](#) Slaw Blog, August 18, 2009

[*Administrative dismissal: Take it seriously and ask for \(our\) help.*](#) LAWPRO Magazine, July 2009

Appendix “C”

By-Law 6
Law Society Act, R.S.O. 1990, c. L.8
 Amended: April 25, 2013
Professional Liability Insurance

...
Part II Licensees Holding a Class P1 Licence

...

Mandatory insurance

12. (1) Unless exempted and subject to subsection (1.1), every licensee who holds a Class P1 licence shall maintain insurance against professional liability under a policy of professional liability insurance issued by a company licensed to carry on business in the province of Ontario that complies with the following minimum requirements and is otherwise comparable to a policy of professional liability insurance issued by the Lawyers’ Professional Indemnity Company to a licensee who holds a Class L1 licence:

1. A policy limit for each single claim of not less than \$1 million and an aggregate policy limit for all claims of not less than \$2 million per year.
2. A maximum deductible amount under the policy that is reasonable in relation to the financial resources of the licensee.
3. Coverage for liability for errors, omissions and negligent acts arising out of the provision by the licensee of legal services authorized under a Class P1 licence.
4. A provision granting an extended reporting period of ninety days from the date of cancellation of the policy.
5. A provision naming the Society as an additional insured, for the purposes of reporting claims and receiving notice of the cancellation or amendment of the policy.
6. A provision that the policy may not be cancelled or amended without at least 60 days written notice to the Society.

Insurance to be maintained under policy issued by the Lawyers’ Professional Indemnity Company

(1.1) A licensee who holds a Class P1 licence and who is a partner in a partnership that includes licensees who hold a Class L1 licence, where the business of the partnership is the practice of law in Ontario or the provision of legal services in Ontario, shall maintain insurance against professional liability under a policy of professional liability insurance issued by Lawyers’ Professional Indemnity Company.

Appendix “D”**The Standard Insurance Program Coverage for 2014***Eligibility*

- Required of all sole practitioners, lawyers practising in association or partnership, paralegals acting in partnership with lawyer(s) and lawyers practising in a Law Corporation, who are providing services in private practice.
- Required of all other lawyers (e.g. retired lawyers, in-house corporate counsel and other lawyers no longer in private practice) who do not fully meet the program exemption criteria.
- Available to lawyers who do meet the exemption criteria but opt to purchase the insurance coverage.

Coverage limit

- \$1 million per CLAIM/\$2 million aggregate (i.e. for all claims made in 2014), applicable to CLAIM expenses, indemnity payments and/or cost of repairs together.

Standard DEDUCTIBLE

- \$5,000 per CLAIM applicable to CLAIM expenses, indemnity payments and/or costs of repairs together.

Standard base premium

- \$3,350 per insured lawyer.

Transaction Premium Levy

- \$65 per real estate transaction and \$50 per civil litigation transaction;
- No real estate transaction levy generally payable by transferee’s lawyer if title-insured.

Premium reductions for new lawyers

- Premium for lawyers with less than 4 full years of practice (private and public):
 - ◊ less than 1 full year in practice: premium discount equal to 50 per cent of base premium;
 - ◊ less than 2 full years in practice: premium discount equal to 40 per cent of base premium;
 - ◊ less than 3 full years in practice: premium discount equal to 30 per cent of base premium;
 - ◊ less than 4 full years in practice: premium discount equal to 20 per cent of base premium.

Mandatory Innocent Party Coverage*Eligibility*

The minimum coverage of \$250,000 per claim/in the aggregate must be purchased by paralegals in partnership with lawyer(s) and all lawyers practising in association or partnership (including general, combined licensee, MDP and LLP partnerships), or in the employ of other lawyers.

The minimum coverage must also be purchased by all lawyers practising in a Law Corporation, where two or more lawyers practise in the Law Corporation.

Premium

\$250 per insured lawyer.

2014 Program Options

1. Deductible option*\$Nil deductible*

- Increase in premium equal to 15 per cent of base premium (\$502.50 increase).

\$2,500 deductible applicable to claim expenses, indemnity payments and/or costs of repairs together

- Increase in premium equal to 7.5 per cent of base premium (\$251.25 increase).

\$2,500 deductible applicable to indemnity payments and/or costs of repairs only

- Increase in premium equal to 12.5 per cent of base premium (\$418.75 increase).

Standard insurance program: \$5,000 deductible applicable to claim expenses, indemnity payments and/or costs of repairs together

- Base premium of \$3,350 per insured lawyer.

\$5,000 deductible applicable to indemnity payments and/or costs of repairs only

- Increase in premium equal to 10 per cent of base premium (\$335 increase).

\$10,000 deductible applicable to claim expenses, indemnity payments and/or costs of repairs together

- Decrease in premium equal to 7.5 per cent of base premium (\$251.25 decrease).

\$10,000 deductible applicable to indemnity payments and/or costs of repairs only

- Increase in premium equal to 7.5 per cent of base premium (\$251.25 increase).

\$25,000 deductible applicable to claim expenses, indemnity payments and/or costs of repairs together

- Decrease in premium equal to 12.5 per cent of base premium (\$418.75 decrease).

2. Innocent Party Sublimit Coverage Options***Innocent Party Coverage Sublimit Buy-Up: For lawyers practising in associations, partnerships and Law Corporations***

Lawyers practising in association or partnership (including general, combined licensee, MDP and LLP Partnerships) or a Law Corporation (with more than one practising lawyer) or paralegals in partnership with lawyers can increase their Innocent Party Coverage in two ways:

Increase coverage sublimit to:	Additional annual premium
\$500,000 per claim/aggregate	\$150 per insured lawyer
\$1 million per claim/aggregate	\$249 per insured lawyer

Option Innocent Party Sublimit Coverage: For sole practitioners and lawyers practising alone in a Law Corporation*Coverage sublimits*

- \$250,000 per claim/in the aggregate
- \$500,000 per claim/in the aggregate
- \$1 million per claim/in the aggregate

3. Practice Options

Restricted Area of Practice Option

Eligibility

Available only to lawyers who agree to restrict their practice to criminal²⁵ and/or immigration law²⁶ throughout 2014.

Premium

Eligible for discount equal to 50 per cent of base premium, to a maximum of \$1,675²⁷.

Part-Time Practice Option

Eligibility

Available only to part-time practitioners who meet the revised part-time practice criteria.

Premium

Eligible for discount equal to 50 per cent of base premium, to a maximum of \$1,675.

Real Estate Practice Coverage Option

Eligibility

All lawyers who intend to practice real estate law in Ontario in 2014 must be eligible for and apply for this coverage option.

“ELIGIBLE” means eligible to practice real estate law in Ontario in accordance with the *Law Society Act*, R.S.O. 1990, c. L.8. Categories of lawyers who would not be eligible to practice real estate law in Ontario, include:

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

Premium

\$250 per insured lawyer

4. Premium Payment Options

Instalment Options

- Lump sum payment by cheque or pre-authorized bank account debit: eligible for \$50 discount
- Lump sum payment by credit card
- Quarterly instalments
- Monthly instalments

²⁵ Criminal law is considered to be legal services provided in connection with the actual or potential prosecution of individuals, municipalities and government for alleged breaches of federal or provincial statutes or municipal by-laws, generally viewed as criminal or quasi-criminal.

²⁶ Immigration law is considered to be practice of law dealing with any and all matters arising out of the *Immigration and Refugee Protection Act* (S.C. 2001, c.27) and regulations, and procedures and policies pertaining in this report, including admissions, removals, enforcement, refugee determination, citizenship, review and appellate remedies, including the application of the *Charter of Rights and Freedoms* and the *Bill of Rights*.

²⁷ The maximum premium discount for Restricted Area of Practice, Part-Time Practice options and the New Practitioners’ discount combined cannot exceed 50 per cent of the base premium.

5. E-filing Discount

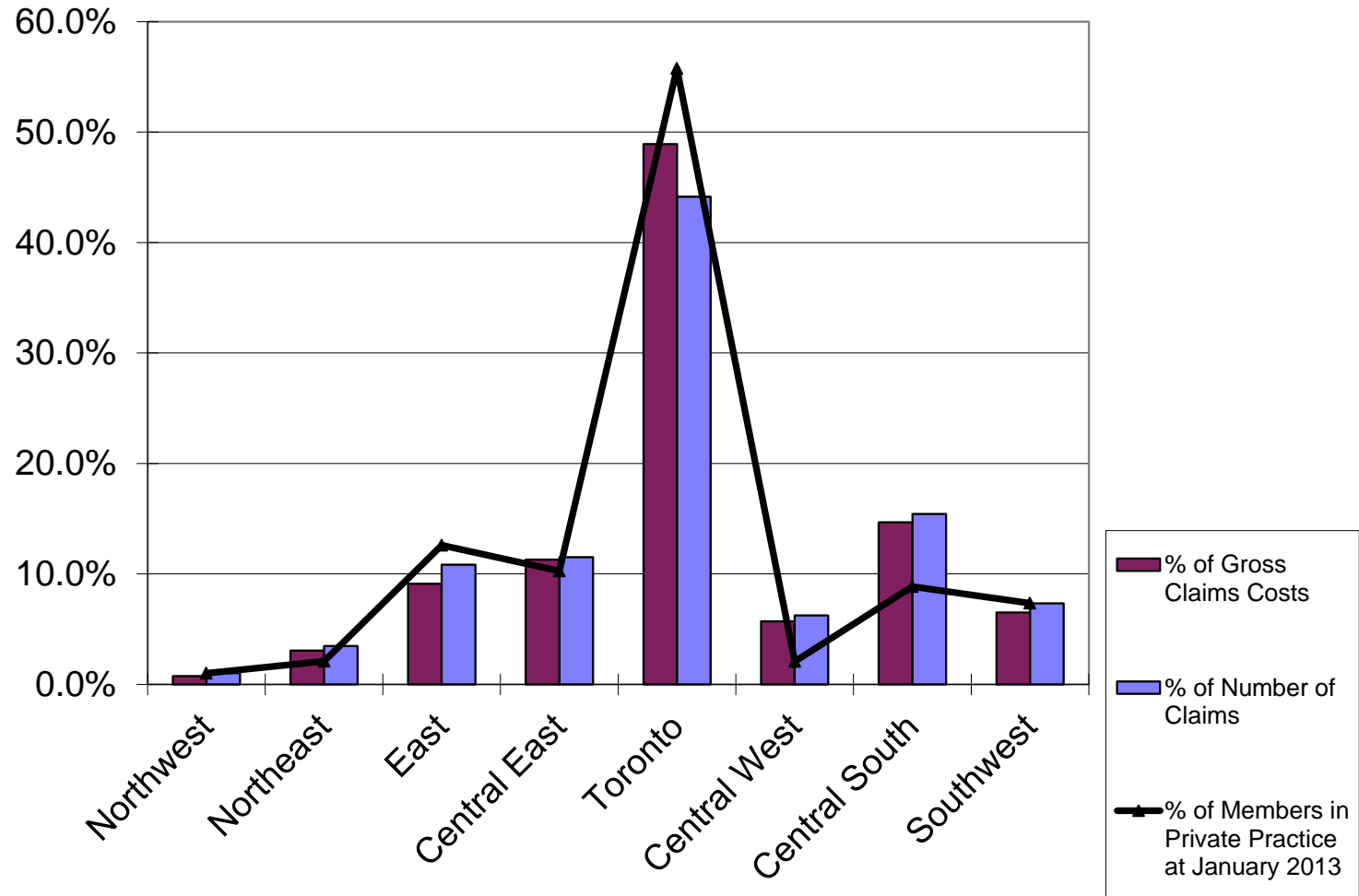
- \$25 per insured lawyer (if filed by November 1, 2013)

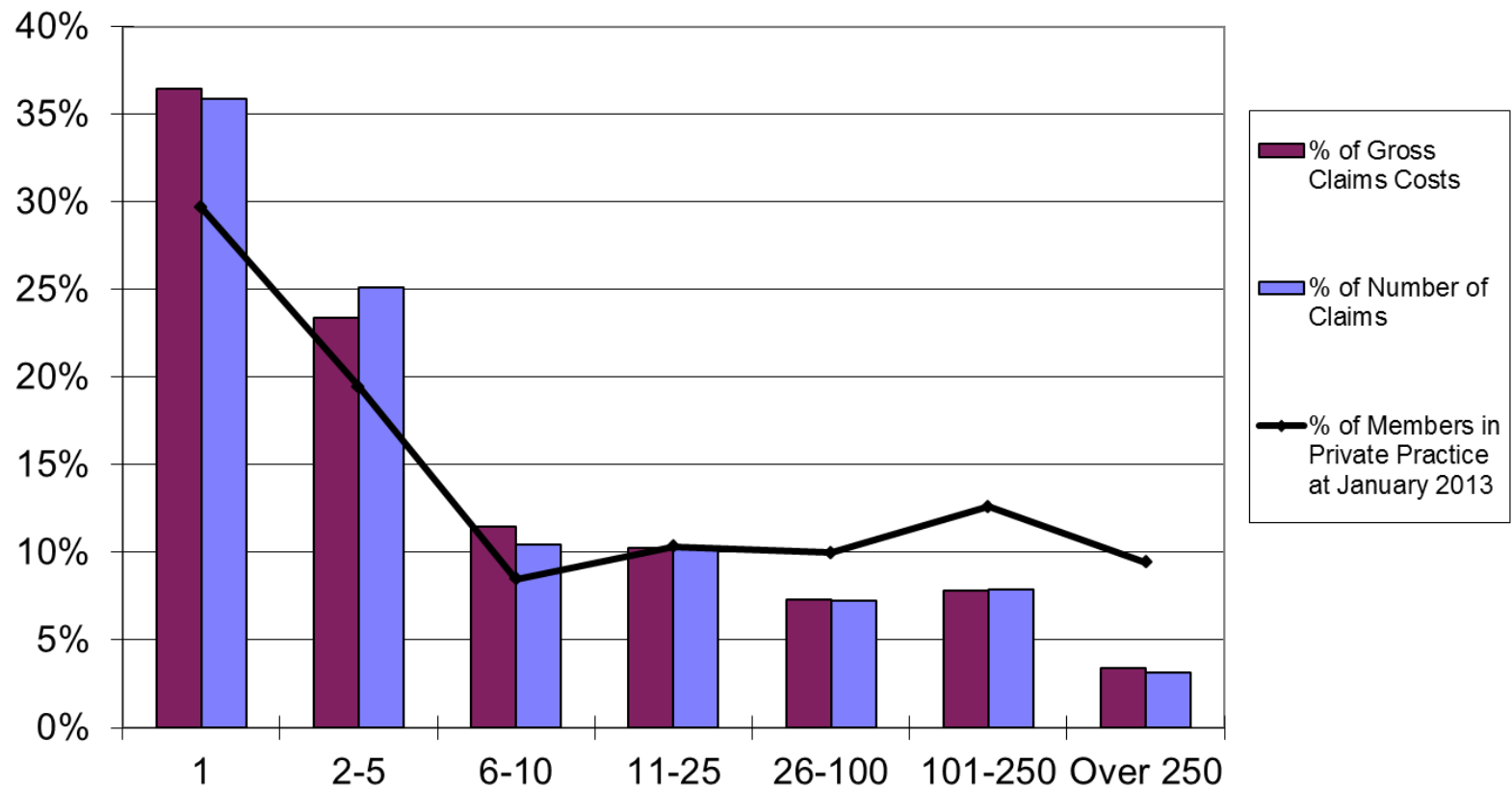
6. LAWPRO Risk Management Credit (previously the Continuing Professional Development, or CPD, Premium Credit)

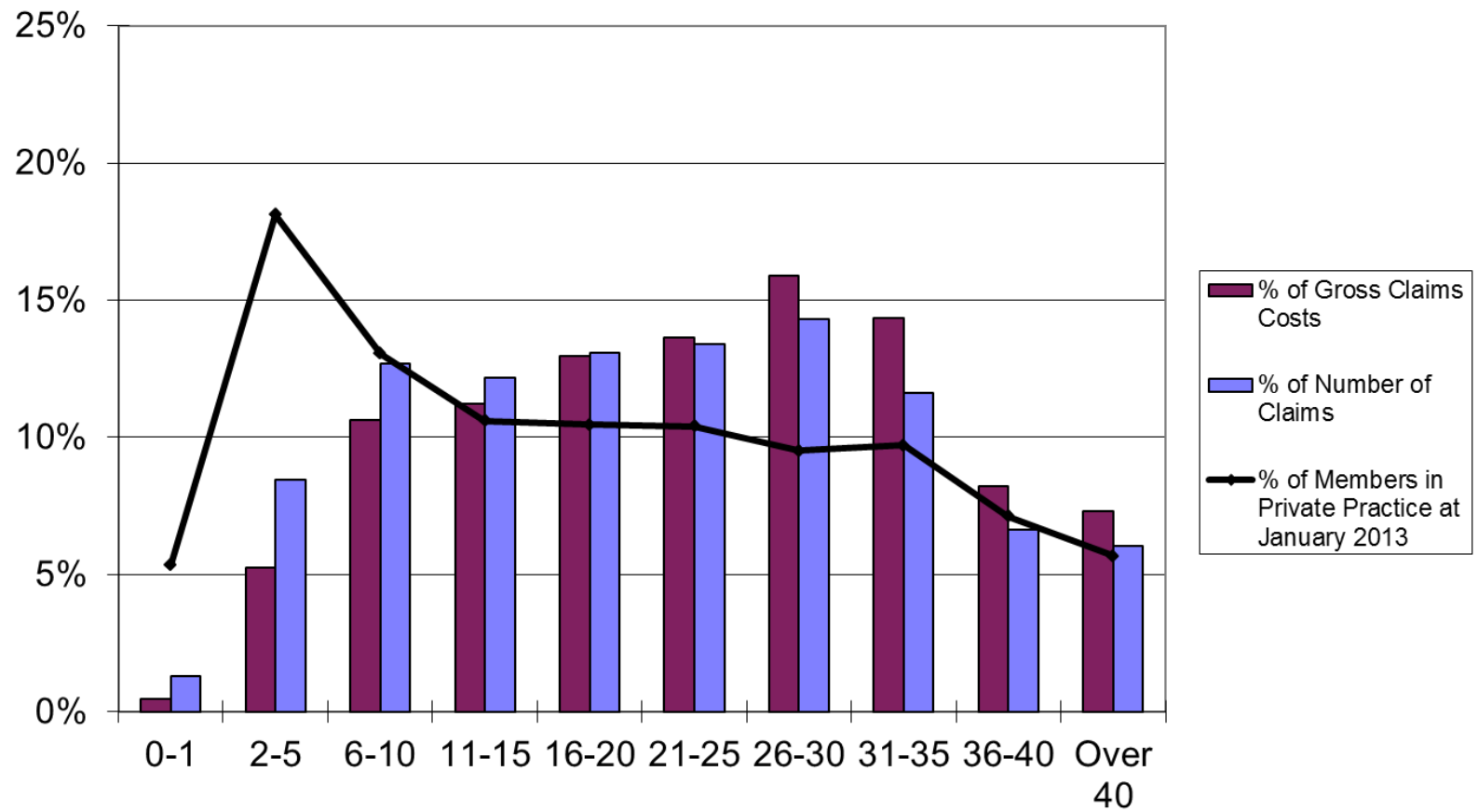
- \$50 per course, subject to a \$100 per insured lawyer maximum discount, will be applied under the 2014 insurance program.
- For pre-approved legal and other educational risk management courses taken and successfully completed by the insured lawyer between September 16, 2013, and September 15, 2014, where the lawyer completes and files the required LAWPRO Risk Management Credit online declarations by September 15, 2014.
- LAWPRO's Online Coaching Centre is included as a pre-approved course, where the insured lawyer completes at least three modules between September 16, 2013, and September 15, 2014.

APPENDIX E

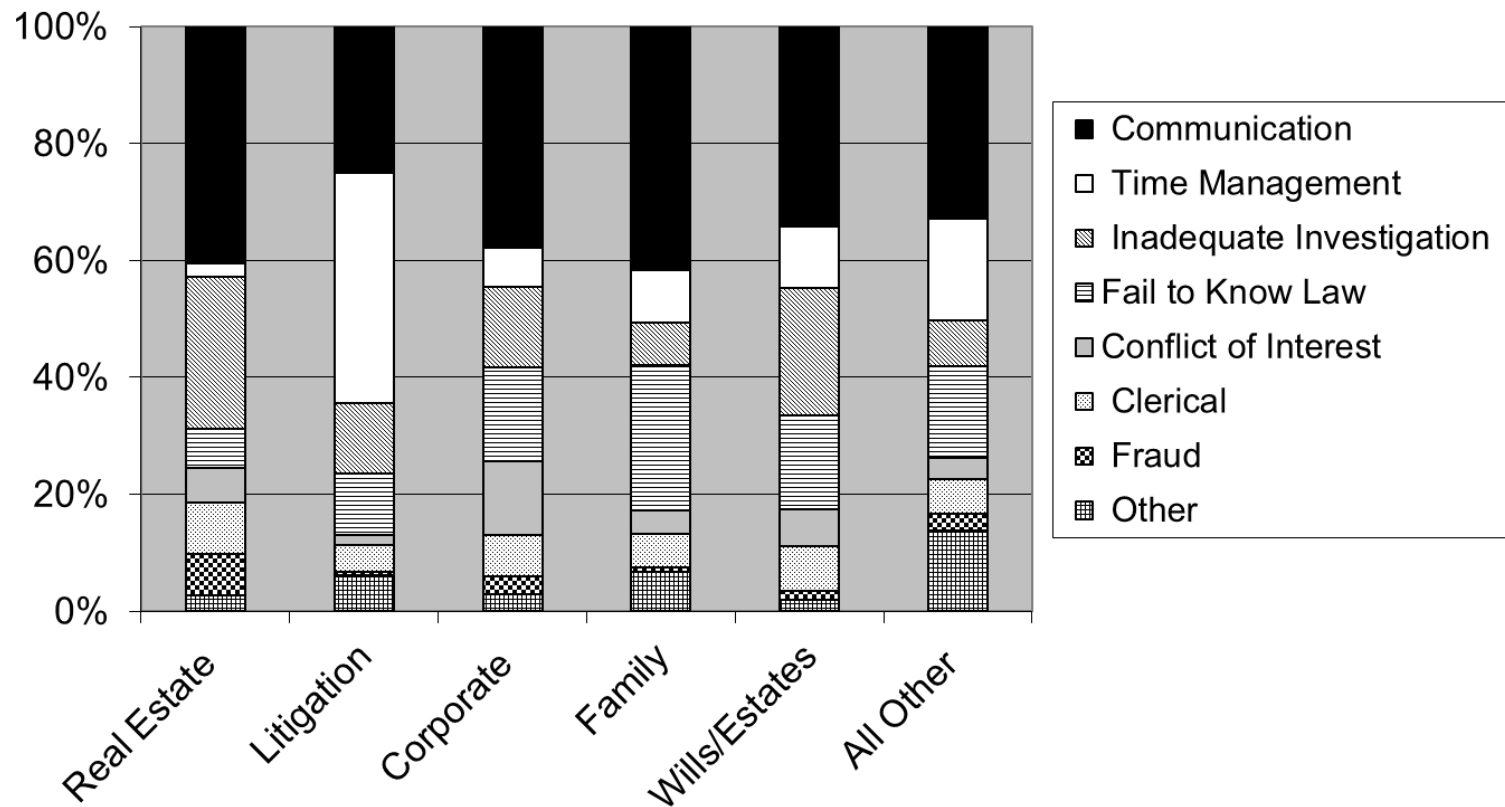
• Distribution of Claims by Geographic Region	64
• Distribution of Claims by Firm Size	65
• Distribution of Claims by Years since Date of Call	66
• Claims Causes by Reported Claims Count and Area of Law	67
• The 80 - 20 Rule	69

Distribution of Claims by Geographic Region (2000-2012)

Distribution of Claims by Firm Size (2001-2012)

Distribution of Claims by Years since Date of Call (2000-2012)

Claim Causes by Reported Claims Count and Area of Law (2001 to 2012)



Communications: Communication-related errors (including poor communication, not keeping clients informed or failing to obtain client consent) are the biggest causes of claims in all areas of law (except litigation, where it is the #2 cause) and in firms of all sizes. While the most numerous claims, they are at the same time the most easily prevented. Lawyers can reduce their exposure to these types of claims by controlling client expectations, actively communicating with the client at all stages of a matter, documenting advice and instructions and confirming in writing what work was done on a matter at each step along the way.

Time management: These kinds of claims include failing to ascertain a deadline, failing to calendar the deadline, and failing to react to the deadline even when it was known. These lapses often become claims when a limitation period ends up being missed or an action is administratively dismissed due to failing to move the litigation forward appropriately. There are also claims resulting from procrastination when a lawyer lets files that require work languish for extended periods of time. Time management claims are heavily concentrated in the litigation field, as it is so reliant on deadlines. They are also high in the intellectual property area. Practice management software and tickler systems can help prevent these claims, as can lawyers building in more time cushions so that they aren't undone by unexpected delays.

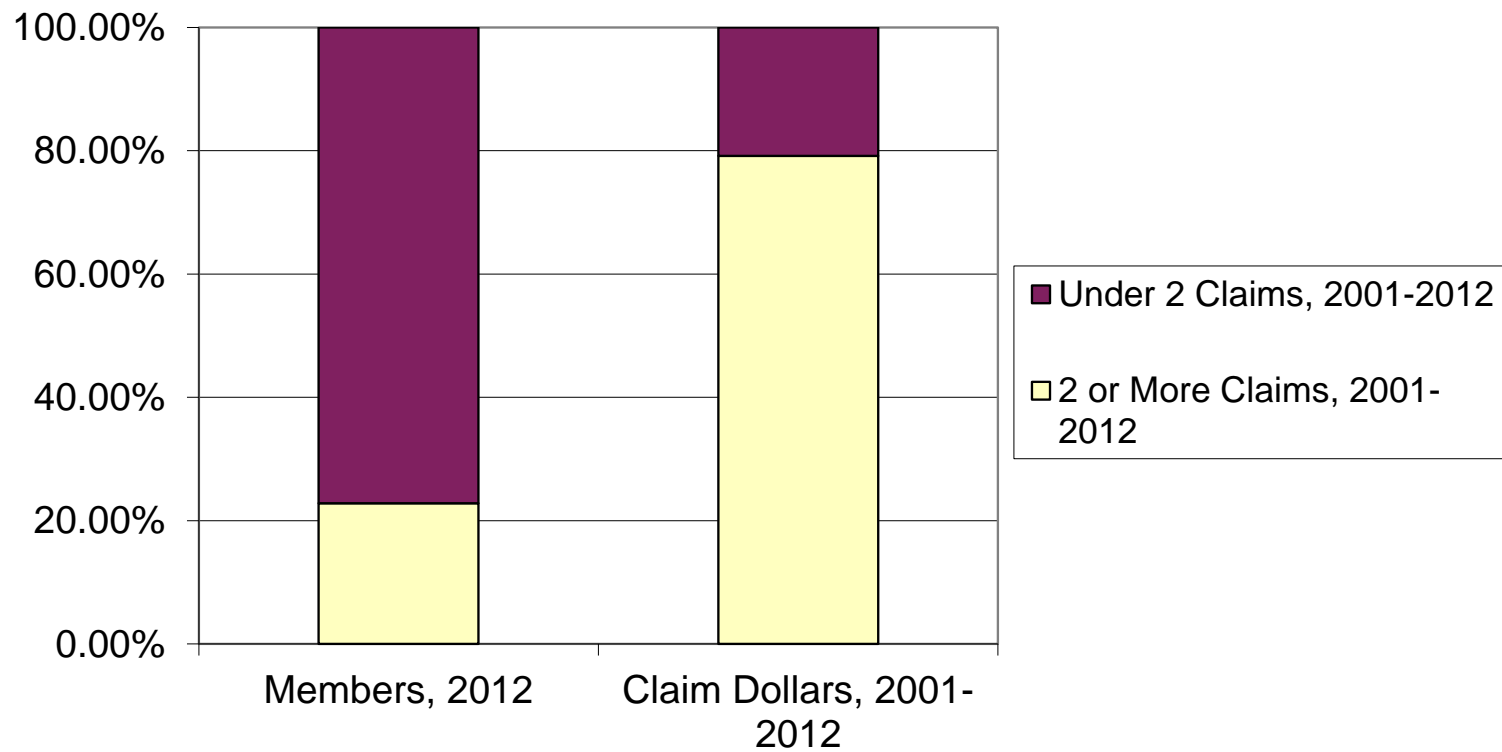
Inadequate investigation: Modern technology and busy practices may be behind the tendency of lawyers to give quick legal advice without taking extra time to dig deeper or ask appropriate questions on a client's matter. LAWPRO has seen a big increase in these types of claims in real estate, litigation and will/estates areas of law. High-volume real estate practices often mean lawyers don't have enough time to ask the clients about their plans for the property, and as a result don't do the necessary searches or obtain the proper title insurance.

Failure to know/apply the law: These claims result from a lawyer not having sufficient or current knowledge of the relevant law on a matter in which he or she is working. Extensive federal and provincial legislation, as well as voluminous case law, help make this the second-most-common type of claim in family law. This category also includes failing to know or appreciate the consequences of tax law in corporate/commercial matters. Lawyers can best avoid this type of claim by sticking to the law they know best and not "dabbling" in other areas.

Conflict of interest: There are two types of conflict claims: the first arises when conflicts occur between multiple current or past clients represented by the same lawyer or firm. The second is a conflict that arises when a lawyer has a personal interest in the matter. As they regularly act for multiple clients/entities, real estate and corporate commercial lawyers experience proportionately more conflicts claims than other areas of law, while litigators have a relatively low rate of conflicts claims.

Clerical errors: These types of errors include things such as simple clerical mistakes, errors in mathematical calculation, work delegated to an employee or outsider that isn't checked and failures to file documents. As important as delegation is to the efficient functioning of a law firm, lawyers need to take the time to review the work as they are ultimately responsible for it.

Fraud: Fraud continues to be a significant and costly problem for LAWPRO. Lawyers are reporting attempted frauds to LAWPRO on a daily basis. Fraudsters are successfully duping lawyers and law clerks, and it's not just real estate lawyers who are being targeted. Litigation, business and family law lawyers are the regular targets of bad cheque scams involving debt collections, spousal support payments and business loans. Through our efforts, Ontario lawyers are clearly more aware of frauds, but ever more sophisticated frauds mean lawyers must continue to keep their guard up.

The 80-20 Rule**Claims Reported, 2000-2012
Members in Practice, 2012**

Appendix “F”

TAB 2

Premium Rating Examples (In Dollars)

	1995	2000**	2005**	2010***	2013*** & 2014***
Base premium	\$5,600	\$3,150	\$2,625	\$2,950	\$3,350
Examples:					
1. Sole Practitioner Practising Real Estate Law - \$10,000 defence & indemnity deductible - early lump sum payment discount - early e-filing of application	\$5,600*	\$2,714	\$2,228	\$3,054	\$3,274
2. Firm Practitioner Practising Real Estate Law - \$25,000 defence & indemnity deductible - \$250,000 Mandatory Innocent Party cover - early e-filing of application	\$6,000*	\$2,956	\$2,497	\$3,206	\$3,406
3. New Lawyer Practising in Association - first year in practice discount - \$250,000 Mandatory Innocent Party cover - \$10,000 defence & indemnity deductible - early lump sum payment discount - early e-filing of application	\$3,900*	\$1,704	\$1,428	\$1,724	\$1,599
4. Criminal Lawyer (sole practitioner) - Restricted Areas of Practice discount - \$10,000 defence & indemnity deductible - early lump sum payment discount - early e-filing of application	\$5,600*	\$1,454	\$1,178	\$1,474	\$1,349
5. Part-time Lawyer (in association) - Part-time Practitioner discount - \$1,000,000 Optional Innocent Party cover - \$10,000 defence & indemnity deductible	\$6,000* [†]	\$2,153	\$1,877	\$2,048	\$1,923
6. Firm Practitioner with 1 Claim - claim history levy surcharge - \$5,000 defence & indemnity deductible - \$250,000 Mandatory Innocent Party cover	\$8,500*	\$5,900	\$5,375	\$5,700	\$6,100
7. Sole Practitioner with 2 Claims - claims history levy surcharge - \$5,000 defence & indemnity deductible	\$10,600*	\$8,150	\$7,625	\$7,950	\$8,350

* Subject to a \$6,000 defence and indemnity deductible (adjusted to \$7,500 in the case of an insured with one previous claim, or \$8,500 in the case of two previous claims).

[†] Subject to \$250,000 Innocent Party cover only, additional limits not available.

* Members are also required to pay a \$25 levy for each civil litigation or real estate transaction not otherwise excluded.

** Members are also required to pay a \$50 levy for each civil litigation or real estate transaction not otherwise excluded.

*** \$65 per real estate transaction and \$50 per civil litigation transaction. Premium for the Real Estate Practice Coverage Option was also applied and is included in the calculated premium amounts for these years.

Appendix “G”

TAB 2



Our vision
To be regarded as the preferred insurer in all markets and product lines in which we do business.

Our mission
To be an innovative provider of insurance products and services that enhance the viability and competitive position of the legal profession.

Our values

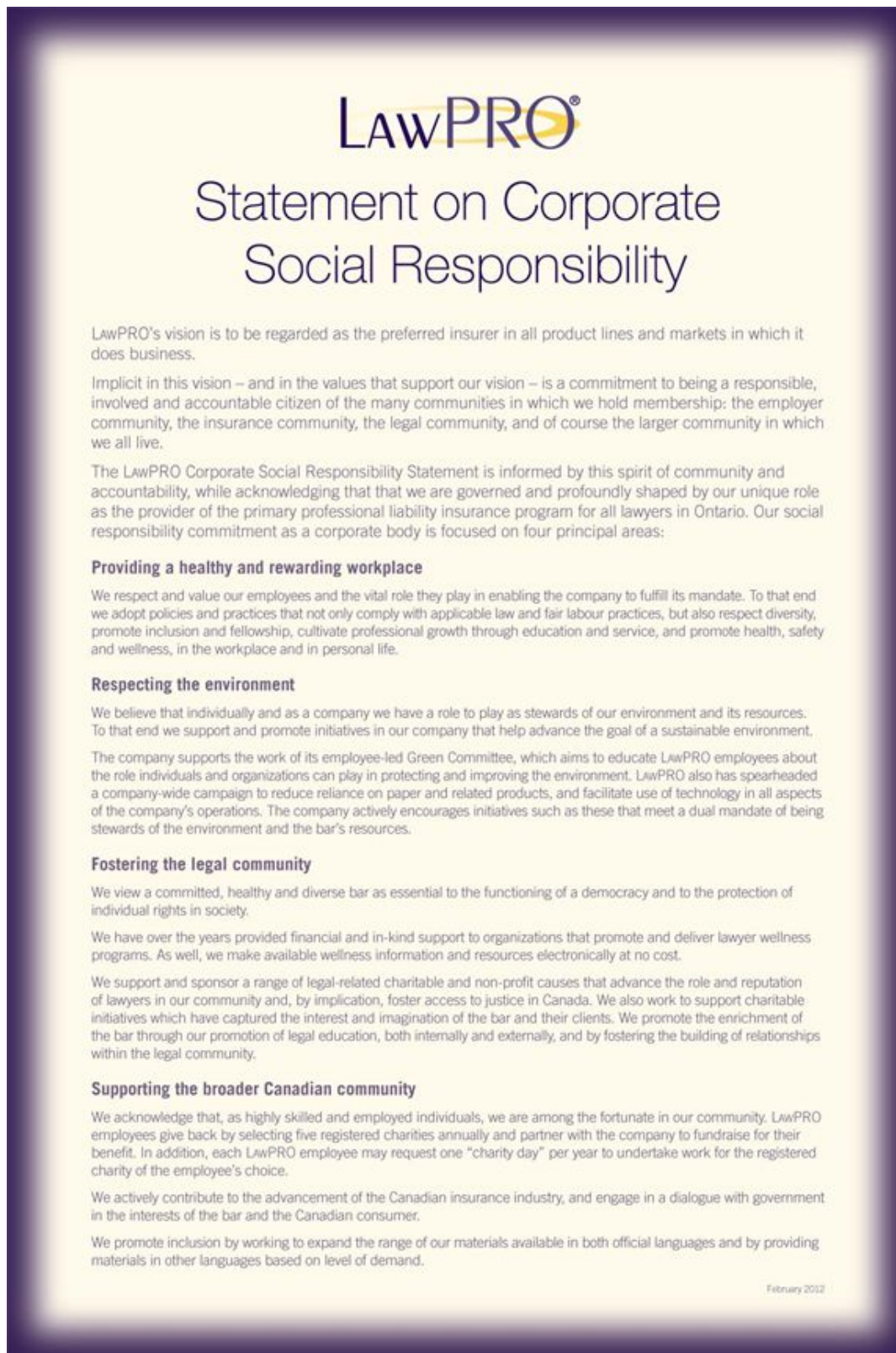
Professionalism
Individually and as a team, we hold ourselves to the highest professional standards.
We deliver programs and services known for quality and cost-effectiveness, and for being practical, helpful and relevant.
We demand the best of ourselves every day and in everything we do.

Innovation
We foster a climate in which creativity, innovation and change can flourish.
We share ideas, skills and knowledge and encourage continual learning.
We value teamwork and collaboration, and the diverse strengths and perspectives of others.

Integrity
We act with the highest levels of integrity in all of our interactions and decisions.
We aim to always be consistent, fair, ethical and accountable.

Service
We strive for excellence in customer service.
We share our knowledge, experience and expertise with our customers and with each other, so that together we can identify, prevent and solve problems.
We take the time to listen and understand, so we can respond effectively and empathetically to our customers and to each other.
We demonstrate courtesy and genuine respect for all.

Leadership
We try to make the world a better place, and to that end lend our energy and expertise to many communities.





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Tab 3

Report to Convocation

September 25, 2013

Equity and Aboriginal Issues Committee/ Comité sur l'équité et les affaires autochtones

Committee Members
Howard Goldblatt, Chair
Julian Falconer, Vice-Chair
Susan Hare, Vice Chair
Raj Anand
Constance Backhouse
Mary Louise Dickson
Avvy Go
Michelle Haigh
Janet Minor
Judith Potter
Susan Richer
Paul Schabas
Baljit Sikand
Beth Symes

Purposes of Report: Decision and Information

Prepared by the Equity Initiatives Department
(Josée Bouchard – 416-947-3984)

TABLE OF CONTENTS

For Decision

Human Rights Monitoring Group Request for Intervention.....	TAB 3.1
---	----------------

For Information

Challenges Faced by Racialized Licensees Working Group - Update	TAB 3.2
---	----------------

Report of the Activities of the Discrimination and Harassment Counsel January 1 – June 30, 2013 and Ten Year Report (January 1, 2003 to December 2012)	TAB 3.3
--	----------------

Human Rights Monitoring Group Interventions.....	TAB 3.4
--	----------------

Public Education Equality and Rule of Law Series Calendar 2013.....	TAB 3.5
---	----------------

Accessibility for Ontarians with Disabilities Act – Integrated Regulation.....	TAB 3.6
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COMMITTEE PROCESS

1. The Equity and Aboriginal Issues Committee/Comité sur l'équité et les affaires autochtones (Equity Committee) met on September 12, 2013. Committee members Howard Goldblatt, Chair, Julian Falconer, Vice-Chair, Susan Hare, Vice-Chair, Raj Anand, Constance Backhouse, Mary Louise Dickson, Avvy Go, Janet Minor, Judith Potter, Susan Richer and Baljit Sikand participated. Julie Lassonde, representative of the Association des juristes d'expression française de l'Ontario (AJEFO), and Sandra Yuko Nishikawa, Chair of the Equity Advisory Group/Groupe consultatif en matière d'équité (EAG), also participated. Staff members Josée Bouchard, Ekua Quansah and Marisha Roman also attended.

TAB 3.1

FOR DECISION

DETENTION OF LAWYER NI YULAN

REQUEST TO THE HUMAN RIGHTS MONITORING GROUP

1. **That the Human Rights Monitoring Group,**
 - a. **consider the information about the detention of lawyer Ni Yulan in China;**
 - b. **decide whether to recommend an intervention by the Law Society to Convocation; and**
 - c. **if appropriate, approve the letters of intervention and public statement presented at [TABS 3.1.1](#) and [3.1.2](#).**

MANDATE OF THE HUMAN RIGHTS MONITORING GROUP

2. The mandate of the Human Rights Monitoring Group is,
 - a. to review information that comes to its attention about human rights violations that target members of the profession and the judiciary, here and abroad, as a result of the discharge of their legitimate professional duties;
 - b. to determine if the matter is one that requires a response from the Law Society; and,
 - c. to prepare a response for review and approval by Convocation.
3. The mandate further states that where Convocation's meeting schedule makes such a review and approval impractical, the Treasurer may review such responses in Convocation's place and take such steps as he or she deems appropriate. In such instances, the Human Rights Monitoring Group shall report on the matters at the next meeting of Convocation.
4. On September 20, 2007, Convocation approved the following recommendations, which expand the Monitoring Group's mandate:

- a. That the Monitoring Group explore the possibility of developing a network of organizations, and work collaboratively with them, to address human rights violations against judges and lawyers.
- b. That the Monitoring Group be authorized to collaborate with the Law Society of Zimbabwe (the "LSZ") to assist it in strengthening its self-regulation capabilities and the independence of the profession.

SOURCES OF INFORMATION

5. The following sources were used to prepare the background information for this report:
 - a. Amnesty International;¹
 - b. U.S. Department of State;
 - c. China Real Time Report;²
 - d. Lawyers for Lawyers;³
 - e. China – Care 2 News Network;⁴
 - f. Radio Free Asia;⁵
 - g. Front Line Defenders.⁶

¹Amnesty International is an independent and democratically run organization. The movement's mission and policies, and its long-term directions, are all set by Amnesty members. Amnesty representatives from around the world gather every two years to set policy at the International Council Meeting (ICM). The Council also elects an International Executive Committee which ensures that the ICM's decisions are carried out.

Where Amnesty International is formally organized in a particular country, such as in Canada, Amnesty members set policy and key priorities within the framework of the worldwide movement. Amnesty International's work is always being assessed by its members and staff in the light of changing world circumstances. When major changes in policy and approach are needed, Amnesty members make the final decision.

² Online news.

³ In conformity with international law and the *Universal Declaration of Human Rights*, the *Basic Principles on the Role of Lawyers* and the *Declaration on Human Rights Defenders* of the United Nations, L4L has committed itself to enable lawyers to practise law in freedom and independence, always and everywhere, even when that does not suit the local government, bar association or establishment.

⁴ Online news.

⁵ Radio Free Asia (RFA) is a private, non-profit corporation broadcasting news and information in 9 languages to listeners in Asia.

⁶ Front Line Defenders is the International Foundation for the Protection of Human Rights Defenders.

Front Line Defenders was founded in Dublin in 2001 with the specific aim of protecting human rights defenders at risk, people who work, non-violently, for any or all of the rights enshrined in the Universal Declaration of Human Rights (UDHR). Front Line Defenders aims to address the protection needs identified by defenders themselves.

BACKGROUND

6. The following information has been reported about Ni Yulan.
7. Ni Yulan is a lawyer and prominent and outspoken activist against forced evictions in China. She was jailed three times over the last 10 years for her work as an activist lawyer. In April 2012, the Xicheng District People's Court rendered its latest sentence in Ni Yulan's case, ordering a two-year prison term following her conviction on charges of fraud and causing disturbance. Her husband, former school teacher Dong Jiqin, was also convicted of creating a disturbance and was handed a two-year term.
8. Ni Yulan practised law for 18 years, but her licence to practise law has now been revoked. She has defended people who have been forcibly evicted from their homes by housing developers across China since 2001.
9. Reports indicate that Ni Yulan has become frailer during her two-and-a-half year prison sentence at the Xicheng District Detention Centre. She now suffers from respiratory, heart, and digestive problems. Her weight has also dropped to an alarming level and she can no longer walk.
10. Ni Yulan now suffers from a tumor in her thyroid that is as large as an egg and keeps growing. She is concerned the tumor may be malignant. Her request for medical parole was recently refused, even though recent reports indicate the prison may not have adequate medical facilities to treat the growth there. If she does not receive proper medical attention, it may be too late to treat the tumor.
11. Amnesty International and other organizations listed in this report believe Ni Yulan is a prisoner of conscience detained solely for her peaceful and legitimate activities as a lawyer. They call for her immediate release. In July 2012, the U.S. Department of State intervened through a press statement expressing its concerns over the rejection of Ni Yulan's appeal contesting her conviction. The U.S. Department of State called for a

release of Ni Yulan and her husband, and to cease any restrictions on the freedoms of their family members.

FOR THE MONITORING GROUP'S CONSIDERATION

12. The following are issues that the Monitoring Group may wish to consider when making a decision about this case.

Sources

13. There are no concerns about the quality of sources used for this report.

Previous Intervention

14. In the past, the Law Society of Upper Canada has repeatedly condemned the persecution and ill-treatment of lawyers in China, including the treatment of human rights lawyers Gao Zhisheng, Zheng Enchong, Chen Guangcheng, Li Jianqiang, Teng Baio and Li Heping.

Mandate

15. This case falls within the mandate of the Monitoring Group.

RECOMMENDATION

16. The Monitoring Group is asked to consider the proposed letter of intervention and public statement presented at **Appendix A**. Proposed letters to the All China Lawyers Association and the China Human Rights Lawyers Concern Group are also included at **Appendix B**. The All China Lawyers Association carries out professional administration over lawyers. All lawyers in China are members of the Association. The Association is a member of the International Bar Association. The China Human Rights Lawyers Concern Group is a non-profit organization based in the Hong Kong Special Administrative Region (SAR). Its objective is to advocate for the protection of the human rights lawyers and legal rights defenders in China. The Law Society met with the founder of the group, Mr. Ho Chun Yan Albert, in 2007.

TAB 3.1.1

Proposed Letter of Intervention

Xi Jinping
President of the People's Republic of China
[add address]

Dear President Xi,

Re: Ongoing detention of lawyer Ni Yulan

I write on behalf of The Law Society of Upper Canada* to voice our grave concern over the case of Ni Yulan. When serious issues of apparent injustice to lawyers and the judiciary come to our attention, we speak out.

According to reports, Ni Yulan is a lawyer and prominent and outspoken activist against forced evictions in China. She was jailed three times over the last 10 years for her work as an activist lawyer. In April 2012, the Xicheng District People's Court rendered its latest sentence in Ni Yulan's case, ordering a two-year prison term following her conviction on charges of fraud and causing disturbance.

Ni Yulan practised law for 18 years, but her licence to practise law was revoked in 2002. She has defended people who have been forcibly evicted from their homes by housing developers across China since 2001.

The Law Society is concerned about the ongoing detention of Ni Yulan. Ni Yulan has become frailer during her two-and-a-half year prison sentence at the Xicheng District Detention Centre. She now suffers from respiratory, heart, and digestive problems. Her weight has dropped to an alarming level and she can no longer walk.

Ni Yulan now suffers from a tumor in her thyroid that is as large as an egg and keeps growing. There is concern that the tumor may be malignant. Her request for medical parole was recently refused, even though recent reports indicate the prison may not have adequate medical facilities to treat the growth there. If Ni Yulan does not receive immediate medical attention, it may be too late to treat her tumor.

In the past, the Law Society of Upper Canada has repeatedly condemned the persecution and ill-treatment of lawyers in China, including the treatment of human rights lawyers Gao Zhisheng, Zheng Enchong, Chen Guangcheng, Li Jianqiang, Teng Baio and Li Heping.

International human rights instruments, including the *Universal Declaration of Human Rights*, state that respect for human rights are essential to advancing the rule of law.

The Law Society urges the government of the People's Republic of China to:

- a. release Ni Yulan immediately, as she is a prisoner of conscience, and reinstate her lawyer licence;
- b. provide her immediately with proper medical care and treatment;
- c. guarantee in all circumstances the physical and psychological integrity of Ni Yulan;
- d. provide Ni Yulan with regular access to her lawyer and family;
- e. conduct a fair, impartial and independent investigation into the allegations of ill-treatment against Ni Yulan in order to identify all those responsible, bring them to trial and apply to them civil, penal and/or administrative sanctions provided by law;
- f. guarantee that adequate reparation is provided to Ni Yulan as a victim of abuses;
- g. put an end to all acts of harassment against Ni Yulan as well as other human rights defenders in China;
- h. ensure in all circumstances respect for human rights and fundamental freedoms in accordance with human rights standards.

Yours very truly,

Thomas G. Conway
Treasurer

**The Law Society of Upper Canada is the governing body for some 45,800 lawyers and 5,100 paralegals in the Province of Ontario, Canada. The Treasurer is the head of the Law Society. The mandate of the Law Society is to govern the legal profession in the public interest by upholding the independence, integrity and honour of the legal profession for the purpose of advancing the cause of justice and the rule of law.*

cc:

Ms. Wu Aiying
Minister of Justice of the People's Republic of China
Buzhang Sifabu
10 Chaoyangmen Nandajie
Chaoyangqu, Beijingshi
100020
People's Republic of China

Ms. Wang Yi
Minister of Foreign Affairs of the People's Republic of China
Buzhang Sifabu
2 Chaoyangmen Nandajie
Chaoyangqu, Beijingshi
100701
People's Republic of China

Ambassador Zhang Junsai
Embassy of the People's Republic of China in Canada
515 St. Patrick St.
Ottawa, ON
K1N 5H3
Canada

Proposed Public Statement

The Law Society of Upper Canada Expresses Grave Concerns about the Ongoing Detention of Ni Yulan in China

The Law Society of Upper Canada* is gravely concerned about the ongoing detention of lawyer Ni Yulan in China.

According to reports, Ni Yulan is a lawyer and prominent and outspoken activist against forced evictions in China. She was jailed three times over the last 10 years for her work as an activist lawyer. In April 2012, the Xicheng District People's Court rendered its latest sentence in Ni Yulan's case, ordering a two-year prison term following her conviction on charges of fraud and causing disturbance.

Ni Yulan practised law for 18 years, but her licence to practise law was revoked in 2002. She has defended people who have been forcibly evicted from their homes by housing developers across China since 2001.

The Law Society is concerned about the ongoing detention of Ni Yulan. Ni Yulan has become frailer during her two-and-a-half year prison sentence at the Xicheng District Detention Centre. She now suffers from respiratory, heart, and digestive problems. Her weight has dropped to an alarming level and she can no longer walk.

Ni Yulan now suffers from a tumor in her thyroid that is as large as an egg and keeps growing. There is concern that the tumor may be malignant. Her request for medical parole was recently refused, even though recent reports indicate the prison may not have adequate medical facilities to treat the growth there. If Ni Yulan does not receive immediate medical attention, it may be too late to treat her tumor.

In the past, the Law Society of Upper Canada has repeatedly condemned the persecution and ill-treatment of lawyers in China, including the treatment of human rights lawyers Gao Zhisheng, Zheng Enchong, Chen Guangcheng, Li Jianqiang, Teng Baio and Li Heping.

International human rights instruments, including the *Universal Declaration of Human Rights*, state that respect for human rights are essential to advancing the rule of law.

The Law Society urges the government of the People's Republic of China to:

- a. release Ni Yulan immediately, as she is a prisoner of conscience, and reinstate her lawyer licence;
- b. provide her immediately with proper medical care and treatment;
- c. guarantee in all circumstances the physical and psychological integrity of Ni Yulan;
- d. provide Ni Yulan with regular access to her lawyer and family;
- e. conduct a fair, impartial and independent investigation into the allegations of ill-treatment against Ni Yulan in order to identify all those responsible, bring them to trial and apply to them civil, penal and/or administrative sanctions provided by law;
- f. guarantee that adequate reparation is provided to Ni Yulan as a victim of abuses;
- g. put an end to all acts of harassment against Ni Yulan as well as other human rights defenders in China;
- h. ensure in all circumstances respect for human rights and fundamental freedoms in accordance with human rights standards.

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TAB 3.1.2

Proposed Letters to Lawyers' Associations

[Date]

Wang Junfeng
President
All China Lawyers Association
5th Floor Qinglan Mansion
No 24 Dongi Shitiao
Dongsheng District
Beijing 100007, People's Republic of China

Dear President,

Re: Ongoing Detention of Lawyer Ni Yulan

I write to inform you that The Law Society of Upper Canada* sent the attached letter to the People's Republic of China authorities to voice our grave concern over the ongoing detention of lawyer Ni Yulan.

In view of the fact that your organization represents the interests of lawyers in China, we would value the opportunity to communicate with you in regard to what problems, if any, lawyers may be experiencing in your country.

If it does not cause any problems for you with the Government of China, we would be very interested in hearing from you concerning the case noted in the attached letter. In particular, if we have any of the facts in the case wrong, it would assist us in our work to know that.

Please forward any further correspondence to the attention of Josée Bouchard, Equity Advisor, The Law Society of Upper Canada, 130 Queen St. West, Toronto, Ontario, Canada, M5H 2N6 or to jbouchar@lsuc.on.ca.

I thank you for your consideration.

Yours very truly,

Paul Schabas

Chair, Human Rights Monitoring Group

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[Date]

Mr. Ho Chun Yan Albert
China Human Rights Lawyers Concern Group
3/F, 6 Portland Street, Yaumatei
Kowlook, Hong Kong

Dear Mr. Ho,

Re: Ongoing Detention of Lawyer Ni Yulan

I write to inform you that The Law Society of Upper Canada* sent the attached letter to the People's Republic of China authorities to voice our grave concern over the ongoing detention of lawyer Ni Yulan.

We had the pleasure of meeting with you in 2007 at the Law Society to discuss the creation of the China Human Rights Lawyers Concern Group. In view of the fact that your organization's objective is to advocate for the protection of the human rights lawyers and legal rights defenders in China, we would value the opportunity to communicate with you in regard to what problems, if any, lawyers may be experiencing in your country.

If it does not cause any problems for you with the Government of China, we would be very interested in hearing from you concerning the case noted in the attached letter. In particular, if we have any of the facts in the case wrong, it would assist us in our work to know that.

Please forward any further correspondence to the attention of Josée Bouchard, Equity Advisor, The Law Society of Upper Canada, 130 Queen St. West, Toronto, Ontario, Canada, M5H 2N6 or to jbouchar@lsuc.on.ca.

I thank you for your consideration.

Yours very truly,

Paul Schabas
Chair, Human Rights Monitoring Group

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the public interest by upholding the independence, integrity and honour of the legal profession for the purpose of advancing the cause of justice and the rule of law.

TAB 3.2

FOR INFORMATION

**WORKING GROUP ON CHALLENGES FACED BY RACIALIZED
LICENSEES**

Introduction

17. This is the first report of the Working Group on Challenges Faced by Racialized Licensees (“the Working Group”) to Convocation.
18. The Working Group first met in October 2012. Since that date, the Working Group has met informally with a number of individuals and organizations to obtain viewpoints on challenges and best practices for racialized licensees and has reviewed the data and literature available on this topic. Additionally, the Working Group has retained a consultant to conduct a formal consultation with the profession on this matter.
19. The Working Group is operating using the following definition of racialized:

Racialized expresses race as the process by which groups are socially constructed, as well as to modes of self-identification related to race, and includes Arab, Black (e.g. African-Canadian, African, Caribbean), Chinese, East-Asian (e.g. Japanese, Korean), Latin American and Hispanic, South Asian (e.g. Indo-Canadian, Indian Subcontinent), South-East Asian (e.g. Vietnamese, Cambodian, Thai, Filipino), and West Asian (e.g. Iranian, Afghan) persons.

Background

20. In its 1997 *Bicentennial Report and Recommendations on Equity Issues in the Legal Profession*, the Law Society recognized its commitment to the advancement of equity and diversity and formally adopted recommendations to achieve equality and diversity in the legal profession.¹ The *Bicentennial Report* was adopted at a time when the profession

¹ *Bicentennial Report and Recommendations on Equity Issues in the Legal Profession* (Toronto: Law Society of Upper Canada, May 1997) [“*Bicentennial Report*”].

was beginning to increase in diversity, with the entrance en masse of women into the profession in the 1980s and the entrance of racialized² lawyers in increasing numbers in the late 1990s.

21. Since 2001, the Ontario legal profession has seen a steady increase of racialized lawyers. In 2001, 9.2 percent of the legal profession was racialized while in 2006, 11.5 percent of the profession was racialized.³ This is compared to 23 percent of the Ontario population who indicated in the 2006 Canada Census that they are racialized. The Law Society's Statistical Snapshots of Lawyers and Paralegals show that by 2010, 17 percent of the lawyer profession and 28 percent of the paralegal profession was racialized.⁴
22. The statistical data, research findings and anecdotal evidence suggest that notwithstanding the increase in representation of racialized lawyers, they still face challenges in the practice of law. Also, very little is known about the challenges faced, if any, by racialized paralegals in the profession.
23. In February 2010, the Equity Committee decided to commence studying the challenges faced by racialized licensees in practice. At their retreat in September 2011, benchers identified the following as a priority: "considering the development of programs to encourage law firms to enhance diversity within firms, based on identified needs, and create reporting mechanisms".
24. As a result, in August 2012, Convocation created the Working Group on Challenges Faced by Racialized Licensees (the Working Group) with the following membership:
 - a. Raj Anand (Chair);

²The Ontario Human Rights Commission notes that using the terminology "racialized person" or "racialized group" is more accurate than "racial minority", "visible minority", "person of colour" or "non-White". Race is the socially constructed differences among people based on characteristics such as accent or manner of speech, name, clothing, diet, beliefs and practices, leisure preferences, places of origin and so forth. Racialization is the "process by which societies construct races as real, different and unequal in ways that matter to economic, political and social life". See *Racial discrimination, race and racism* at <http://www.ohrc.on.ca/en/racial-discrimination-race-and-racism>. This study does not include Aboriginal students, lawyers or paralegals. The Law Society conducted a separate study to identify and address the challenges faced by Aboriginal students, lawyers and paralegals. See consultation report <http://www.lsuc.on.ca/WorkArea/DownloadAsset.aspx?id=2147487118>.

³ Michael Ornstein, *Racialization and Gender of Lawyers in Ontario* (Toronto: Law Society of Upper Canada, April 2010) [Ornstein Report].

⁴ 2010 Snapshots of the professions, at <http://www.lsuc.on.ca/WorkArea/DownloadAsset.aspx?id=2147488152> (paralegals) and <http://www.lsuc.on.ca/WorkArea/DownloadAsset.aspx?id=2147488150>.

- b. Howard Goldblatt (Vice Chair)⁵
- c. Marion Boyd;
- d. Robert Burd;
- e. Julian Falconer;
- f. Susan Hare;
- g. Janet Leiper;
- h. William McDowell;
- i. Malcolm Mercer;
- j. Janet Minor;
- k. Susan Richer; and
- l. Baljit Sikand.

Terms of reference

25. The Working Group is mandated to,
- a. identify challenges face by racialized licensees in different practice environments, including entry into practice and advancement;
 - b. identify factors and practice challenges faced by racialized licensees that could increase the risk of regulatory complaints and discipline;
 - c. consider best practices for preventive, remedial and/or support strategies;
 - d. if appropriate, design and develop preventative, remedial, enforcement, regulatory and/or support strategies, for consideration by Equity Committee and other Committees as appropriate, to address the challenges described above.

Activities to Date

Creation of Advisory Group

26. In December 2012, the Working Group determined that it would be useful to create an advisory group, comprised of members of the Law Society's Equity Advisory Group

⁵ Bencher Goldblatt was appointed as Vice-Chair in June 2013.

(EAG).⁶ Organizational and individual members of EAG who work with racialized communities were invited to join the Advisory Group.

27. The role of the Advisory Group is to provide advice, as needed, to the Working Group throughout the project. The Working Group met with the Advisory Group in January 2013 to discuss challenges and best practices. In September 2013, the Working Group and the Advisory Group will meet to discuss the project findings to date.

Informal Consultation

28. In addition to the creation of the Advisory Group, the Working Group decided it would be beneficial to meet with stakeholders to identify challenges, gaps in services and best practices. From January 2013 to June 2013, the Working Group met with representatives from a number of stakeholder groups.

Best Practices Literature Review

29. The Working Group has reviewed literature from Canada and other jurisdictions on best practices for creating an inclusive profession. The information gathered touches on the following areas:
 - a. Best practices prior to hiring and in law school;
 - b. Best practices for recruitment and hiring;
 - c. Best practices for leadership;
 - d. Best practices for retention and firm Culture;
 - e. Best practices for professional development;
 - f. General best practices.

⁶ The EAG is comprised of both individual and organizational members. EAG is tasked with assisting the Equity and Aboriginal Issues Committee in the development of policy options for the promotion of equity and diversity in the legal profession.

Change of Status Survey

30. In order to better understand and begin benchmarking movements and changes within the legal profession among women, the Law Society commissioned an annual study among lawyers who file a change of status. Research data from 2010-2012 was combined to inform the Law Society about gender-related trends in the profession and to inform the development of initiatives. This data was further analyzed to consider the experiences of respondents who self-identify as racialized.

Formal Consultation

31. In March 2013, the Working Group retained Strategic Communications Inc. and Michael Charles of Change DeZign© to conduct a formal consultation with the profession. The Working Group and the staff of the Equity Initiatives Department have worked closely with the consultants to formulate the research methodology, which includes a series of key informant interviews, focus groups and a survey to be delivered to all licensees.
32. The key informant interviews were conducted in May and June 2013. The key informant interviews were a series of one-on-one interviews with a cross section of external stakeholders who have insight and a professional role to play in the issues under consideration. The consultants conducted approximately twenty interviews. A list of key informants is provided in [TAB 3.2.1](#).
33. The consultants facilitated sixteen focus groups in June, July and August 2013 in Toronto, Ottawa and London. Through these focus groups, the consultants heard directly from racialized lawyers and paralegals about their experiences and their suggestions for best practices. A list of focus groups can be found at [TAB 3.2.2](#).
34. The information gathered from the key informant interviews and the focus groups is being used to develop an online survey, described below, notice of which will be sent to all licensees, racialized and non-racialized, when finalized.

Community Liaison Process – August and September 2013

35. The Working Group has determined that in order gain a full understanding of the experiences of racialized licensees in the legal profession, the consultation process should be broadened. The Working Group has decided to engage in a process that has been termed the “Community Liaison Process”. The purpose of the Community Liaison Process is to create a safe and open space for dialogue about the challenges faced by racialized licensees, where those who are the most marginalized will feel comfortable to share their experiences and recommendations. The Working Group believes that the stories of those who are the most vulnerable are often the most difficult to access. Furthermore, the realities of their experiences, be they actual or perceived, are such that they may feel intimidated from coming forward due to a fear of reprisal or out of a simple sense of preserving their privacy and dignity. These concerns on the part of some licensees might inhibit the kind of open discourse that conventional methods rely upon.
36. The Working Group has recruited community liaisons, trusted individuals who work at the grassroots level in various communities, to convene small focus groups in their communities in order to reach those whose voices may not be heard in the formal consultation process. The community liaison process will work in tandem with the methodology that has been proposed by the consultants and will be used to enrich the project findings.
37. The Community Liaison Process commenced in August 2013 and will be completed by the end of September 2013. The information gathered from this process will be included in the final report.

Expected Timing & Next Steps

Survey

38. The consultants will be conducting an online survey among all licensees. The survey will be comprised of approximately thirty questions, including demographic questions.

Report – Winter & Spring 2014

39. The Working Group expects to release a preliminary consultation report to Convocation in the winter of 2014, for approval and public release shortly thereafter. A public consultation of about six weeks will take place following the preliminary consultation report. The Working Group will then finalize its report and recommendations for submission to Convocation.

TAB 3.2.1

**CHALLENGES FACED BY RACIALIZED LICENSEES WORKING
GROUP**

FORMAL CONSULTATION

KEY INFORMANTS

1. Senior Partner at small firm
2. In house counsel
3. Six associations representing racialized licensees
4. Five paralegals or paralegal associations
5. Program for internationally trained lawyers
6. Senior Partner at large firm
7. Consultant
8. Sole Practitioner
9. Government representative

TAB 3.2.2

CHALLENGES FACED BY RACIALIZED LICENSEES WORKING GROUP

FORMAL CONSULTATION

FOCUS GROUPS

Location	Date	Group	Number of Focus Groups
Toronto	June 19, 2013	Soles and Smalls	2
Toronto	June 20, 2013	Medium and Large Firms	2
Toronto	June 25, 2013	Paralegals	2
Toronto	June 27, 2013	Foreign Trained	2
Ottawa	July 17, 2013	In Practice/Government and Corporate	2
London	July 31, 2013	In Practice	1
Toronto	August 1, 2013	Government and Corporate/Paralegals	2
Toronto	August 14, 2013	Others	1
Toronto	August 15, 2013	Non-racialized	2

TAB 3.3

FOR INFORMATION
REPORT OF THE ACTIVITIES OF THE
DISCRIMINATION AND HARASSMENT COUNSEL
JANUARY 1 – JUNE 30, 2013 AND TEN YEAR REPORT (January
2003 – December 2012)

BACKGROUND

41. Subsection 20 (1) (b) of By-Law 11, *Regulation of Conduct, Capacity and Professional Competence* provides that, unless the Equity and Aboriginal Issues Committee/Comité sur l'équité et les affaires autochtones (the Equity Committee) directs otherwise, the Discrimination and Harassment Counsel (the DHC) shall make a report to the Committee no later than September 1 in each year, upon the affairs of the Counsel during the period January 1 to June 30 of the immediately preceding year.
42. Subsection 20(2) of By-Law 11 provides “The Committee shall submit each report received from the Counsel to Convocation on the day following the deadline for the receipt of the report by the Committee on which Convocation holds a regular meeting”.
43. The Equity Committee submits the *Report of the Activities of the Discrimination and Harassment Counsel for the Law Society of Upper Canada* for the period of January 1 to June 30, 2013 (**TAB 3.3.1**), , pursuant to Subsection 20(2) of By-Law 11. The DHC Program also presents a ten year report for the period of January 2003 to December 2012 (**TAB 3.3.2**).

TAB 3.3.1

**REPORT OF THE ACTIVITIES OF
THE DISCRIMINATION AND HARASSMENT COUNSEL
FOR THE LAW SOCIETY OF UPPER CANADA**

For the period from January 1, 2013 to June 30, 2013

**Prepared By Cynthia Petersen
Discrimination and Harassment Counsel**

TABLE OF CONTENTS

Introduction	1
Services Provided to Complainants	1
Mediation / Conciliation	3
Overview of New Contacts with the DHC Program.....	5
Summary of Discrimination and Harassment Complaints.....	6
Complaints Against Lawyers by Members of the Legal Profession	6
Complaints Against Lawyers by Members of the Public	10
Complaints Against Paralegals	13
Summary of General Inquiries	14
Matters Outside the DHC Mandate	14
Promotional Activities.....	15

- 1 -

A. INTRODUCTION

1. The DHC provides a wide range of services to individuals who make discrimination or harassment complaints about lawyers, law students or paralegals.
2. The complaints arise in a wide variety of contexts, such as clients who report that they have been subjected to sexual harassment by their lawyer or paralegal, lawyers who are experiencing workplace difficulties relating to a maternity leave, law firm employees with disabilities who confront discriminatory barriers to employment or challenges in obtaining appropriate workplace accommodation, and paralegals, articling students and lawyers who are experiencing discriminatory (eg. racist, sexist, homophobic) treatment by opposing counsel in their cases.
3. The DHC provides these individuals with confidential coaching, information, referrals to other agencies and resources, informal mentoring, and general (non-legal) advice – some on an ongoing basis. The DHC also provides mediation services, described below.

B. SERVICES PROVIDED TO COMPLAINANTS

4. Complainants who contact the DHC are advised of various avenues of recourse open to them, including (where applicable):
 - speaking to their union representative (if they are unionized);
 - filing an internal complaint within their workplace;
 - making a complaint to the law firm that employs the respondent lawyer;
 - filing an Application with the Human Rights Tribunal of Ontario;

- 2 -

- filing a complaint of professional misconduct with the Law Society;
 - where appropriate, contacting the police; and
 - contacting a lawyer for advice regarding possible legal claims.
5. Complainants are provided with information about each of these options, including:
- what (if any) costs might be involved in pursuing an option;
 - whether legal representation is required in order to pursue an option;
 - referral to resources on how to obtain legal representation (actual referrals to lawyers or paralegals are not made by the DHC);
 - how to file a complaint, Application or report (eg. whether it can be done electronically, whether particular forms are required, etc.)
 - the processes involved in each option (eg. investigation, conciliation, mediation, hearing, etc.)
 - the general types of remedies might be available in different *fora* (eg. compensatory remedies in contrast to disciplinary penalties, reinstatement to employment versus monetary damages, public interest remedies); and
 - the existence of time limits for each avenue of redress (complainants are advised to seek legal advice with respect to precise limitation periods).
6. Complainants are advised that the options available to them are not mutually exclusive.

- 3 -

7. In some cases, upon request, strategic tips and/or coaching are provided to complainants about how to handle a situation without resort to a formal complaints process (eg. confronting the offender, documenting incidents, speaking to a mentor).
8. Some complainants are referred to other agencies/organizations (such as the Lawyer's Assistance Plan and the Human Rights Legal Support Centre) or are directed to relevant resource materials available from the Law Society, the Ontario Human Rights Commission, or other organizations.

(a) Mediation / Conciliation

9. In addition to being advised about the above-noted options, where appropriate, complainants are offered the mediation or conciliation/intervention services of the DHC Program.
10. Whenever formal mediation is offered, the nature and purpose of mediation is explained, including that it is a confidential and voluntary process, that it does not involve any investigation or fact finding, and that the DHC acts as a neutral facilitator to attempt to assist the parties in negotiating the terms of a mutually satisfactory resolution of the complaint.
11. When a complainant opts for mediation, s/he is given the choice of contacting the respondent to propose the mediation or having the DHC contact the respondent to canvass his/her willingness to participate. If both parties are willing to participate, they are required to sign a mediation agreement prior to entering into discussions with the DHC.
12. Where informal conciliation/intervention services are offered, the complainant is advised that the DHC could contact the respondent confidentially and discuss the complainant's concerns, in the hope of achieving a resolution to the complaint.

- 4 -

Where such an intervention occurs, both the complainant and respondent are advised that the DHC is not acting as the complainant's counsel or representative, but rather as a go-between to facilitate constructive dialogue between the parties. When a complainant requests such an intervention, written consent must be provided before the DHC contacts the respondent.

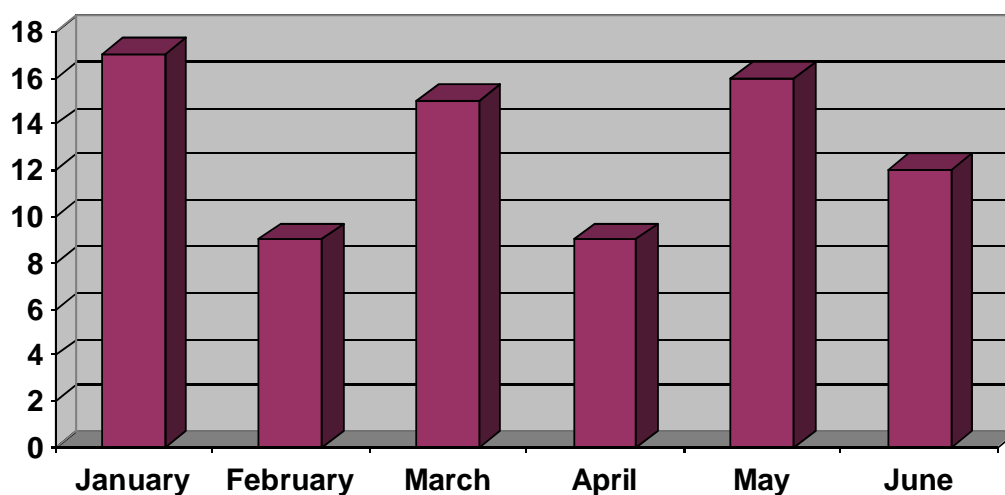
13. Some complainants decline the offer of the DHC's mediation and conciliation services, notwithstanding that the services are free, confidential, and in the case of formal mediation, subject to a mutual "without prejudice" undertaking by both parties. The reasons why complainants decline mediation are varied and include: complainants desiring to have a fact-finding investigation, complainants believing that the respondent will not participate in good faith, and complainants wanting to create a formal record of the respondent's misconduct through an adjudicative process.
14. During this reporting period, there was one formal in-person mediation session conducted by the DHC, in the context of a client complaint. The mediation was successful and the parties agreed to the terms of a protocol for future communications, enabling them to maintain their solicitor-client relationship.
15. In one other case, also involving a client complaint, the complainant requested formal mediation but the responding lawyer declined to participate.
16. During this reporting period, there were also a number of informal interventions made at complainants' request. The DHC communicated with the respondent lawyers in several cases. In some, but not all cases, the DHC was thereby able to achieve a resolution to the complaint.

- 5 -

C. OVERVIEW OF NEW CONTACTS WITH THE DHC PROGRAM

17. During this six month reporting period, 78 individuals contacted the DHC Program with a new matter.¹ This represents average of 13 new contacts per month.

18. The volume of new contacts with the Program was distributed as follows:



19. Of the 78 individuals who contacted the DHC, 43 (55%) used the telephone to make their initial contact and 35 (45%) used email.

20. During this reporting period, one individual was provided services in French. The remaining clients of the Program were provided services in English.

D. SUMMARY OF DISCRIMINATION AND HARASSMENT COMPLAINTS

¹ Individuals who had previously contacted the Program and who communicated with the DHC during this reporting period with respect to the same ongoing matter are not counted in this number.

- 6 -

21. Of the 78 new contacts with the Program, 36 individuals reported specific complaints of discrimination or harassment by a lawyer or paralegal in Ontario. A total of 3 complaints were made against paralegals. The remaining 33 complaints were made against lawyers.
22. Two of the 3 complaints against paralegals were made by other paralegals and one was made by a member of the public. Of the 33 complaints against lawyers, 21 (64%) were made by members of the public and 12 (36%) were made by members of the legal profession (i.e., by lawyers, articling students and paralegals).

(a) Complaints against Lawyers by Members of the Legal Profession

23. In this reporting period, there were 12 complaints against lawyers by members of the legal profession. Five (5) of these complaints were made by lawyers, 5 were made by articling students, and 2 were made by a paralegals. All of the complainants were anglophone.
24. Half of the 12 complaints by members of the legal profession were made by women and half were made by men:
 - The two paralegal complainants were both female.
 - Four (4) of the 5 articling student complainants were male.
 - Of the 5 lawyer complainants, 3 were female and 2 were male.
25. All of the 5 complaints made by lawyers arose in the context of the complainant's employment. Both of the paralegals complaint and all but one of the articling student complaints also arose in the context of the complainants' employment.

- 7 -

One law student complaint was regarding a law professor and arose in the context of the complainant's education.

26. There were 5 complaints based (in whole or in part) on disability:

- Three male articling students each complained about their respective employer's refusal to accommodate their disability. (One of these students also complained about racial harassment and accent discrimination in his employment – see below).
- Two female lawyers with disabilities complained about employment-related discrimination. One complained about unfair treatment by her employer, including discriminatory restrictions on her career advancement, and the other complained about barriers to employment based on her disability.

27. There were 4 complaints based (in whole or in part) on race:

- A South Asian male articling student complained about racial harassment, as well as accent discrimination, in the context of his employment. (This complainant also reported that his employer was refusal to accommodate his disability.)
- A Black female paralegal complained about racial discrimination in the context of her employment.
- A male First Nations law student complained about discriminatory conduct and comments by a law professor based on his aboriginal ancestry.²

² This complaint is recorded as a complaint based on both race and ancestry.

- 8 -

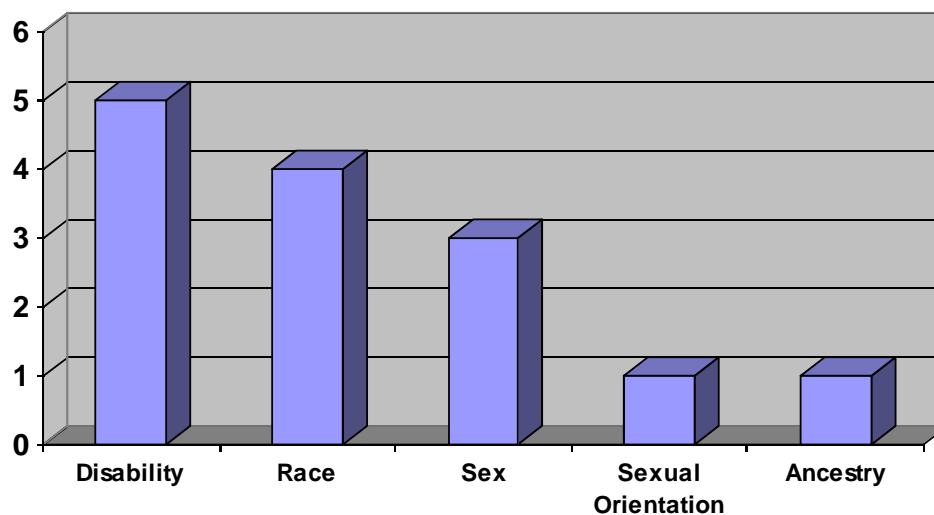
- A self-described racialized lawyer complained about racial harassment by one of his co-workers, who was a female lawyer.
28. There were 3 complaints based (in whole or in part) on sex:
- Two (2) complaints involved allegations of sexual harassment by a lawyer with whom the complainants worked. Both of these complainants were female; one was an articling student and one was a junior associate. Both respondents were senior male partners in the complainants' respective firms. One of the complaints included allegations of sexual assault.
 - One complaint involved allegations by a female paralegal of discrimination based on pregnancy in the context of her employment.
29. All of the complainants who reported sex-based discrimination or harassment were female and all of the respondent lawyers were male.
30. There was one complaint by a gay male lawyer of workplace harassment by co-workers based on his sexual orientation.

- 9 -

31. In summary, the number of complaints³ by lawyers and articling students in which each of the following prohibited grounds of discrimination was raised are:

- disability 5
- race 4
- sex 3 (2 sexual harassment; 1 pregnancy)
- sexual orientation 1
- ancestry 1

Grounds Raised in Complaints against Lawyers by Members of the Legal Profession



³ The total number exceeds 12 because some complaints involved multiple grounds of discrimination.

- 10 -

(b) Complaints against Lawyers by Members of the Public

32. During this reporting period, there were 21 complaints against lawyers made by members of the public. All of the complainants were anglophone.
33. Thirteen (13) of the public complaints (62%) were made by women and 8 (38%) were made by men.
34. Of the 21 public complaints:
- thirteen (13) involved clients complaining about their own lawyer, former lawyer, or a lawyer whom they attempted to retain;
 - four (4) involved litigants complaining about the conduct of opposing counsel in their cases;
 - two (2) involved employees complaining about a lawyer in their workplace;
 - one (1) involved a complaint about a lawyer who was sitting as a Tribunal member; and
 - two (2) involved complaints about the social media posts of lawyers.
35. There were 9 public complaints based (in whole or in part) on disability:
- Three (3) clients complained about their respective lawyer's failure to accommodate their disability, including one complaint about a lawyer's refusal to provide materials in an accessible format.
 - Three (3) clients complained about discriminatory treatment by their own lawyer (eg. use of condescending tone, dismissive and/or derogatory language, mocking behaviour) based on their disability.

- 11 -

- Three litigants with disabilities complained about the discriminatory conduct and/or comments of opposing counsel in their cases.

36. There were 7 public complaints based (in whole or in part) on sex:

- Four (4) of these sex-based complaints involved allegations of sexual harassment by female clients of male lawyers, including one allegation of sexual assault.
- A female litigant complained about sexist remarks made by a lawyer who was sitting as a Tribunal member / adjudicator.
- Two men complained about social media posts by male lawyers. One complaint related to a job advertisement for a “female law clerk” and the other complaint was about sexist and anti-Islamic tweets posted by a lawyer. The twitter account in question was linked to the respondent lawyer’s law firm and was part of how the lawyer marketed his practice. (The objectionable tweets also included anti-Islamic remarks – see below.)

37. There were 4 public complaints based (in whole or in part) on race:

- Two people complained about denial of legal services based on their race. One of these complainants was a First Nations man.⁴ The other was a female complainant who did not disclose her race.
- A First Nations woman complained about an abusive and racially derogatory letter that she received from her former counsel.⁵

⁴ This complaint is recorded as a complaint based on both race and ancestry.

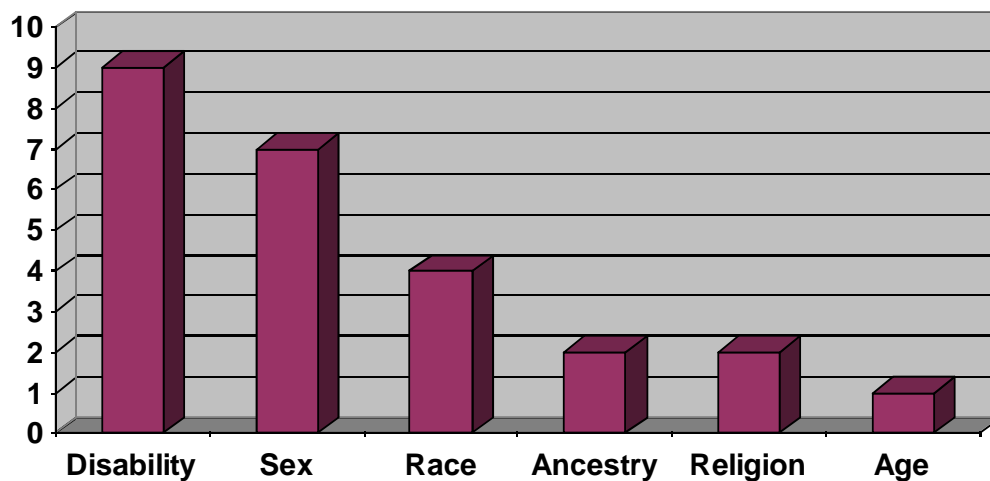
⁵ This complaint is recorded as a complaint based on both race and ancestry.

- 12 -

- A man involved in litigation complained about racist remarks made by the opposing counsel in his case.
38. There were 2 public complaints based (in whole or in part) on religion. Both of these complaints involved allegations that the responding lawyers had made anti-Islamic comments. One complainant was a Muslim man involved in family law litigation who complained about verbal and written remarks made by the opposing counsel in his case. The other complainant was a man who reported offensive tweets posted by a lawyer. The tweets in question also included sexist remarks (see above) and anti-Christian remarks.
39. There was 1 public complaint based in part on age. A man reported that his elderly mother was being mistreated by her lawyer in a discriminatory fashion because of her disability and because of her advanced age.
40. In summary, the number of public complaints⁶ in which each of the following grounds of discrimination was raised are as follows:
- disability 9
 - sex 7 (4 sexual harassment)
 - race 4
 - ancestry 2
 - religion 2
 - age 1

⁶ The total number exceeds 21 because some complaints involved multiple grounds of discrimination.

- 13 -

Grounds Raised in Public Complaints against Lawyers**(c) Complaints against Paralegals**

41. During this reporting period, there were 3 complaints against paralegals. Two of these complaints were made by paralegals and one was made by a member of the public:

- A female paralegal complained about age discrimination by another paralegal in the context of her employment.
- A lesbian paralegal complained about homophobic conduct and comments by a paralegal who was opposing her in litigation.
- A female Muslim paralegal complained about anti-Islamic harassment by another female paralegal with whom she was professionally associated.

- 14 -

E. SUMMARY OF GENERAL INQUIRIES

42. Of the 78 new contacts with the DHC during this reporting period, 13 involved general inquiries. These contacts included:

- inquiries by employers about how best to handle internal harassment complaints against lawyers;
- inquiries by lawyers about their professional responsibilities relating to equity issues;
- questions about the scope of the DHC Program's mandate, the services offered by the DHC, and confidentiality;
- inquiries about the Law Society's complaint process; and
- questions from law firms about the availability of model policies on equity issues.

F. MATTERS OUTSIDE THE DHC MANDATE

43. During this reporting period, the DHC received 29 calls and emails relating to matters outside the Program's mandate.

44. These contacts included complaints about judges and about lawyers licensed in other provinces. They also included complaints about workplace harassment that did not involve any licensees.

45. There were complaints against licensees that did not fall within the program's mandate. These included allegations of incompetence, breach of civility, and breach of client confidentiality, as well as some billing disputes (i.e., clients

- 15 -

alleging that their lawyers were overcharging). They also included harassment allegations that were not based on any prohibited grounds of discrimination (eg. allegations of bullying, intimidation, abuse of power, etc.)

46. An explanation of the DHC's mandate, role and duties was provided to each person who called with a matter outside the Program's mandate. Many of these individuals were referred to other agencies.
47. Although there are a number of these "outside mandate" contacts, they typically do not consume much of the DHC's time or resources, since we do not assist these individuals beyond their first contact with the Program.

G. PROMOTIONAL ACTIVITIES

48. The LSUC maintains a bilingual website for the DHC Program.
49. Throughout this reporting period, periodic advertisements were placed (in English and French) in the *Ontario Reports* to promote the DHC Program.
50. French, English, Chinese and braille brochures for the Program continue to be circulated to legal clinics, community centres, libraries, law firms, government legal departments, and faculties of law.
51. The DHC continues to work closely with the Law Society's Equity Advisor (Josée Bouchard) to design and deliver *Discrimination and Harassment Prevention* and *Violence Prevention* workshops to law firms across the province. In addition to delivering important educational content, these workshops also serve as a useful opportunity to promote awareness of the Program's services.

- 16 -

52. During this reporting period, the DHC made a presentation about the DHC Program at Windsor University Faculty of Law and at the First National LGBTQ Service Providers Summit, held in Toronto in June 2013.

TAB 3.3.2

**10 YEAR SUMMARY REPORT
OF THE ACTIVITIES OF THE
DISCRIMINATION AND HARASSMENT COUNSEL
FOR THE LAW SOCIETY OF UPPER CANADA**

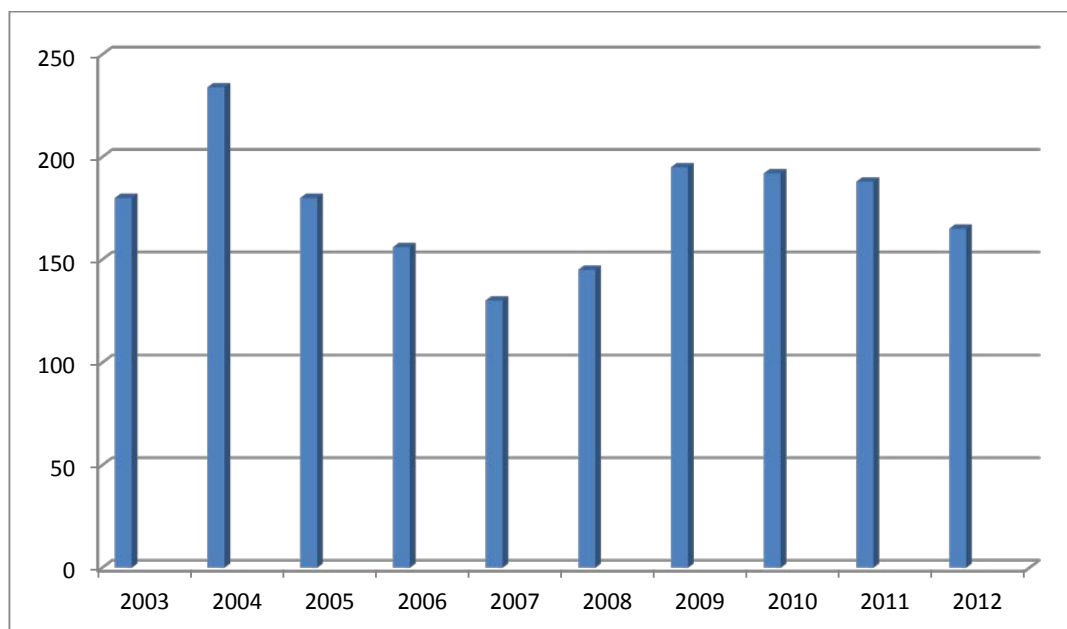
Summary of Data from
January 1, 2003 to December 31, 2012

Prepared By Cynthia Petersen
Discrimination and Harassment Counsel

A. VOLUME OF CONTACTS WITH THE DHC PROGRAM

1. There was a total of 1,765 new contacts¹ with the DHC Program during the ten year period from January 1, 2003 to December 31, 2012.
2. There were 180 new contacts in 2003, 234 in 2004, 180 in 2005, 156 in 2006, 130 in 2007, 145 in 2008, 195 in 2009, 192 in 2010, 188 in 2011 and 165 in 2012.

Number of New Contacts Annually



3. Thus the Program has received an average of 17.6 new contacts per month over the past ten years.

¹ Individuals who contacted the DHC program more than once about the same matter are only counted once in this number.

- 2 -

B. LANGUAGE OF COMMUNICATION

4. The DHC services are offered in French and English. Since January 1, 2003, 52 individuals have communicated with the DHC in French:
 - 10 people in 2003 received DHC services in French;
 - 6 people in 2004 received DHC services in French;
 - 6 people in 2005 received DHC services in French;
 - 8 people in 2006 received DHC services in French;
 - 5 people in 2007 received DHC services in French;
 - 4 people in 2008 received DHC services in French;
 - 7 people in 2009 received DHC services in French;
 - 2 people in 2010 received DHC services in French;
 - 3 people in 2011 received DHC services in French; and
 - 1 person in 2012 received DHC services in French.
5. Thirteen (13) of these francophone individuals were male and 39 were female. Thirty two (32) were members of the public and 20 were members of the Law Society (including 4 articling students and 16 lawyers).
6. All other individuals who contacted the DHC Program were provided services in English. On a few occasions, individuals were served through the aid of a language interpreter (where the individuals spoke Spanish, Ukrainian, Russian or Cantonese).

- 3 -

C. NUMBER OF DISCRIMINATION AND HARASSMENT COMPLAINTS REPORTED TO THE DHC

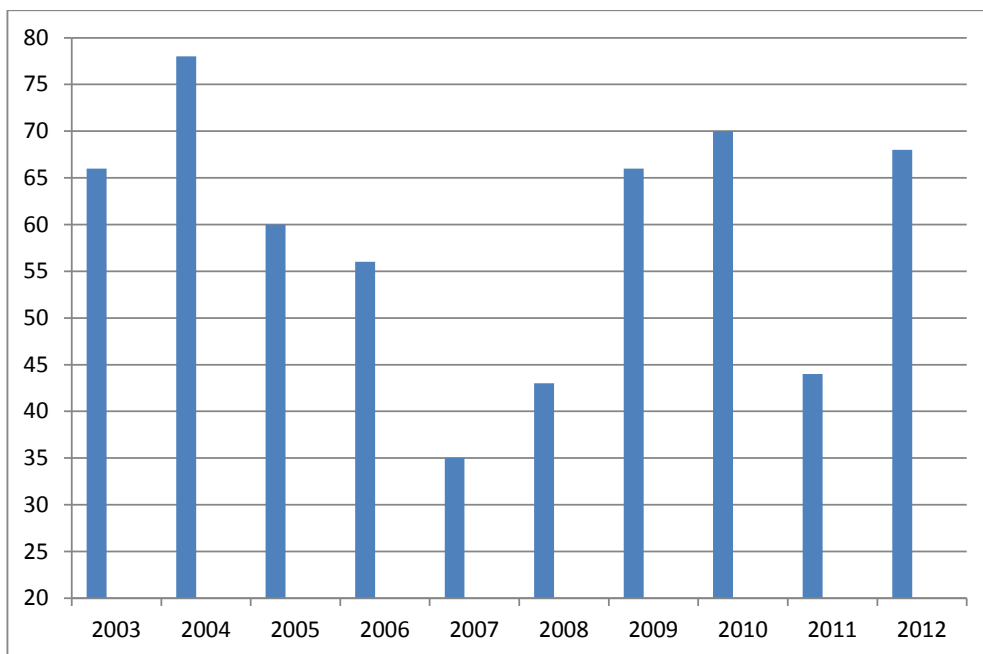
7. Of the 1,765 new contacts with the Program over the past ten years, there were a total of 583 discrimination and/or harassment complaints against Ontario lawyers and 3 discrimination and/or harassment complaints against Ontario articling students.²
8. There were a total of 66 complaints against lawyers and/or articling students in 2003, 78 in 2004, 60 in 2005, 56 in 2006, 35 in 2007, 43 in 2008, 66 in 2009, 70 in 2010, 44 in 2011, and 68 in 2012.
9. In addition, since January 1, 2008, there have been 15 discrimination and/or harassment complaints against paralegals licensed in Ontario.³
10. There was one complaint against a paralegal in 2008, 4 complaints in 2009, 3 in 2010, 4 in 2011 and 3 in 2012.

² Only complaints based on the prohibited grounds of discrimination enumerated in the *Human Rights Code* and Law Society's *Rules of Professional Conduct* are included in these figures. Complaints of personal harassment or bullying, which do not invoke any human rights grounds, fall outside the mandate of the DHC Program.

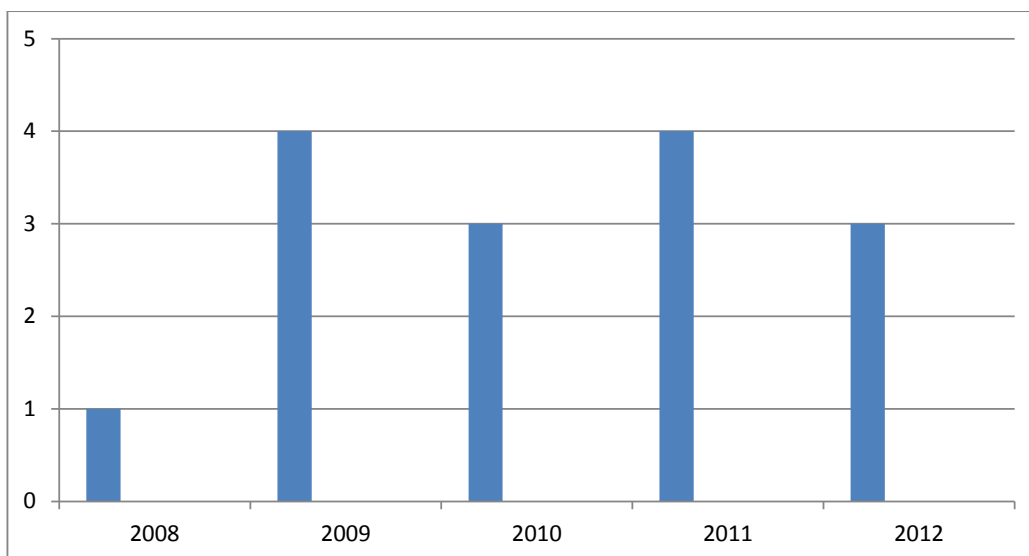
³ Paralegals were not licensed and regulated by the Law Society prior to 2008. Data with respect to complaints against paralegals have therefore only been collected for the past five years.

- 4 -

Number of Complaints against Lawyers and Articling Students Annually



Number of Complaints against Paralegals Annually



D. COMPLAINTS AGAINST LAWYERS AND ARTICLING STUDENTS

(a) Proportion of Complaints from the Public vs. the Legal Profession

11. Over the past ten years, there have been 583 discrimination and harassment complaints against lawyers.
12. Of these, 318 complaints were from the public and 265 complaints were from within the legal profession. The complaints from members of the legal profession were distributed as follows:
 - 203 complaints about lawyers were made by other lawyers;
 - 57 complaints about lawyers were made by law students;⁴ and
 - 5 complaints about lawyers were made by paralegals.⁵
13. Over the past ten years, there have been 3 discrimination and harassment complaints against articling students. All 3 of these complaints were made by other articling students. There have been no complaints about articling students from members of the public.

(b) Number of Complaints by Law Students

14. Of the 268 complaints against lawyers and/or articling students reported to the DHC over the past ten years, a total of 60 complaints (22%) were made by law students. Three of the law student complaints were made about articling students and 57 of the law student complaints were made about lawyers. There were no

⁴ Throughout this report, the expression "law students" refers primarily to articling students, but also encompasses a few summer law students employed by law firms.

⁵ Prior to 2008, any complaints against lawyers by paralegals would have been considered as complaints by members of the public, because paralegals were not regulated by the Law Society at that time. Since 2008, complaints by paralegals have been recorded separately and are classified as complaints by members of the legal profession.

- 6 -

law student complaints about paralegals. The student complaints were distributed as follows:

- 8 complaints were made by law students in 2003, out of 27 complaints from within the legal profession;
- 6 complaints were made by law students in 2004, out of 36 complaints from within the legal profession;
- 6 complaints were made by law students in 2005, out of 23 complaints from within the legal profession;
- 6 complaints were made by law students in 2006, out of 22 complaints from within the legal profession;
- 5 complaints were made by law students in 2007, out of 13 complaints from within the legal profession;
- 5 complaints were made by law students in 2008, out of 16 complaints from within the legal profession;
- 2 complaints were made by law students in 2009, out of 38 complaints from within the legal profession;
- 10 complaints were made by law students in 2010, out of 40 complaints from within the legal profession;
- 3 complaints were made by law students in 2011, out of 19 complaints from within the legal profession; and
- 9 complaints were made by law students in 2012, out of 34 complaints from within the legal profession.

(c) Number of Complaints by Paralegals

15. Prior to January 1, 2008, complaints by paralegals about lawyers and articling students were not recorded as complaints from within the legal profession; they were recorded as complaints by members of the public and their numbers were not recorded separately.⁶

⁶ See footnote 5 above.

- 7 -

16. There have been a total of 5 complaints against lawyers made by paralegals in the past five years.

(d) Context of Complaints by Members of the Legal Profession

17. The overwhelming majority of complaints against lawyers and articling students by other members of the legal profession⁷ (i.e., 202 out of 268 complaints or 75%) arose in the context of the complainant's employment or in the context of a job interview:

- in 2003, 23 out of 27 (85%) complaints from within the profession were employment related;
- in 2004, 27 out of 36 (75%) complaints from within the profession were employment related;
- in 2005, 21 out of 23 (91%) complaints from within the profession were employment related;
- in 2006, 17 out of 22 (77%) complaints from within the profession were employment related;
- in 2007, all of the 13 (100%) complaints from within the profession were employment related;
- in 2008, 14 out of 16 (87%) complaints from within the professional were employment related;
- in 2009, 27 out of 38 (71%) complaints from within the profession were employment related;
- in 2010, 21 out of 40 (52%) complaints from within the profession were employment related;
- in 2011, 11 out of 19 (58%) complaints from within the profession were employment related; and
- in 2012, 28 out of 34 (82%) complaints from within the profession were employment related.

⁷ These complainants include lawyers, law students and paralegals.

18. The second most common context in which discrimination and harassment complaints (by members of the legal profession) arose was against opposing counsel. There have also been a few complaints about lawyers acting as mediators or investigators, as well as a few complaints between lawyers who are professionally acquainted, who share or rent office space, or who encounter each other in the context of obtaining a service.

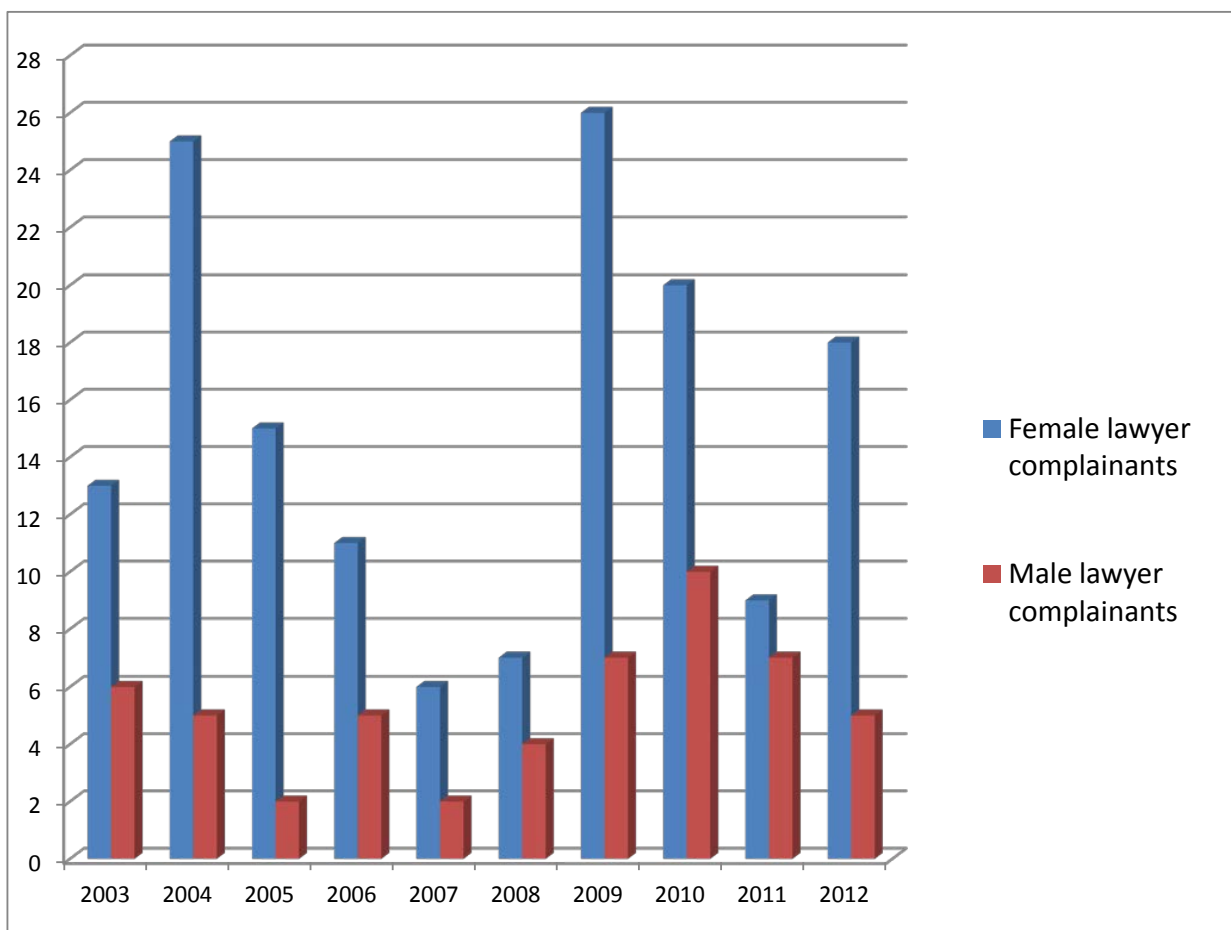
(e) Male / Female Ratio of Complainants within the Legal Profession

19. Of the 268 discrimination and harassment against lawyers and articling students by members of the legal profession, two hundred (200 or 75%) were made by women.
20. Complaints from women lawyers have consistently been disproportionately higher than complaints from male lawyers. Over ten years, 150 female and 53 male lawyers have made discrimination and/or harassment complaints against other lawyers.
 - in 2003, 13 out of 19 (68%) complaints about lawyers by lawyers were made by women;
 - in 2004, 25 out of 30 (83%) complaints about lawyers by lawyers were made by women;
 - in 2005, 15 out of 17 (89%) complaints about lawyers by lawyers were made by women;
 - in 2006, 11 out of 16 (69%) complaints about lawyers by lawyers were made by women;
 - in 2007, 6 out of 8 (75%) complaints about lawyers by lawyers were made by women;
 - in 2008, 7 out of 11 (64%) complaints about lawyers by lawyers were made by women;
 - in 2009, 26 out of 33 (79%) complaints about lawyers by lawyers were made by women;

- 9 -

- in 2010, 20 out of 30 (67%) complaints about lawyers by lawyers were made by women;
- in 2011, 9 out of 16 (56%) complaints about lawyers by lawyers were made by women; and
- in 2012, 18 out of 23 (78%) complaints about lawyers by lawyers were made by women.

Gender of Complainants in Complaints by Lawyers



- 10 -

21. Discrimination and harassment complaints by law students are also predominantly made by women. Over the past ten years, there has been a total of 60 student complaints against lawyers and articling students. Only 15 of those complaints were from men:
 - in 2003, 5 of the 8 law student complainants were women;
 - in 2004, 5 of the 6 law student complainants were women;
 - in 2005, 4 of the 6 law student complainants were women;
 - in 2006, all of the 6 law student complainants were women;
 - in 2007, all of the 5 law student complainants were women;
 - in 2008, all of the 5 law student complainants were women;
 - in 2009, both of the 2 law student complainants were men;
 - in 2010, 7 of the 10 law student complainants were women;
 - in 2011, 1 of the 3 law student complainants were women; and
 - in 2012, 7 of the 9 law student complainants were women.
22. There has been a total of 5 complaints against lawyers by paralegals and all were made by women.
23. Thus, over the past nine years, women have made 74% (150/203) of the complaints by lawyers, 75% (45/60) of the complaints by law students, and 100% (5/5) of the complaints by paralegals.

(f) Context of Complaints by Members of the Public

24. Over the past ten years, there have been 318 discrimination and harassment complaints against lawyers by members of the public.

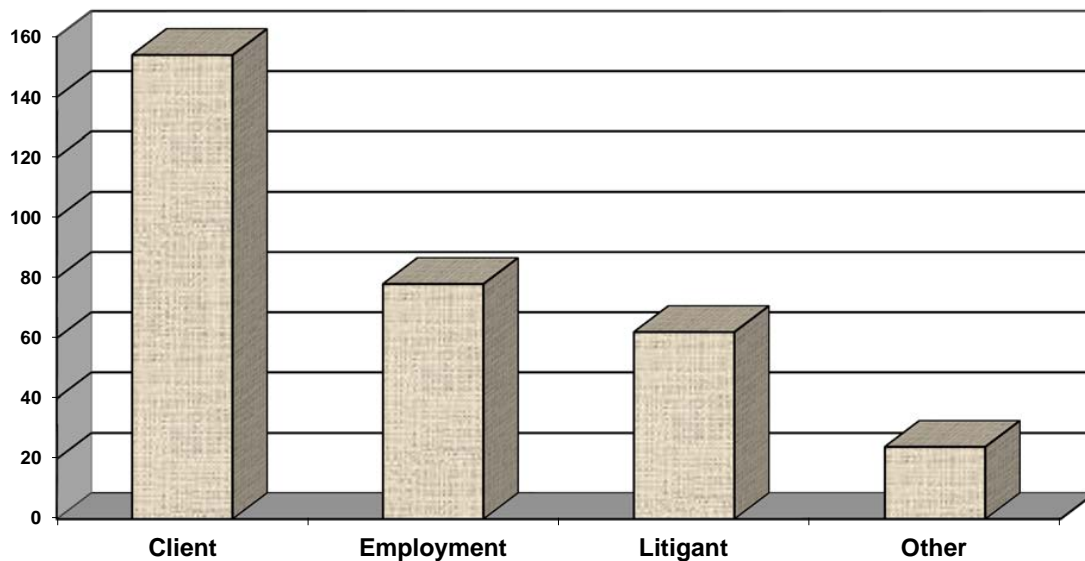
- 11 -

25. Almost half (48%) of public complaints involved clients complaining about their own lawyer or a lawyer whom they attempted to retain:
- in 2003, 25 out of 39 (64%) public complaints involved clients;
 - in 2004, 21 out of 42 (50%) public complaints involved clients;
 - in 2005, 13 out of 37 (35%) public complaints involved clients;
 - in 2006, 17 out of 34 (50%) public complaints involved clients;
 - in 2007, 8 out of 22 (36%) public complaints involved clients;
 - in 2008, 14 out of 27 (52%) public complaints involved clients;
 - in 2009, 12 out of 28 (43%) public complaints involved clients;
 - in 2010, 15 out of 30 (50%) public complaints involved clients;
 - in 2011, 10 out of 25 (40%) public complaints involved clients; and
 - in 2012, 19 out of 34 (56%) public complaints involved clients.
26. Almost a quarter of the public complaints (24%) arose in the context of the complainant's employment:
- in 2003, 6 out of 39 (15%) public complaints were employment related;
 - in 2004, 14 out of 42 (32%) public complaints were employment related;
 - in 2005, 16 out of 37 (44%) public complaints were employment related;
 - in 2006, 8 out of 34 (23%) public complaints were employment related;
 - in 2007, 5 out of 22 (23%) public complaints were employment related;
 - in 2008, 5 out of 27 (19%) public complaints were employment related;
 - in 2009, 8 out of 28 (29%) public complaints were employment related;
 - in 2010, 8 out of 30 (27%) public complaints were employment related;
 - in 2011, 6 out of 25 (24%) public complaints were employment related; and
 - in 2012, 2 out of 34 (6%) public complaints were employment related.

27. A significant proportion of public complaints (19%) were made by litigants against opposing counsel:⁸
- in 2003, 6 of the 39 public complaints involved litigants;
 - in 2004, 7 of the 42 public complaints involved litigants;
 - in 2005, 2 of the 37 public complaints involved litigants;
 - in 2006, 7 of the 34 public complaints involved litigants;
 - in 2007, 5 of the 22 public complaints involved litigants;
 - in 2008, 7 of the 27 public complaints involved litigants;
 - in 2009, 6 of the 28 public complaints involved litigants;
 - in 2010, 5 out of 30 public complaints involved litigants;
 - in 2011, 7 out of 25 public complaints involved litigants; and
 - in 2012, 10 out of 34 public complaints involved litigants.
28. Twenty four (24) complaints (7% of public complaints) arose in other contexts, such as litigants complaining about discriminatory conduct by a lawyer who was acting as a Tribunal member or mediator, an individual complaining about a government lawyer who was providing a public service, and witnesses and victims in criminal proceedings complaining about Crown Attorneys.

⁸ These include a few complaints by criminal defendants against Crown Attorneys. The overwhelming majority of these complaints have arisen in the context of family law litigation.

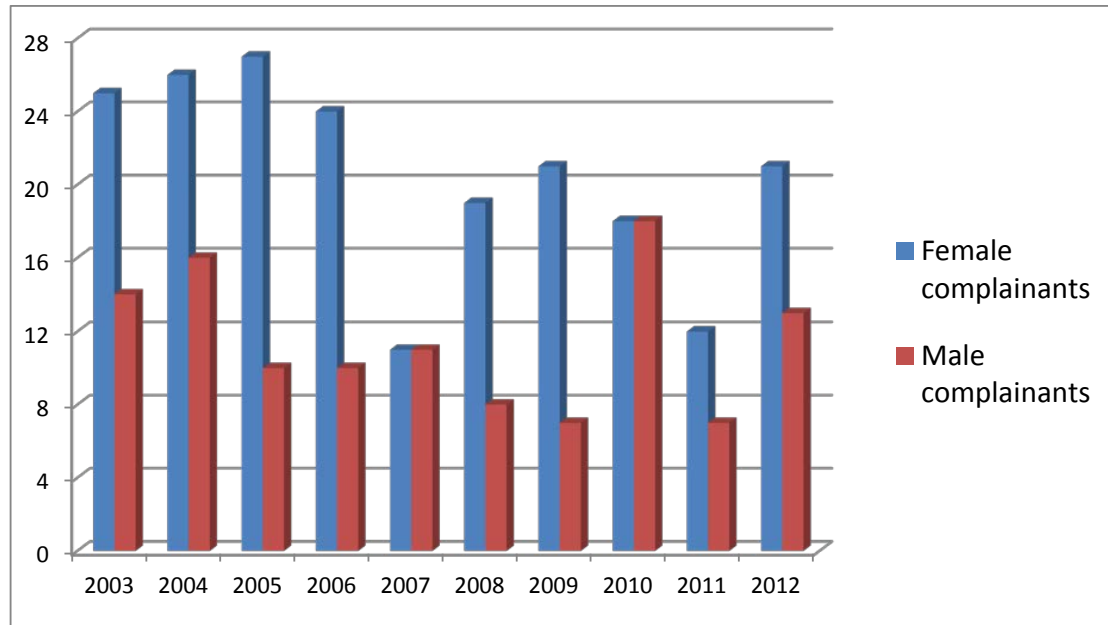
- 13 -

Context of Complaints Against Lawyers by Members of the Public**(g) Male / Female Ratio of Public Complainants**

29. Since January 1, 2003, there has consistently been a higher proportion of public complaints from women than men:

- in 2003, 25 of the 39 (64%) public complaints were from women;
- in 2004, 26 of the 42 (62%) public complaints were from women;
- in 2005, 27 of the 37 (73%) public complaints were from women;
- in 2006, 24 of the 34 (71%) public complaints were from women;
- in 2007, 11 of the 22 (50%) public complaints were from women;
- in 2008, 19 of the 27 (70%) public complaints were from women;
- in 2009, 21 of the 28 (75%) public complaints were from women;
- in 2010, 18 of the 30 (60%) public complaints were from women;
- in 2011, 18 of the 25 (72%) public complaints were from women; and
- in 2012, 21 of the 34 (62%) public complaints were from women.

- 14 -

Gender of Complainants in Complaints by Members of the Public

30. Thus of the 318 members of the public who have made discrimination and harassment complaints against lawyers over the past ten years, 210 (66%) were women.

(h) Grounds of Discrimination Raised in Complaints

31. There was a total of 586 discrimination and harassment complaints against lawyers and articling students between January 1, 2003 and December 31, 2012. Of these,⁹

- sex was raised as a ground of discrimination in 291 complaints (50%);
- disability was raised as a ground of discrimination in 150 complaints (26%);

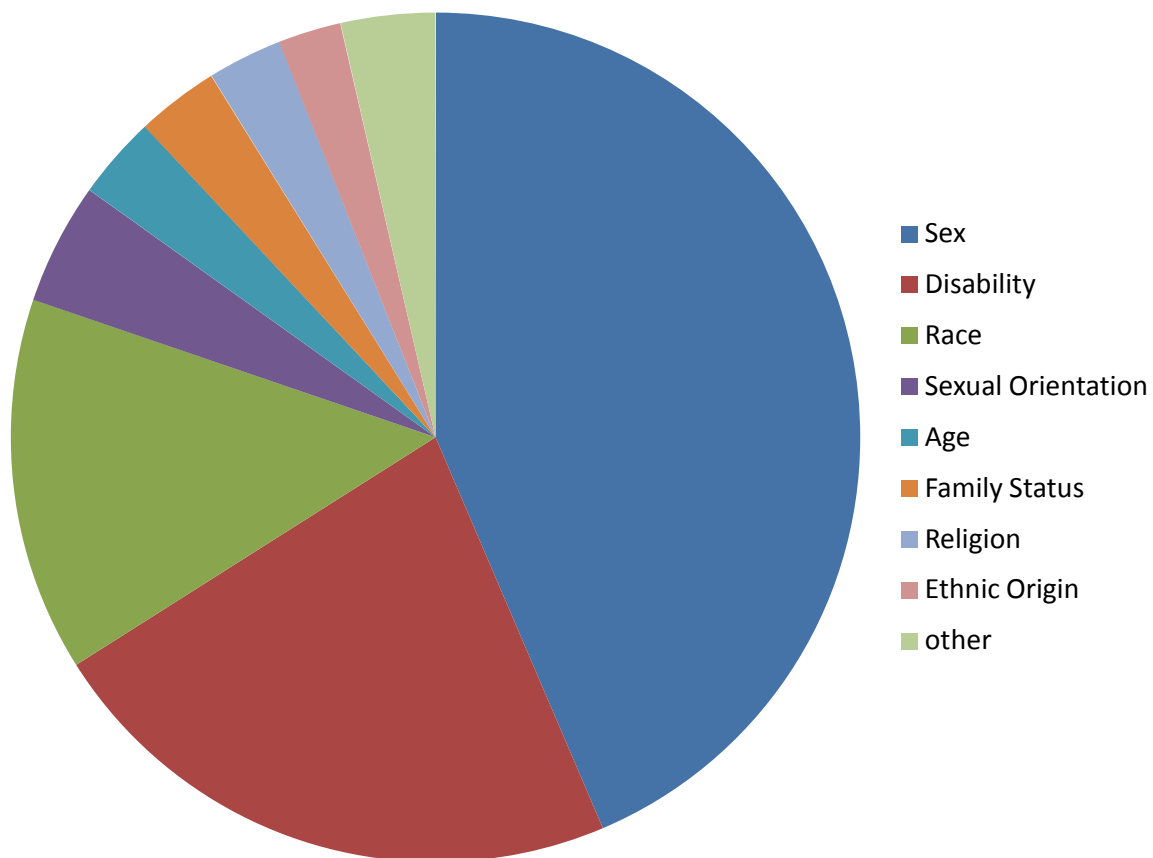
⁹ The sum of the numbers in this paragraph exceeds 586 and the sum of the percentages exceeds 100% because many of the complaints involved multiple intersecting grounds of discrimination.

- 15 -

- race was raised as a ground of discrimination in 95 complaints (16%);
- sexual orientation was raised as a ground of discrimination in 31 complaints (5%);
- age was raised as a ground of discrimination in 21 complaints (4%);
- family status was raised as a ground of discrimination in 21 complaints (4%);
- religion was raised as a ground of discrimination in 19 complaints (3%);
- ethnic origin was raised as a ground of discrimination in 16 complaints (3%);
- marital status was raised as a ground of discrimination in 8 complaints;
- ancestry was raised as a ground of discrimination in 7 complaints;
- place of origin was raised as a ground of discrimination in 5 complaints; and
- record of offences was raised as a ground of discrimination in 4 complaints.

- 16 -

Grounds of Discrimination Raised in Complaints against Lawyers and Articling Students



(i) Breakdown of Sex Discrimination Complaints 2003-2012

32. Of the 291 complaints against lawyers and articling students that were based (in whole or in part) on sex as a ground of discrimination:
 - pregnancy was specifically raised in 46 complaints;
 - gender identity was raised in 4 complaints; and
 - sexual harassment was reported in 151 complaints.¹⁰
33. The overwhelming majority (253 or 87%) of the 291 sex discrimination complaints were made by women, including four self-identified transsexual women.
34. Of the 253 female complainants who raised concerns about discrimination or harassment based on sex:
 - 113 were lawyers
 - 26 were law students;
 - 3 were paralegals; and
 - 111 were members of the public.
35. In almost every instance, the women who contacted the DHC with a sex-based complaint were reporting that they themselves had been the victim of sex discrimination or sexual harassment by a male lawyer or articling student, that they had suffered employment reprisals after making a complaint of sexual harassment against a male colleague, supervisor or client, or that they had suffered discrimination in their employment due to the fact that they were pregnant and/or had taken a maternity leave. The only exceptions were as follows: one woman lawyer called on behalf of a female articling student in her

¹⁰ Thus 26% of all complaints (151 out of 586) against lawyers and articling students received over the past ten years involved sexual harassment. (All of the three complaints against articling students involved sexual harassment.)

- 18 -

firm and a female office manager called on behalf of three female legal assistants in her firm.

36. In contrast, 17 of the 38 men (45%) who complained about discrimination or harassment based on sex raised concerns about the inappropriate conduct of other male lawyers toward women that they knew and, in one instance, toward a gay man that he knew.
37. Only 20 men complained about sex discrimination or harassment that they themselves had experienced. Five (5) of these complainants self-identified as gay men, one self-identified as bisexual and one self-identified as a trans-man.
38. Of the 38 complaints of sex discrimination or harassment made by men, only 9 involved female respondents. In contrast, the respondent was male in every case of alleged sex discrimination/harassment by a female complainant.
39. Of the 38 male complainants who raised concerns about sex discrimination or harassment:
 - 19 were lawyers;
 - 2 were articling students; and
 - 17 were members of the public.
40. Of the 21 sex discrimination or harassment complaints from men within the legal profession:
 - a lawyer complained about sexist (anti-male) remarks posted by a female colleague on an internet website;
 - three (3) lawyers complained that they were being sexually harassed by female lawyers with whom they were acquainted or with whom they worked (one of them had ended a consensual relationship with the respondent; the other had never been in a relationship with the respondent);

- 19 -

- two (2) lawyers complained about colleagues (other male lawyers) who were sexually harassing women lawyers in their respective firms;
- a lawyer complained about a male lawyer in another firm who was sexually harassing a female lawyer in that other firm;
- a lawyer complained about a colleague (another male lawyer) who was sexually harassing a secretary in his firm;
- a lawyer complained about a tenant (another male lawyer) who was sexually harassing his female staff;
- a lawyer complaint on behalf of a female client who had been sexually assaulted by her former (male) lawyer;
- a lawyer complained about sexist remarks made by opposing counsel (another male lawyer) during discovery proceedings involving a female client;
- a lawyer complained about sexist remarks made by opposing counsel (another male lawyer) directed toward a female junior associate in his firm;
- a lawyer complained about sexist remarks posted by another male lawyer on an internet website;
- a trans-identified articling student complained about sex discrimination to which he was subjected at his workplace;
- a gay male lawyer complained about sexual harassment by a supervising female lawyer;
- two gay male lawyers and one bisexual male lawyer complained about sexual harassment by male lawyers in their respective firms;
- an articling student complained about sexual harassment by a male lawyer in his firm;
- a lawyer complained that his client, a female lawyer, suffered employment discrimination when she was terminated just prior to commencing a maternity leave; and
- a lawyer complained that he was being subjected to sex discrimination in his employment.

- 20 -

41. Of the 17 public complaints of sex discrimination or harassment made by men:

- a police officer complained about sexist remarks made by a male Crown Attorney regarding a female police officer and female defence counsel;
- 4 men called on behalf of female friends or relatives who had been sexually harassed or assaulted by their male lawyers;
- 2 litigants in family law matters complained about anti-male sexist remarks made by their ex-wives' female lawyers;
- a man complained about a lawyer's job advertisement for a legal assistant, which specified a preference for female applicants;
- a process server and a law clerk each complained about sexual harassment by male lawyers in their workplaces;
- a physician reported that one of his gay male patients had been sexually abused by a court-appointed male lawyer as a youth;
- a psychiatrist reported that one of his female patients had been sexually assaulted by her male lawyer;
- two gay male clients complained that their respective male lawyers were sexually harassing them;
- a heterosexual student complained about sexual harassment by a female lawyer who was his instructor;
- a man complained that a male Crown Attorney discriminated against his son in the course of a prosecution for domestic assault; and
- a male criminal accused complained about anti-male sexism from a female Crown Attorney.

(j) Overview of Complaints by Francophones

42. Over the past ten years, 15 of the francophone individuals who contacted the DHC Program reported complaints of discrimination or harassment by a lawyer. (There were no complaints about articling students or paralegals by francophone complainants.)

- 21 -

43. Eight (8) of the francophone complainants were members of the Law Society (i.e., 6 lawyers and 2 articling students). Seven (7) of the francophone complainants were members of the public.
44. Of the 8 complaints by francophone lawyers and articling students, 5 were made by women and 3 were made by men. Both of the student complainants were female.
45. Three (3) francophone lawyers and two (2) francophone articling students complained about discrimination and/or harassment in the context of their employment, two (2) complaints by francophone lawyers arose in the context of another lawyer delivering a service to them, and one francophone lawyer complained about another lawyer who was acting as a mediator.
46. Race was the ground of discrimination most frequently raised in complaints by francophone lawyers and articling students. Race was raised in 3 out of the 8 complaints. Place of origin was raised in 2 complaints (once in conjunction with race). Sex was raised in 2 complaints. Religion was raised in 1 complaint, in conjunction with race. Age was raised in 1 complaint and disability was raised in 1 complaint.¹¹
47. Both of the sex-based complaints by francophone members of the Law Society involved allegations of sexual harassment. A female lawyer reported sexual harassment by a male mediator (who is also a lawyer). A male lawyer reported that another male lawyer in his office was sexually harassing a female colleague.
48. The race-based complaints by francophone members of the Law Society all arose in the context of the complainants' employment. A Black female lawyer complained about racial discrimination by her employer, as well as a refusal by her employer to accommodate her religious observance. Another Black female

¹¹ The total number of complaints listed in this paragraph exceeds 8 because some complaints involved multiple intersecting grounds.

- 22 -

lawyer reported racial harassment by colleagues at work. A Black female articling student complained about employment discrimination based on her race and place of origin (including discrimination based on her West African accent).

49. A francophone articling student complained that she was not receiving appropriate accommodation for her disability from her employer.
50. Two francophone lawyers complained about discrimination by other lawyers in the delivery of services to them. One complaint was based on age and the other was based on the complainant's place of origin.
51. Of the 7 complaints by francophone members of the public, 5 of the complainants were female and 2 were male. Five (5) of the complaints were made by clients. One (1) complaint arose in the context of the complainant's employment and another complaint (1) was made by a litigant about the opposing counsel in her case.
52. Six (6) out of the 7 complaints by francophone members of the public were based, in whole or in part, on sex:
 - 3 female clients complained about sexual harassment by their respective male lawyers (one also complained about racial harassment);
 - a gay male client complained about sexual harassment by his male lawyer;
 - a female legal assistant complained about discrimination in her employment based on sex (she also complained about discrimination based on her sexual orientation and disability); and
 - a female litigant complained about the sexist behaviour of the opposing male counsel in her case.

- 23 -

53. Disability was raised as a ground in two francophone complaints from members of the public. A male client with a disability reported that his lawyer was not accommodating his disability-related needs. A female legal assistant with a disability complained about discrimination in her employment based on her disability (as well as her sex and sexual orientation).
54. In summary, there was a total of 15 discrimination and harassment complaints made by francophones against lawyers between January 1, 2003 and December 31, 2012. Of these,¹²
- sex was raised as a ground of discrimination in 8 complaints (6 of these complaints involved allegations of sexual harassment);
 - race was raised as a ground of discrimination in 4 complaints;
 - disability was raised as a ground of discrimination in 3 complaints;
 - place of origin was raised as a ground of discrimination in 2 complaints;
 - sexual orientation was raised as a ground of discrimination in 1 complaint;
 - age was raised as a ground of discrimination in 1 complaint; and
 - religion was raised as a ground of discrimination in 1 complaint.

E. COMPLAINTS AGAINST PARALEGALS

55. The DHC Program's mandate was expanded to include complaints against paralegals in 2008.

¹² The sum of the numbers in this paragraph exceeds 15 because many of the complaints involved multiple intersecting grounds of discrimination.

- 24 -

56. Over the past five years (from January 1, 2008 to December 31, 2012), there have been 15 complaints against paralegals. There was one (1) complaint in 2008, 4 in 2009, 3 in 2010, 4 in 2011 and 3 in 2012.
57. Seven (7) of these complaints (47%) were made by members of the legal profession; 2 were made by lawyers and 5 were made by paralegals.
58. Three (3) paralegals complained about discrimination and/or harassment by other paralegals in their workplace, 1 lawyer and 1 paralegal complained about the conduct of paralegals representing the opposing parties in their cases, 1 paralegal complained about harassment by another paralegal with whom she was professionally acquainted, and 1 lawyer complained about the social media posts of a paralegal.
59. Of the 7 complainants who were members of the legal profession, 6 were female and 1 was male. All 5 of the paralegals who complained about other paralegals were female.
60. In the 7 complaints against paralegals by members of the legal profession, the following grounds of discrimination were raised:¹³

Race	4
Sex	3
Sexual orientation	1
61. Eight (8) complaints against paralegals (53%) were made by members of the public. Four (4) complainants were college students complaining about their paralegal instructors, 2 were litigants complaining about paralegals representing the opposing parties in their cases, 1 was a client complaining about a paralegal

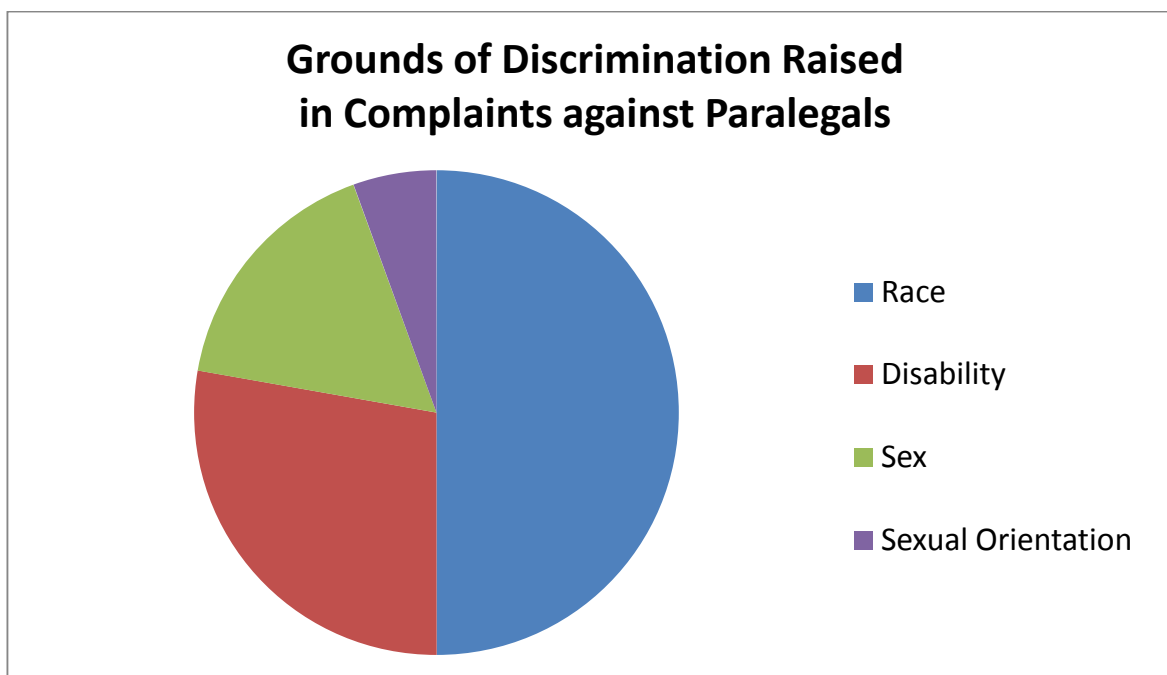
¹³ The sum of the numbers in this paragraph exceeds 7 because one complaint was based on both race and sex.

- 25 -

they he had retained to represent him and 1 was a man who complained about the social media posts of a paralegal.

62. Of the 8 complainants who were members of the public, 5 were male and 3 were female.
63. In the 8 complaints against paralegals from members of the public, the following grounds of discrimination were raised:¹⁴

Disability	5
Race	3
Sex	1



¹⁴ The sum of the numbers in this paragraph exceeds 8 because one of the complaints was based on both race and disability.

- 26 -

64. Four (4) of the 5 disability-related complaints against paralegals arose in the context of the complainants' education; they involved complaints by college students about their paralegal instructors. The fifth disability-related complaint was by a self-represented male litigant who reported that the paralegal representing the party opposing him had made derogatory remarks about his disability.
65. None of the sex-based complaints against paralegals involved allegations of sexual harassment. They were all allegations of sexist discrimination or harassment made by female complainants against male paralegals. Three of the sex-based complaints were against paralegals representing opposing parties in litigation (one by a female litigant, one by a female lawyer and one by a female paralegal). One female paralegal complained about gender discrimination by another paralegal in her workplace.
66. Of the 7 race-based complaints against paralegals, 2 related to racist social media posts by a paralegal (a lawyer and a member of the public both complained about the same paralegal's racist posts). Three female paralegals complained about racism by other paralegals; one reported racial discrimination by another paralegal in the context of her employment, one reported sexism and racism by a male paralegal opposing her in litigation, and one reported racial harassment by another paralegal with whom she was professionally acquainted. There was one client complaint based on race: an Asian man reported racist discrimination by a paralegal that he had retained. One of the college students who complained about discrimination based on disability by a paralegal instructor also complained about racism by the same instructor.
67. The single complaint against a paralegal that was based on sexual orientation involved a lesbian paralegal who reported that a co-worker harassed her, outed her in her workplace and actively tried to undermine her with clients.

TAB 3.4

FOR INFORMATION

HUMAN RIGHTS MONITORING GROUP INTERVENTIONS

MANDATE OF THE HUMAN RIGHTS MONITORING GROUP

44. The mandate of the Human Rights Monitoring Group is,
- a. to review information that comes to its attention about human rights violations that target members of the profession and the judiciary, here and abroad, as a result of the discharge of their legitimate professional duties;
 - b. to determine if the matter is one that requires a response from the Law Society; and,
 - c. to prepare a response for review and approval by Convocation.
45. The mandate further states that where Convocation's meeting schedule makes such a review and approval impractical, the Treasurer may review such responses in Convocation's place and take such steps, as he or she deems appropriate. In such instances the Human Rights Monitoring Group shall report on the matters at the next meeting of Convocation.
46. On September 20, 2007, Convocation approved the following recommendations, which expand the Monitoring Group's mandate:
- a. That the Monitoring Group explore the possibility of developing a network of organizations, and work collaboratively with them, to address human rights violations against judges and lawyers.
 - b. That the Monitoring Group be authorized to collaborate with the Law Society of Zimbabwe (the "LSZ") to assist it in strengthening its self-regulation capabilities and the independence of the profession.

INTERVENTIONS

47. Over the summer, the Human Rights Monitoring Group and the Treasurer approved the following cases. Information about the cases, the letters of intervention and public statements are available online at <http://www.lsuc.on.ca/with.aspx?id=622>:

- a. Persecution of lawyers in Turkey;
- b. Justice Afiuni, Venezuela;
- c. Lawyer Tsunga, Zimbabwe.

TAB 3.5

**PUBLIC EDUCATION EQUALITY AND RULE OF LAW SERIES
CALENDAR
2013 - 2014**

**JOUR DES FRANCO-ONTARIENS ET DES FRANCO-ONTARIENNES – LES DÉFIS
ET LES SATISFACTIONS DE LA PRÉSIDENTE AU FÉMININ... ET EN FRANÇAIS**

Date: September 25, 2013

Time and location: Lower and Upper Barristers Lounges (5:30 p.m. – 7:30 p.m.)

Conférencière : M^e Pascale Daigneault, présidente de l'Association du Barreau de
l'Ontario

**ASSOCIATION DES JURISTES D'EXPRESSION FRANÇAISE DE L'ONTARIO - 34TH
ANNUAL CONFERENCE – DESTINATION DROIT!**

Dates : October 4 and 5, 2013

Location : Hampton Inn, Ottawa, Ontario

**THE DOMESTIC APPLICATION OF INTERNATIONAL LAW : WHAT LAWYERS
NEED TO KNOW**

Rule of Law Event

In partnership with the Canadian Centre for International Justice and the Kirsch Institute

Date: November 21, 2013

Time and location: Donald Lamont Learning Centre (4:00 p.m. – 7:00 p.m.)
Convocation Hall (7:00 p.m. – 8:00 p.m.)

Speakers: Justice Philippe Kirsch, former Judge and first President of the
International Criminal Court

Justice Ian Binnie, former Supreme Court of Canada Judge

Raj Anand, partner at WeirFoulds and Law Society of Upper Canada
Bencher

BLACK HISTORY MONTH

Date : TBC

INTERNATIONAL WOMEN'S DAY

Date : March 6, 2014

Time and location: Donald Lamont Learning Centre (4:00 p.m. – 6:00 p.m.)
Convocation Hall (6:00 p.m. – 7:00 p.m.)

LA JOURNÉE DE LA FRANCOPHONIE

Date : March 25, 2014

Upper Barristers' Lounge (6:00 p.m. – 8:00 p.m.)

HOLOCAUST REMEMBRANCE DAY

Date : April 28, 2014

Donald Lamont Learning Centre (4:00 p.m. – 6:00 p.m.)

Convocation Hall (6:00 p.m. – 8:00 p.m.)

ASIAN AND SOUTH ASIAN HERITAGE MONTH

Date : May 22, 2014

Donald Lamont Learning Centre (4:00 p.m. – 6:00 p.m.)

Convocation Hall (6:00 p.m. – 8:00 p.m.)

ACCESS AWARENESS FORUM

Date: June 4, 2014

Donald Lamont Learning Centre (4:00 p.m. – 8:00 p.m.)

NATIONAL ABORIGINAL HISTORY MONTH - June 19, 2014

Donald Lamont Learning Centre (4:00 p.m. – 6:00 p.m.)

Convocation Hall (6:00 p.m. – 8:00 p.m.)

PRIDE WEEK - June 24, 2013

Donald Lamont Learning Centre (4:00 p.m. – 6:00 p.m.)

Convocation Hall (6:00 p.m. – 8:00 p.m.)

TAB 3.6

FOR INFORMATION

ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT – INTEGRATED REGULATION

BACKGROUND

48. In 2011, the Ontario government approved the Integrated Accessibility Standards, Ontario Regulation 191/11 pursuant to the Accessibility for Ontarians with Disabilities Act, 2005. The *Integrated Accessibility Standards Regulation* sets out special requirements in four areas: employment, information and communications, transportation, design of public spaces, and general requirements that apply to all four areas.
49. As a result, most private sector organizations, including law firms, will have to develop accessibility policies and a plan to outline how they will comply with the regulation, consider accessibility when designing or buying self-service kiosks, train staff and volunteers so that everyone who provides goods or services on their behalf understands the *Integrated Accessibility Standards Regulation* and its requirements, and the Ontario *Human Rights Code* (as it relates to people with disabilities).
50. The Ministry of Economic Development, Trade and Employment has developed a series of online resources to assist organizations in complying with legal obligations. In order to assist law firms in accessing the government's resources that are most relevant to them, the Law Society has produced the documents presented at [TABS 3.6.1 and 3.6.2](#) with a list of compliance dates and links to the government website.
51. The Equity Advisory Group and the Equity Committee have reviewed and approved the documents.

TAB 3.6.1

Accessibility for Ontarians with Disabilities Act, 2005

Integrated Accessibility Standards
Ontario Regulation 191/11Legal Obligations of Law Firms of 50 or more employees

This document provides the list of obligations of law firms of 50 or more employees under the *Integrated Accessibility Standards*, Ontario Regulation 191/11 and links to relevant resources developed by the Ministry of Economic Development, Trade and Employment

The document has been prepared to assist law firms of 50 or more employees develop their resources to comply with their obligations under the *Integrated Accessibility Standards*. This document is not intended to replace law firms' responsibility to know its legal obligations.

General

Obligation	Effective
Develop, implement and maintain policies about how the firm achieves accessibility under the Reg., including a statement of the firm's commitment to met accessibility needs in a timely manner; prepare written documents and make them publicly available (Section 3)	Jan.1, 2014
For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/policies.aspx	
Establish, implement, maintain and document a multi-year accessibility plan and review at least once every 5 years; post plan on website and provide in accessible format upon request (Section 4)	Jan. 1, 2014
For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/plan.aspx	
Have regard to accessibility when designing, procuring or acquiring self-	Jan. 1, 2014

Obligation	Effective
<p>service kiosks (interactive electronic terminals) (Section 6)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/kiosks.aspx</p>	
<p>Training on the regulation and Human Rights Code for employees, volunteers, those who develop law firm's policies and those who provide goods, services or facilities on behalf of the firm. . Maintain record of training, including dates and who received the training. (Section 7)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/train.aspx</p>	Jan. 1, 2015

Information and Communications

Obligation	Effective
<p>Any process for receiving and responding to feedback must be accessible and the public must be notified about the availability of accessible formats and communication supports (Section 11)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm/feedback.aspx</p>	Jan. 1, 2015
<p>Upon request, provide communications in accessible format in a timely manner and notify public about availability of accessible communications (Section 12)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm/info_public.aspx</p>	Jan. 1, 2016
<p>If a firm prepares emergency procedures, plans or public safety information that is available to the public, provide the information in an accessible format upon request (Section 13)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm/emergency_info.aspx</p>	Jan. 1, 2012

Obligation	Effective
<p>Make internet websites web content and increasing to level AA conform with the World Wide Web Consortium Web Content Accessibility Guidelines 2.0, initially at level A (Section 14)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm_website.aspx</p>	<p>Jan. 1, 2014 conform to level A for new internet sites and web content; all internet sites conform with level AA by Jan. 1, 2021 (with some exceptions)</p>

The sections on education or training organizations do not apply to law firms

Education or training organization is defined as an organization falling into one of the following categories:

- Governed by the Education Act or the Private Career Colleges Act, 2005;
- Offers a post-secondary program leading to a degree under the Post-Secondary Education Choice and Excellence Act, 2000;
- Designated public sector organization listed in the Regulation;
- Provides courses or programs that result in the acquisition of a diploma or certificate named by the Minister of Education under the Education Act;
- A private school within the meaning of the Education Act.

Employment

Obligation	Effective
<p>Availability of accommodation in recruitment, including assessment and selection processes, notices to successful applicants, informing employees of support. (Sections 22, 23, 24, 25)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment_hiring.aspx</p>	<p>Jan. 1, 2016</p>

Obligation	Effective
http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/staff_policies.aspx	
<p>Upon request, provide employee with accessible formats and communication supports for information needed in order to perform job, information generally available to employees. Consult with employee to determine suitability. (Section 26)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/employee_info.aspx </p>	Jan. 1, 2016
<p>Provide individualized workplace emergency response information to employees with disabilities, if the disability is such that the individualized information is necessary and the employer is aware of the need for accommodation. (Section 27)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/employees_safe.aspx </p>	Jan. 1, 2012
<p>Documented individual accommodation plans and written processes (Section 28)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/accommodation.aspx </p>	Jan 1, 2016
<p>Develop and have in place return to work processes (Section 29)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/return_work.aspx </p>	Jan. 1, 2016
<p>Take into account accessibility needs in performance management, career development and advancement and redeployment (Sections 30, 31, 32)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/perform_manage.aspx </p>	Jan. 1, 2016

Design of Public Spaces

Should a firm wish to build a new construction or redevelop an existing space in the firm, the firm should consult the Design of Public Spaces Standard. This standard covers:

- Recreational trails/beach access routes
- Outdoor public eating areas like rest stops or picnic areas
- Outdoor play spaces, like playgrounds in provincial parks and local communities
- Outdoor paths of travel, like sidewalks, ramps, stairs, curb ramps, rest areas and accessible pedestrian signals
- Accessible parking (on and off street)

For more information, please see:

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/trails_beach.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/eating_areas.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/play_spaces.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/exterior_paths.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/parking.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/service_counters.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/maintain_accessible_spaces.aspx

TAB 3.6.2

Accessibility for Ontarians with Disabilities Act, 2005

Integrated Accessibility Standards
Ontario Regulation 191/11Legal Obligations of Law Firms of
Fewer than 50 Employees

This document provides the list of obligations of law firms of fewer than 50 employees under the *Integrated Accessibility Standards*, Ontario Regulation 191/11 and links to relevant resources developed by the Ministry of Economic Development, Trade and Employment.

The document has been prepared to assist law firms of fewer than 50 employees develop their resources to comply with their obligations under the *Integrated Accessibility Standards*. This document is not intended to replace law firms' responsibility to know its legal obligations.

General

Obligation	Effective
Develop, implement and maintain policies about how the law firm achieves accessibility under the Reg (Section 3)	Jan.1, 2015
For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/policies.aspx	
Have regard to accessibility when designing, procuring or acquiring self-service kiosks (interactive electronic terminals) (Section 6)	Jan. 1, 2015
For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/kiosks.aspx	
Training on the regulation and Human Rights Code for employees, volunteers, those who develop law firm's policies and those who provide goods, services or facilities on behalf of the firm. (Section 7)	Jan. 1, 2015

Obligation	Effective
For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/general/train.aspx	

Information and Communications

Obligation	Effective
Any process for receiving and responding to feedback must be accessible and the public must be notified about the availability of accessible formats and communication supports (Section 11) For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm/feedback.aspx	Jan. 1, 2016
Upon request, provide communications in accessible format in a timely manner and notify public about availability of accessible communications (Section 12) For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm/info_public.aspx	Jan. 1, 2017
If a firm prepares emergency procedures, plans or public safety information that is available to the public, provide the information in an accessible format upon request (Section 13) For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/info_comm/emergency_info.aspx	Jan. 1, 2012

The sections on education or training organizations do not apply to law firms

Education or training organization is defined as an organization falling into one of the following categories:

- Governed by the Education Act or the Private Career Colleges Act, 2005;

- Offers a post-secondary program leading to a degree under the Post-Secondary Education Choice and Excellence Act, 2000;
- Designated public sector organization listed in the Regulation;
- Provides courses or programs that result in the acquisition of a diploma or certificate named by the Minister of Education under the Education Act;
- A private school within the meaning of the Education Act.

Employment

Obligation	Effective
<p>Availability of accommodation in recruitment, including assessment and selection processes, notices to successful applicants, informing employees of support. (Sections 22, 23, 24, 25)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/hiring.aspx http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/staff_policies.aspx</p>	Jan. 1, 2017
<p>Upon request, provide employee with accessible formats and communication supports for information needed in order to perform job, information generally available to employees. Consult with employee to determine suitability. (Section 26)</p> <p>For information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/employee_info.aspx</p>	Jan. 1, 2017
<p>Provide individualized workplace emergency response information to employees with disabilities, if the disability is such that the individualized information is necessary and the employer is aware of the need for accommodation. (Section 27)</p> <p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/employees_safe.aspx</p>	Jan. 1, 2012
<p>Take into account accessibility needs in performance management, career development and advancement and redeployment (Sections 30, 31, 32)</p>	Jan. 1, 2017

Obligation	Effective
<p>For more information, please see: http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/employment/employees_safe.aspx</p>	

Design of Public Spaces

Should a firm wish to build a new construction or redevelop an existing space in the firm, the firm should consult the Design of Public Spaces Standard. This standard covers:

- Recreational trails/beach access routes
- Outdoor public eating areas like rest stops or picnic areas
- Outdoor play spaces, like playgrounds in provincial parks and local communities
- Outdoor paths of travel, like sidewalks, ramps, stairs, curb ramps, rest areas and accessible pedestrian signals
- Accessible parking (on and off street)

For more information, please see:

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/trails_beach.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/eating_areas.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/play_spaces.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/exterior_paths.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/parking.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/service_counters.aspx

http://www.mcass.gov.on.ca/en/mcass/programs/accessibility/info_sheets/public_spaces/maintain_accessible_spaces.aspx

NOTE: Law firms of fewer than 50 employees are exempted from the requirement to file accessibility reports under section 14 of the Accessibility for Ontarians with Disabilities Act, 2005 with respect to the accessibility standards in this Regulation.



Tab 4

Report to Convocation September 25, 2013

Bencher Election Working Group

Working Group Members:

Derry Millar (Chair)

Constance Backhouse

Julian Falconer

Janet Leiper

Susan Richer

James Scarfone

Purpose of Report: Decision

**Prepared by the Policy Secretariat
(Jim Varro 416-947-3434)**

AMENDMENTS TO BY-LAW 3 TO IMPLEMENT REFORMS TO THE BENCHER ELECTION AND PARALEGAL STANDING COMMITTEE ELECTION PROCESSES

Motion

1. That Convocation approve the amendments to By-Law 3 [Benchers, Convocation, Committees] set out in the motion at [Tab 4.1](#).
2. On June 27, 2013, Convocation approved a number of reforms to the benchers election process that relate to provisions in By-Law 3.¹
3. Amendments to By-Law 3 have been prepared to implement these reforms. The motion to amend appears at [Tab 4.1](#) Changes to the text of the By-law as a result of the amendments are included at [Tab 4.2](#).
4. The motion also amends the sections of the By-Law that set out procedures for the election of the five paralegals to the Paralegal Standing Committee. These changes mirror the benchers election reforms to the extent that they are applicable to the paralegal election. The changes were approved at the September 12, 2013 meeting of the Paralegal Standing Committee and are reported separately to September 25 Convocation by that Committee.

¹ That Convocation approve a reduction in the number of nominators required for a benchers candidate from at least ten to at least five nominators; That Convocation approve a requirement that a candidate's biographical information submitted with the nomination form include an e-mail address for the candidate if the candidate has an e-mail address; That Convocation approve a reduction in the maximum number of words in a candidate's election statement from 700 words to 350 words; That Convocation approve changes in the following dates: the date for the qualification of electors as eligible voters in the election (freezing of the voters list) from the fourth Friday in March in an election year to the first Friday in April; and the date for the preparation of the polling list of eligible voters in the election from on or shortly after the first Monday after the fourth Friday in March in an election year to on or shortly after the next Monday in April after the first Friday in April in an election year; That Convocation approve that election materials described in By-Law 3 and prepared by the Law Society shall be distributed to voters electronically and that the distribution shall be done only by e-mail subject to individual accommodation requests under the *Human Rights Code* for materials in alternate format.

Tab 4.1

THE LAW SOCIETY OF UPPER CANADA
**BY-LAWS MADE UNDER
SUBSECTIONS 62 (0.1) AND (1) OF THE *LAW SOCIETY ACT***

**BY-LAW 3
[BENCHERS, CONVOCATION AND COMMITTEES]**

MOTION TO BE MOVED AT THE MEETING OF CONVOCATION ON SEPTEMBER 25, 2013

MOVED BY

SECONDED BY

THAT By-Law 3 [Benchers, Convocation and Committees] made by Convocation on May 1, 2007 and amended by Convocation on June 28, 2007, September 20, 2007, November 22, 2007, June 26, 2008, April 30, 2009, September 24, 2009, February 25, 2010, May 27, 2010, October 28, 2010, November 25, 2010, January 27, 2011, November 24, 2011, April 26, 2012 and September 27, 2012 be further amended as follows:

- 1. Subsection 8 (2) of the By-Law is amended by striking out “ten” and substituting “five”.**
- 2. Subsection 8 (5) of the By-Law is amended by striking out “ten” and substituting “five”.**
- 3. Paragraph 3 of subsection 10 (1) of the By-Law is amended by striking out “700” and substituting “350”.**
- 4. Section 10 of the By-Law is amended by adding the following:**

Statement containing biographical information: required content

(1.1) If a candidate opts to submit the statement containing biographical information mentioned in paragraph 2 of subsection (1), the candidate shall include in the statement an email address that voters may use to communicate with the candidate.

5. Section 16 of the By-Law is revoked and the following substituted:

Qualification of electors

16. A licensee whose licence is not suspended on the first Friday in April is entitled to vote in an election of benchers.

6. Subsection 18 (1) of the By-Law is amended by striking out “fourth Friday in March” and substituting “first Friday in April”.

7. Subsection 18 (2) of the By-Law is amended by striking out “fourth Friday in March” and substituting “first Friday in April”.

8. Section 21 of the By-Law is revoked and the following substituted:

Election materials: distribution

21. (1) As soon as practicable after the Elections Officer has prepared the polling list, the Elections Officer shall distribute to every person whose name appears on the polling list,

- (a) the election materials prepared under section 19; and
- (b) voting instructions.

Means of distribution

(2) The distribution mentioned in subsection (1) may be done by email to a person’s business email address or, where the person has no business email address, the person’s home email address, as indicated on the records of the Society.

9. Paragraph 3 of subsection 136.9 (1) of the By-Law is amended by striking out “700” and substituting “350”.

10. Section 136.9 of the By-Law is amended by adding the following:

Statement containing biographical information: required content

(1.1) If a person being nominated as a candidate in an election of paralegal members opts to submit the statement containing biographical information mentioned in paragraph 2 of subsection (1), the person shall include in the statement an email address that voters may use to communicate with the candidate.

11. Subsection 136.14 (1) of the By-Law is amended by striking out “fourth Friday in February” and substituting “first Friday in March”.

AMENDMENTS TO BY-LAW 3 (EXCERPTS)

Time for close of nominations

8. (1) Subject to subclause 9 (3) (b) (ii), the close of nominations of candidates shall be 5 p.m. on the second Friday in February.

Nomination of candidates

(2) A candidate shall be nominated by at least ~~five~~ ~~ten~~ licensees whose licences are not suspended at the time of signing the nomination form.

Consent to nomination

(3) A nomination shall be accompanied by the candidate's consent to the nomination.

Nomination form

(4) The nomination of a candidate and the candidate's consent to the nomination shall be contained in a nomination form provided by the Society.

Signatures

(5) The nomination form shall be signed by the candidate and the ~~five~~ ~~ten~~ licensees who are nominating the candidate.

...

Nomination form: optional accompanying material

10. (1) A candidate may submit the following materials along with his or her nomination form:

1. A photograph of the candidate that meets all specifications established by the Elections Officer.

2. A statement of not more than 120 words, including headings, titles and other similar parts of the statement, containing biographical information about the candidate.

3. A typed election statement of not more than ~~350~~ ~~700~~ words, including headings, titles and other similar parts of the statement.

Statement containing biographical information: required content

(1.1) If a candidate opts to submit the statement containing biographical information mentioned in paragraph 2 of subsection (1), the candidate shall include in the statement an email address that voters may use to communicate with the candidate.

...

QUALIFICATION OF ELECTORS

Qualification of electors

~~16. A licensee who, on the fourth Friday in March, and whose licence is not suspended on the fourth Friday in March is entitled to vote in an election of benchers.~~

16. A licensee whose licence is not suspended on the first Friday in April is entitled to vote in an election of benchers.

...

LIST OF ELECTORS

Polling list

18. (1) On or shortly after the first Monday after the first Friday in April ~~fourth Friday in March~~, the Elections Officer shall prepare a polling list.

Same

(2) The polling list shall include the names of all licensees whose licences are not suspended on the first Friday in April ~~fourth Friday in March~~.

ELECTION MATERIALS

Election materials: distribution

~~21. As soon as practicable after the Elections Officer has prepared the polling list, the Elections Officer shall distribute to every person whose name appears on the polling list,~~

~~(a) the election materials prepared under section 19; and~~

~~(b) voting instructions.~~

Election materials: distribution

21. (1) As soon as practicable after the Elections Officer has prepared the polling list, the Elections Officer shall distribute to every person whose name appears on the polling list,

(a) the election materials prepared under section 19; and

(b) voting instructions.

Means of distribution

(2) The distribution mentioned in subsection (1) may be done by email to a person's business email address or, where the person has no business email address, the person's home email address, as indicated on the records of the Society.

...

Nomination form: optional accompanying material

136.9. (1) A person being nominated as a candidate in an election of paralegal members may submit the following items along with her or his nomination form:

1. A photograph of the person that meets all specifications established by the Elections Officer.
2. A statement of not more than 120 words, including headings, titles and other similar parts of the statement, containing biographical information about the person that meets all other specifications established by the Elections Officer.
3. An election statement of not more than ~~350.700~~ words, including headings, titles and other similar parts of the statement, that meets all other specifications established by the Elections Officer.

(1.1) If a person being nominated as a candidate in an election of paralegal members opts to submit the statement containing biographical information mentioned in paragraph 2 of subsection (1), the person shall include in the statement an email address that voters may use to communicate with the candidate.

...

QUALIFICATION OF ELECTORS

Qualification of electors

136.14. (1) A person who is licensed to provide legal services and whose licence is not suspended on the first Friday in March ~~fourth Friday in February~~ is entitled to vote in an election of paralegal members.



TAB 5

Report to Convocation September 25, 2013

Tribunals Committee

Committee Members

Raj Anand (Chair)

Adriana Doyle (Vice-Chair)

Larry Banack

Jack Braithwaite

Christopher Brett

Paul Dray

Lee Ferrier

Alan Gold

Howard Goldblatt

Jennifer Halajian

Virginia MacLean

Dow Marmur

Mark Sandler

James Scarfone

Robert Wadden

**Purposes of Report: Decision
Information**

**Prepared by the Policy Secretariat
(Sophia Sperdakos 416-947-5209)**

TABLE OF CONTENTS

For Decision

Adjudicator as Witness [TAB 5.1](#)

In Camera Item [TAB 5.2](#)

For Information

Tribunals Office Statistics [TAB 5.3](#)

COMMITTEE PROCESS

1. The Committee met on September 12, 2013. Committee members Raj Anand (Chair), Adriana Doyle (Vice-Chair), Christopher Brecht, Paul Dray, Howard Goldblatt, Jennifer Halajian, Virginia MacLean, Dow Marmur, Mark Sandler, James Scarfone and Robert Wadden attended. Staff members Grace Knakowski, Sophia Sperdakos and Jim Varro also attended. Tribunals Chair David Wright also attended.

TAB 5.1

ADJUDICATOR AS WITNESS

MOTION

2. That Convocation revoke its 1995 policy respecting “benchers as witness” and replace it with the following policy (English and French) respecting adjudicators as witnesses:

No adjudicator, bencher or elected paralegal member of the Paralegal Standing Committee shall provide written or oral evidence as a character witness in support of a party before either the Hearing Panel or Appeal Panel unless the party demonstrates that the inability to put such evidence before the Panel would unfairly prejudice the party.

Aucun arbitre, conseiller ou parajuriste élu membre du Comité permanent des parajuristes ne doit fournir de preuve écrite ou orale à titre de témoignage de la bonne moralité à l'appui d'une partie devant le Comité d'audition ou le Comité d'appel, à moins que la partie ne démontre que l'incapacité de présenter une telle preuve au Comité lui causerait un préjudice indu.

3. That Convocation approve the inclusion of the policy in the Adjudicator Code of Conduct as set out at [TAB 5.1.1: ACC Revised English](#) and [TAB 5.1.2: ACC Revised French](#).

Background

4. On occasion benchers have provided or sought to provide character evidence on behalf of a licensee at Law Society hearings through either testimony or supporting letters. Concern has been raised about the appropriateness of such testimony. The concern about benchers providing character evidence, including for another bencher, is that it may leave the impression in the public's mind that the system is skewed in favour of the lawyer or paralegal licensee over the complainant. Since the introduction of non-bencher adjudicators, this concern about such character evidence extends to all adjudicators.

5. Convocation approved a general policy respecting conflicts of interest in 1995. Among other provisions the policy states that it is a matter of individual judgment whether a benchers who knows a licensee who is the subject of a Law Society proceeding should testify on his or her behalf, as follows:

It is a matter of individual judgment whether a benchers who knows a member either personally or professionally should participate as a witness or in some other capacity in support of the member in respect of a discipline, incapacity, admission, readmission or competency hearing or any other matter involving that member's rights and privileges.
6. Whereas many of the other conflict provisions addressed in the 1995 policy have now been updated and appear in the Adjudicator Code of Conduct, the policy with respect to benchers/adjudicator as witness has not been reviewed.
7. The Committee is of the view that the current approach is not in keeping with the Law Society's commitment to open and transparent adjudicative processes and to adjusting its existing policies in the face of that commitment.
8. The Committee has developed a revised policy, set out at paragraph 2 above, that it proposes,
 - a. replace the 1995 policy; and
 - b. be included in the Adjudicator Code of Conduct.
9. In the Committee's view, the proposed policy provides an appropriate balance between the licensee's ability to put forward his or her case and the importance of a transparent and fair process that is in the public interest. The proposed policy applies only to character evidence, meaning that an adjudicator with evidence to provide on the substantive issues in a matter would not be affected by the policy. Moreover, even with respect to character evidence, if a licensee can satisfy a Hearing Panel that the inability to put such evidence before the Panel would unfairly prejudice the affected party, the evidence will be available.

10. The proposed policy has been considered by the Tribunals Committee, the Paralegal Standing Committee and the Professional Regulation Committee, all of which are in agreement with it.



TAB 5.1.1

ADJUDICATOR CODE OF CONDUCT

PART 1 INTRODUCTION

- I. Purpose
- II. Definitions
- III. Application

PART 2 CONFLICT OF INTEREST AND REASONABLE APPREHENSION OF BIAS

- IV. Definitions
- V. Appropriate Conduct
- VI. Procedural Protocol
 - A. Overview
 - B. After Accepting an Appointment to a Panel but Prior to Hearing the Matter
 - C. Arising During a Proceeding
 - D. Adjudicator under Investigation

PART 3 ADJUDICATOR RESPONSIBILITIES

- VII. Conduct During the Proceeding
- VIII. Decision-Making Responsibilities
- IX. Responsibilities to Other Panelists
- X. Responsibilities when Sitting as a Panel
- XI. Responsibilities to the Chairs of the Hearing and Appeal Panels
- XII. Responsibilities to the Tribunal
- XIII. Post-Term Responsibilities

**Law Society of Upper Canada
Adjudicator Code of Conduct**

PART 1 INTRODUCTION

I. Purpose

1. The Law Society of Upper Canada Adjudicator Code of Conduct (“Code”) is a guide to the conduct and the professional and ethical responsibilities of the Law Society’s adjudicators. It is not intended as a legislative directive. Although there is some mandatory language in it, this is reflective of Convocation policies. The balance of the provisions is expressed in permissive language, but the purpose of the guide is to reflect accepted principles of behaviour. Law Society adjudicators should familiarize themselves with the content of this document in addition to the legislation, rules and procedures established to ensure that the Law Society’s tribunal processes are consistent, transparent and fair.

II. Definitions

2. In the Code,
Adjudicator includes all members of the Hearing and Appeal Panels, whether a benchler, a licensee, a person approved by the Attorney General of Ontario or a temporary panelist;

Appeal Panel means the Law Society Appeal Panel established under Part II of the *Law Society Act*;

Chair of the Appeal Panel means the member of the Appeal Panel appointed by Convocation as Chair of the Appeal Panel pursuant to the *Law Society Act*;

Chair of the Hearing Panel means the member of the Hearing Panel appointed by Convocation as Chair of the Hearing Panel pursuant to the *Law Society Act*;

Chair of the Panel means the individual member of a panel designated to ensure that a proceeding is conducted in an orderly fashion;

Final disposition of a matter occurs when the panel assigned to hear and decide a matter on the merits renders a final decision, order and, where reasons are required or given, reasons;

Hearing Panel means the Law Society Hearing Panel established under Part II of the *Law Society Act*;

Investigation means an investigation pursuant to s.49.3 of the *Law Society Act* of which the adjudicator has received written notice from the Law Society;

Panel means a member or group of members of the Hearing Panel or Appeal Panel assigned to hear and determine a matter pursuant to Part II of the *Law Society Act*;

Proceeding means a proceeding under the *Law Society Act* that commences with the service of an originating process;

Tribunal means the Law Society of Upper Canada Hearing Panel and/or Appeal Panel, established pursuant to the *Law Society Act*, to hear and determine matters in whole or in part.

III. Application

3. The Code applies to all Law Society adjudicators. The Code applies to the following areas of adjudicator responsibility: the conduct of pre-hearing conferences, hearings management (HM) and appeals management (AM) functions, hearings and appeals, and decision-making, as well as the institutional responsibilities of adjudicators to colleagues, the chairs of the Hearing Panel and Appeal Panel, and to the tribunal itself.
4. Adjudicators are responsible for conducting themselves in a professional and ethical manner. The Code is a guide. It cannot anticipate all possible fact situations in which adjudicators may be called upon to exercise judgment about appropriate conduct.
5. The Code governs the conduct of adjudicators from the beginning of the term of membership in, or appointment to, the Hearing Panel or Appeal Panel and includes continuing responsibilities after completion of the term of membership. The Code also governs temporary panelists appointed to the Hearing Panel or Appeal Panel pursuant to the *Law Society Act* from the time of the panelist's appointment and includes continuing responsibilities after the final disposition of the matter.

PART 2 CONFLICT OF INTEREST AND REASONABLE APPREHENSION OF BIAS

IV. Definitions

6. A **conflict of interest** is any interest, relationship, association or activity that is incompatible with an adjudicator's obligations to the tribunal. Conflicts may be actual or perceived. In this Code, 'conflict of interest' includes both pecuniary and non-pecuniary conflicts.
7. A **pecuniary conflict of interest** will arise where an adjudicator has a financial interest that may be affected by the resolution or treatment of a matter before the tribunal. The financial interest may be that of the adjudicator, or of a relative or other person with whom the adjudicator has a relationship.
8. A **non-pecuniary conflict of interest** will arise where an adjudicator has a non-financial interest, relationship, or association, or is involved in an activity, that is incompatible with an adjudicator's responsibilities as an impartial decision-maker. The interests, relationships, or activities of a relative or associate may raise a potential conflict for adjudicators if they will be affected by the determinations of the tribunal.
9. **Bias** exists where considerations extraneous to the evidence, law, or submissions applicable to the matter before the tribunal influence an adjudicator's ability to make a neutral and impartial decision. A reasonable apprehension of bias arising from an adjudicator's conduct or conflict of interest may be as detrimental to the public interest as actual bias.

10. A **significant professional relationship** may include, for example, employee/employer, solicitor/client, partnership/association, or employee, associate or partner/law firm. Significant professional relationships may also arise outside the workplace as a result of, for example, the volunteer or charitable activities of an adjudicator.
11. A **personal relationship** may include, for example, a friendship or a spousal relationship.

V. Appropriate Conduct

12. Conflicts of interest and bias, actual or perceived, are incompatible with neutral adjudication. Where the circumstances surrounding a proceeding raise an allegation of conflict of interest or bias on the part of an adjudicator, the test for whether or not the adjudicator should be disqualified from adjudicating the matter is whether or not the facts or procedure could give rise to a reasonable apprehension of conflict of interest or bias in the mind of a reasonable and informed person.
13. Any conflict of interest, actual or perceived, arising from an adjudicator's professional or personal interests and the adjudicator's responsibilities as an adjudicator should be resolved in favour of the public interest.
14. Adjudicators should not allow their personal or professional activities to undermine the discharge of their responsibilities as Law Society adjudicators.
15. Adjudicators should minimize the likelihood of conflicts arising that may affect their neutrality or give rise to an allegation of bias.
16. Adjudicators are prohibited from representing a licensee or licensee applicant who is the subject of a complaint and/or an investigation by the Law Society, appearing as counsel before the tribunal and from being retained as professional or legal consultants in the preparation of a matter before the tribunal or in any matter relating to the work of the tribunal. Adjudicators are prohibited from engaging in these activities for 12 months following the end of their term as a bench member or their appointment to the Hearing Panel or Appeal Panel, or after the release of any outstanding decisions, orders or reasons, whichever is later. This does not preclude adjudicators from providing informational advice, without a fee, to licensees or licensee applicants who may be the subject of a complaint and/or an investigation or subject to disciplinary proceedings.
17. Adjudicators should not adjudicate in any proceeding, or participate in tribunal discussions of any matter, in which they, or a business associate, have a financial interest that is neither remote nor trivial and may be affected by the resolution or treatment of a matter before the tribunal.
18. Adjudicators should not adjudicate in any proceeding, or participate in tribunal discussions with respect to any matter, in which a party or the party's representative appearing before the tribunal or providing evidence (other than a written testimonial) is from their current law firm. A similar prohibition applies where a party or a party's representative practises in association with the adjudicator.

19. Adjudicators will not normally be eligible to conduct a proceeding involving a party or the party's representative with whom they were formerly in a significant professional relationship until at least 12 months have elapsed from the termination of the relationship. In some circumstances it may never be appropriate for the adjudicator to conduct a proceeding involving that individual. When evaluating whether the adjudicator's participation in the proceeding would give rise to a reasonable apprehension of bias, the position of all parties, although not determinative, and the circumstances of the relationship should be carefully considered.
20. Adjudicators will not normally be eligible to conduct a proceeding involving a party or a party's representative with whom they have a personal relationship. When evaluating whether the adjudicator's participation in the proceeding would give rise to a reasonable apprehension of bias, the position of all parties, although not determinative, and the circumstances of the relationship should be carefully considered.
21. Adjudicators should not generally adjudicate in any proceeding in which they, a relative or a business associate, have had any prior involvement in the proceeding.
22. Adjudicators should not adjudicate in any proceeding in which the outcome may have an impact on any other legal proceeding in which they have a significant personal interest.
23. Adjudicators should not take improper advantage of information obtained through official tribunal duties.

VI. Procedural Protocol

A. Overview

24. It is the responsibility of each adjudicator to consider any circumstance that might suggest a possible conflict of interest or bias in respect of any of the adjudicator's responsibilities. It may be that only the adjudicator is in a position to recognize a possible conflict or issue of bias.
25. As soon as grounds for a potential conflict of interest or allegation of bias are identified, an adjudicator should take appropriate steps as outlined in this Code. The particular procedure to follow will depend on whether the potential conflict of interest or bias is identified after accepting an appointment to a panel, but prior to hearing the matter, or is identified during a proceeding.
26. Where an adjudicator is under investigation, or the adjudicator is the subject of a Law Society proceeding, the adjudicator should follow the procedure articulated in the Code.
27. An adjudicator who is uncertain about the appropriate action to take should consult with the Chair of the Hearing Panel or the Chair of the Appeal Panel.
28. Where a party has made submissions challenging the neutrality of an adjudicator, the panel should provide reasons, in most cases in writing, for its decision on the issue.

- B. After Accepting an Appointment to a Panel but Prior to Hearing the Matter**
29. Where an adjudicator becomes aware of circumstances that suggest a possible conflict of interest or bias on the part of the adjudicator after being assigned to hear a matter, but prior to the commencement of the hearing, the adjudicator should inform the Tribunals Office immediately. The adjudicator should indicate to the Tribunals Office that,
- the adjudicator wishes to withdraw from the panel; or
 - the adjudicator is aware of circumstances that suggest a possible conflict of interest or bias on the part of the adjudicator but the adjudicator, having given the circumstances careful consideration, has determined that the adjudicator is able to proceed with hearing the matter objectively, and will advise the parties on the record at the hearing; and
 - the adjudicator consents to the Tribunals Office bringing the matter to the attention of the other panel members.
- C. Arising During a Proceeding**
30. During a proceeding, the panel shall determine issues of conflict of interest or bias.
31. Where, during a proceeding, an adjudicator becomes aware of circumstances that suggest a possible conflict of interest or bias and the related circumstances may be unknown to the parties, the adjudicator should request the panel to recess the proceedings. The panel should then consider the seriousness of the possible conflict of interest or bias and determine whether,
- the adjudicator should withdraw from the panel; or
 - the parties should be informed of the circumstances, submissions heard and a determination on the issue made.
32. Where a panel hears submissions from the parties on the issue of conflict of interest or bias, the panel should make a determination of the issue before continuing with the proceeding.
33. Where an allegation of conflict of interest or bias is raised about an adjudicator by a party,
- the adjudicator may immediately withdraw from the panel if appropriate, given the nature and the circumstances of the alleged conflict of interest or bias; or
 - the panel may hear submissions from the parties with respect to the alleged conflict of interest or bias and make a determination on the issue.
- D. Adjudicator Under Investigation**
34. To preserve the integrity of the Law Society tribunal an adjudicator, subject to the provisions of paragraphs 35 and 36, should not sit as an adjudicator once a complaint has been instructed for investigation pursuant to s.49.3 of the *Law Society Act* or a proceeding has been authorized by the Proceedings Authorization Committee or the adjudicator is the subject of an ongoing Law Society proceeding following the investigation.
35. Once a complaint has been instructed for investigation pursuant to s.49.3 of the *Law Society Act*, an adjudicator, subject to the discretion of the Treasurer, should decline to be scheduled to adjudicate when the Tribunals Office canvasses the adjudicator's

availability. It is left to the discretion of each adjudicator to determine whether to disclose the reason for declining to be scheduled to adjudicate.

36. If an adjudicator is already assigned to a panel and a complaint has been instructed for investigation pursuant to s.49.3 of the *Law Society Act*, the adjudicator should advise the Treasurer and, subject to the discretion of the Treasurer:

Prior to commencement of hearing:

where the hearing has not yet commenced, the adjudicator should inform the Tribunals Office immediately that the adjudicator wishes to withdraw from the panel.

After the commencement of hearing

where an adjudicator is a member of a seized panel, the adjudicator should consider the issue and determine whether the adjudicator should withdraw from the panel.

37. It is left to the discretion of each adjudicator to determine whether to disclose the reason for declining to adjudicate or withdrawing from the panel.

PART 3 ADJUDICATOR RESPONSIBILITIES

VII. Conduct During the Proceeding

38. Adjudicators are expected to conduct both themselves and the proceedings in a judicial manner. To this end, adjudicators should,
 - a. approach every proceeding with an open mind with respect to every issue and avoid comments or conduct that could cause any person to think otherwise;
 - b. listen carefully and respectfully to the views and submissions of the parties and their representatives; and
 - c. show respect for the parties, their representatives, witnesses, their panel colleagues, and for the proceeding process itself, through their demeanour, timeliness, dress and conduct throughout the proceeding.
39. Other than for scheduling a further hearing of the matter before the panel, adjudicators should refrain from using personal communication devices during a proceeding.
40. Adjudicators should familiarize themselves with constitutional requirements and legislation, such as the Canadian Charter of Rights and Freedom and the Ontario Human Rights Code, to ensure that they conform to relevant requirements. In addition, they should also be sensitive to issues of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, marital status, family status or disability.
41. Adjudicators should avoid undue interruption and interference in the examination and cross-examination of witnesses. To this end, adjudicators should be and appear to be objective and should avoid the appearance of advocating on behalf of a party to the proceeding.
42. The Law Society does not provide counsel to its tribunals. Accordingly, adjudicators

should request submissions on questions of procedure or law from all parties or their representatives. Where all parties or their representatives are not in attendance before the tribunal, the request should be made of all parties through the Tribunals Office.

43. When attempting to ensure that unrepresented parties are not procedurally disadvantaged at a proceeding, adjudicators should do so in a manner that is not inconsistent with their role as impartial arbiters.
44. Communicating off the record with parties, their representatives or witnesses in respect of proceedings may give rise to an apprehension of bias. As a result, adjudicators should not, in respect of proceedings and before a decision is released,
 - a. communicate with those persons, except in the presence of all parties and their representatives or with the consent of the parties;
 - b. correspond with parties, or their representatives, by any means (email, facsimile, text message, etc.), except through the Tribunals Office. It is the responsibility of the Tribunals Office to forward the adjudicators' communications to all parties and their representatives; and
 - c. when attending social occasions, discuss any matter in respect of the proceedings.
45. Hearing rooms and areas in which adjudicators convene may be accessible to others. It is essential that adjudicators not leave confidential materials, including their own notes taken during the proceeding, in plain view where others may have access to them.

VIII. Decision-Making Responsibilities

46. Adjudicators should make decisions on the merits and justice of the matter, based on the law and the evidence.
47. Adjudicators should apply the law to the evidence in good faith and to the best of their ability. The prospect of disapproval from any person, institution, or community must not deter adjudicators from making the decision that they believe is correct based on the law and the evidence.
48. Adjudicators should endeavour to ensure that decisions are rendered in a timely manner. Where written reasons are to be given, adjudicators should strive to ensure that they are prepared with reasonable promptness having regard to all the circumstances including, to the need to protect the public interest, as well as to the rights of the licensee, the urgency of the matter, the length of the proceeding and its complexity.

IX. Responsibilities To Other Panelists

49. Adjudicators should, through their conduct, promote civility among Law Society adjudicators and in the hearing process and be respectful of the views and opinions of colleagues.

X. Responsibilities When Sitting as a Panel

50. Adjudicators should make themselves available on a timely basis for discussions with their panel colleagues on the conduct of the proceeding and on the substance of the determinations to be made. When a draft decision is provided for comments, adjudicators should respond at the earliest opportunity. Adjudicators should follow the procedure for

written reasons as determined by the Tribunals Office in consultation with the Chairs of the Hearing and Appeal Panels.

51. Adjudicators should consider carefully panel colleagues' reasons where there is a difference in their proposed determinations on an interim or final decision. However, adjudicators should not abandon strongly held views on an issue of substance, either for the sake of panel unanimity or in exchange for agreement on any other point.
52. In circumstances where adjudicators are unable to agree with the proposed decision of a majority of the panel after discussion and careful consideration, they should endeavour to ensure that a reasoned dissent is rendered with reasonable promptness.

XI. Responsibilities To the Chairs of the Hearing and Appeal Panels

53. When adjudicators become aware of colleagues' conduct that may threaten the integrity of the tribunal or its processes, they have a duty to advise the Chair of the Hearing Panel or the Chair of the Appeal Panel of the circumstances as soon as reasonably practicable.

XII. Responsibilities To the Tribunal

54. Adjudicators should comply with the policies and procedures established for the tribunal.
55. Where adjudicators have questions about the appropriateness of any hearing or appeal policy or procedure, they may consult with the Chair of the Hearing Panel or the Chair of the Appeal Panel.
56. Adjudicators should refrain from publicly taking a partisan position in respect of individual matters under consideration in a proceeding before the tribunal.
57. Adjudicators should not make public comment, orally or in writing, on any aspect of a matter before them.
58. Adjudicators should exercise caution before publicly commenting on the decisions, procedures or structures of the tribunal, a decision of colleagues, or on the manner in which other colleagues have conducted themselves during a proceeding.
59. It is generally inappropriate for adjudicators to communicate with the media regarding a decision of the tribunal or the tribunal's conduct of a proceeding. All inquiries from the media should be referred to the Law Society's Communications Department.
60. Adjudicators shall attend adjudicator education programs in accordance with policies adopted by Convocation.
61. Adjudicators should not divulge confidential information unless legally required to do so or appropriately authorized to release the information.

62. Adjudicators should not engage in conduct that exploits their position of authority.

~~62-63.~~ No adjudicator, benchler or elected paralegal member of the Paralegal Standing Committee shall provide written or oral evidence as a character witness in support of a

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party before either the Hearing Panel or Appeal Panel unless the party demonstrates that the inability to put such evidence before the Panel would unfairly prejudice the party

XIII. Post-Term Responsibilities

- | ~~63~~.64. Adjudicators have an on-going duty of confidentiality after the expiry of their membership in, or appointment to, the Hearing Panel or Appeal Panel.
- | ~~64~~.65. Adjudicators whose term of appointment has expired, but who have continuing responsibilities by virtue of on-going proceedings in which they participated as adjudicators continue to be guided by this Code.



TAB 5.1.2

CODE DE DÉONTOLOGIE DES ARBITRES

PARTIE 1 – INTRODUCTION

- I. Objet
- II. Définitions
- III. Application

PARTIE 2 – CONFLITS D'INTÉRÊTS ET CRAINTE RAISONNABLE DE PARTIALITÉ

- IV. Définitions
- V. Conduite appropriée
- VI. Protocole de procédure
 - A. Aperçu
 - B. Après l'acceptation de la nomination à un comité mais avant l'audition de l'affaire
 - C. Pendant l'instruction de l'affaire
 - D. Arbitre soumis à une enquête

PARTIE 3 – RESPONSABILITÉS DE L'ARBITRE

- VII. Conduite pendant l'instance
- VIII. Responsabilités décisionnelles
- IX. Responsabilités envers les autres membres du comité
- X. Responsabilités pendant les séances du comité
- XI. Responsabilités envers la présidence du Comité d'audition et du Comité d'appel

- XII. Responsabilités envers le tribunal
- XIII. Responsabilités après la fin du mandat

**Barreau du Haut-Canada
Code de déontologie des arbitres**

PARTIE 1 – INTRODUCTION

I. Objet

1. Le *Code de déontologie des arbitres* (le « code ») du Barreau du Haut-Canada est un guide régissant la conduite et les responsabilités professionnelles et déontologiques des arbitres du Barreau. Il n'est pas conçu pour servir de directive législative. Bien que certaines dispositions soient parfois libellées en termes impératifs, le *Code* ne fait que refléter les directives du Conseil. Les autres dispositions sont facultatives, mais l'objectif du guide est d'exprimer les principes de comportement reconnus. Les arbitres du Barreau devraient bien connaître le contenu du présent document en plus de la loi, des règles et des procédures établies pour veiller à ce que les procédures du tribunal du Barreau soient constantes, transparentes et équitables.

II. Définitions

2. Dans le code,
 - « **arbitre** » S'entend de tout membre du Comité d'audition ou du Comité d'appel, qu'il soit conseiller, titulaire de permis, personne approuvée par le procureur général de l'Ontario ou membre temporaire d'un comité; (« *Adjudicator* »)
 - « **comité** » S'entend du membre ou du groupe de membres du Comité d'audition ou du Comité d'appel qui sont chargés d'entendre et de trancher une question conformément à la partie II de la *Loi sur le Barreau*; (« *Panel* »)
 - « **Comité d'appel** » S'entend d'un comité d'appel du Barreau constitué en vertu de la partie II de la *Loi sur le Barreau*; (« *Appeal Panel* »)
 - « **Comité d'audition** » Désigne le Comité d'audition du Barreau constitué en vertu de la partie II de la *Loi sur le Barreau*; (« *Hearing Panel* »)
 - « **décision définitive** » Désigne une décision rendue lorsque le comité chargé d'entendre et de trancher une affaire sur le fond rend une décision ou une ordonnance définitive, ainsi que les motifs, lorsqu'ils sont requis ou lorsqu'ils sont publiés; (« *Final disposition of a matter* »)
 - « **enquête** » S'entend d'une enquête tenue conformément à l'article 49.3 de la *Loi sur le Barreau*, dont l'arbitre a reçu un avis écrit du Barreau; (« *Investigation* »)

« **instance** » S'entend d'une instance tenue conformément à la *Loi sur le Barreau* qui est introduite par la signification d'un acte introductif d'instance; (« *Proceeding* »)

« **président du Comité** » S'entend du membre d'un comité qui est désigné pour veiller à ce qu'une instance soit tenue de façon ordonnée; (« *Chair of the Panel* »)

« **président du Comité d'appel** » S'entend d'un membre du Comité d'appel nommé président dudit comité par le Conseil conformément à la *Loi sur le Barreau*; (« *Chair of the Appeal Panel* »)

« **président du Comité d'audition** » S'entend d'un membre du Comité d'audition nommé président dudit comité par le Conseil conformément à la *Loi sur le Barreau*; (« *Chair of the Hearing Panel* »)

« **tribunal** » S'entend du Comité d'audition ou Comité d'appel du Barreau du Haut-Canada, constitué en vertu de la *Loi sur le Barreau* pour entendre et trancher des questions en tout ou en partie. (« *Tribunal* »)

III. Application

3. Le code s'applique à tous les arbitres du Barreau. Il s'applique aux domaines de responsabilité suivants des arbitres : tenue de conférences avant les audiences, fonctions concernant la gestion des audiences et la gestion des appels, audiences et appels, prise de décisions ainsi que responsabilités institutionnelles des arbitres envers les collègues, la présidence du Comité d'audition et du Comité d'appel et le tribunal lui-même.
4. Il incombe aux arbitres de se conduire de façon professionnelle et déontologique. Le code est un guide; il ne peut pas prévoir toutes les situations de fait possibles où les arbitres peuvent être appelés à exercer leur jugement sur ce qui constitue une conduite appropriée.
5. Le code régit la conduite des arbitres depuis le début de leur mandat ou le moment de leur nomination comme membres du Comité d'audition ou du Comité d'appel ainsi que les responsabilités qu'ils continuent d'avoir après la fin de leur mandat. Le code régit aussi les membres temporaires nommés au Comité d'audition ou au Comité d'appel en vertu de la *Loi sur le Barreau* depuis le moment de leur nomination ainsi que les responsabilités qu'ils continuent d'avoir après la décision définitive sur une affaire.

PARTIE 2 – CONFLITS D'INTÉRÊTS ET CRAINTE RAISONNABLE DE PARTIALITÉ

IV. Définitions

6. « **Conflit d'intérêts** » Tout intérêt, relation, association ou activité qui est incompatible avec les obligations de l'arbitre envers le tribunal. Le conflit peut être réel ou apparent. Dans le code, un conflit d'intérêts peut être pécuniaire ou non pécuniaire.
7. « **Conflit d'intérêts pécuniaire** » Situation où un arbitre a un intérêt financier qui peut être touché par la résolution ou le traitement d'une affaire dont le tribunal est saisi.

L'intérêt financier peut être celui de l'arbitre, d'un membre de sa parenté ou d'une autre personne avec qui l'arbitre a une relation.

8. « **Conflit d'intérêts non pécuniaire** » Situation où un arbitre a une relation, une association ou un intérêt non financier, ou s'adonne à une activité qui est incompatible avec ses responsabilités en tant que décideur impartial. Les intérêts, les relations ou les activités d'un membre de la parenté ou d'un associé peuvent engendrer une possibilité de conflit pour l'arbitre s'ils sont visés par les décisions du tribunal.
9. « **Partialité** » Situation où la capacité de l'arbitre de rendre une décision neutre ou impartiale est influencée par des facteurs extérieurs à la preuve, aux principes de droit et aux plaidoiries applicables à l'affaire dont le tribunal est saisi. Une crainte raisonnable de partialité causée par la conduite d'un arbitre ou par un conflit d'intérêts peut être aussi contraire à l'intérêt public qu'une partialité réelle.
10. « **Relation professionnelle étroite** » Comprend notamment une relation entre employeur et employé, entre avocat et client, entre société en nom collectif et association, ou entre un employé, un adjoint ou un associé et un cabinet d'avocats. Une relation professionnelle étroite peut également exister hors du milieu de travail, par exemple en raison des activités bénévoles ou de bienfaisance d'un arbitre.
11. « **Relation personnelle** » Comprend notamment une amitié ou une relation conjugale.

V. Conduite appropriée

12. Les conflits d'intérêts et une partialité réelle ou apparente sont incompatibles avec un processus décisionnel impartial. Si les circonstances entourant une instance donnent lieu à une allégation de conflit d'intérêts ou de partialité de la part d'un arbitre, le critère permettant de décider si l'arbitre devrait être déclaré inhabile à juger l'affaire consiste à savoir si les faits ou la procédure pourraient susciter une crainte raisonnable de conflit d'intérêts ou de partialité dans l'esprit d'une personne raisonnable et informée.
13. Tout conflit d'intérêts, réel ou apparent, découlant des intérêts professionnels ou personnels d'un arbitre et de ses responsabilités en tant qu'arbitre devrait être résolu en faveur de l'intérêt public.
14. Un arbitre ne doit pas permettre à ses activités personnelles ou professionnelles de compromettre l'exercice de ses responsabilités en tant qu'arbitre du Barreau.
15. Un arbitre doit réduire au minimum les possibilités que survienne un conflit d'intérêts qui pourrait porter atteinte à sa neutralité ou donner lieu à une allégation de partialité.
16. Il est interdit à un arbitre de représenter un titulaire de permis ou un candidat à l'obtention d'un permis qui fait l'objet d'une plainte au Barreau ou sur qui le Barreau fait enquête, de comparaître comme avocat devant le tribunal et de fournir des services comme professionnel ou expert-conseil juridique dans la préparation d'une affaire dont le tribunal est saisi ou dans toute affaire se rapportant aux travaux du tribunal. Il est interdit à un arbitre de s'adonner à de telles activités pendant les 12 mois suivant le dernier en

date des faits suivants : la fin de son mandat de conseiller, la fin de son mandat au Comité d'audition ou au Comité d'appel, ou la publication des décisions, ordonnances ou motifs pendants. Cependant, il n'est pas interdit à un arbitre de fournir sans honoraires des avis informatifs à un titulaire de permis ou à un candidat à l'obtention d'un permis qui ferait l'objet d'une plainte ou d'une enquête ou serait passible de mesures disciplinaires.

17. Un arbitre ne doit pas statuer sur une instance, ni participer aux discussions du tribunal sur une affaire, dans laquelle l'arbitre ou un partenaire d'affaires a un intérêt financier qui n'est ni tenu ni banal et qui peut être visé par la résolution ou le traitement d'une affaire dont le tribunal est saisi.
18. Un arbitre ne doit pas statuer sur une instance, ni participer aux discussions du tribunal sur une affaire, dans laquelle une partie ou son représentant qui comparaît devant le tribunal ou apporte une preuve (autre qu'un témoignage écrit) appartient au cabinet d'avocats actuel de l'arbitre. Une interdiction semblable s'applique si une partie ou son représentant pratique le droit en association avec l'arbitre.
19. Un arbitre est normalement inhabile à tenir une instance visant une partie ou son représentant avec qui il a eu antérieurement une relation professionnelle étroite, à moins qu'au moins 12 mois ne se soient écoulés depuis la fin de cette relation. Dans certains cas, il pourrait être inapproprié pour toujours qu'un arbitre tienne une instance visant cette personne. Pour évaluer si la participation de l'arbitre à l'instance susciterait une crainte raisonnable de partialité, la position de toutes les parties, bien qu'elle ne soit pas décisive, et les circonstances de la relation devraient être examinées attentivement.
20. Un arbitre est normalement inhabile à tenir une instance visant une partie ou son représentant avec qui il a une relation personnelle. Pour évaluer si la participation de l'arbitre à l'instance susciterait une crainte raisonnable de partialité, la position de toutes les parties, bien qu'elle ne soit pas décisive, et les circonstances de la relation devraient être examinées attentivement.
21. En général, un arbitre ne doit pas statuer sur une instance si lui-même, un membre de sa parenté ou un partenaire d'affaires y a été mêlé dans le passé.
22. Un arbitre ne doit pas statuer sur une instance dont l'issue peut avoir des répercussions sur une autre instance dans laquelle il a un intérêt personnel important.
23. Un arbitre ne doit pas tirer un avantage illégitime de renseignements obtenus dans l'exercice de ses fonctions officielles au tribunal.

VI. Protocole de procédure

A. Aperçu

24. Il incombe à chaque arbitre d'envisager toute circonstance qui pourrait faire croire à une possibilité de conflit d'intérêts ou de partialité dans l'exercice de ses responsabilités. Il est possible que seul l'arbitre soit en mesure de reconnaître la possibilité de conflit d'intérêts ou de problème de partialité.

25. Aussitôt qu'il a reconnu les motifs pouvant donner lieu à un conflit d'intérêts ou à une allégation de partialité, l'arbitre devrait prendre les mesures appropriées qui sont décrites dans le code. La procédure spécifique à suivre diffère selon que la possibilité de conflit d'intérêts ou de partialité est reconnue après l'acceptation de la nomination à un comité, mais avant l'audition de l'affaire, ou qu'elle est reconnue pendant l'instance.
26. Si l'arbitre fait l'objet d'une enquête ou s'il est partie à une instance du Barreau, il devrait suivre la procédure décrite dans le code.
27. Si l'arbitre ne sait pas quelle est la ligne de conduite appropriée à prendre, il devrait consulter le président du Comité d'audition ou le président du Comité d'appel.
28. Si une partie a formulé des assertions mettant en doute la neutralité d'un arbitre, le comité devrait fournir les motifs de sa décision sur cette question, par écrit la plupart du temps.

B. Après l'acceptation de la nomination à un comité mais avant l'audition de l'affaire

29. Lorsqu'un arbitre prend conscience de circonstances laissant croire à une possibilité de conflit d'intérêts ou de partialité de sa part après avoir été chargé d'entendre une affaire, mais avant le début de l'audience, il devrait en informer immédiatement le greffe du tribunal. L'arbitre devrait informer le greffe du tribunal :
 - a) qu'il désire se retirer du comité;
 - b) qu'il est au courant de circonstances laissant croire à une possibilité de conflit d'intérêts ou de partialité de sa part mais que, après avoir soigneusement réfléchi aux circonstances, il a conclu qu'il est capable de procéder objectivement à l'audition de l'affaire, et qu'il avisera les parties du dossier pendant l'audience,
 - c) qu'il consent à ce que le greffe du tribunal porte la question à l'attention des autres membres du comité.

C. Pendant l'instruction de l'affaire

30. Au cours d'une instance, le comité statue sur les questions de conflit d'intérêts ou de partialité.
31. Si, au cours d'une instance, un arbitre prend conscience de circonstances laissant croire à une possibilité de conflit d'intérêts ou de partialité et si ces circonstances peuvent être inconnues des parties, l'arbitre devrait demander au comité de suspendre l'instance. Le comité devrait alors examiner la gravité du conflit d'intérêts ou de la partialité éventuels et déterminer :
 - a) si l'arbitre devrait se retirer du comité;
 - b) si les parties devraient être informées des circonstances, si leurs observations devraient être entendues et si une décision devrait être rendue sur la question.
32. Si un comité entend les observations des parties sur la question du conflit d'intérêts ou de la partialité, il devrait rendre une décision sur la question avant de continuer d'instruire l'instance.

33. Si une partie a porté une allégation de conflit d'intérêts ou de partialité contre un arbitre,
 - a) l'arbitre peut se retirer immédiatement du comité, si cela est approprié compte tenu de la nature et des circonstances du conflit d'intérêts ou de la partialité présumés;
 - b) le comité peut entendre les observations des parties au sujet de la partialité ou du conflit d'intérêts présumé et rendre une décision à ce sujet.

D. Arbitre soumis à une enquête

34. Pour préserver l'intégrité du tribunal du Barreau, l'arbitre à qui s'appliquent les dispositions des paragraphes 35 et 36 ne devrait pas siéger en tant qu'arbitre une fois que la tenue d'une enquête a été ordonnée au sujet d'une plainte conformément à l'article 49.3 de la *Loi sur le Barreau* ou qu'une instance a été autorisée par le Comité d'autorisation des instances, ou si l'arbitre fait l'objet d'une instance du Barreau à la suite de l'enquête.
35. Une fois que la tenue d'une enquête a été ordonnée conformément à l'article 49.3 de la *Loi sur le Barreau*, un arbitre, sous réserve de la décision discrétionnaire du trésorier, devrait refuser d'être inscrit au calendrier pour siéger à l'instance lorsque le greffe du tribunal s'informe de sa disponibilité. La décision de divulguer la raison de son refus d'être inscrit au calendrier pour siéger à l'instance est laissée à la discrétion de l'arbitre.
36. Si l'arbitre a déjà été nommé à un comité et si la tenue d'une enquête au sujet d'une plainte a été ordonnée conformément à l'article 49.3 de la *Loi sur le Barreau*, l'arbitre devrait en aviser le trésorier, et, sous réserve du pouvoir discrétionnaire du trésorier,

avant le début de l'audience,
l'arbitre devrait informer immédiatement le greffe du tribunal qu'il désire se retirer du comité;

après le début de l'audience,
l'arbitre qui est membre d'un comité saisi devrait réfléchir à la question et décider s'il devrait se retirer du comité.
37. La décision de divulguer la raison de son refus de siéger à l'instance ou de son retrait du comité est laissée à la discrétion de l'arbitre.

PARTIE 3 – RESPONSABILITÉS DE L'ARBITRE

VII. Conduite pendant l'instance

38. Les arbitres sont censés se conduire et diriger l'instance de façon judiciaire. Pour ce faire, ils doivent :
 - a) aborder chaque instance avec un esprit ouvert à l'égard de chaque question en litige, et éviter des propos ou une conduite qui pourraient inciter quiconque à croire que ce n'est pas le cas;

- b) écouter avec respect et attention les opinions et les observations des parties et de leurs représentants;
 - c) faire preuve de respect envers les parties, leurs représentants, les témoins, leurs collègues du comité et le processus même de l'instance par leur comportement, leur ponctualité, leur habillement et leur conduite pendant toute la durée de l'instance.
- 39. Sauf pour inscrire à l'horaire une audience ultérieure sur l'affaire dont le comité est saisi, les arbitres devraient s'abstenir d'utiliser des appareils de communication personnelle pendant l'instruction d'une instance.
- 40. Les arbitres devraient bien connaître les exigences constitutionnelles et la législation, telles que la *Charte canadienne des droits et libertés* et le *Code des droits de la personne* de l'Ontario, pour s'assurer de respecter les exigences pertinentes. De plus, ils devraient aussi être sensibles aux questions touchant la race, l'ascendance, le lieu d'origine, la couleur, l'origine ethnique, la citoyenneté, la croyance, le sexe, l'orientation sexuelle, l'âge, l'état matrimonial, l'état familial ou un handicap.
- 41. Les arbitres devraient éviter les interruptions et l'ingérence dans l'interrogatoire et le contre-interrogatoire des témoins. Pour ce faire, les arbitres doivent être et sembler être objectifs et éviter toute apparence de promotion de la cause d'une partie à l'instance.
- 42. Le Barreau ne fournit pas de services d'avocats à ses tribunaux. En conséquence, les arbitres devraient demander à toutes les parties ou à leurs représentants des observations sur les questions de procédure ou de droit. Si les parties ou leurs représentants ne sont pas tous présents au tribunal, la demande devrait être faite à toutes les parties par l'entremise du greffe du tribunal.
- 43. En tentant de s'assurer que les parties non représentées à l'instance ne sont pas désavantagées sur le plan de la procédure, les arbitres devraient procéder d'une manière qui n'est pas incompatible avec leur rôle d'arbitres impartiaux.
- 44. Des communications non officielles au sujet de l'instance avec les parties, leurs représentants ou les témoins peuvent susciter une crainte de partialité. En conséquence, les arbitres, au sujet de l'instance et avant la publication de la décision, ne devraient pas :
 - a) communiquer avec ces personnes, sauf en présence de toutes les parties et de leurs représentants ou avec le consentement des parties;
 - b) correspondre d'aucune manière (courriel, télécopieur, message texte, etc.) avec les parties ou leurs représentants, sauf par l'entremise du greffe du tribunal, auquel il incombe de transmettre les messages des arbitres à toutes les parties et à leurs représentants;
 - c) discuter quoi que ce soit qui se rapporte à l'instance à l'occasion de rencontres sociales.
- 45. Les salles d'audience et les lieux où se réunissent les arbitres peuvent être accessibles à d'autres. Il est essentiel que les arbitres ne laissent pas à la vue des documents confidentiels, y compris les notes qu'ils prennent pendant l'instance, à un endroit où d'autres peuvent y avoir accès.

VIII. Responsabilités décisionnelles

46. Les arbitres doivent rendre leurs décisions sur le fond de l'affaire, selon la justice et conformément au droit et à la preuve.
47. Les arbitres doivent appliquer le droit à la preuve, de bonne foi et au mieux de leurs capacités. L'éventualité d'être désapprouvés par toute personne, institution ou collectivité ne doit pas les dissuader de rendre la décision qu'ils croient correcte compte tenu du droit et de la preuve.
48. Les arbitres devraient s'efforcer de rendre leurs décisions dans les meilleurs délais. Si des motifs écrits doivent être rendus, les arbitres devraient s'efforcer de les préparer avec une promptitude raisonnable eu égard à toutes les circonstances, y compris le besoin de protéger l'intérêt public, les droits du titulaire de permis, l'urgence de l'affaire, la durée de l'instance et sa complexité.

IX. Responsabilités envers les autres membres du comité

49. Les arbitres, par leur conduite, doivent promouvoir la politesse entre les arbitres du Barreau et au cours du processus d'audition, et respecter les idées et les opinions de leurs collègues.

X. Responsabilités pendant les séances du comité

50. Les arbitres devraient être disponibles en temps opportun pour discuter avec leurs collègues du comité au sujet de la conduite de l'instance et des décisions à rendre sur le fond. Lorsqu'une version préliminaire de décision leur est fournie pour qu'ils fassent leurs observations, les arbitres devraient répondre le plus tôt possible. Les arbitres devraient suivre la procédure établie par le greffe du tribunal pour la rédaction des motifs en consultation avec la présidence du Comité d'audition et du Comité d'appel.
51. Les arbitres doivent réfléchir attentivement aux motifs de leurs collègues du comité s'il y a divergence entre les décisions provisoires ou définitives qu'ils envisagent. Toutefois, ils ne devraient pas renoncer à leurs convictions profondes sur une question de fond, que ce soit pour assurer l'unanimité du comité ou en retour d'un accord sur tout autre point.
52. Dans les cas où les arbitres sont incapables de souscrire à la décision proposée par la majorité du comité après discussion et mûre réflexion, ils doivent s'efforcer de rendre leurs motifs de dissidence avec une promptitude raisonnable.

XI. Responsabilités envers la présidence du Comité d'audition et du Comité d'appel

53. Si un arbitre s'aperçoit que la conduite de ses collègues peut menacer l'intégrité du tribunal ou de ses procédures, il a l'obligation d'aviser des circonstances la présidence du Comité d'audition ou du Comité d'appel aussitôt qu'il peut raisonnablement le faire.

XII. Responsabilités envers le tribunal

54. Les arbitres doivent observer les pratiques et les procédures établies pour le tribunal.
55. Si un arbitre a des questions sur le caractère approprié d'une pratique ou d'une procédure en audition ou en appel, il peut consulter la présidence du Comité d'audition ou du Comité d'appel.
56. Les arbitres doivent s'abstenir d'exprimer publiquement des vues partisans au sujet d'affaires en cours d'examen dans une instance dont le tribunal est saisi.
57. Les arbitres ne doivent faire publiquement aucune remarque orale ou écrite sur n'importe quel aspect d'une affaire dont ils sont saisis.
58. Les arbitres doivent faire preuve de prudence en commentant publiquement les décisions, les procédures ou les structures du tribunal, une décision de leurs collègues ou la manière dont leurs collègues se sont conduits pendant une instance.
59. Il est généralement inapproprié que les arbitres communiquent avec les médias au sujet d'une décision du tribunal ou de la manière dont il a dirigé une instance. Les questions des médias devraient être renvoyées au Service des communications du Barreau.
60. Les arbitres doivent suivre des programmes de formation des arbitres conformément aux politiques adoptées par le Conseil.
61. Les arbitres ne doivent pas divulguer de renseignements confidentiels à moins que la loi ne les y oblige ou qu'ils aient reçu les autorisations requises pour ce faire.

62. Les arbitres ne devraient pas se conduire de façon à exploiter leur position d'autorité.

62-63. Aucun arbitre, conseiller ou parajuriste élu membre du Comité permanent des parajuristes ne doit fournir de preuve écrite ou orale à titre de témoignage de la bonne moralité à l'appui d'une partie devant le Comité d'audition ou le Comité d'appel, à moins que la partie ne démontre que l'incapacité de présenter une telle preuve au Comité lui causerait un préjudice indu.

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XIII. Responsabilités après la fin du mandat

- 63-64. Les arbitres continuent d'avoir une obligation de confidentialité après l'expiration de leur mandat comme membres du Comité d'audition ou du Comité d'appel.
- 64-65. Les arbitres dont le mandat a expiré mais qui ont encore des responsabilités du fait des instances qui se poursuivent et auxquelles ils ont participé en tant qu'arbitres continuent d'être régis par le présent code.

*THIS SECTION CONTAINS
IN CAMERA MATERIAL*

TAB 5.3

FOR INFORMATION

TRIBUNALS OFFICE QUARTERLY STATISTICS

39. The Tribunals Office first quarterly report for the period January 1, 2013 - March 31, 2013 is set out at **TAB 5.3.1: 2013 Q1 Final** for Convocation's information.
40. The Tribunals Office second quarterly report for the period April 1, 2013 - June 30, 2013 is set out at **TAB 5.3.2: 2013 Q2 Final** for Convocation's information.

Tribunals Office Statistics

2013

The Law Society of Upper Canada
January 1 to March 31

First Quarter Report

**The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)**

TABLE OF CONTENTS

FILES OPENED	3
FILES CLOSED	4
AGE OF FILES CLOSED	5
OPEN FILES AT QUARTER END	6
OPEN FILES BY AGE	7
OPEN FILES BY AGE – OVER 24 MONTHS	8
SUMMARY FILES OPENED AND CLOSED	11
OPEN SUMMARY FILES AT QUARTER END	11
NUMBER OF LAWYERS AND PARALEGALS BEFORE THE TRIBUNALS	12
NUMBER OF FILES AND FREQUENCY BEFORE THE TRIBUNALS	13
TOTAL HEARINGS SCHEDULED AND VACATED	14
REASON FOR VACATED HEARINGS	15
CALENDAR DAYS SCHEDULED AND VACATED	16
REASON FOR AND RESULTING VACATED CALENDAR DAYS	17
PARTIES' ADJOURNMENT REQUESTS	18
PARTIES' POSITION ON ADJOURNMENT REQUESTS (LAWYER MATTERS)	19
PARTIES' POSITION ON ADJOURNMENT REQUESTS (PARALEGAL MATTERS)	20
TRIBUNAL REASONS PRODUCED AND PUBLISHED	21

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

FILES OPENED

The Tribunals Office opens a file when it is issued upon the filing of an originating process that has been served on the parties. An originating process includes a notice of application, referral for hearing, motion for interlocutory suspension or practice restriction, and appeal.

Files related to the same lawyer or paralegal that are heard concurrently are counted as separate files.

	Q1	Q2	Q3	Q4	Cumulative
Total Files	48 (42)¹				48 (42)
Lawyer	41				41
Paralegal	7				7
Hearing Files	41 (37)				41 (37)
Lawyer	35				35
Paralegal	6				6
Appeal Files	7 (5)				7 (5)
Lawyer	6				6
Paralegal	1				1

¹ Numbers in parentheses are 2012 figures.

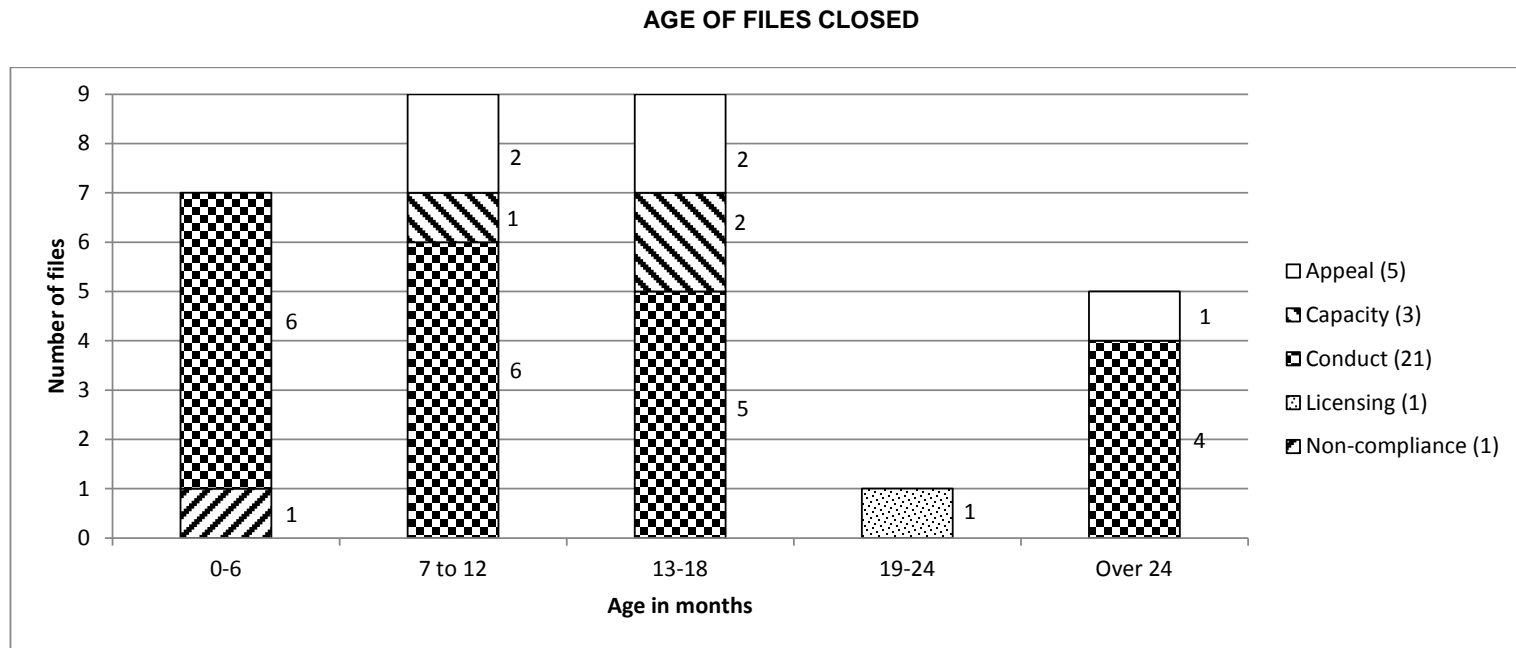
The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

FILES CLOSED

The Tribunals Office closes a file after the final decision and order, and reasons if any, have been delivered or published. A file that is closed in a quarter may have been opened in that same quarter or anytime prior.

	Q1	Q2	Q3	Q4	Cumulative
Total Files	31 (43)				31 (43)
Lawyer	25				25
Paralegal	6				6
Hearing Files	26 (39)				26 (39)
Lawyer	22				22
Paralegal	4				4
Appeal Files	5 (4)				5 (4)
Lawyer	3				3
Paralegal	2				2

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)



The Law Society of Upper Canada

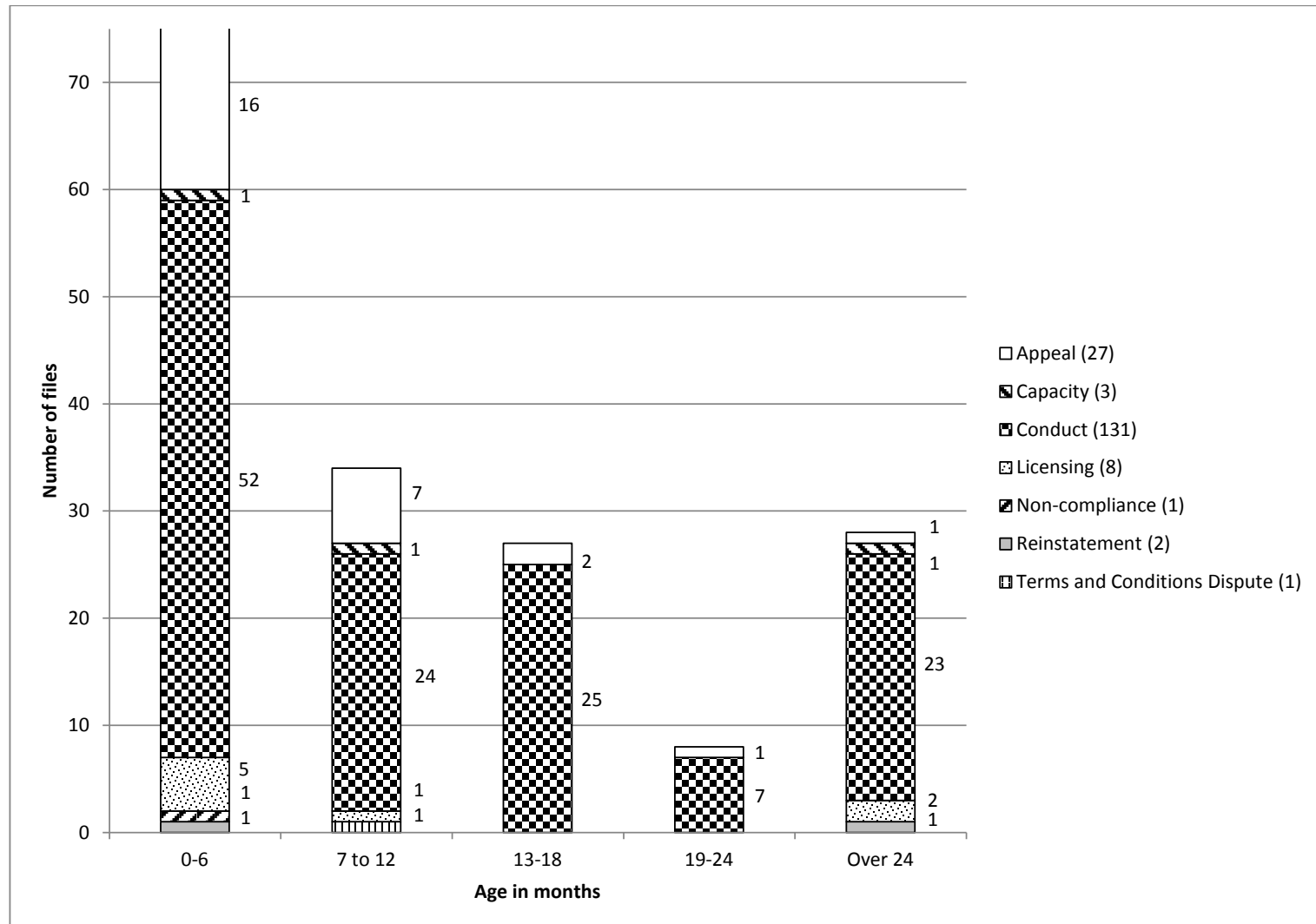
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

OPEN FILES AT QUARTER END

	Q1	Q2	Q3	Q4
Total Files	173 (162)			
Lawyer	152			
Paralegal	21			
Hearing Files	146 (146)			
Lawyer	129			
Paralegal	17			
Appeal Files	27 (16)			
Lawyer	23			
Paralegal	4			

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

OPEN FILES BY AGE



The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

OPEN FILES BY AGE – OVER 24 MONTHS

1. File A, a reinstatement application, was filed in April 2000, but the licensee did not pursue the application until February 2008. The applicant has not yet filed materials. A further proceeding management conference ("PMC") is scheduled for September 2013. Age of file: 156 months.
2. File B, a conduct application, was filed in March 2007. The hearing panel heard a number of motions and began hearing the merits in 2009. A new hearing panel commenced hearings in May 2011 and heard several motions. The hearing on the merits occurred in October 2012. The panel's decision on finding was released in March 2013. A penalty hearing is to be scheduled. Age of file: 73 months.
3. File C, a conduct application, was filed in January 2009. The licensee brought a motion seeking to dismiss/stay the application permanently. The motion was dismissed in March 2010. The licensee brought a judicial review application to the Superior Court of Justice which was dismissed. The conduct hearing commenced in October 2011 and concluded in January 2013. The panel reserved its decision. Age of file: 50 months.
4. File D, a conduct application, was filed in May 2009. Several motions were heard. The hearing on the merits concluded in December 2012. The panel reserved its decision. Age of file: 47 months.
5. File E, a conduct application, was filed in May 2009. Several motions were heard. The hearing on the merits concluded in December 2012. The panel reserved its decision. Age of file: 47 months.
6. File F, a licensing application, was filed in June 2009. The matter was held down pending the decision of another tribunal. The licensing application commenced in September 2012 and concluded in December 2012. The panel reserved its decision. Age of file: 46 months.
7. File G, a licensing application, was filed in June 2009. Several motions were heard. The hearing commenced in July 2011 and dates are scheduled into June 2013. Age of file: 45 months.
8. File H, a conduct application, was filed in June 2009. The hearing of the merits awaited the completion of a motion which has now occurred. The hearing on the merits concluded in November 2012. The panel ruled on penalty in February 2013 and is currently awaiting cost submissions. Age of file: 45 months.
9. File I, a conduct application, was filed in September 2009. At the request of the parties, the hearing commenced in April 2011. Continuation dates are scheduled into April 2013. Age of file: 43 months.
10. File J, a conduct application, was filed in November 2009. Several motions were heard. The hearing commenced in August 2011. The panel made a finding in June 2012 and submissions on penalty were heard in November 2012. The panel reserved its decision. Age of file: 40 months.
11. File K, a conduct application, was filed in January 2010. The hearing commenced in November 2010 and concluded in June 2012. The panel's decision on finding was released in January 2013. A further hearing for penalty and costs submissions is scheduled for April 2013. Age of file: 39 months.
12. File L, an appeal, was filed in March 2010. The parties have appeared before the Appeals Management Conference ("AMC") numerous times and a motion was heard. The appeal hearing occurred in July 2012. A further appeal hearing date is scheduled for September 2013. Age of file: 36 months.

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

13. File M, a conduct application, was filed in May 2010. A motion to quash the proceedings was filed in January 2012 and heard in March and April 2012. The panel delivered its decision on the motion in November 2012 and received costs submissions. The panel's decision was delivered in March 2013 and a PMC date is scheduled for April 2013. Age of file: 34 months.
14. File N, a conduct application, was filed in August 2010. Due to the need to find an appropriate expert and for unrelated medical reasons, the hearing commenced in September 2011. Submissions on penalty were heard in October and November 2012. The panel reserved its decision. Age of file: 32 months.
15. File O, a conduct application, was filed in August 2010. A disclosure motion was heard on several dates in 2011 before being abandoned. The hearing commenced in February 2012 and concluded in May 2012. The panel's decision was delivered in January 2013 and a penalty hearing is scheduled for May 2013. Age of file: 32 months.
16. File P, a conduct application, was filed in October 2010. Several motions were heard. The hearing on the merits commenced in July 2012. The panel made a finding in September 2012 and penalty submissions were scheduled to be heard in January 2013. A motion to dismiss the notice of application was filed in January 2013 and is scheduled to be heard in April 2013. Age of file: 29 months.
17. File Q, a capacity application, was filed in November 2010. Several motions have been filed and heard and one remains outstanding. The hearing on the merits is scheduled to commence in July 2013. Age of file: 28 months.
18. File R, a conduct application, was filed in November 2010. The hearing commenced in September 2011 and continued in February and March 2012. The panel reserved its decision. The panel's decision on finding was released in June 2012. Submissions on penalty were heard in September 2012 and submissions on costs were subsequently provided in writing. The panel reserved. Age of file: 28 months.
19. File S, a conduct application, was filed in December 2010. The hearing commenced in October 2011 and continued in February and March 2012. Submissions on penalty were heard in March 2013. The panel ruled on penalty in March 2013 and is currently awaiting cost submissions. Age of file: 28 months.
20. File T, a conduct application, was filed in December 2010. The hearing commenced in March 2011. Several motions were filed and dealt with throughout 2011 and 2012. The panel made a finding of professional misconduct in June 2012 with written submissions to follow. A penalty hearing date is to be scheduled. Age of file: 28 months.
21. File U, a conduct application, was filed in January 2011. The parties appeared before the PMC numerous times. A hearing is scheduled for May 2013. Age of file: 26 months.
22. File V, a summary conduct application, was filed in February 2011. The hearing commenced in April 2011 and concluded in June 2011. The panel made a finding of professional misconduct in May 2012. Hearings on penalty were held in June and August 2012. The panel reserved its decision. Age of file: 25 months.
23. File W, a conduct application, was filed in March 2011. Several motions were heard. The hearing on the merits is scheduled to commence in July 2013. Age of file: 25 months.

The Law Society of Upper Canada

Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

24. File X, a conduct application, was filed in March 2011. The initial hearing dates were vacated due to a change in representation. The hearing on the merits commenced in February 2012 and continued in August 2012. Written submissions were filed in October and December 2012 and January 2013. The panel reserved its decision. Age of file: 25 months.
25. File Y, a conduct application, was filed in March 2011. The hearing commenced on March 30, 2012. The panel made a finding of professional misconduct and written submissions on penalty were received in June 2012. A further hearing is scheduled in April 2013. Age of file: 25 months.
26. File Z, a conduct application, was filed in March 2011. The commencement of the hearing was delayed pending the outcome of a related court matter. The hearing commenced in October 2012 and continued in January 2013. The panel reserved its decision on finding. Age of file: 25 months.
27. File AA, a conduct application, was filed in March 2011. Two sets of hearing dates were vacated due to changes in representation. The hearing commenced in February 2012. A motion was filed to dismiss the notice of application. The hearing of the motion and on the merits took place in May and June 2012. The panel's decision was released in January 2013. A hearing on costs is scheduled for April 2013. Age of file: 24 months.
28. File BB, a conduct application, was filed in March 2011. Two sets of hearing dates were vacated due to changes in representation and to provide sufficient time for review of an expert's report. The hearing commenced in May 2012 and continued into September 2012. Written submissions were provided and oral submissions heard in November 2012. The panel reserved its decision on finding. Age of file: 24 months.

The Law Society of Upper Canada
 Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

SUMMARY² FILES OPENED AND CLOSED³

	Q1	Q2	Q3	Q4	Cumulative
Total Opened	9 (5)				9 (5)
Lawyer	8				8
Paralegal	1				1
Total Closed	7 (10)				7 (10)
Lawyer	5				5
Paralegal	2				2

OPEN SUMMARY FILES AT QUARTER END

	Q1	Q2	Q3	Q4
Total Files	23 (11)			
Lawyer	22			
Paralegal	1			

² A summary file is a proceeding that is first returnable to a hearing panel and bypasses the PMC in accordance with Rule 11.01 (2) of the Rules of Practice and Procedure. These files are heard by a single adjudicator.

³ This is a subset of the information provided in the charts: "Files Opened" on page 3 and "Files Closed" on page 4.

The Law Society of Upper Canada
 Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

NUMBER OF LAWYERS AND PARALEGALS BEFORE THE TRIBUNALS

	Q1	Q2	Q3	Q4	Yearly Total
	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals
PMC	52 (75)				52 (75)
Lawyers	41				41
Paralegals	11				11
Hearing Panel	50 (53)				50 (53)
Lawyers	45				45
Paralegals	5				5
AMC	11 (3)				11 (3)
Lawyers	9				9
Paralegals	2				2
Appeal Panel	7 (5)				7 (5)
Lawyers	7				7
Paralegals	0				0

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

NUMBER OF FILES AND FREQUENCY BEFORE THE TRIBUNALS

Files heard on more than one occasion by a tribunal within a quarter are counted each time the file proceeds before the tribunal.

	Q1		Q2		Q3		Q4		Yearly Total	
	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered
PMC	55 (81)	91 (147)							55 (81)	91 (147)
Lawyer	44	72							44	72
Paralegal	11	19							11	19
Hearing Panel	56 (55)	72 (83)							56 (55)	72 (83)
Lawyer	51	62							51	62
Paralegal	5	10							5	10
AMC	11 (3)	13 (6)							11 (3)	13 (6)
Lawyer	9	11							9	11
Paralegal	2	2							2	2
Appeal Panel	7 (5)	9 (6)							7 (5)	9 (6)
Lawyer	7	9							7	9
Paralegal	0	0							0	0

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

TOTAL HEARINGS SCHEDULED AND VACATED

The number of hearings scheduled in each quarter is listed below. Files scheduled on more than one occasion within a quarter are counted each time the file is scheduled. A hearing is counted as scheduled when the date the hearing is to proceed falls within the quarter. A hearing is counted as vacated when it does not proceed on the scheduled date. Reasons for vacated hearings are noted on page 15. The number of hearing calendar days scheduled is noted on page 16.

	Q1	Q2	Q3	Q4	Cumulative
Hearing Panel hearings scheduled	82 (100)				82 (100)
Lawyer	70				70
Paralegal	12				12
All Hearing Panel hearing time vacated	14 (25) 17% (25%)				14 (25) 17% (25%)
Lawyer	13				13
Paralegal	1				1
Some Hearing Panel hearing time vacated	8⁴ 10%				8 10%
Lawyer	7				7
Paralegal	1				1
Appeal Panel hearings scheduled⁵	14 (8)				14 (8)
Lawyer	14				14
Paralegal	0				0
All Appeal Panel hearings vacated	1 (3) 7% (38%)				1 (3) 7% (38%)
Lawyer	1				1
Paralegal	0				0

⁴ This is a new statistic, no prior comparator is available.

⁵ This includes appeal management conference motion hearings.

The Law Society of Upper Canada
 Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

REASON FOR VACATED HEARINGS⁶

All hearing time vacated	Q1 ⁷		Q2		Q3		Q4	
	L ⁸	P	L	P	L	P	L	P
Party / counsel / representative unavailable / ill	3							
Duty counsel unavailable	2							
Licensee representative / counsel removed from record	2							
Licensee counsel newly retained / to retain counsel	1	1						
Party to obtain / provide additional evidence	1							
Witness unavailable	1							
Request to have applications heard together	1							
Application abandoned	1							
Licensee is subject of other conduct / court matters	1							
Submissions to be made in writing	1							

Some hearing time vacated	Q1		Q2		Q3		Q4	
	L	P	L	P	L	P	L	P
Agreed statement of facts ("ASF") expected / signed	3							
Hearing completed ahead of time estimated	2	1						
Party / counsel / representative unavailable / ill	1							
Seized panel member unavailable / ill	1							

⁶ A hearing may have been vacated for more than one reason.

⁷ This column represents the number of times the reason resulted in a vacated hearing.

⁸ L = lawyer, P = paralegal.

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

CALENDAR DAYS SCHEDULED AND VACATED

The number of hearing calendar days scheduled is listed below. Multiple hearings are often scheduled on each calendar day. A vacated calendar day is a day on which no scheduled hearings or appearances before the PMC or AMC proceeded. The day an adjournment request is heard is not counted as a vacated calendar day. For example, if a request to adjourn a hearing was granted on the first day, only the remaining days are counted as vacated. Or, if one hearing was vacated, but other hearings proceeded, that day is not counted as vacated. Some hearings and appeals were heard on the same calendar day.

Reasons for vacated calendar days are noted on page 17.

	Q1	Q2	Q3	Q4	Cumulative
Number of available calendar days	61 (63)				61 (63)
Hearing Panel calendar days scheduled	55 (60)				55 (60)
Hearing Panel calendar days vacated	3 (7) 5% (12%)				3 (7) 5% (12%)
Appeal Panel calendar days scheduled	15 (9)				15 (9)
Appeal Panel calendar days vacated	1 (2) 7% (22%)				1 (2) 7% (22%)

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

REASON FOR AND RESULTING VACATED CALENDAR DAYS

Reason	Q1⁹	Q2	Q3	Q4
ASF expected / signed	1-1			
Witness unavailable	1-1			
Party to bring motion	1-1			
Licensee/ licensee's counsel / representative ill / unavailable	1-1			
Party to obtain / provide additional evidence	1-1			
Licensee counsel newly retained	1-1			
Duty counsel unavailable	1-1			

⁹ The first figure in this column represents the number of times a panel accepted this reason. The second figure represents the resulting vacated calendar days. The number of calendar days vacated shown on this page may be greater than the calendar days vacated as reported on page 16 because more than one matter may have been scheduled to be heard on the same day and all were vacated; so one calendar day may have been vacated for more than one reason and for more than one matter.

The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

PARTIES' ADJOURNMENT REQUESTS

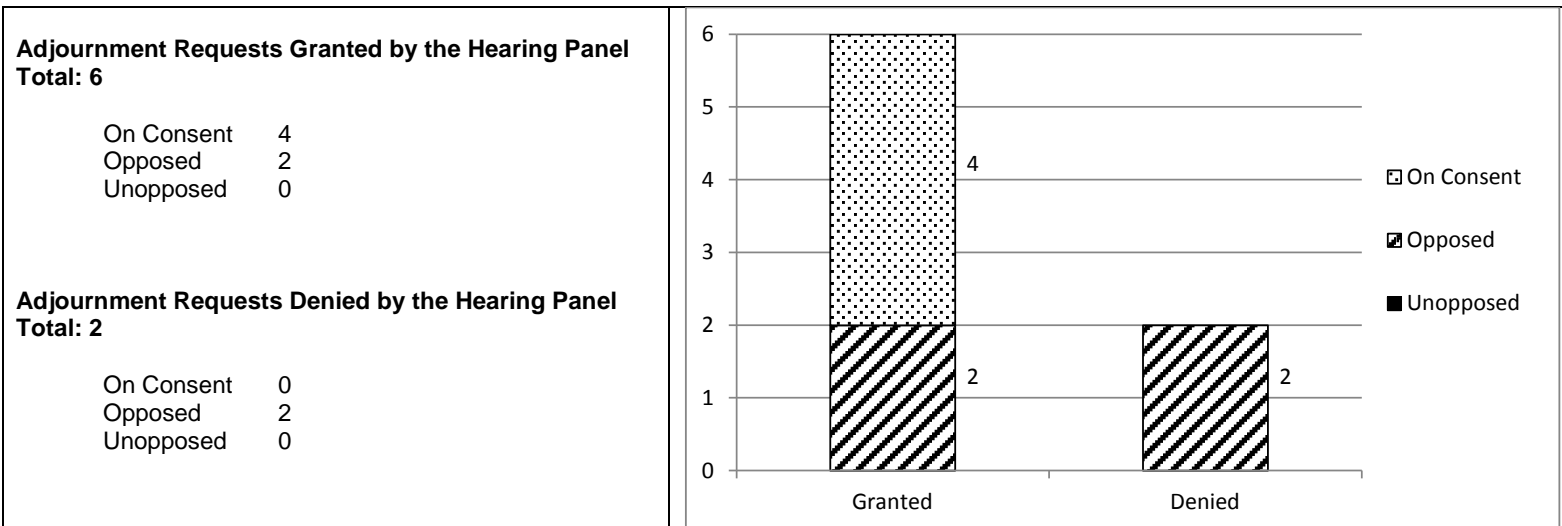
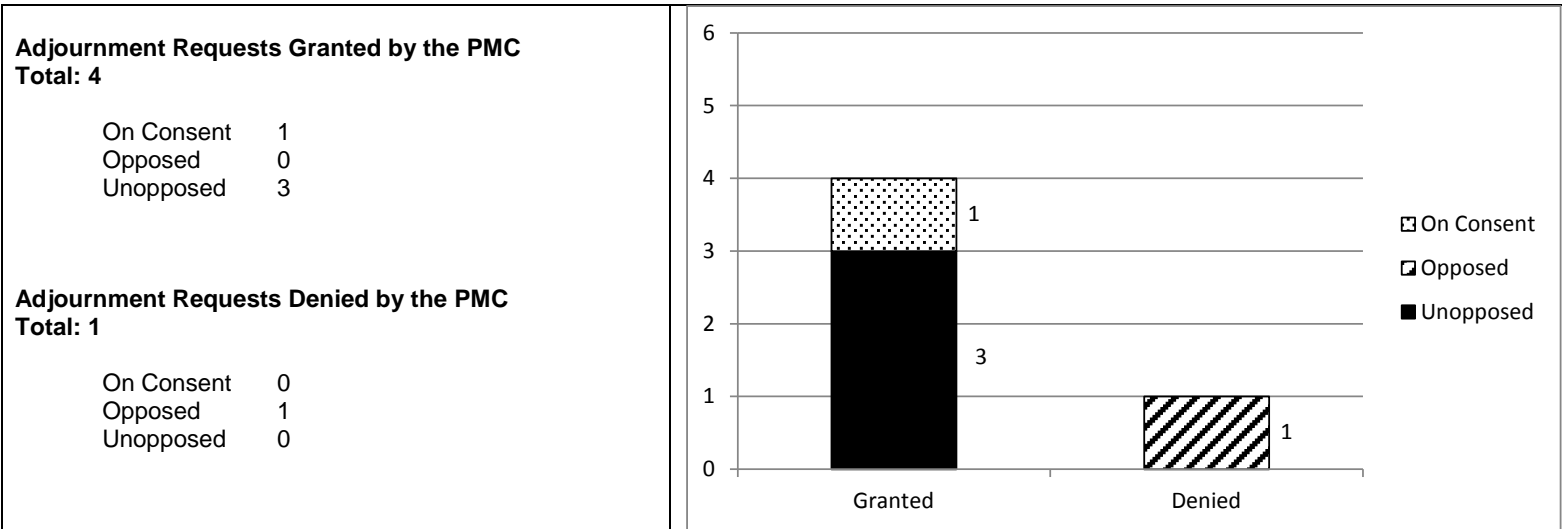
The following table lists the number of adjournment requests to Law Society tribunals in this quarter. Adjournment requests reported below may relate to matters scheduled to be heard during this quarter or in a subsequent quarter.

Adjournment request made to		Requests								
		Q1 ¹⁰		Q2		Q3		Q4		Cumulative
		L	P	L	P	L	P	L	P	
PMC	Granted	4 (10)	1 (2)							5 (12)
	Denied	1 (1)	1 (0)							2 (1)
Hearing Panel	Granted	6 (11)	0 (2)							6 (13)
	Denied	2 (2)	0 (1)							2 (3)
AMC	Granted	1 (1)	0 (0)							1 (1)
	Denied	0 (0)	0 (0)							0 (0)
Appeal Panel	Granted	0 (1)	0 (0)							0 (1)
	Denied	0 (0)	0 (0)							0 (0)

¹⁰ L = lawyer, P = paralegal.

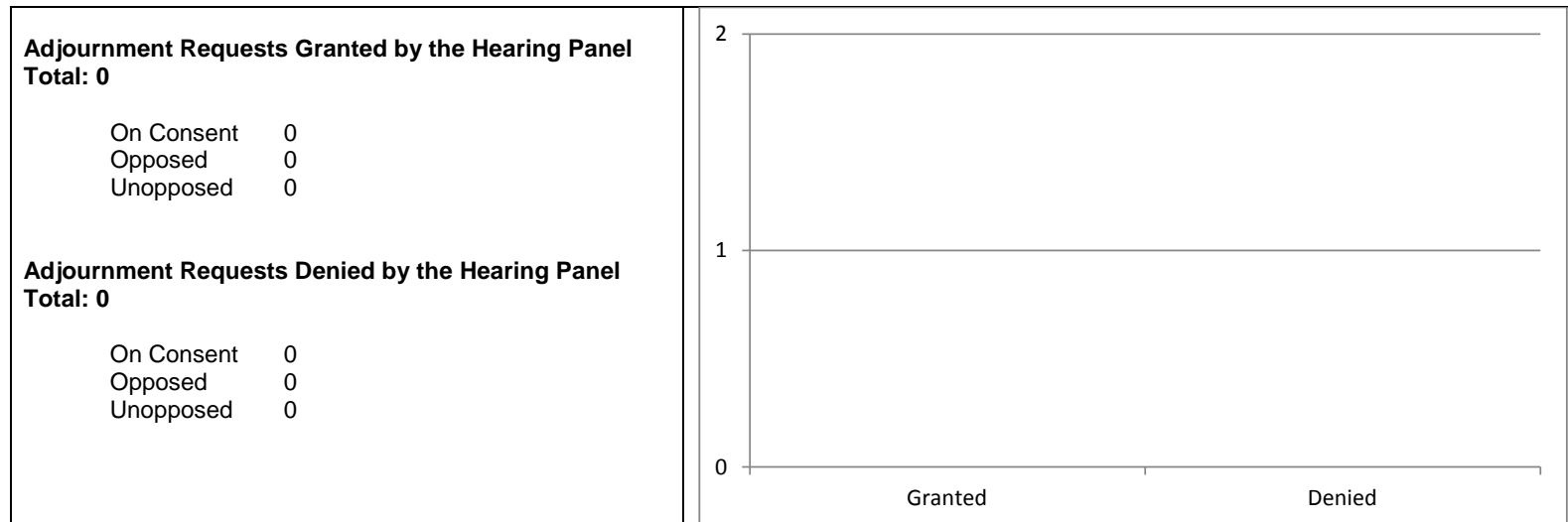
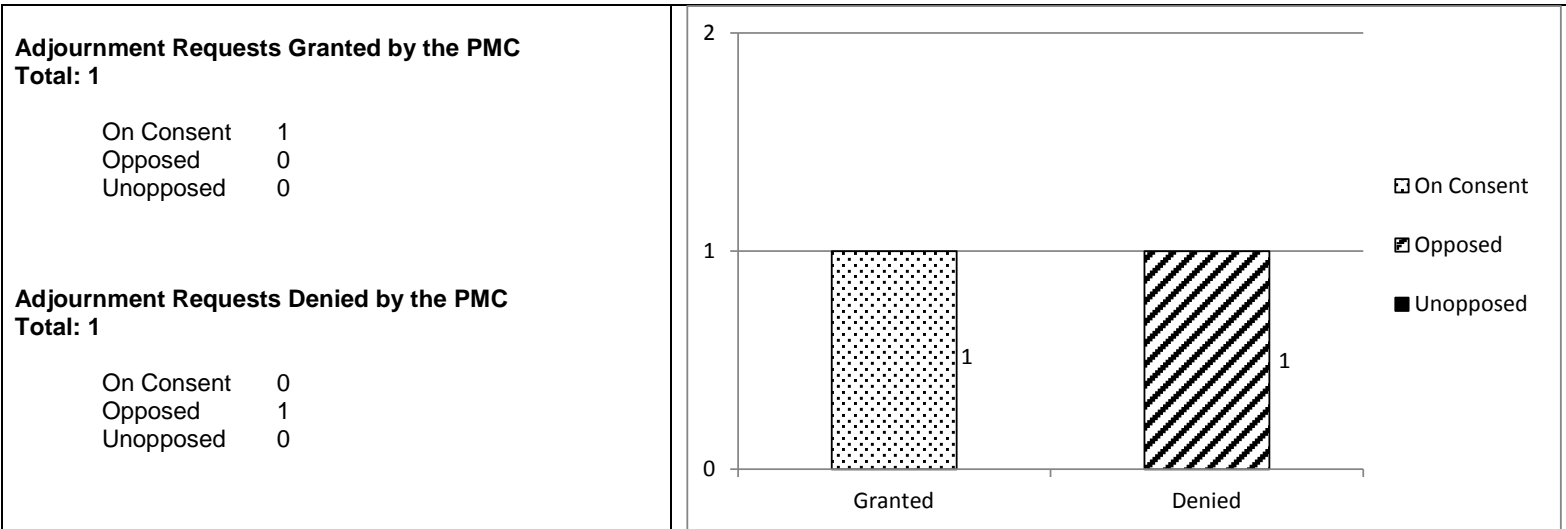
The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

PARTIES' POSITION ON ADJOURNMENT REQUESTS (LAWYER MATTERS)



The Law Society of Upper Canada
Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

PARTIES' POSITION ON ADJOURNMENT REQUESTS (PARALEGAL MATTERS)



The Law Society of Upper Canada
 Q1 2013 Tribunals Office Statistics (January 1 – March 31, 2013)

TRIBUNAL REASONS PRODUCED AND PUBLISHED¹¹

	Q1	Q2	Q3	Q4	Cumulative
Written reasons produced	41 (35)				41 (35)
Lawyer	36				36
Paralegal	5				5
Written reasons published	37 (35)				37 (35)
Lawyer	33				33
Paralegal	4				4
Oral reasons produced	20 (24)				20 (24)
Lawyer	16				16
Paralegal	4				4
Oral reasons published	16 (23)				16 (23)
Lawyer	15				15
Paralegal	1				1

¹¹ The number of reasons produced does not equal the number of reasons published because some reasons produced in a quarter may not be published or will be published in a subsequent quarter.

Tribunals Office Statistics

2013

The Law Society of Upper Canada
April 1 to June 30

**Second Quarter
Report**

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

TABLE OF CONTENTS

FILES OPENED.....	3
FILES CLOSED.....	4
AGE OF FILES CLOSED.....	5
OPEN FILES AT QUARTER END.....	6
OPEN FILES BY AGE.....	7
OPEN FILES BY AGE – OVER 24 MONTHS.....	8
SUMMARY FILES OPENED AND CLOSED.....	11
OPEN SUMMARY FILES AT QUARTER END.....	11
NUMBER OF LAWYERS AND PARALEGALS BEFORE THE TRIBUNALS.....	12
NUMBER OF FILES AND FREQUENCY BEFORE THE TRIBUNALS.....	13
TOTAL HEARINGS SCHEDULED AND VACATED.....	14
REASON FOR VACATED HEARINGS.....	15
CALENDAR DAYS SCHEDULED AND VACATED.....	17
REASON FOR AND RESULTING VACATED CALENDAR DAYS.....	18
PARTIES' ADJOURNMENT REQUESTS.....	19
PARTIES' POSITION ON ADJOURNMENT REQUESTS (LAWYER MATTERS).....	20
PARTIES' POSITION ON ADJOURNMENT REQUESTS (PARALEGAL MATTERS).....	21
TRIBUNAL REASONS PRODUCED AND PUBLISHED.....	22

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

FILES OPENED

The Tribunals Office opens a file when it is issued upon the filing of an originating process that has been served on the parties. An originating process includes a notice of application, referral for hearing, motion for interlocutory suspension or practice restriction, and appeal.

Files related to the same lawyer or paralegal that are heard concurrently are counted as separate files.

	Q1	Q2	Q3	Q4	Cumulative
Total Files	48 (42)	41 (42)¹			89 (84)
Lawyer	41	36			77
Paralegal	7	5			12
Hearing Files	41 (37)	38 (36)			79 (73)
Lawyer	35	33			68
Paralegal	6	5			11
Appeal Files	7 (5)	3 (6)			10 (11)
Lawyer	6	3			9
Paralegal	1	0			1

¹ Numbers in parentheses are 2012 figures.

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

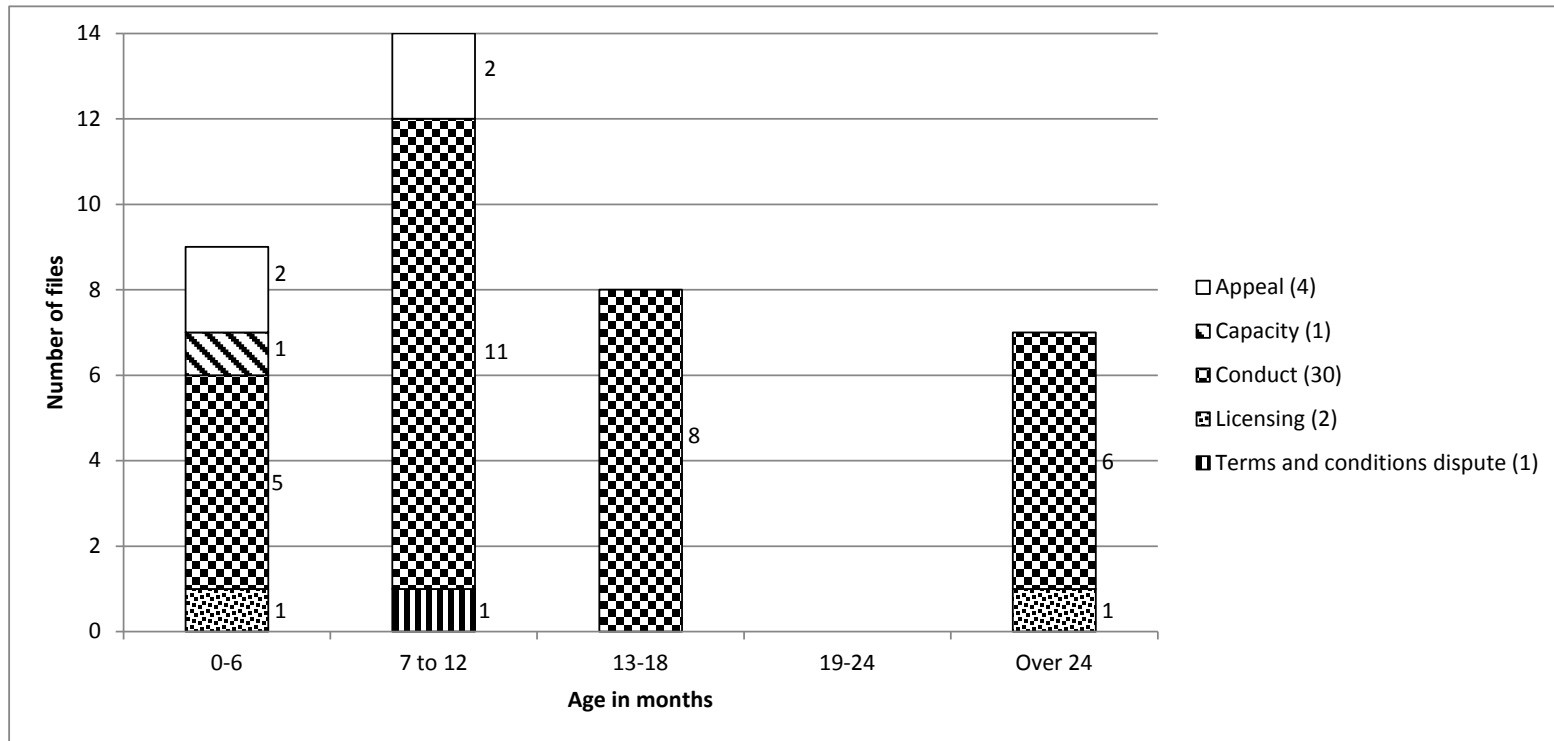
FILES CLOSED

The Tribunals Office closes a file after the final decision and order, and reasons if any, have been delivered or published. A file that is closed in a quarter may have been opened in that same quarter or anytime prior.

	Q1	Q2	Q3	Q4	Cumulative
Total Files	31 (43)	38 (29)			69 (72)
Lawyer	25	31			56
Paralegal	6	7			13
Hearing Files	26 (39)	34 (28)			60 (67)
Lawyer	22	28			50
Paralegal	4	6			10
Appeal Files	5 (4)	4 (1)			9 (5)
Lawyer	3	3			6
Paralegal	2	1			3

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

AGE OF FILES CLOSED



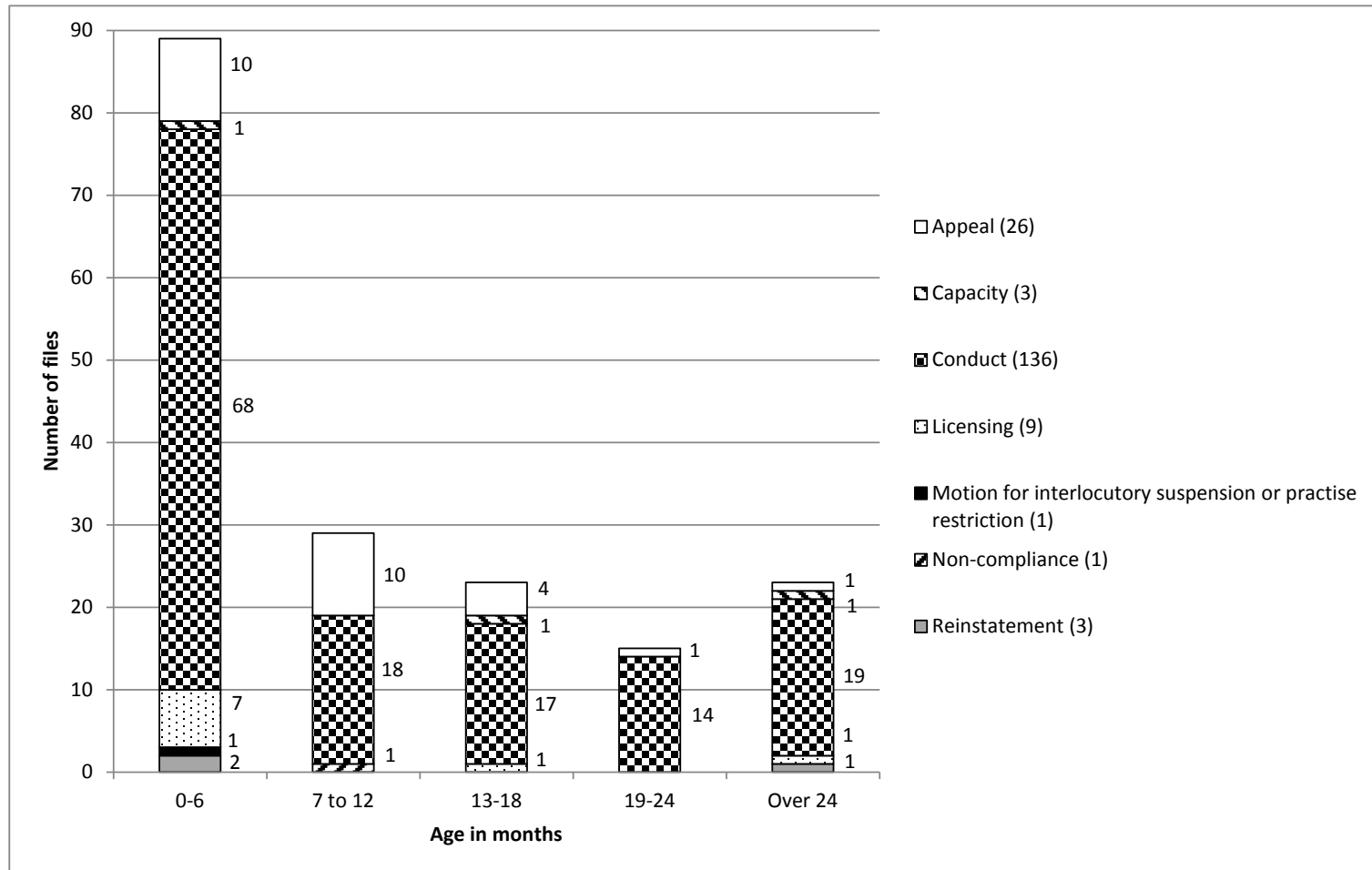
The Law Society of Upper Canada
 Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

OPEN FILES AT QUARTER END

	Q1	Q2	Q3	Q4
Total Files	173 (162)	179 (177)		
Lawyer	152	159		
Paralegal	21	20		
Hearing Files	146 (146)	153 (155)		
Lawyer	129	136		
Paralegal	17	17		
Appeal Files	27 (16)	26 (22)		
Lawyer	23	23		
Paralegal	4	3		

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

OPEN FILES BY AGE



**The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)**

OPEN FILES BY AGE – OVER 24 MONTHS

1. File A, a reinstatement application, was filed in April 2000, but the licensee did not pursue the application until February 2008. The applicant has not yet filed materials. A further proceeding management conference (“PMC”) is scheduled for September 2013. Age of file: 159 months.
2. File B, a conduct application, was filed in March 2007. The hearing panel heard a number of motions and began hearing the merits in 2009. A new hearing panel commenced hearings in May 2011 and heard several motions. The hearing on the merits occurred in October 2012. The panel’s decision on finding was released in March 2013. A penalty hearing is to be scheduled. Age of file: 76 months.
3. File C, a conduct application, was filed in January 2009. The licensee brought a motion seeking to dismiss/stay the application permanently. The motion was dismissed in March 2010. The licensee brought a judicial review application to the Superior Court of Justice which was dismissed. The hearing on the merits commenced in October 2011 and concluded in January 2013. The panel’s decision on finding was released in June 2013. A hearing on penalty and costs is to be scheduled. Age of file: 54 months.
4. File D, a conduct application, was filed in May 2009. Several motions were heard. The hearing on the merits concluded in December 2012. The panel reserved its decision. Age of file: 50 months.
5. File E, a conduct application, was filed in May 2009. Several motions were heard. The hearing on the merits concluded in December 2012. The panel reserved its decision. Age of file: 50 months.
6. File F, a licensing application, was filed in June 2009. Several motions were heard. The hearing on the merits commenced in July 2011 and dates are scheduled into October 2013. Age of file: 48 months.
7. File G, a conduct application, was filed in June 2009. The hearing of the merits awaited the completion of a motion which has now occurred. The hearing on the merits concluded in November 2012. The panel’s decision on finding and costs was released in June 2013. A reprimand is to be administered. Age of file: 48 months.
8. File H, a conduct application, was filed in September 2009. At the request of the parties, the hearing on the merits commenced in April 2011. The notice of application was dismissed in April 2013. Submissions and a hearing on costs are to be scheduled. Age of file: 46 months.
9. File I, a conduct application, was filed in January 2010. The hearing on the merits commenced in November 2010 and concluded in June 2012. A hearing on penalty and costs submissions occurred in April 2013. The panel’s decision on penalty and costs was released in June 2013. A reprimand is to be administered. Age of file: 42 months.
10. File J, an appeal, was filed in March 2010. The parties appeared before the Appeals Management Conference (“AMC”) numerous times and a motion was heard. The appeal hearing occurred in July 2012. A further appeal hearing is scheduled for September 2013. Age of file: 39 months.
11. File K, a conduct application, was filed in May 2010. The hearing commenced in March 2011. A motion to quash the proceedings was filed in January 2012 and heard in March and April 2012. The panel delivered its decision on the motion in November 2012 recusing themselves from the hearing and received costs submissions. The panel’s decision on costs was delivered in March 2013. In April 2013, the matter returned to the PMC and the licensee filed a motion for a stay of the proceedings pending the outcome of criminal proceedings. The motion is scheduled to be heard in July 2013. Age of file: 37 months.

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

12. File L, a conduct application, was filed in August 2010. A disclosure motion was heard on several dates in 2011 before being abandoned. The hearing on the merits commenced in February 2012 and concluded in May 2012. The panel's decision on finding was released in January 2013 and on penalty and costs in May 2013. The panel is to provide written reasons. Age of file: 35 months.
13. File M, a conduct application, was filed in October 2010. Several motions were heard. The hearing on the merits commenced in July 2012. The panel made a finding in September 2012 and penalty submissions were scheduled to be heard in January 2013 but a motion to dismiss the notice of application was filed. The motion was heard in April 2013 and the panel's decision was released in June 2013. A penalty hearing is to be scheduled. Age of file: 33 months.
14. File N, a capacity application, was filed in November 2010. Several motions have been heard. Two further motions were filed in May 2013 and heard in June 2013. The panel reserved its decision. The hearing on the merits is to be scheduled. Age of file: 32 months.
15. File O, a conduct application, was filed in December 2010. The hearing on the merits commenced in October 2011 and continued in February and March 2012. The panel ruled on penalty in March 2013 and reserved on costs after receiving submissions in April 2013. Age of file: 31 months.
16. File P, a conduct application, was filed in December 2010. The hearing commenced in March 2011. Several motions were filed and dealt with throughout 2011 and 2012. The panel made a finding of professional misconduct in June 2012 and written reasons were released in January 2013. The panel requested written submissions on penalty. A penalty hearing date is to be scheduled. Age of file: 31 months.
17. File Q, a conduct application, was filed in March 2011. Several motions were heard. The hearing on the merits is scheduled to commence in August 2013. Age of file: 28 months.
18. File R, a conduct application, was filed in March 2011. The initial hearing dates were vacated due to a change in representation. The hearing on the merits commenced in February 2012 and continued in August 2012. Written submissions were filed in October and December 2012 and January 2013. The panel reserved its decision. Age of file: 28 months.
19. File S, a conduct application, was filed in March 2011. The hearing commenced in March, 2012. The panel made a finding of professional misconduct and written submissions on penalty were received in June 2012. A motion to reopen the hearing was heard and granted in April 2013. The panel made its decision on finding and reserved on penalty. Age of file: 28 months.
20. File T, a conduct application, was filed in March 2011. The commencement of the hearing was delayed pending the outcome of a related court matter. The hearing commenced in October 2012 and continued in January 2013. The panel's decision on finding was released in May 2013. A penalty hearing is scheduled in September 2013. Age of file: 28 months.
21. File U, a conduct application, was filed in March 2011. Two sets of hearing dates were vacated due to changes in representation and to provide sufficient time for review of an expert's report. The hearing commenced in May 2012 and continued into September 2012. Written submissions were provided and oral submissions heard in November 2012. The panel's decision on finding was released in April 2013 and on penalty and costs in June 2013. The panel is to provide written reasons. Age of file: 27 months.

The Law Society of Upper Canada

Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

22. File V, a conduct application, was filed in April 2011. The hearing commenced in October 2011 and continued into June 2012. The panel's decision on finding was released in February 2013. A hearing on penalty and costs occurred in May 2013 and the panel reserved. Age of file: 27 months.
23. File W, a conduct application, was filed in June 2011. The hearing occurred in March 2012 and the panel reserved on finding. The panel requested written submissions, which were provided in April 2012. The panel's decision on finding was released in December 2012. A hearing on penalty and costs occurred in March 2013. The panel reserved. Age of file: 25 months.

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

SUMMARY² FILES OPENED AND CLOSED³

	Q1	Q2	Q3	Q4	Cumulative
Total Opened	9 (5)	5 (12)			14 (17)
Lawyer	8	5			13
Paralegal	1	0			1
Total Closed	7 (10)	11 (5)			18 (15)
Lawyer	5	10			15
Paralegal	2	1			3

OPEN SUMMARY FILES AT QUARTER END

	Q1	Q2	Q3	Q4
Total Files	23 (11)	17 (18)		
Lawyer	22	17		
Paralegal	1	0		

² A summary file is a proceeding that is first returnable to a hearing panel and bypasses the PMC in accordance with Rules of Practice and Procedure R.11.01 (2). These files are heard by a single adjudicator.

³ This is a subset of the information provided in the charts: "Files Opened" on page 3 and "Files Closed" on page 4.

The Law Society of Upper Canada
 Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

NUMBER OF LAWYERS AND PARALEGALS BEFORE THE TRIBUNALS

	Q1	Q2	Q3	Q4	Yearly Total
	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals	No. of Lawyers / Paralegals
PMC	52 (75)	78 (69)			96 (96)
Lawyers	41	67			80
Paralegals	11	11			16
Hearing Panel	50 (53)	58 (64)			87 (97)
Lawyers	45	52			77
Paralegals	5	6			10
AMC	11 (3)	7 (10)			15 (11)
Lawyers	9	5			12
Paralegals	2	2			3
Appeal Panel	7 (5)	10 (4)			15 (8)
Lawyers	7	8			13
Paralegals	0	2			2

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

NUMBER OF FILES AND FREQUENCY BEFORE THE TRIBUNALS

Files heard on more than one occasion by a tribunal within a quarter are counted each time the file proceeds before the tribunal.

	Q1		Q2		Q3		Q4		Yearly Total	
	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered	No. of Files	No. of Times Files Considered
PMC	55 (81)	91 (147)	83 (73)	162 (126)					102 (107)	253 (273)
Lawyer	44	72	72	140					86	212
Paralegal	11	19	11	22					16	41
Hearing Panel	56 (55)	72 (83)	65 (68)	93 (113)					96 (105)	165 (196)
Lawyer	51	62	58	81					85	143
Paralegal	5	10	7	12					11	22
AMC	11 (3)	13 (6)	7 (11)	9 (13)					15 (12)	22 (19)
Lawyer	9	11	5	7					12	18
Paralegal	2	2	22	2					3	4
Appeal Panel	7 (5)	9 (6)	11 (4)	12 (4)					16 (9)	21 (10)
Lawyer	7	9	9	9					14	18
Paralegal	0	0	2	3					2	3

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

TOTAL HEARINGS SCHEDULED AND VACATED

The number of hearings scheduled in each quarter is listed below. Files scheduled on more than one occasion within a quarter are counted each time the file is scheduled. A hearing is counted as scheduled when the date the hearing is to proceed falls within the quarter. A hearing is counted as vacated when it does not proceed on the scheduled date. Reasons for vacated hearings are noted on pages 15 - 16. The number of hearing calendar days scheduled is noted on page 17.

	Q1	Q2	Q3	Q4	Cumulative
Hearing Panel hearings scheduled	82 (100)	107 (131)			189 (231)
Lawyer	70	93			163
Paralegal	12	14			26
All Hearing Panel hearing time vacated	14 (25) 17% (25%)	23 (30) 22% (23%)			37 (55) 20% (24%)
Lawyer	13	21			34
Paralegal	1	2			3
Some Hearing Panel hearing time vacated⁴	8 10%	10 9%			18 10%
Lawyer	7	9			16
Paralegal	1	1			2
Appeal Panel hearings scheduled⁵	14 (8)	16 (5)			30 (13)
Lawyer	14	12			26
Paralegal	0	4			4
All Appeal Panel hearings vacated	1 (3) 7% (38%)	2 (1) 13% (20%)			3 (4) 10% (31%)
Lawyer	1	2			3
Paralegal	0	0			0

⁴ This is a new statistic, no prior comparator is available.

⁵ This includes appeal management conference motion hearings.

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

REASON FOR VACATED HEARINGS⁶

All hearing time vacated	Q1 ⁷		Q2		Q3		Q4	
	L ⁸	P	L	P	L	P	L	P
Party / counsel / representative unavailable / ill	3		7	2				
Duty counsel unavailable	2							
Licensee representative / counsel removed from record	2							
Licensee counsel newly retained / to retain counsel	1	1	2					
Party to obtain / provide additional evidence	1		5					
Witness unavailable	1							
Request to have applications heard together	1							
Application abandoned	1							
Licensee is subject of other conduct / court matters	1		1					
Submissions to be made in writing	1							
Counsel unprepared			3					
Agreed statement of facts ("ASF") expected / signed			2					
Hearing completed ahead of time estimated			2					
At parties' request			1					
Seized panel member unavailable / ill			1					
Motion abandoned			1					

⁶ A hearing may have been vacated for more than one reason.

⁷ This column represents the number of times the reason resulted in a vacated hearing.

⁸ L = lawyer, P = paralegal.

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

Some hearing time vacated	Q1		Q2		Q3		Q4	
	L	P	L	P	L	P	L	P
ASF expected / signed	3		3					
Hearing completed ahead of time estimated	2	1	2	1				
Party / counsel / representative unavailable / ill	1							
Seized panel member unavailable / ill	1		3					
Witness unavailable			1					
Licensee's counsel unprepared			1					

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

CALENDAR DAYS SCHEDULED AND VACATED

The number of hearing calendar days scheduled is listed below. Multiple hearings are often scheduled on each calendar day. A vacated calendar day is a day on which no scheduled hearings or appearances before the PMC or AMC proceeded. The day an adjournment request is heard is not counted as a vacated calendar day. For example, if a request to adjourn a hearing was granted on the first day, only the remaining days are counted as vacated. Or, if one hearing was vacated, but other hearings proceeded, that day is not counted as vacated. Some hearings and appeals were heard on the same calendar day.

Reasons for vacated calendar days are noted on page 18.

	Q1	Q2	Q3	Q4	Cumulative
Number of available calendar days	61 (63)	64 (63)			125 (126)
Hearing Panel calendar days scheduled	55 (60)	59 (63)			114 (123)
Hearing Panel calendar days vacated	3 (7) 5% (12%)	7 (6) 12% (10%)			10 (13) 9% (11%)
Appeal Panel calendar days scheduled	15 (9)	11 (11)			26 (20)
Appeal Panel calendar days vacated	1 (2) 7% (22%)	1 (1) 9% (9%)			2 (3) 8% (15%)

The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

REASON FOR AND RESULTING VACATED CALENDAR DAYS

Reason	Q1⁹	Q2	Q3	Q4
ASF expected / signed	1-1			
Witness unavailable	1-1			
Party to bring motion	1-1			
Party / counsel / representative ill / unavailable	1-1	2-2		
Party to obtain / provide additional evidence	1-1			
Licensee counsel newly retained	1-1			
Duty counsel unavailable	1-1			
Seized panel member unavailable / ill		5-4		
Hearing completed ahead of time estimated		2-1		
Licensee's counsel unprepared		1-1		
Motion abandoned		1-1		

⁹ The first figure in this column represents the number of times a panel accepted this reason. The second figure represents the resulting vacated calendar days. The number of calendar days vacated shown on this page may be greater than the calendar days vacated as reported on page 17 because more than one matter may have been scheduled to be heard on the same day and all were vacated; so one calendar day may have been vacated for more than one reason and for more than one matter.

The Law Society of Upper Canada
 Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

PARTIES' ADJOURNMENT REQUESTS

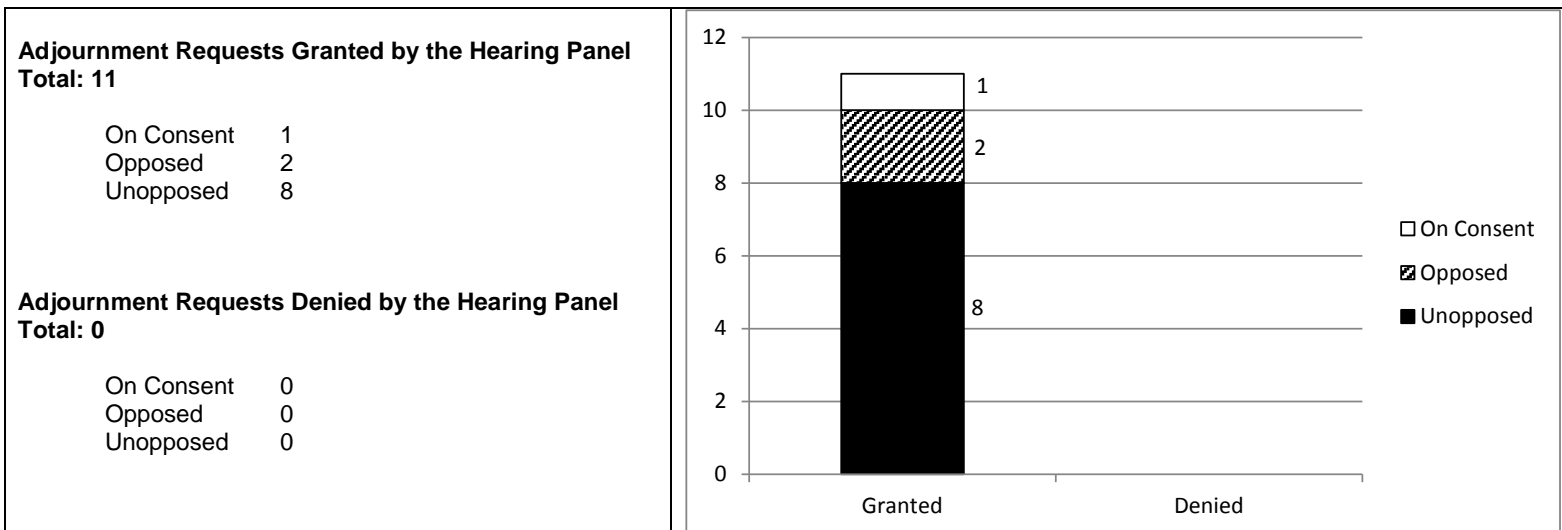
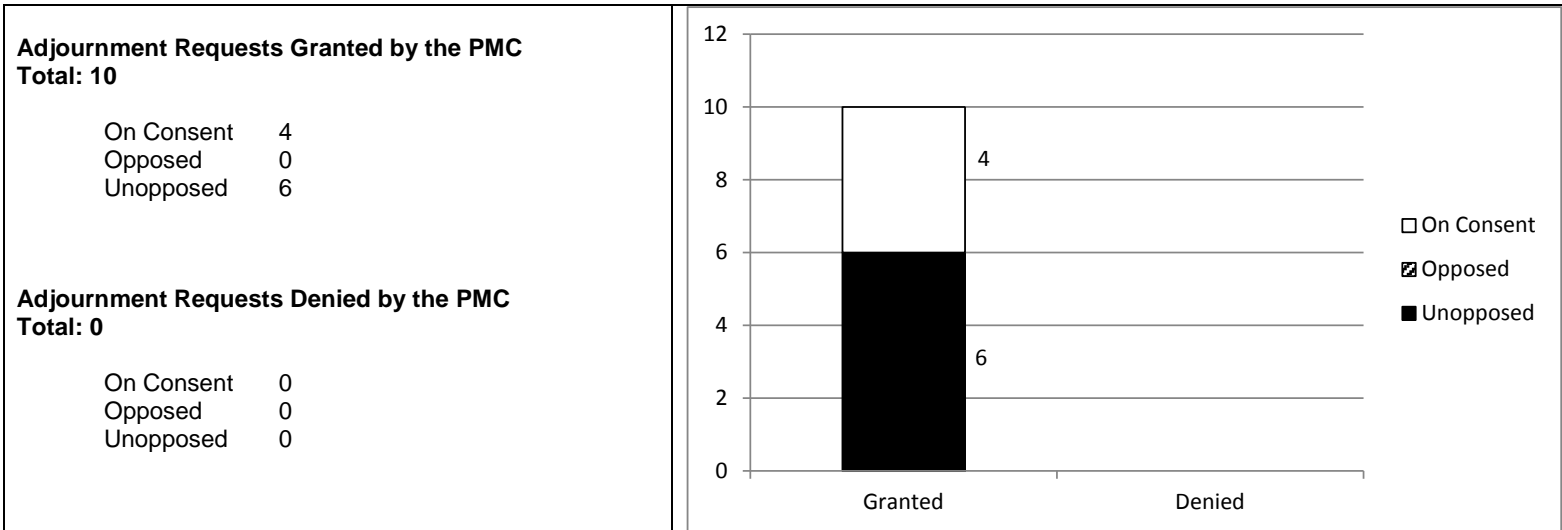
The following table lists the number of adjournment requests to Law Society tribunals in this quarter. Adjournment requests reported below may relate to matters scheduled to be heard during this quarter or in a subsequent quarter.

Adjournment request made to		Requests								
		Q1		Q2 ¹⁰		Q3		Q4		Cumulative
		L	P	L	P	L	P	L	P	
PMC	Granted	4 (10)	1 (2)	10 (16)	1 (2)					16 (30)
	Denied	1 (1)	1 (0)	0 (2)	0 (0)					2 (3)
Hearing Panel	Granted	6 (11)	0 (2)	11 (12)	2 (5)					19 (30)
	Denied	2 (2)	0 (1)	0 (1)	1 (4)					3 (8)
AMC	Granted	1 (1)	0 (0)	0 (1)	0 (1)					1 (3)
	Denied	0 (0)	0 (0)	0 (0)	0 (0)					0 (0)
Appeal Panel	Granted	0 (1)	0 (0)	0 (0)	0 (0)					0 (1)
	Denied	0 (0)	0 (0)	0 (0)	0 (0)					0 (0)

¹⁰ L = lawyer, P = paralegal.

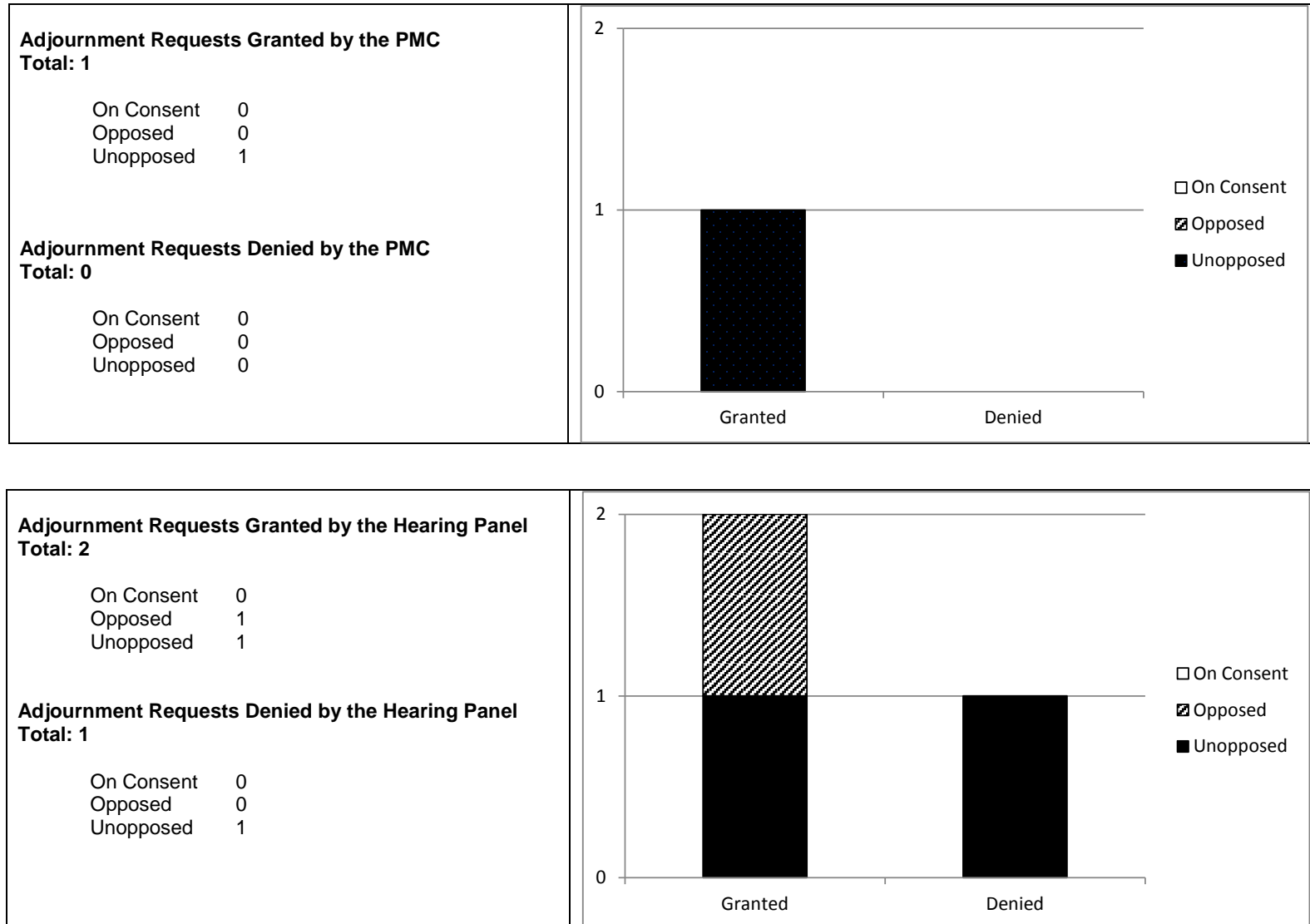
The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

PARTIES' POSITION ON ADJOURNMENT REQUESTS (LAWYER MATTERS)



The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

PARTIES' POSITION ON ADJOURNMENT REQUESTS (PARALEGAL MATTERS)



The Law Society of Upper Canada
Q2 2013 Tribunals Office Statistics (April 1 – June 30, 2013)

TRIBUNAL REASONS PRODUCED AND PUBLISHED¹¹

	Q1	Q2	Q3	Q4	Cumulative
Written reasons produced	41 (35)	31 (38)			72 (73)
Lawyer	36	28			64
Paralegal	5	3			8
Written reasons published	37 (35)	36 (25)			73 (60)
Lawyer	33	32			65
Paralegal	4	4			8
Oral reasons produced	20 (24)	20 (24)			40 (48)
Lawyer	16	19			35
Paralegal	4	1			5
Oral reasons published	16 (23)	17 (23)			33 (46)
Lawyer	15	13			28
Paralegal	1	4			5

¹¹ The number of reasons produced does not equal the number of reasons published because some reasons produced in a quarter may not be published or will be published in a subsequent quarter.



Tab 6

Report to Convocation September 25, 2013

Professional Development & Competence Committee

COMMITTEE MEMBERS

Janet Minor (Chair)
Jacqueline Horvat (Vice-Chair)
Barbara Murchie (Vice-Chair)
Alan Silverstein (V-Chair)
Raj Anand
Jack Braithwaite
Robert Burd
Mary Louise Dickson
Adriana Doyle
Ross Earnshaw
Larry Eustace
Howard Goldblatt
Vern Krishna
Michael Lerner
Dow Marmur
Judith Potter
Nicholas Pustina
Jack Rabinovitch
Joseph Sullivan
Gerald Swaye
Robert Wadden
Bradley Wright

**Purpose of Report: Decision
Information**

**Prepared by the Policy Secretariat
(Sophia Sperdakos 416-947-5209)**

TABLE OF CONTENTS

For Decision

<i>In camera</i> Matter #1.....	TAB 6.1
<i>In camera</i> Matter #2.....	TAB 6.2
<i>In camera</i> Matter #3.....	TAB 6.3
By-Law 6.1 Amendments Respecting CPD Program Changes	TAB 6.4
By-Laws 7.1 Amendments Respecting Summer Law Students Appearing Before Courts/ Tribunals	TAB 6.5

For Information

Contingency Planning Resources	TAB 6.6
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COMMITTEE PROCESS

1. The Committee met on September 12, 2013. Committee members Janet Minor (Chair), Jacqueline Horvat (Vice-Chair), Barbara Murchie (Vice-Chair), Alan Silverstein (Vice-Chair), Raj Anand, Jack Braithwaite, Robert Burd, Mary Louise Dickson, Adriana Doyle, Ross Earnshaw, Larry Eustace, Howard Goldblatt, Vern Krishna, Michael Lerner, Dow Marmur, Nicholas Pustina, Jack Rabinovitch, Joe Sullivan, Gerry Swaye, Robert Wadden and Bradley Wright attended. Staff members Diana Miles and Sophia Sperdakos also attended.

*THIS SECTION CONTAINS
IN CAMERA MATERIAL*

TAB 6.4

DECISION

BY-LAW 6.1 AMENDMENTS RESPECTING CPD PROGRAM CHANGES

MOTION

49. That Convocation

- a. the proposed amendments to By-Law 6.1 set out in English at [TAB 6.4.2: Proposed By-Law 6.1 English](#), with the bilingual version to be provided under separate cover; and**
- b. reverse its decision, in paragraph 3(g) of the May 30, 2013 Joint Report to Convocation on the Two Year CPD Review, that a fee be charged to licensees when they return from suspension for having failed to meet the annual CPD reporting deadline of December 31 and/or for failing to complete their annual CPD requirement by December 31.**

Background

50. In May 2013 Convocation approved a number of changes to the CPD requirement following a two-year review. A number of the approved recommendations require by-law amendments as follows:
- a. That the “new licensee” requirement be eliminated and new licensees be required to begin meeting their CPD requirement in the month following receipt of their license on a pro rata basis their first year and on the same calendar year basis as all licensees thereafter.*
 - b. That a fee be charged to licensees for failing to meet the annual CPD reporting deadline of December 31 and/or for failing to complete their annual CPD requirement by December 31.*
 - c. That a fee be charged to licensees when they return from suspension for having failed to meet the annual CPD reporting deadline of December 31 and/or for failing to complete their annual CPD requirement by December 31.*

51. Proposed amendments to By-law 6.1 have been drafted to implement recommendations (a) and (b), above. A blacklined version is set out at **TAB 6.4.1: Proposed By-law 6.1 Black-lined**. The proposed amended English version is set out at **TAB 6.4.2: Proposed By-Law 6.1 English**. The bilingual version will be attached in a separate TAB on Boardbooks.
52. In considering recommendation (c), however, information has been provided that suggests that implementation would be problematic. Pursuant to the legislative provisions governing the CPD requirement, a suspension is a penalty to be imposed for failure to complete the CPD requirement. Once a suspended licensee completes the requirement the suspension is *automatically* lifted. This is the standard approach when a suspension is the result of a failure to complete an activity. Since the re-instatement is automatic the licensee cannot be precluded from returning to practice because of any unpaid re-instatement fee.
53. This is in contrast to the situation in which the licensee has been suspended for failure to pay a fee, in which case the suspension is not lifted until the original fee and the re-instatement fee are paid, at the same time.
54. In the CPD suspension situation, a licensee's suspension would be automatically lifted upon compliance with the requirement. If a re-instatement fee were required, the only remedy for the Law Society for the licensee's failure to pay such a fee would be to go through the process of suspending the licensee again for failure to pay the reinstatement fee.
55. In the Committee's view this would be a cumbersome process that might well create more of an administrative burden and expenses than any deterrent effect of such a suspension. Accordingly, the Committee's proposed By-law amendment does not include implementation of the recommendation set out in paragraph 50 (c) above. The Committee recommends that Convocation reverse its decision in paragraph 3(g) of the May 30, 2013 Joint Report to Convocation on the Two Year CPD Review, as set out in the motion above.

BY-LAW 6.1

January 29, 2009

Amended: October 29, 2009

Revoked and Replaced: October 28, 2010

Amended: November 9, 2010 (editorial changes)

April 28, 2011

CONTINUING PROFESSIONAL DEVELOPMENT

Interpretation: "eligible activity"

1. In this By-Law, an "eligible activity" is an activity that serves to maintain or enhance a licensee's professional knowledge, skills, attitudes or ethics, as determined by the Society.

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Continuing professional development requirement

~~12.~~ (1) ~~Beginning January 1, 2011~~ Each year, the following licensees shall complete the number of hours of eligible activities ~~each year~~ required under subsection (2):

1. A licensee who is required to pay the full amount of the annual fee under subsection 2 (2) of By-Law 5 [Annual Fee].
2. A licensee who is exempt from payment of the full amount of the annual fee under section 3.1 of By-Law 5 [Annual Fee].
3. A licensee who is exempt from payment of the annual fee under subsection 4 (1) of By-Law 5 [Annual Fee] and who practises law as described therein.
4. A licensee who is exempt from payment of the annual fee under subsection 4 (6) of By-Law 5 [Annual Fee] and who practises law in Ontario as a barrister and solicitor.

Number of required hours per year

(2) Subject to subsection (3), Each each year, a licensee to whom subsection (1) applies shall complete one hour of eligible activities for each calendar month in the year during which for any amount of time the licensee practises law in Ontario as a barrister and solicitor or provides legal services in Ontario, of the total of which hours at least twenty-five percent shall consist of eligible activities that are accredited by the Society covering ethics, professionalism or practice management topics.

Number of required hours per year: year of licensing

(3) In the year in which the licensee is licensed, a licensee to whom subsection (1) applies shall complete one hour of eligible activities for each calendar month that year, beginning with the calendar month immediately following the day on which the licensee is licensed, during which for any amount of time the licensee practises law in Ontario as a barrister and solicitor or provides legal services in Ontario, of the total of which hours at least twenty-five percent shall consist of eligible activities that are accredited by the Society covering ethics, professionalism or practice management topics.

Exemption from or reduction in required number of hours

(34) On application by a licensee, in any year, the Society may, for that year, exempt the licensee from the requirement under subsection (1) or reduce the number of hours of eligible activities that the licensee is required to complete under subsection (2).

No carry-over

(45) Subject to subsection (6), A licensee may not carry over from one year to any other year any hours of eligible activities that the licensee completes in the one year.

Permitted carry-over

(6) A licensee, who in 2013 was licensed to practise law in Ontario as a barrister and solicitor or to provide legal services in Ontario and who for the period commencing on the day immediately following the day on which he or she was licensed in 2013 and ending on December 31, 2013 paid the full amount of the annual fee, may include, in the number of hours of eligible activities that the licensee is required to complete under this section in 2014, any hours of eligible activities that were accredited by the Society in 2013 for new licensees that the licensee completed in 2013 after he or she was licensed.

Application

— (5) — Section 1 does not apply to a licensee for the period of time during which section 2 applies to the licensee.

New licensees: twenty-four hour requirement

2. — (1) — A licensee who after May 31, 2010 is licensed to practise law in Ontario as a barrister and solicitor or licensed to provide legal services in Ontario shall complete twenty-four hours of eligible activities that are accredited by the Society, of which at least twenty-five percent shall consist of eligible activities that are accredited by the Society covering ethics, professionalism or practice management topics, within a period of twenty-four months.

Twenty-four month period

— (2) — The twenty-four month period mentioned in subsection (1),

- ~~(a) begins on the day on which the licensee is paying the full amount of the annual fee under subsection 2 (2) of By Law 5 [Annual Fee] and that is on or after the first day of January of the year immediately following the day on which the licensee is licensed; and~~
- ~~(b) includes only those whole or part calendar months during which the licensee pays the full amount of the annual fee under subsection 2 (2) of By Law 5 [Annual Fee].~~

~~Exemption from or reduction in required number of hours~~

~~(3) On application by a licensee, the Society may exempt the licensee from the requirement under subsection (1) or reduce the number of hours of eligible activities that the licensee is required to complete under subsection (1).~~

~~Eligible activities completed prior to January 1~~

~~(4) Where the start of the twenty-four month period described in subsection (2) is January 1 of the year immediately following the day on which a licensee is licensed and where, for the period of time commencing on the day immediately following the day on which the licensee is licensed and ending on December 31 of the year in which the licensee is licensed, the licensee pays the full amount of the annual fee, the licensee may include, in the required number of hours of eligible activities accredited by the Society to be completed by the licensee under subsection (1), any hours of eligible activities that are accredited by the Society that the licensee completes after he or she is licensed but before the start of the twenty-four month period.~~

~~No carry-over~~

~~(5) Except as permitted under subsection (4), a licensee may not carry over from one year to any other year any hours of eligible activities that are accredited by the Society that the licensee completes in the one year.~~

~~Number of hours completed in year: determining compliance with subs. (1)~~

~~(6) Subject to subsection (7), in any year, if a licensee completes more hours of eligible activities that are accredited by the Society than the number of whole or part calendar months in that year during which the licensee pays the full amount of the annual fee under subsection 2 (2) of By Law 5 [Annual Fee], for the purposes of determining compliance with subsection (1), the licensee shall be deemed to have completed a number of hours of eligible activities that are accredited by the Society that is equal to the number of whole or part calendar months in that year during which the licensee pays the full amount of the annual fee under subsection 2 (2) of By Law 5 [Annual Fee].~~

~~Same~~

~~(7) — In the first year immediately following the day on which a licensee is licensed, if subsection (4) applies to the licensee and the licensee has completed more hours of eligible activities that are accredited by the Society than the number of whole or part calendar months in the first year during which the licensee pays the full amount of the annual fee under subsection 2 (2) of By-Law 5 [Annual Fee], for the purposes of determining compliance with subsection (1), the licensee shall be deemed to have completed a number of hours of eligible activities that are accredited by the Society that is equal to the lesser of;~~

- ~~(a) — the total of the number of whole or part calendar months in that year during which the licensee pays the full amount of the annual fee under subsection 2 (2) of By-Law 5 [Annual Fee] and the number of hours of eligible activities that are accredited by the Society that are completed by the licensee in the circumstances mentioned in subsection (4); and~~
- ~~(b) — the total of the number of hours of eligible activities that are accredited by the Society that are completed by the licensee in the first year and the number of hours or eligible activities that are accredited by the Society that are completed by the licensee in the circumstances mentioned in subsection (4).~~

Application

~~(8) — This section does not apply to a licensee who, on the day on which he or she is licensed to practise law in Ontario as a barrister and solicitor, has practised law in Canada outside Ontario for a period of time exceeding twenty-four months.~~

Interpretation: “eligible activity”

~~3. — For the purposes of sections 1 and 2, an “eligible activity” is an activity that serves to maintain or enhance a licensee’s professional knowledge, skills, attitudes or ethics as determined by the Society.~~

Reporting: licensees to whom s. ~~1-2~~ applies

~~43. (1) Every licensee to whom section ~~1-2~~ applies shall file a report with the Society, by December 31 of each year, in respect of the eligible activities completed by the licensee in each year.~~

Reporting: licensees to whom s. 2 applies

~~(2) — Every licensee to whom section 2 applies shall file a report with the Society, by December 31 of each year, commencing with the year immediately following the day on which the licensee is licensed, in respect of the eligible activities completed by the licensee in each year.~~

Eligible activities included under subs. 2 (4)

~~(3) A licensee to whom subsection 2 (4) applies shall report the eligible activities mentioned in that subsection in the first year in which the licensee is required under subsection (2) to file a report with the Society in respect of eligible activities completed by the licensee in that year.~~

Form, format and manner of filing

~~(4)~~ The report required under subsection (1) ~~or subsection (2)~~ shall be in a form provided, and in an electronic format specified, by the Society and shall be filed electronically as permitted by the Society.

Documents required to be kept

~~54.~~ (1) A licensee shall keep all documents substantiating the licensee's completion of the eligible activities reported by him or her in a year until December 31 of the year following the year in which the activities were reported.

Providing documents to Society

(2) If requested by the Society to do so, a licensee shall provide to the Society all documents kept by the licensee under subsection (1).

Requirement to provide information

~~65.~~ (1) The Society may require a licensee to whom section ~~1-2 or section 2~~ applies to provide to it specific information about the licensee's completion of the required number of hours of eligible activities.

Notice of requirement

(2) The Society shall notify a licensee in writing of the requirement to provide information under subsection (1) and shall send to the licensee a detailed list of the information to be provided by him or her.

Time for providing information

(3) Subject to subsection (4), the licensee shall provide to the Society the specific information required of him or her not later than ten days after the date specified on the notice of the requirement to provide information.

Extension of time for providing information

(4) On the request of the licensee, the Society may extend the time within which the licensee is required to provide to the Society the specific information required of him or her.

Request for extension of time

(5) A request to the Society to extend time under subsection (4) shall be made by the licensee in writing and by not later than the day by which the licensee is required under subsection (3) to provide information to the Society.

Additional authority to require information

(6) The Society's authority to require a licensee to provide information contained in this section is in addition to, and does not limit, the Society's authority to require a licensee to provide information contained elsewhere in this By-Law, in any other by-law or in the Act.

Fee for late compliance

6. (1) In any year, a licensee to whom section 2 applies shall pay a fee for late compliance with an obligation if the licensee, by the end of that year,

- (a) does not complete the number of hours of eligible activities that the licensee is required to complete under section 2;
- (b) does not file the report that the licensee is required to file under section 3 ; or
- (c) does not complete the number of hours of eligible activities that the licensee is required to complete under section 2 and does not file the report that the licensee is required to file under section 3.

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Payment due

(2) The fee for late compliance mentioned in subsection (1) is due on January 1 of the year immediately following the year by the end of which the licensee,

- (a) does not complete the number of hours of eligible activities that the licensee was required to complete that year pursuant to section 2;
- (b) does not file the report that the licensee was required to file in respect of that year pursuant to section 3; or
- (c) does not complete the number of hours of eligible activities that the licensee was required to complete that year pursuant to section 2 and does not file the report that the licensee was required to file in respect of that year pursuant to section 3.

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Period of default

(3) For the purposes of subsection 46 (1) of the Act, the period of default for failure to pay the fee for late compliance is 30 days after the day on which payment of the fee is due.

Reinstatement of licence

(4) If a licensee's licence has been suspended under subsection 46 (1) of the Act for failure to pay the fee for late compliance, for the purposes of subsection 46 (3) of the Act, the licensee shall pay an amount equal to the fee for late compliance that the licensee failed to pay.

TAB 6.4.2

THE LAW SOCIETY OF UPPER CANADA

**BY-LAWS MADE UNDER
SUBSECTIONS 62 (0.1) AND (1) OF THE *LAW SOCIETY ACT***

**BY-LAW 6.1
[CONTINUING PROFESSIONAL DEVELOPMENT]**

MOTION TO BE MOVED AT THE MEETING OF CONVOCATION ON SEPTEMBER 25, 2013

MOVED BY

SECONDED BY

THAT By-Law 6.1 [Continuing Legal Education], made by Convocation on October 28, 2010 and amended by Convocation on April 28, 2011, be revoked, effective January 1, 2014, and the following substituted:

BY-LAW 6.1

CONTINUING PROFESSIONAL DEVELOPMENT

Interpretation: “eligible activity”

1. In this By-Law, an “eligible activity” is an activity that serves to maintain or enhance a licensee’s professional knowledge, skills, attitudes or ethics, as determined by the Society.

Continuing professional development requirement

2. (1) Each year, the following licensees shall complete the number of hours of eligible activities required under subsection (2):

1. A licensee who is required to pay the full amount of the annual fee under subsection 2 (2) of By-Law 5 [Annual Fee].
2. A licensee who is exempt from payment of the full amount of the annual fee under section 3.1 of By-Law 5 [Annual Fee].
3. A licensee who is exempt from payment of the annual fee under subsection 4 (1) of By-Law 5 [Annual Fee] and who practises law as described therein.

4. A licensee who is exempt from payment of the annual fee under subsection 4 (6) of By-Law 5 [Annual Fee] and who practises law in Ontario as a barrister and solicitor.

Number of required hours per year

(2) Subject to subsection (3), each year, a licensee to whom subsection (1) applies shall complete one hour of eligible activities for each calendar month in the year during which for any amount of time the licensee practises law in Ontario as a barrister and solicitor or provides legal services in Ontario, of the total of which hours at least twenty-five percent shall consist of eligible activities that are accredited by the Society covering ethics, professionalism or practice management topics.

Number of required hours per year: year of licensing

(3) In the year in which the licensee is licensed, a licensee to whom subsection (1) applies shall complete one hour of eligible activities for each calendar month that year, beginning with the calendar month immediately following the day on which the licensee is licensed, during which for any amount of time the licensee practises law in Ontario as a barrister and solicitor or provides legal services in Ontario, of the total of which hours at least twenty-five percent shall consist of eligible activities that are accredited by the Society covering ethics, professionalism or practice management topics.

Exemption from or reduction in required number of hours

(4) On application by a licensee, in any year, the Society may, for that year, exempt the licensee from the requirement under subsection (1) or reduce the number of hours of eligible activities that the licensee is required to complete under subsection (2).

No carry-over

(5) A licensee may not carry over from one year to any other year any hours of eligible activities that the licensee completes in the one year.

Permitted carry-over

(6) A licensee, who in 2013 was licensed to practise law in Ontario as a barrister and solicitor or to provide legal services in Ontario and who for the period commencing on the day immediately following the day on which he or she was licensed in 2013 and ending on December 31, 2013 paid the full amount of the annual fee, may include, in the number of hours of eligible activities that the licensee is required to complete under this section in 2014, any hours of eligible activities that were accredited by the Society in 2013 for new licensees that the licensee completed in 2013 after he or she was licensed.

Reporting: licensees to whom s. 2 applies

3. (1) Every licensee to whom section 2 applies shall file a report with the Society, by December 31 of each year, in respect of the eligible activities completed by the licensee in each year.

Form, format and manner of filing

(2) The report required under subsection (1) shall be in a form provided, and in an electronic format specified, by the Society and shall be filed electronically as permitted by the Society.

Documents required to be kept

4. (1) A licensee shall keep all documents substantiating the licensee's completion of the eligible activities reported by him or her in a year until December 31 of the year following the year in which the activities were reported.

Providing documents to Society

(2) If requested by the Society to do so, a licensee shall provide to the Society all documents kept by the licensee under subsection (1).

Requirement to provide information

5. (1) The Society may require a licensee to whom section 2 applies to provide to it specific information about the licensee's completion of the required number of hours of eligible activities.

Notice of requirement

(2) The Society shall notify a licensee in writing of the requirement to provide information under subsection (1) and shall send to the licensee a detailed list of the information to be provided by him or her.

Time for providing information

(3) Subject to subsection (4), the licensee shall provide to the Society the specific information required of him or her not later than ten days after the date specified on the notice of the requirement to provide information.

Extension of time for providing information

(4) On the request of the licensee, the Society may extend the time within which the licensee is required to provide to the Society the specific information required of him or her.

Request for extension of time

(5) A request to the Society to extend time under subsection (4) shall be made by the licensee in writing and by not later than the day by which the licensee is required under subsection (3) to provide information to the Society.

Additional authority to require information

(6) The Society's authority to require a licensee to provide information contained in this section is in addition to, and does not limit, the Society's authority to require a licensee to provide information contained elsewhere in this By-Law, in any other by-law or in the Act.

Fee for late compliance

6. (1) In any year, a licensee to whom section 2 applies shall pay a fee for late compliance with an obligation if the licensee, by the end of that year,
- (a) does not complete the number of hours of eligible activities that the licensee is required to complete under section 2;
 - (b) does not file the report that the licensee is required to file under section 3; or
 - (c) does not complete the number of hours of eligible activities that the licensee is required to complete under section 2 and does not file the report that the licensee is required to file under section 3.

Payment due

- (2) The fee for late compliance mentioned in subsection (1) is due on January 1 of the year immediately following the year by the end of which the licensee,
- (a) does not complete the number of hours of eligible activities that the licensee was required to complete that year pursuant to section 2;
 - (b) does not file the report that the licensee was required to file in respect of that year pursuant to section 3; or
 - (c) does not complete the number of hours of eligible activities that the licensee was required to complete that year pursuant to section 2 and does not file the report that the licensee was required to file in respect of that year pursuant to section 3.

Period of default

(3) For the purposes of subsection 46 (1) of the Act, the period of default for failure to pay the fee for late compliance is 30 days after the day on which payment of the fee is due.

Reinstatement of licence

(4) If a licensee's licence has been suspended under subsection 46 (1) of the Act for failure to pay the fee for late compliance, for the purposes of subsection 46 (3) of the Act, the licensee shall pay an amount equal to the fee for late compliance that the licensee failed to pay.

Commencement

7. This By-Law comes into force on January 1, 2014.

TAB 6.5

FOR DECISION

**BY-LAW 7.1 AMENDMENT RESPECTING SUMMER LAW STUDENTS APPEARING
BEFORE COURTS/ TRIBUNALS**

MOTION

- 56. That Convocation approve amendments to By-Law 7.1 as reflected in [TAB 6.5.1: Proposed By-law 7.1, with the bilingual version to be provided under separate cover.](#)**

Background

57. Pursuant to By-law 7.1 law students employed by law firms during the summer are currently not allowed to act on behalf of a person in a proceeding before an adjudicative body, including courts or tribunals, except with the express authorization and instruction of a lawyer or paralegal licensee in respect of a scheduling or other related routine administrative matter.
58. In 2008 Convocation approved a policy to permit law students to conduct small claims court trials and appear before administrative tribunals while employed as summer students, but amendments to By-Law 7.1 did not reflect the policy.
59. Some time ago a request was made to the Law Society to address the issue. The Committee has discussed the issue a number of times, including in February 2013 in a joint meeting with the Paralegal Standing Committee and through a small working group consisting of Janet Minor, Cathy Corsetti and Paul Dray and relevant staff.
60. The Committee considered the issues and recommends that By-Law 7.1 be amended along the lines of the original 2008 Convocation policy to permit summer law students (following first or second year law school) to appear in court and tribunal proceedings whether they work in clinical settings or law firm settings, subject to appropriate supervision by paralegal or lawyer licensees and subject to the court/tribunal's right to

refuse the student audience. The determination of appropriate supervision will be the responsibility of the licensee.

61. By-Law amendments have now been prepared to implement the proposed policy. The proposed By-law amendment is set out at **TAB 6.5.1: Proposed By-Law 7.1 English**. Part 1 of current By-law 7.1 is set out at **TAB 6.5.2: By-Law 7.1 current Part 1** for information.

TAB 6.5.1

THE LAW SOCIETY OF UPPER CANADA

**BY-LAWS MADE UNDER
SUBSECTIONS 62 (0.1) AND (1) OF THE *LAW SOCIETY ACT***

**BY-LAW 7.1
[OPERATIONAL OBLIGATIONS AND RESPONSIBILITIES]**

**MOTION TO BE MOVED AT THE MEETING OF CONVOCATION ON
SEPTEMBER 25, 2013**

MOVED BY

SECONDED BY

THAT By-Law 7.1 [Operational Obligations and Responsibilities], made by Convocation on October 25, 2007 and amended by Convocation on November 22, 2007, January 24, 2008, April 24, 2008, June 26, 2008, October 30, 2008, January 29, 2009 and October 28, 2010, be further amended as follows:

1. Subsection 2 (2) of By-Law 7.1 is struck out and the following substituted:

Application: provision of legal services under direct supervision of licensee pursuant to By-Law 4

(2) This Part applies to the following, subject to the modifications set out in subsection (3) and any other necessary modifications:

1. The provision of legal services by an individual under the direct supervision of a licensee pursuant to paragraph 3 of subsection 30 (1) of By-Law 4.
2. The provision of legal services by an individual under the direct supervision of a licensee pursuant to paragraph 3.1 of subsection 30 (1) of By-Law 4.
3. The provision of legal services by a law student under the direct supervision of a licensee pursuant to subsection 34 (2) or (3) of By-Law 4.

Same

(3) The following modifications of this Part apply with respect to the direct supervision by a licensee of the provision of legal services by a non-licensee mentioned in subsection (2):

1. Clause 4 (2) (h) does not apply.
2. The licensee shall give the non-licensee express instruction and authorization prior to permitting the non-licensee to act on behalf of a person in a proceeding before an adjudicative body.

BY-LAW 7.1

Made: October 25, 2007
Amended: November 22, 2007
January 24, 2008
April 24, 2008
June 26, 2008
October 30, 2008
January 29, 2009
January 29, 2009 (editorial changes)
March 20, 2009 (editorial changes)
October 28, 2010
November 10, 2010 (editorial changes)

OPERATIONAL OBLIGATIONS AND RESPONSIBILITIES

PART I

SUPERVISION OF ASSIGNED TASKS AND FUNCTIONS

Interpretation

1. (1) In this Part,

“non-licensee” means an individual who,

- (a) in the case of the assignment of tasks and functions by a person licensed to practise law in Ontario as a barrister and solicitor, is not a person licensed to practise law in Ontario as a barrister and solicitor and, in the case of the assignment of tasks and functions by a person licensed to provide legal services in Ontario, is not a licensee,
- (b) is engaged by a licensee to provide her or his services to the licensee, and
- (c) expressly agrees with the licensee that the licensee shall have effective control over the individual’s provision of services to the licensee;

“catastrophic impairment” means a catastrophic impairment within the meaning of the *Statutory Accident Benefits Schedule*;

“claim” means a claim for statutory accident benefits within the meaning of the *Insurance Act*;

“impairment” means an impairment within the meaning of the *Statutory Accident Benefits Schedule*;

“law firm” means a law firm within the meaning of section 29 of By-Law 4 [Licensing], except the reference to clause 61.0.1 (a) in that definition shall be read as a reference to clauses 61.0.1 (a) and (c);

“*Statutory Accident Benefits Schedule*” means the *Statutory Accident Benefits Schedule* within the meaning of the *Insurance Act*.

Interpretation: “effective control”

(2) For the purposes of subsection (1), a licensee has effective control over an individual’s provision of services to the licensee when the licensee may, without the agreement of the individual, take any action necessary to ensure that the licensee complies with the *Law Society Act*, the by-laws, the Society’s rules of professional conduct and the Society’s policies and guidelines.

Application: provision of legal services by student

2. (1) This Part does not apply to the provision of legal services by a student under the supervision of a licensee pursuant to subsection 34 (1) of By-Law 4.

Application: provision of legal services by law student

(2) This Part, subject to necessary modifications, does apply to the provision of legal services by a law student under the supervision of a licensee pursuant to subsection 34 (2) or (3) of By-Law 4.

Assignment of tasks, functions: general

3. (1) Subject to subsection (2), a licensee may, in accordance with this Part, assign to a non-licensee tasks and functions in connection with the licensee’s practice of law or provision of legal services in relation to the affairs of the licensee’s client.

Assignment of tasks, functions: affiliation

(2) A licensee who is affiliated with an entity under By-Law 7 may, in accordance with this Part, assign to the entity or its staff, tasks and functions in connection with the licensee’s practice of law or provision of legal services in relation to the affairs of the licensee’s client only if the client consents to the licensee doing so.

Assignment of tasks, function: direct supervision required

4. (1) A licensee shall assume complete professional responsibility for her or his practice of law or provision of legal services in relation to the affairs of the licensee’s clients and shall directly supervise any non-licensee to whom are assigned particular tasks and functions in

connection with the licensee's practice of law or provision of legal services in relation to the affairs of each client.

- (2) Without limiting the generality of subsection (1),
 - (a) the licensee shall not permit a non-licensee to accept a client on the licensee's behalf;
 - (b) the licensee shall maintain a direct relationship with each client throughout the licensee's retainer;
 - (c) the licensee shall assign to a non-licensee only tasks and functions that the non-licensee is competent to perform;
 - (d) the licensee shall ensure that a non-licensee does not act without the licensee's instruction;
 - (e) the licensee shall review a non-licensee's performance of the tasks and functions assigned to her or him at frequent intervals;
 - (f) the licensee shall ensure that the tasks and functions assigned to a non-licensee are performed properly and in a timely manner;
 - (g) the licensee shall assume responsibility for all tasks and functions performed by a non-licensee, including all documents prepared by the non-licensee; and
 - (h) the licensee shall ensure that a non-licensee does not, at any time, act finally in respect of the affairs of the licensee's client.

Assignment of tasks, functions: prior express instruction and authorization required

5. (1) A licensee shall give a non-licensee express instruction and authorization prior to permitting the non-licensee,
- (a) to give or accept an undertaking on behalf of the licensee;
 - (b) to act on behalf of the licensee in respect of a scheduling or other related routine administrative matter before an adjudicative body; or
 - (c) to take instructions from the licensee's client.

Assignment of tasks, functions: prior consent and approval

- (2) A licensee shall obtain a client's consent to permit a non-licensee to conduct routine negotiations with third parties in relation to the affairs of the licensee's client and shall approve the results of the negotiations before any action is taken following from the negotiations.

Assignment of tasks, functions: mediation of ancillary issues relating to catastrophic impairment claims

5.1 (1) Despite clause 6 (1) (c), a licensee who holds a Class L1 licence may permit a non-licensee who holds a Class P1 licence to participate in mediation of ancillary issues relating to a claim of an individual who has or appears to have a catastrophic impairment, but only if the non-licensee is employed by the licensee or by the law firm of which the licensee is a member.

(2) For the purposes of subsection (1), ancillary issues do not include issues relating to the determination of whether an impairment is a catastrophic impairment.

Tasks and functions that may not be assigned: general

6. (1) A licensee shall not permit a non-licensee,
- (a) to give the licensee's client legal advice;
 - (b) to act on behalf of a person in a proceeding before an adjudicative body, other than on behalf of the licensee in accordance with subsection 5 (1), unless the non-licensee is authorized under the *Law Society Act* to do so;
 - (c) to conduct negotiations with third parties, other than in accordance with subsection 5 (2);
 - (d) to sign correspondence, other than correspondence of a routine administrative nature; or
 - (e) to forward to the licensee's client any document, other than a routine document, that has not been previously reviewed by the licensee.

Tasks and functions that may not be assigned by Class L1 licensee

(2) A licensee who holds a Class L1 licence shall not permit a non-licensee to use the licensee's personalized specially encrypted diskette in order to access the system for the electronic registration of title documents.

Collection letters

7. A licensee shall not permit a collection letter to be sent to any person unless,
- (a) the letter is in relation to the affairs of the licensee's client;
 - (b) the letter is prepared by the licensee or by a non-licensee under the direct supervision of the licensee;
 - (c) if the letter is prepared by a non-licensee under the direct supervision of the licensee, the letter is reviewed and approved by the licensee prior to it being sent;

- (d) the letter is on the licensee's business letterhead; and
- (e) the letter is signed by the licensee.

TAB 6.6

INFORMATION

CONTINGENCY PLANNING RESOURCES

62. The members' annual reports for 2010 (filed in 2011) asked members to advise if they had contingency plans in place for their practices. Responses indicated that 80 per cent of members had no such plans. The Law Society recognized that the failure to plan for these contingencies is problematic given the fact that approximately 95% of law firms and 97% of paralegal firms in Ontario are sole proprietorships or small firms comprised of two to five practitioners and over the course of the next fifteen years approximately 40% of the lawyers and approximately 25% of paralegals in these firms will reach age 70.
63. Having confirmed that there was a critical need to develop an increased awareness and use of appropriate contingency planning activities among lawyers and paralegals, Convocation approved this issue as a strategic priority. The PD&C Department was asked to develop relevant, practical and valid supporting resources to address that need.
64. **TAB 6.6.1: Contingency Planning Resources** reports on the Professional Development and Competence Department's development process and resource tools, for Convocation's information.



**CONTINGENCY PLANNING IN THE
LEGAL PROFESSIONS
FOR INFORMATION**

Prepared for:
Professional Development and Competence Committee

Prepared by:
Diana C. Miles, Director
Professional Development and Competence
(416) 947-3328
dmiles@lsuc.on.ca

September 2013

Background

The members' annual reports for 2010 (filed in 2011) asked members to advise if they had contingency plans in place for their practices. Responses indicated that 80 per cent of members had no such plans. The Law Society recognized that the failure to plan for these contingencies is problematic given the fact that approximately 95% of law firms and 97% of paralegal firms in Ontario are sole proprietorships or small firms comprised of two to five practitioners and over the course of the next fifteen years approximately 40% of the lawyers and approximately 25% of paralegals in these firms will reach age 70.

Having confirmed that there was a critical need in the professions to develop an increased awareness and use of appropriate contingency planning activities, Convocation approved this issue as a strategic priority and the PD&C Department was tasked with the objective of deriving relevant, practical and valid supporting resources to address that need.

In May 2012, a working group made up of practitioners from across the province who are knowledgeable and experienced in the area of estates and trusts law was struck to assist in the development of the resources. At the outset, two focus groups on contingency planning were conducted; one with lawyers and one with paralegals. The focus groups participants were practitioners from smaller firms located in different areas of the province and from different areas of practice. Focus group participants indicated that they would like the Law Society to develop practical resources to assist them with contingency planning, including precedent documents.

The resources were then developed by the working group with assistance from PD&C counsel and compiled to create the Contingency Planning Guides. Once the guides were in final draft form, they were circulated to LawPRO and attendees from the original focus groups in order to obtain feedback and confirmation that the guides would be easily understood, useful and well-received by the professions. Feedback from both professions about the Guides has been very positive.

Those resources are now complete and available for members.

Contingency Planning Resources

In June 2013, the new *Contingency Planning Guide for Lawyers* and the new *Contingency Planning Guide for Paralegals*, both available in French and English, were posted on the Law Society's website and promoted to the membership. The new guides contain several practical and useful resources to assist members with contingency planning (planning for disability, death and other unexpected absences), including: key steps for lawyers and paralegals practising as a sole proprietor, sample Continuing Power of Attorney forms, sample Last Will and Testament clauses, sample Practice Coverage Agreements between the planning and the replacement practitioner and practical checklists. The sample resources in the guide are available to the membership individually as Word documents so they may be easily downloaded, edited and used in practice.

The Law Society will host a free live webcast about contingency planning on October 28, 2013 and the archived version of this program will be posted as a resource on the Law Society's website. The program will feature a panel of experts who will review the resources, discuss the issues and respond to questions from attendees. We expect over 1,000 attendees at this program.

Senior Competence Counsel in the Professional Development and Competence Department will be attending conferences and meetings around the region to discuss contingency planning and promote the new resource. Also, a panel on contingency planning will be held in French during the annual conference of the Association des juristes d'expression française de l'Ontario (AJEFO) in October whereby the Law Society will have an opportunity to promote the new resources.

Tab 7

IJMC Report awaiting information from Federation of Law Societies of Canada,
and will be provided if available prior to Convocation.



TAB 8

**Report to Convocation
September 25, 2013**

Audit & Finance Committee

Committee Members

Christopher Bredt (Co-Chair)

Carol Hartman (Co-Chair)

John Callaghan (Vice-Chair)

Cathy Corsetti

Adriana Doyle

Susan Elliott

Seymour Epstein

Janet Leiper

James Scarfone

Alan Silverstein

Catherine Strosberg

Robert Wadden

Peter Wardle

Purpose of Report: Decision and Information

Prepared by the Finance Department

Wendy Tysall, Chief Financial Officer, 416-947-3322 or wtysall@lsuc.on.ca

TABLE OF CONTENTS

For Decision

In Camera Item	TAB 8.1
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For Information	TAB 8.2
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1. LAWPRO Financial Statements for the six months ended June 30, 2013
2. Law Society of Upper Canada Financial Statements for the six months ended June 30, 2013
3. LibraryCo Inc. Financial Statements for the six months ended June 30, 2013
4. Performance of Investment Manager – Report from AON Hewitt – six months ended June 30, 2013
5. Investment Compliance Reporting

COMMITTEE PROCESS

1. The Audit & Finance Committee (“the Committee”) met on September 11, 2013. Committee members in attendance were Chris Bredt (co-chair), Carol Hartman (co-chair), John Callaghan (Vice-Chair), Cathy Corsetti, Adriana Doyle, Susan Elliott, Seymour Epstein, Janet Leiper, James Scarfone, Alan Silverstein, Catherine Strosberg, and Robert Wadden.
2. Law Society staff in attendance: Robert Lapper, Wendy Tysall, Terry Knott, Brenda Albuquerque-Boutilier and Andrew Cawse.
3. Also in attendance were Kathleen Waters, President & CEO – LAWPRO, Steve Jorgensen, Chief Financial Officer – LAWPRO and Brian White, Partner – AON Hewitt.

*THIS PAGE CONTAINS
IN CAMERA MATERIAL*

TAB 8.2

REPORTS FOR INFORMATION

TAB 8.2.1

FOR INFORMATION

**LAWYERS PROFESSIONAL INDEMNITY COMPANY
FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30,
2013**

5. Convocation is requested to receive the LAWPRO financial statements for the second quarter of 2013 for information.



***Report to the
Audit and Finance Committee
of
The Law Society of Upper
Canada***

September 11, 2013



Report to the Audit and Finance Committee – Law Society September 11, 2013

INDEX

▪ <i>Key Point Summary</i>	2
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LAWPRO

▪ <i>Financial Statements, as at June 30, 2013</i>	3
▪ <i>Premiums</i>	7
▪ <i>Claims & Adjustment Expenses</i>	7
▪ <i>Claims Trends</i>	8
▪ <i>Review of Insurance Ratios</i>	10
▪ <i>Compliance with Investment Guidelines:</i>	
- <i>CIBC Global Asset Management Inc.</i>	11
- <i>Letko Brosseau & Associates Inc.</i>	12

KEY POINT SUMMARY

- ***LAWPRO has sufficient assets to discharge its claims and other liabilities.***
- ***At June 30, 2013, LAWPRO held investment assets totaling \$580.1 million, inclusive of cash and cash equivalents and investment income due and accrued. These funds have been invested in accordance with the Company's investment policy. LAWPRO was in compliance with its policy during the six months ended June 30, 2013 (see pages 11 and 12).***
- ***LAWPRO's net loss for the six months ended June 30, 2013 was \$1.2 million compared to a budgeted income of \$1.0 million and a net loss of \$7.8 million for the same period in 2012. During the six months ended June 30, 2013 LAWPRO experienced a total comprehensive income of \$2.6 million, which reflects an increase in unrealized gains of \$3.8 million on its surplus investments, compared to a budgeted income of \$1.6 million and a loss of \$5.5 million for the same period in 2012.***
- ***Overall, earned premiums on the mandatory program were substantially at expected levels. Investment income of \$6.0 million for the six months of 2013 was lower than budgeted levels by \$3.2 million and the results for the same period in 2012 by \$1.4 million, the key difference being a \$5.0 million decrease in unrealized gains on the asset-liability matched bond portfolio in the current period due to a sudden rise in market yields on fixed income securities, which more than offset favourable realized gains and impairments results in the current period.***
- ***Claims and adjustment expenses for the six months ended June 30, 2013 were \$0.2 million lower than budget, as favourable prior year development in the E&O program and discount income resulting from the higher market yields offset the significant increase in losses incurred for Fund Year 2013 (as compared to Fund Year 2012). Current fiscal period claims expense was \$9.2 million lower than the same period last year, primarily due to significant favorable prior year loss experience in the E&O and TitlePLUS programs during the 2013 fiscal period, whereas at the same time last year the prior year development was significantly unfavourable. General expenses for the six months ended June 30, 2013 were \$0.9 million lower than budget and \$0.5 million lower than the same period in 2012.***
- ***LAWPRO is in compliance with all regulatory requirements regarding solvency and filing of financial information. A summary of LAWPRO's position with respect to its Risk Appetite Statement (including standard insurance ratios) at June 30 is included on page 10.***

Lawyers' Professional Indemnity Company
STATEMENTS OF FINANCIAL POSITION

Stated in thousands of Canadian dollars

UNAUDITED

	As at June 30 2013	As at December 31 2012	As at January 1 2012
Assets			
Cash and cash equivalents	7,265	18,377	16,936
Investments	569,586	533,175	500,674
Investment income due and accrued	3,270	1,902	3,159
Due from reinsurers	816	2,883	2,179
Due from insureds	3,271	1,739	1,570
Due from the Law Society of Upper Canada	35,792	-	1,118
Reinsurers' share of provisions for:			
Unpaid claims and adjustment expenses	40,792	39,936	43,089
Unearned premiums	3,537	-	-
Deferred policy acquisition expenses	1,633	-	-
Other receivables	1,488	1,045	864
Other assets	1,978	1,707	1,115
Property and equipment	2,492	2,835	2,716
Income taxes recoverable	3,906	2,671	2,528
Deferred income tax asset	4,561	4,489	4,009
Total assets	680,387	610,759	579,957
Liabilities			
Provision for unpaid claims and adjustment expenses	444,859	433,329	408,666
Unearned premiums	55,258	723	663
Unearned reinsurance commissions	743	-	-
Due to reinsurers	2,635	601	690
Due to insureds	284	206	263
Due to the Law Society of Upper Canada	-	2,565	-
Expenses due and accrued	2,404	1,634	1,968
Other taxes due and accrued	326	412	432
	506,509	439,470	412,682
Equity			
Capital stock	5,000	5,000	5,000
Contributed surplus	30,645	30,645	30,645
Retained earnings	121,786	123,026	125,258
Accumulated other comprehensive income	16,447	12,618	6,372
	173,878	171,289	167,275
Total liabilities and equity	680,387	610,759	579,957

Lawyers' Professional Indemnity Company**STATEMENTS OF INCOME**

Stated in thousands of Canadian dollars

UNAUDITED

<u>For six months ended June 30</u>	<u>2013</u>	<u>2012</u>
Revenue		
Gross written premiums	109,598	106,749
Premiums ceded to reinsurers	(7,030)	(5,897)
Net written premiums	102,568	100,852
(Increase) decrease in unearned premiums	(50,998)	(50,012)
Net premiums earned	51,570	50,840
Net investment income	6,033	7,428
Ceded commissions	861	1,038
	<u>58,464</u>	<u>59,306</u>
Expenses		
Gross claims and adjustment expenses	52,509	58,797
Reinsurers' share of claims and adjustment expenses	(2,001)	907
Net claims and adjustment expenses	50,508	59,704
Operating expenses	8,101	8,577
Premium taxes	1,655	1,617
	<u>60,264</u>	<u>69,898</u>
Income before income taxes	<u>(1,800)</u>	<u>(10,592)</u>
Income tax expense (recovery) - current	(489)	(2,843)
- deferred	(71)	43
	<u>(560)</u>	<u>(2,800)</u>
Net income / (loss)	<u>(1,240)</u>	<u>(7,792)</u>
Unrealized gains / (losses) - bonds	(1,388)	(545)
- equities	5,217	2,886
Other comprehensive income / (loss)	<u>3,829</u>	<u>2,341</u>
Total comprehensive income / (loss)	<u>2,589</u>	<u>(5,451)</u>

Lawyers' Professional Indemnity Company
STATEMENTS OF COMPREHENSIVE INCOME

Stated in thousands of Canadian dollars

UNAUDITED

For six months ended June 30

	2013	2012
Net income	(1,240)	(7,792)
Other comprehensive income, net of income tax:		
Net changes unrealized gains (losses) on available-for-sale financial assets, net of income tax expense (recovery) of \$1,962 (2012: \$87)	5,443	979
Reclassification adjustment for (gains) losses included in net income, net of income tax (expense) recovery of (\$743) [2012: (\$154)]	(2,062)	(434)
Reclassification adjustment for impairments on available-for-sale assets, included in net income, net of income tax expense of \$162 (2012: \$209)	448	1,796
Other comprehensive income	3,829	2,341
Comprehensive income	2,589	(5,451)

Lawyers' Professional Indemnity Company
STATEMENTS OF CHANGES IN EQUITY

Stated in thousands of Canadian dollars

UNAUDITED

	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income	Equity
Balance at December 31, 2011	5,000	30,645	125,859	6,372	167,876
IAS 19 adjustment for defined benefit remeasurement	-	-	(601)	-	(601)
Balance at January 1, 2012	5,000	30,645	125,258	6,372	167,275
Total comprehensive income for the year	-	-	(2,232)	6,246	4,014
Balance at December 31, 2012	5,000	30,645	123,026	12,618	171,289
Total comprehensive income for the year	-	-	(1,240)	3,829	2,589
Balance at June 30, 2013	5,000	30,645	121,786	16,447	173,878

**LAWYERS' PROFESSIONAL INDEMNITY COMPANY
REPORT TO AUDIT AND FINANCE COMMITTEE - LAW SOCIETY OF UPPER
CANADA
MANDATORY E&O INSURANCE PROGRAM
SIX MONTHS ENDED JUNE 30, 2013**

PREMIUMS

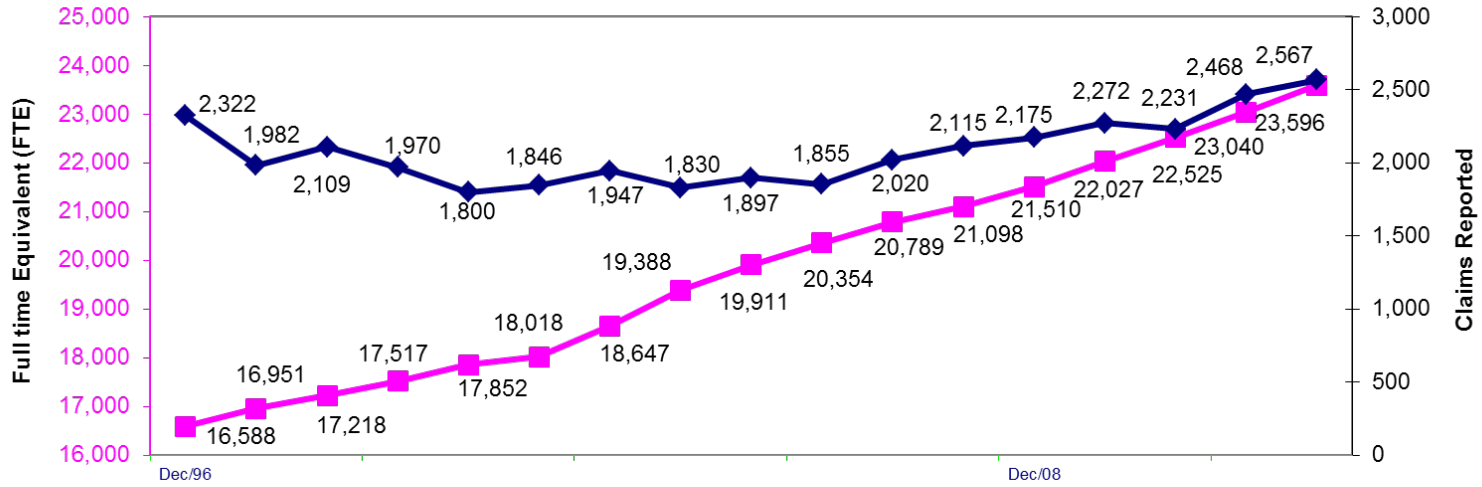
- The 2013 Ontario mandatory professional liability program performed substantially as expected. Overall, written premiums were at expected levels. At June 30, 2013, there were 23,972 full-time equivalent practitioners, a level which is on target to meet the budgeted amount of 24,112 as new calls come into the program later in the year.
- For the first six months of 2013, transaction levies were \$1.3 million below budget, compared to \$0.2 million below budget in 2012 comparative period.
- The retrospective rating arrangement in its insurance contract with the Law Society, which was significantly restructured commencing in 2010, resulted in no additional premium recorded in 2013.

CLAIMS & ADJUSTMENT EXPENSES

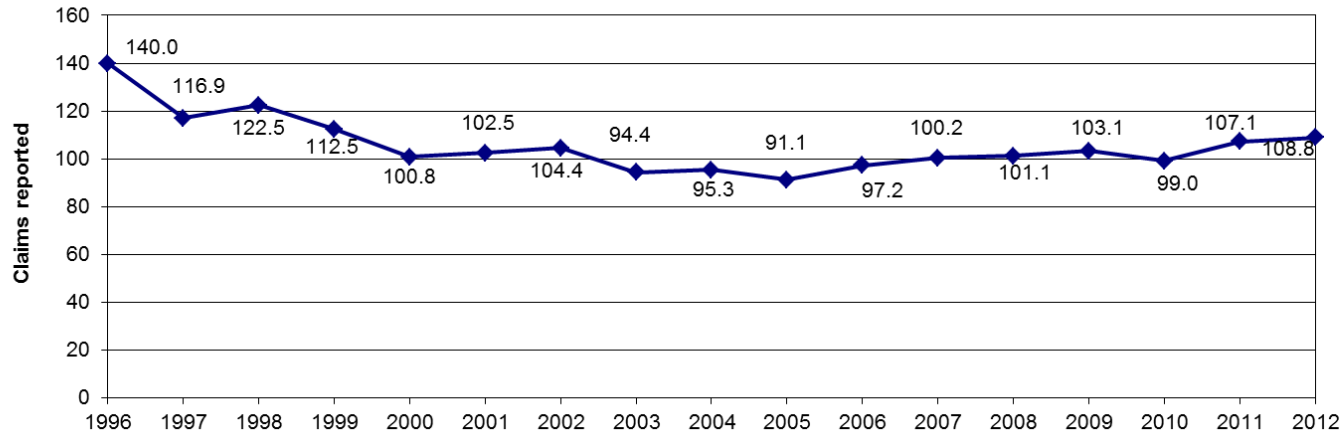
- In the first six months of 2013, there were 977 new 2013 fund year claim files reported compared with 958 new 2012 fund year claim files reported in 2012.
- The number of files remaining open at June 30, 2013 was 3,676, higher than the 3,388 files remaining open at June 30, 2012.
- For all fund years, 1,216 new files were opened through June 30, 2013 and 1,059 closed. The comparable figures for the six months ended June 30, 2012 were 1,242 claims opened and 1,129 closed.

On an aggregate basis, in the first six months of 2013 there has been net favorable development on claims of prior years (in particular fund years 2004, 2005 and 2008 through 2011). In comparison during 2012, a significant prior years' net unfavourable development was experienced (in particular fund year 2011, offset somewhat by large favorable developments for fund years 2005 through 2007, and 2010).

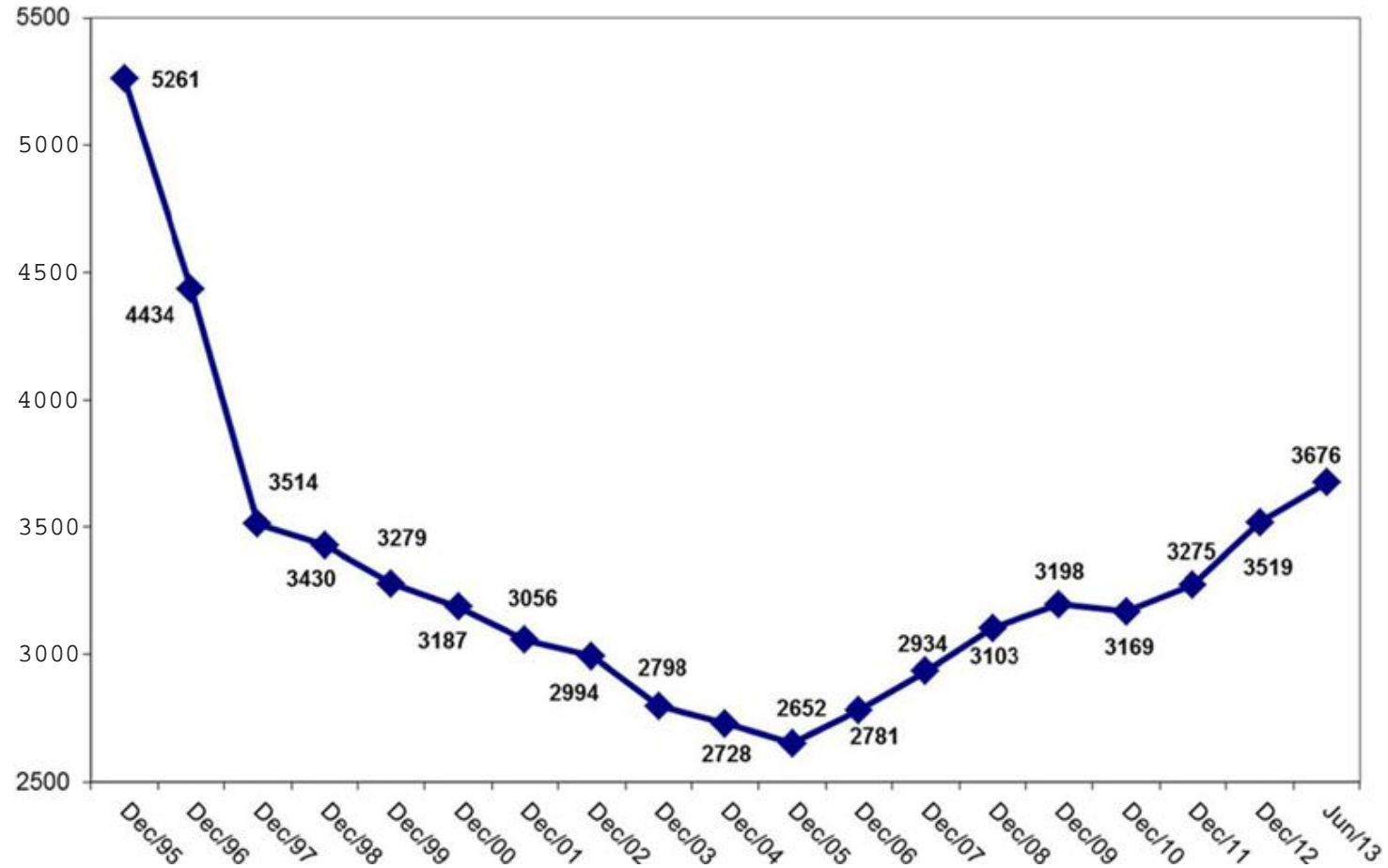
Claims Reported & Full Time Equivalents by Fund Year



Claims reported per 1,000 FTE



Open Claims (for fund years 1995 and forward)



INSURANCE RATIOS¹

TEST	RECOMMENDED RANGE	JUN 2013	DEC 2012	JUN 2012	DEC 2011
I. Solvency Ratios					
1. Minimum Capital Test					
(Measures the excess of capital available to capital required based on a risk-based capital adequacy framework and is used to determine capital adequacy of a company.)	Preferred: 220-230% Minimum: 180%	215%	223%	217%	220%
2. Loss reserves to equity					
(Measures unpaid claim and adjustment reserves as a percentage of surplus and provides a simple test of the leveraged position of the company.)	Preferred: < 225% Maximum: 250%	232%	229%	239%	218%
II. Other Select Ratios					
1. Liabilities as a % of liquid assets					
(Liabilities as a percentage of Cash and other liquid assets-measures company's ability to meet its financial demands.)	Preferred: < 80% Maximum: 105%	80%	72%	82%	71%
2. Net premiums written as a % of surplus					
(Net risk ratio measures the company's ability to absorb financial shocks. The higher the ratio of premiums to surplus, the greater is the potential risk borne by the company in relation to the surplus available to absorb loss variations.)	Preferred: < 80% Maximum: 100%	59%	61%	62%	65%
3. Return on equity					
(Measures an insurer's net income as a percentage of equity. The higher the ratio, the greater the return to shareholders per unit of invested capital. Sustainability of earnings is more important than periods of high returns followed by periods of low returns or losses.)	Greater than 0% ² , Net income Comprehensive Income	(1%) 3%	(2%) 2%	(10%) (7%)	5% 5%
4. General expense ratio					
(Measures an insurer's general expenses, excluding commissions, as a percentage of net earned premiums.). This ratio should be maintained at lower than or equal to comparable small insurance companies.	Up to small insurance company benchmark (25% as at Dec 2012)	19%	21%	21%	19%
5. Optional business segment					
(Excess program and TitlePLUS title insurance) is planned to operate on a break-even or better basis.	Greater than \$0 (stated in \$'000s)	1,441	(753)	(1,270)	1,160

Note:

1. The above metrics reflect the Risk Appetite Statement approved by the Board of Directors on February 26, 2013.
2. Sufficient to maintain/grow MCT.

Better Than Range
Within Range
Outside of Range

LAWPRO & LAWPRO POST 2007

COMPLIANCE



As of and for the quarter ending June 30, 2013, we hereby certify that to the best of our knowledge the investments in the Lawyers' Professional Indemnity Company portfolio were in compliance, based on our records which are issued on a trade date basis, in accordance with the Investment Policy Statement dated January 1, 2013.



Deborah Lewis, CFA
First Vice President

July 22 2013

Date:





GESTION DE PLACEMENTS GLOBALE
GLOBAL INVESTMENT MANAGEMENT
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July 26, 2013

130 Adelaide Street West
Suite 3700
Toronto, ON M5H 3P5
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Lawyer's Professional Indemnity Company
C/O Ms Kathleen A. Waters, President & CEO
250 Yonge Street, Suite 3101
P.O. Box 3
Toronto, Ontario
M5B 2L7

SUBJECT: COMPLIANCE CERTIFICATE

Dear Ms. Waters,

This is to confirm that, at the end of each month of the quarter ending June 30th, 2013, Letko Brosseau was in compliance with the requirements of the Statement of Investment Policies and Procedures, effective January 1st, 2013. To the best of our knowledge, we have no reason to believe that we were not in compliance with all such requirements at any other time during such period.

Should you require additional information, please do not hesitate to contact us at your convenience.

Regards,

Peter Letko
Letko Brosseau & Associates Inc.
PL/sr



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1-800-410-1013

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E-mail: kathleen.waters@lawpro.ca

September 5, 2013

Ms. Wendy Tysall
Chief Financial Officer
The Law Society of Upper Canada
Osgoode Hall, 130 Queen Street West
Toronto, Ontario
M5H 2N6

Dear Ms. Tysall,

RE: LAWPRO Investment Results for quarter-ended June 30, 2013

As you may recall, LAWPRO Management was asked to provide the Law Society Audit Committee with information on LAWPRO investment results on a quarterly basis, at least for the foreseeable future. Please find enclosed a chart summarizing the results, compared to target (or benchmark), for the quarter ending June 30, 2013. As you will see, our total portfolio earned -0.2%, against a target of -0.9%.

I would, however, caution the Committee that the LAWPRO surplus portfolio is, as I understand it, quite different from the Law Society FGP portfolio. Letko Brosseau has more of a global mandate than exists in the Law Society investment policy. Also, LAWPRO is not participating in any pooled funds; all securities are owned directly by LAWPRO and reside with our custodian, CIBC Mellon.

Yours truly,

LAWYERS' PROFESSIONAL INDEMNITY COMPANY (LAWPRO®)

Per:

Kathleen A. Waters
President & CEO

KW/cg
Encl. As stated.



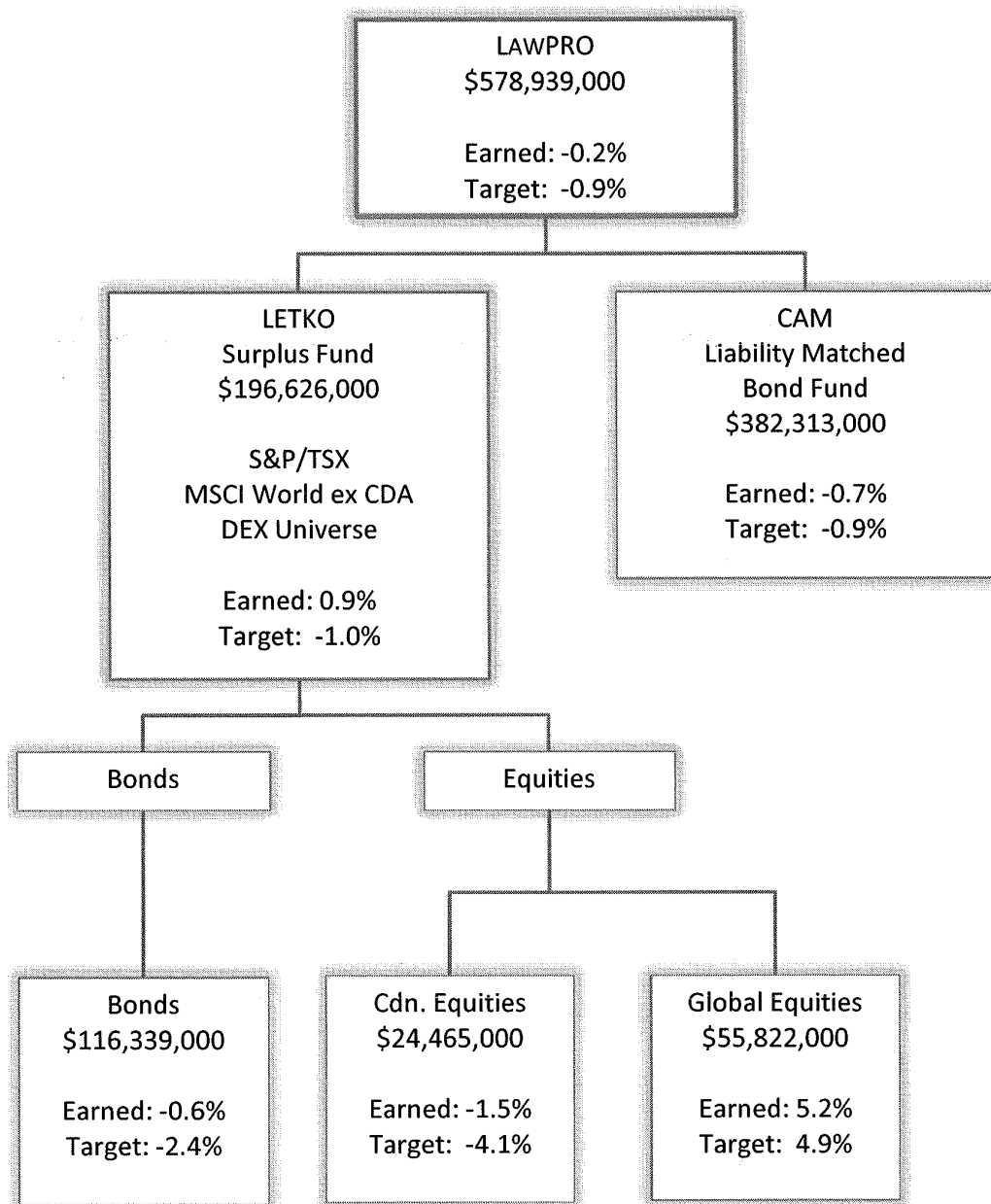
Lawyers' Professional Indemnity Company / Assurance LAWPRO®
250 Yonge Street, Suite 3101, P.O. Box 3, Toronto, Ontario M5B 2L7



Investment portfolio summary as of June 30, 2013 at market value.

Investment performance for the quarter ended June 30, 2013.

The Total Fund return is reported before allowance for fees.



TAB 8.2.2

FOR INFORMATION

**LAW SOCIETY OF UPPER CANADA FINANCIAL STATEMENTS FOR
THE SIX MONTHS ENDED JUNE 30, 2013**

6. Convocation is requested to receive the financial statements for the Law Society for the second quarter of 2013 for information.

Law Society of Upper Canada Financial Statements For the six months ended June 30, 2013

Financial Statement Highlights

7. The Lawyer General Fund incurred a surplus of \$1.1 million at the end of the second quarter of 2013, compared to a surplus of \$173,000 in 2012 and a budgeted deficit for the period of \$2.8 million. The Paralegal General Fund generated a surplus of \$516,000 at the end of the second quarter of 2013 compared to \$80,000 at the end of the second quarter of 2012 and a budgeted deficit for the period of \$392,000. The main reasons for the favourable performance are strong Continuing Professional Development revenues and operating expenses are under budget in almost all areas.
8. The Society's restricted funds report a deficit of \$2 million primarily comprising deficits of \$367,000 in the Lawyer Compensation Fund, \$535,000 in the E&O Fund and amortization of \$1.6 million in the Invested in Capital Assets Fund offset by other smaller surpluses.
9. The Society is on track to meet or exceed its 2013 budget expectations and its financial position remains strong.

Background

10. The Financial Statements are prepared under Generally Accepted Accounting Principles for Canadian not-for-profit organizations using the restricted fund method of accounting. Revenues are recognized when earned and expenses are recognized when incurred.
11. The Financial Statements for the six months ended June 30, 2013 comprise the following statements:
 - Balance Sheet
 - Statement of Revenues and Expenses and Change in Fund Balances. Detailed results of operations for lawyers and paralegals are combined on the Statement of Revenue and Expenses

- Schedule of Restricted Funds
- Supplemental schedules include Schedules of Revenues and Expenses and Change in Fund Balances for the Combined General Fund, Lawyer and Paralegal General Funds, the Compensation Fund and the Errors and Omissions Insurance Fund.

Overview

12. Operationally, revenues to date exceed budget by approximately 7% or just over \$2.5 million with revenues from CPD and the licensing process contributing virtually all the excess revenue. Lawyer annual fees are slightly under budget but this should correct by year end with the significant calls to the bar. Other revenue lines are substantially in line with budget.
13. Expenses to date are under budget by approximately 6% or just over \$2.2 million with spending for outside counsel and expert witnesses within professional regulation and benchner related expenses and remuneration being the biggest contributors to this variance. These types of expenses do not follow a consistent trend. Expenses in the Other category (primarily corporate) are over budget by \$348,000 due to severance costs.
14. The Society's 2013 budget included a contingency of \$1,000,000 and a budget for severances of \$250,000. Primarily because of costs associated with the corporate reorganization, the total of \$1,250,000 for contingencies and severances has been expended by the end of June.
15. A detailed discussion of the June 30, 2013 interim financial statements follows.

Balance Sheet

16. Asset balances at the end of June 2013 are relatively unchanged from a year ago. Annual fee, licensing process and monitoring & enforcement accounts receivable have all increased slightly although there is no indication that net collections will deteriorate. Most of the prepaid expense balance relates to annual E&O insurance premiums paid or payable for the year, which are expensed over the full year.

17. The Investment in LAWPRO totaling \$35.6 million is made up of two parts. The investment represents the share capital of \$4,997,000 purchased in 1991 when LAWPRO was established plus contributed capital of \$30,645,000 accumulated between 1995 and 1997 from a special capitalization levy by the Law Society.
18. Portfolio investments are shown at fair value of \$73.3 million, an increase from \$67.5 million in 2012. In 2013, transfers from the E&O Fund of \$3 million in compliance with the budget have been offset by a capital deposit of \$2.6 million from short-term investments. Approximately 13% of the portfolio is held in equity investments. Investments are held in the following funds:

Fund (\$ 000's)	June 30, 2013	June 30, 2012
Errors & Omissions Insurance	\$28,311	\$25,565
Compensation Fund	31,223	29,094
General Fund	13,784	12,846
Total	\$73,318	\$67,505

19. Liability balances at the end of June 2013 of \$135.8 million have increased by \$4.6 million from a year ago. Deferred Revenue has increased to \$80 million from \$77.1 million. This is largely the result of increased annual fees in the General Fund. Full recognition of these revenues will occur over the remaining six months of the year.
20. The amount due to LAWPRO has increased from \$32.8 million to \$35.8 million. The payable will decline by year-end as insurance premiums and levies collected are paid to LAWPRO. Any balance owing to LAWPRO at year end is paid by March 31 of the following year.
21. The provision for unpaid grants / claims comprises the Compensation Fund's provision for unpaid grants and the E&O Fund's provision for unpaid claims, with balances at the

end of June 2013 of \$10.2 million and \$385,000 respectively compared to prior year balances of \$12.8 million and \$665,000. The provision for unpaid grants in the Compensation Fund represents the estimate for unpaid claims and inquiries against the Compensation Fund, supplemented by the costs for processing these claims. The provision for unpaid claims in the E&O Fund represents claims liabilities for 1995 and prior. Effective 1995, 100% of the risk above the individual member deductible was insured through LAWPRO so the E&O Fund is in run-off mode.

22. The Law Society Act permits a member who has dormant trust funds, to apply for permission to pay the money to the Society. Money paid to the Society is held in trust in perpetuity for the purpose of satisfying the claims of the persons who are entitled to the capital amount. At the end of June, unclaimed money held in trust amounts to \$2.9 million, compared to \$2.6 million in the prior year.

Statement of Revenues and Expenses and Change in Fund Balances

23. The Lawyer General Fund incurred a surplus of \$1.1 million at the end of the second quarter of 2013, compared with a surplus of \$173,000 in the first six months of 2012. As discussed below, expenses are relatively static at around \$33.8 million but revenues have increased by \$1.2 million to \$35 million. The Paralegal General Fund had a surplus of \$516,000 versus a surplus of \$80,000 last year.
24. The 2013 budget incorporates the use of \$2.75 million in funding from the Lawyer General Fund balance and \$810,000 in funding from the Paralegal General Fund balance. Actual use of these funds is contingent on results for the year. As budgeted, a transfer of \$3 million in funding from surplus investment income in the E&O Fund is reflected as an interfund transfer.
25. The Society's restricted funds report a deficit of \$2 million for the period (2012: deficit of \$1 million). The current deficit is primarily attributable to the \$1.6 million amortization expense in the Invested in Capital Assets Fund supplemented by deficits in the Compensation Fund (\$367,000) and E&O Fund (\$535,000). Both the latter funds

were in surplus at this time in 2012 depending on claim levels and contributions to the insurance program respectively.

26. Annual fee revenue is recognized on a monthly basis. Total annual fees recognized in the second quarter have increased across the board compared to 2012 due to the overall increase in the lawyer fee and because of the increased number of lawyer and paralegal members billed. 36,600 full time equivalent lawyers were used as the basis for the number of members in the 2013 budget. Annual fee revenues in total have increased from \$33.7 million to \$35.3 million.
27. LAWPRO's base premium of \$3,350 has not changed from 2012, leading to relatively static premium and levy revenue of \$48.7 million.
28. The Lawyer and Paralegal Licensing Process fees of \$2,400 and \$1,075 per candidate have not changed from 2012. An increase in the number of lawyer candidates has offset the decrease in the Law Foundation of Ontario grant, leading to relatively static revenue of \$3.8 million, but exceeding budget. Paralegal Licensing Process revenue has increased by \$200,000 to \$1.1 million with registration increases outweighing the decrease in the LFO grant.
29. Continuing professional development revenue has increased by \$380,000 to \$4.3 million as registrations continue to find a consistent level in the third year of the mandatory program.
30. At \$1.4 million, total investment income has doubled from the second quarter of 2012 with increasing yields and capital gains on equities outweighing unrealized losses that may result in an increasing interest rate environment.
31. Other income of \$3.4 million primarily comprises catering, Ontario Reports and the LibraryCo administration fee.

32. Total Regulatory expenses of \$10.6 million are nominally lower than the same period in 2012 by \$127,000 and are 7% below budget. Expenses for outside counsel and expert opinions are currently \$543,000 under budget but these costs do not follow a consistent pattern.
33. Professional development and competence expenses of \$10.8 million are nominally lower than the same period in 2012 by \$226,000 and are 3% below budget. Expenses related to learning centre improvements were limited to 2012.
34. Administration expenses of \$5.5 million are \$300,000 higher than last year and are in line with budget. Payments for consulting services related to the reorganization and for software licensing fees in implementing a more appropriate licensing structure offset reorganization savings to date.
35. Other expenses totaling \$4.6 million include benchers related payments, severance costs, payments to other organizations such as the Federation of Law Societies, insurance, catering costs and other miscellaneous expenses. Severance costs related to the reorganization is the primary component of the increase in the total of Other expenses from \$3.8 million last year and the negative variance from budget.
36. Included in Other expenses, Benchers expense reimbursements and benchers functions are slightly under budget (by a total of \$184,000) but benchers remuneration is significantly under budget (by \$531,000) although the timing of these expenses is not regular and depends on submissions from benchers. Costs associated with the Treasurer's Advisory Group on Access to Justice ("TAG") symposium will be funded from savings in benchers function expenses. The symposium will be held on October 29, 2013 in part to respond to a request from Justice Thomas Cromwell whose National Action Committee on Access to Civil and Family Justice is seeking cross-country opportunities to discuss their research and solicit feedback on their recommendations. The preliminary cost of the symposium is estimated at \$60,000, primarily comprising consulting costs for research, facilitation and report writing, but also catering and other costs. This budgetary allocation appears appropriate as many of the expenses will be benchers related.

37. The Client Service Centre expenses at \$3.4 million are 8% higher than 2012 in line with increased staffing approved in the 2013 budget. However it is 10% under budget because of the Member Assistance Plan. 2013 is the first year of the outsourced Assistance Plan so budgeting was conservative. Costs to date total \$241,000 compared to a budget for the first half of the year of \$500,000. LAWPRO is reimbursing the Law Society for some of the MAP expenses related to insured lawyers.
38. Expenses in the Errors and Omissions Insurance Fund have increased from \$48.2 million to \$49.7 million, exceeding revenues of \$49.2 million primarily because transaction levies are currently lower than budget although they fluctuate and may correct by year end.
39. Compensation Fund expenses have increased from \$4.9 million to \$5.2 million because of a comparatively larger increase in the provision for unpaid grants during the period. The provision is adjusted monthly based on the number of new inquiries and open claims and cases closed. The combined deficit for the lawyer and paralegal Compensation Funds of \$367,000 is still in line with last year.
40. County Libraries Fund expenses have increased marginally by \$149,000 to \$3.7 million in line with the budgeted small increase in grants.
41. Included in Other Restricted Funds are expenses for the Parental Leave Assistance Plan of \$169,000 up from the same period last year of \$130,000. The budget for 2013 raised \$400,000.

THE LAW SOCIETY OF UPPER CANADA

Balance Sheet

Unaudited

Stated in thousands of dollars

As at June 30, 2013

	Jun. 30 2013	Jun. 30 2012
Assets		
Current Assets		
1 Cash	22,929	19,776
2 Short-term investments	36,412	38,367
3 Cash and short-term investments	59,341	58,143
4 Accounts receivable	30,925	28,585
5 Prepaid expenses	52,860	51,346
6 Total current assets	143,126	138,074
7 Investment in subsidiaries	35,642	35,642
8 Portfolio investments	73,318	67,505
9 Capital assets	13,122	13,849
10 Total Assets	265,208	255,070
Liabilities and Fund Balances		
Current Liabilities		
11 Accounts payable and accrued liabilities	6,550	5,198
12 Deferred revenue	80,019	77,112
13 Due to LawPro	35,792	32,833
14 Total current liabilities	122,361	115,143
15 Provision for unpaid grants/claims	10,613	13,425
16 Unclaimed trust funds	2,862	2,616
17 Total Liabilities	135,836	131,184
Fund Balances		
General funds		
18 Lawyers	21,427	18,021
19 Paralegals	1,362	1,061
Restricted funds		
20 Compensation - lawyers	24,967	22,924
- paralegals	380	309
21 Errors and omissions insurance	62,375	62,363
22 Capital allocation	4,374	4,273
23 Invested in capital assets	13,122	13,849
24 County libraries	(50)	(67)
25 Other	1,415	1,153
26 Total Fund Balances	129,372	123,886
27 Total Liabilities and Fund Balances	265,208	255,070

THE LAW SOCIETY OF UPPER CANADA**General Fund****Statement of Revenues and Expenses and Change in Fund Balances***Unaudited**Stated in thousands of dollars**For the six months ended June 30*

	2013	2012	2013	2012	2013	2012	2013	2012
	General Fund Lawyer		General Fund Paralegal		Restricted Funds		Total	
Revenues								
1 Annual fees	23,739	22,840	1,537	1,150	10,083	9,706	35,359	33,696
2 Insurance premiums and levies	-	-	-	-	48,717	48,404	48,717	48,404
3 Licensing process	3,790	3,773	1,113	916	-	-	4,903	4,689
4 Continuing professional development	3,975	3,919	323	-	-	-	4,298	3,919
5 Investment income	403	269	30	-	1,019	462	1,452	731
6 Other	3,049	2,952	228	147	85	172	3,362	3,271
7 Total revenues	34,956	33,753	3,230	2,213	59,904	58,744	98,090	94,710
Expenses								
8 Professional regulation	9,783	9,684	770	996	-	-	10,553	10,680
9 Professional development and competence	9,903	10,544	924	509	-	-	10,827	11,053
10 Administrative	5,126	4,907	396	299	-	-	5,522	5,206
11 Other	4,304	3,648	258	108	-	-	4,562	3,756
12 Client service centre	3,171	2,990	250	186	-	-	3,421	3,176
13 Facilities	2,053	2,422	165	53	-	-	2,218	2,475
14 Policy and legal services	1,298	1,195	102	151	-	-	1,400	1,346
15 Communications	709	749	56	47	-	-	765	796
16 Equity	545	492	43	23	-	-	588	515
17 Tribunals	617	762	48	31	-	-	665	793
18 Restricted (schedule of restricted funds)	-	-	-	-	61,945	59,780	61,945	59,780
19 Total expenses	37,509	37,393	3,012	2,403	61,945	59,780	102,466	99,576
20 Less: Expenses allocated to Compensation Fund	(3,687)	(3,813)	(297)	(270)	-	-	(3,984)	(4,083)
21 Net expenses	33,822	33,580	2,715	2,133	61,945	59,780	98,482	95,493
22 (Deficit) Surplus	1,134	173	515	80	(2,041)	(1,036)	(392)	(783)
23 Fund balances, beginning of year	17,385	17,874	847	917	111,533	105,878	129,765	124,669
24 Interfund transfers	2,908	(26)	-	64	(2,908)	(38)	-	-
25 Fund balances, end of period	21,427	18,021	1,362	1,061	106,584	104,804	129,373	123,886

Convocation - Audit and Finance Committee Report

THE LAW SOCIETY OF UPPER CANADA

Schedule of Restricted Funds

Unaudited

Stated in thousands of dollars

For the six months ended June 30

		2013							2012	
		Compensation Fund		Errors and omissions insurance	Capital allocation	Invested in capital assets	County libraries	Other restricted	Total Restricted funds	Total
		Lawyer	Paralegal							
1 Fund balances, beginning of year		25,331	383	65,910	4,055	14,744	-	1,110	111,533	105,878
Revenues										
2	Annual fees	3,987	298	-	1,699	-	3,699	400	10,083	9,706
3	Insurance premiums and levies	-	-	48,717	-	-	-	-	48,717	48,404
4	Investment income	549	-	470	-	-	-	-	1,019	462
5	Other	20	-	-	65	-	-	-	85	172
6	Revenues	4,556	298	49,187	1,764	-	3,699	400	59,904	58,744
7	Expenses	4,920	301	49,722	1,445	1,622	3,749	187	61,946	59,780
8	(Deficit) Surplus	(364)	(3)	(535)	319	(1,622)	(50)	213	(2,042)	(1,036)
9	Interfund transfers	-	-	(3,000)	-	-	-	92	(2,908)	(38)
10	Fund balances, end of period	24,967	380	62,375	4,374	13,122	(50)	1,415	106,583	104,804

*THIS SECTION CONTAINS
IN CAMERA MATERIAL*

TAB 8.2.3

FOR INFORMATION

**LIBRARYCO INC. FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED JUNE 30, 2013**

45. Convocation is requested to receive LibraryCo's financial statements for the second quarter of 2013 for information.

**LIBRARYCO INC.
FINANCIAL REPORT
FOR THE SIX MONTHS ENDED JUNE 30, 2013**

KEY POINT SUMMARY

Overall Results

Results for the second quarter identify a deficit of \$141,000 compared to a budgeted deficit of \$180,000. Total expenses are \$4,616,000 and have not varied significantly from budget.

Revenues

1. Law Society grant (line 1) is the lawyer-based fee that is transferred to Library Co. This transfer includes amounts for central administration and quarterly transfers to the 47 libraries. The actual grant from the Law Society was \$3,749,000 and matched budgeted amounts for the period.
2. The Law Foundation of Ontario grant (line 2) of \$722,500 was provided to LibraryCo to subsidize the purchase of electronic resources and the amount received equalled the amount budgeted.

Expenses

3. Salaries and administration (line 5) are lower than budget by \$8,000 because the assistant position to the Board general manager was vacant for the first four months of the year.
4. Other expenses (line 7) are lower than budget for the period by \$7,000 primarily because of professional development, publications, and web initiatives.
5. The electronic products and services purchased of \$893,000 equalled the amount budgeted.
6. Capital and special needs grants total \$27,000 compared to budget of \$35,000.

Balance Sheet

7. Cash and short-term investments of \$810,000 has decreased by \$112,000 due to the budgeted operating deficits in recent periods.

8. Prepaid expenses increased by \$22,000 as the new Directors and Officers Insurance Policy for the Associations was paid in full in March.
9. The general fund has decreased by \$79,000 over the previous year due to the budgeted operating deficits. Based on projections we anticipate a general fund balance of \$276,000 by the end of 2013.

Schedule of Revenues and Expenses - LibraryCo and County Law Libraries

Comparison of 2013 to 2012 Actuals Year-to-Date

10. Other income (line 3) of \$168,182 (2012 - \$227,749) noted under the Law Libraries column represents income from local recoveries such as members' dues, photocopying, faxing, printing, and fees charged for specific research services.
11. Salaries and administration (line 5) at the Law Libraries were \$1,867,760, (2012 – \$1,842,476 representing a 1.4% increase.
12. Collections (line 10) of \$1,065,322 (2012 - \$1,017,690) increased by 4.7% over the previous year. The increase in collections is caused by the change in Carswell policy which resulted in libraries needing to purchase the more expensive continual updates versus just one annual update.
13. Law Library grants (line 15) are \$61,977 or 2% higher than the previous year. This is in line with the budgeted increase approved by Board.

Other Items of Note

14. Total payables and accrued liabilities at 47 Law libraries amounted to approximately \$356,805 (2012 – \$336,922). This represents an average balance of \$7,592 (2012 - \$7,169).
15. 45 libraries were able to submit their financial information for inclusion in this report with 85% submitting before the deadline.

Convocation - Audit and Finance Committee Report

LIBRARYCO INC.

Schedule of Actual and Budgeted Revenues and Expenses

Stated in Dollars

For the six months ended June 30

Unaudited

	2013 Actual	YTD Budget	Variance	Annual Budget
REVENUES				
1 Law Society of Upper Canada grant	3,749,262	3,749,262	-	7,498,524
2 Law Foundation of Ontario grant	722,500	722,500	-	722,500
3 Other Income	3,973	-	3,973	-
4 Total revenues	4,475,735	4,471,762	3,973	8,221,024
EXPENSES				
Head office / administration				
5 Salaries and administration	324,621	332,452	7,831	665,500
6 Professional fees	7,294	11,520	4,226	23,000
7 Other	34,254	41,550	7,296	65,705
8 Total Head office / administration expenses	366,169	385,522	19,353	754,205
Law Libraries - centralized purchases				
9 Electronic products and services	892,519	892,519	-	892,519
10 Group benefits and insurance	160,736	168,700	7,964	338,000
11 Other	75,961	76,000	39	166,800
12 Total Law Libraries - centralized purchases	1,129,216	1,137,219	8,003	1,397,319
13 County and District law libraries - grants	3,093,677	3,093,750	73	6,187,500
14 Capital and special needs grants	27,234	35,000	7,766	100,000
15 Total County and District Law Libraries Expenses	3,120,911	3,128,750	7,839	6,287,500
16 Total expenses	4,616,296	4,651,491	35,195	8,439,024
17 Excess of expenses over revenues	(140,561)	(179,729)	39,168	(218,000)

LIBRARYCO INC.**Balance Sheet****Stated in Dollars***As at June 30***Unaudited**

	2013	2012
Assets		
Current Assets		
1 Cash and short-term investments	810,189	921,930
2 Accounts receivable	22,836	18,064
3 Prepaid Expenses	66,996	44,550
4 Total Assets	900,021	984,544
Liabilities, Share Capital and Fund Balances		
Liabilities		
5 Accounts payable and accrued liabilities	69,194	74,644
6 Total Liabilities	69,194	74,644
Share Capital and Fund Balances		
7 Share capital	200	200
8 General fund	330,627	409,700
9 Reserve fund	500,000	500,000
10 Total Share Capital and Fund Balances	830,827	909,900
11 Total Liabilities, Share Capital and Fund Balances	900,021	984,544

LIBRARYCO INC.
Statement of Changes in Fund Balances
Stated in Dollars
For the six months ended June 30

	2013		2012	
	General Fund	Reserve Fund	Total	Total
1 Balance, beginning of year	471,188	500,000	971,188	1,034,060
			-	-
2 Excess of expenses over revenues	(140,561)	-	(140,561)	(124,360)
3 Balance, end of period	330,627	500,000	830,627	909,700

LIBRARYCO INC.
Schedule of Revenues and Expenses
Stated in Dollars
For the six months ended June 30
Unaudited

	2013			2012		
	LibraryCo	Law Libraries	Total	LibraryCo	Law Libraries	Total
Revenues						
1 Law Society of Upper Canada grant	3,749,262	-	3,749,262	3,646,297	-	3,646,297
2 Law Foundation of Ontario grant - Electronic Resources	722,500		722,500	722,500	-	722,500
3 Other income	3,973	168,182	172,155	4,792	227,749	232,541
4 Total revenues	4,475,735	168,182	4,643,917	4,373,589	227,749	4,601,338
Expenses						
5 Salaries and administration	324,621	1,867,760	2,192,381	326,973	1,842,476	2,169,449
6 Professional fees	7,294	21,067	28,361	8,861	40,856	49,717
8 Other (Head office)	34,254	-	34,254	29,765	-	29,765
9 Electronic products and services	892,519	-	892,519	868,432	-	868,432
10 Collections	-	1,065,322	1,065,322	-	1,017,690	1,017,690
11 Group benefits and insurance	160,736	-	160,736	148,164	-	148,164
13 Other (Law Libraries)	75,961	-	75,961	76,371		76,371
14 Total Expenses before grants	1,495,385	2,954,149	4,449,534	1,458,566	2,901,022	4,359,588
15 Law Libraries - grants	3,093,677	(3,093,677)	-	3,031,700	(3,031,700)	-
16 Law Libraries - Capital and special needs grants	27,234	(27,234)	-	7,683	(7,683)	-
17 Total grants	3,120,911	(3,120,911)	-	3,039,383	(3,039,383)	-
18 Total expenses and grants	4,616,296	(166,762)	4,449,534	4,497,949	(138,361)	4,359,588
19 Excess of (expenses over revenues) revenues over expenses	(140,561)	334,944	194,382	(124,360)	366,110	241,750

TAB 8.2.4

FOR INFORMATION
INVESTMENT PERFORMANCE REPORT

46. **Convocation is requested to receive a report on the performance of the Law Society's long-term investments for the six months to June 30, 2013 for information.**
47. The Law Society's long-term investments are divided into three portfolios for the General Fund, the Compensation Fund, and the Errors & Omissions Insurance Fund. All the investments are managed by Foyston, Gordon & Payne under the same investment policy.
48. Investments under management total \$77.7 million. Approximately 13% of the portfolio is held in equity investments. Investments are held in the following funds:

Fund	June 30, 2013
Errors & Omissions Insurance	\$29,739,000
Compensation Fund	33,287,000
General Fund	14,688,000
Total	\$77,714,000

49. We receive biannual reports on investment performance from AON Hewitt, our investment consultants. The Investment Monitoring Report as at June 30, 2013 follows on the next page.

Aon Hewitt
Investment Consulting

Streamlined Performance Review and Investment Manager Evaluation

*Law Society of Upper Canada:
Error & Omissions Insurance Fund, Compensation Fund and General Fund*

Period Ending 30 June 2013

Table Of Contents

1	Executive Summary	Page 1
2	Capital Market Performance	Page 10
3	E&O Insurance Fund Analysis	Page 13
4	Compensation Fund Analysis	Page 18
5	General Fund Analysis	Page 23
6	Asset Class Analysis	Page 28
7	Appendix A - Plan Information	Page 35
8	Appendix B - Manager Updates	Page 38
9	Appendix C - Capital Markets Environment	Page 40
10	Appendix D - Description of Market Indices and Statistics	Page 58
11	Appendix E - Fee Analysis	Page 63
12	Appendix F - Compliance	Page 65
13	Appendix G - Disclosure	Page 67

Executive Summary

Executive Summary

Commentary and Recommendations

As of 30 June 2013

	Comments	Recommendations
E&O Insurance Fund Performance	<ul style="list-style-type: none"> The overall gross return over the 4-year period ending 30 June 2013 was 5.21%, resulting in an outperformance of 1.40% relative to the benchmark. The added value of the total fund was driven by the outperformance in Canadian equities. The total fund performance prior to 30 June 2009 includes the U.S. equities component as well. After 30 June 2009, the U.S. equities component was liquidated. 	<ul style="list-style-type: none"> Continue to monitor.
Compensation Fund Performance	<ul style="list-style-type: none"> The overall gross return over the 4-year period ending 30 June 2013 was 5.34%, resulting in an outperformance of 1.32% relative to the benchmark. The added value of the total fund was driven by the outperformance in Canadian equities. The total fund performance prior to 30 June 2009 includes the U.S. equities component as well. After 30 June 2009, the U.S. equities component was liquidated. The short-term component underperformed its benchmark over the 4-year period ending 30 June 2013 due the underperformance of its USD currency exposure in Q2 2009 and Q3 2009 (approximately 20% throughout this period). The USD exposure was sold off by the end of Q3 2009. 	<ul style="list-style-type: none"> Continue to monitor.
General Fund Performance	<ul style="list-style-type: none"> The overall gross return over the 4-year period ending 30 June 2013 was 4.53%, resulting in an outperformance of 0.79% relative to the benchmark. The added value of the total fund was driven by the outperformance in Canadian equities. The total fund performance prior to 30 June 2009 includes the U.S. equities component as well. After 30 June 2009, the U.S. equities component was liquidated. 	<ul style="list-style-type: none"> Continue to monitor.
Portfolio Rebalancing	<ul style="list-style-type: none"> All asset classes were within their allowable ranges as at 30 June 2013. 	<ul style="list-style-type: none"> No action is required.

Executive Summary

Commentary and Recommendations

As of 30 June 2013

	Comments	Recommendations
Statement of Investment Policies and Procedures (SIPP)	<ul style="list-style-type: none"> ▪ The SIPP was last updated in April 2013. 	<ul style="list-style-type: none"> ▪ The SIPP should be reviewed on an annual basis.
SIPP Compliance	<ul style="list-style-type: none"> ▪ Current Concerns: None 	<ul style="list-style-type: none"> ▪ No action is required.
Foyston, Gordon & Payne (FGP)	<ul style="list-style-type: none"> • There were no significant changes at FGP during the second quarter of 2013. 	<ul style="list-style-type: none"> • No action is required.

Executive Summary

E&O Insurance Fund Asset Allocation and Annualized Performance

As of 30 June 2013

	Market Value (\$000)	%	Performance (%)							
			6 Months	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
E&O Insurance Fund (Gross)	29,739	100.0	1.59	4.97	3.46	4.48	5.21	4.05	4.11	1/04/2006
E&O Insurance Fund Benchmark			0.14	2.34	2.02	3.23	3.81	2.87	3.31	
Value Added			1.45	2.63	1.44	1.25	1.40	1.18	0.80	
E&O Insurance Fund (Net)	29,739	100.0	1.52	4.82	3.33	4.34	5.07	3.90	3.95	1/04/2006
E&O Insurance Fund Benchmark			0.14	2.34	2.02	3.23	3.81	2.87	3.31	
Value Added			1.38	2.48	1.31	1.11	1.26	1.03	0.64	
E&O Canadian Equities	4,785	16.1	6.12 (17)	21.21 (4)	4.55 (16)	10.31 (13)	11.19 (15)	4.40 (15)	4.71 (27)	1/04/2006
S&P/TSX Capped Composite			-0.88 (89)	7.90 (95)	-1.60 (81)	5.39 (75)	6.99 (60)	-0.53 (70)	2.91 (65)	
Value Added			7.00	13.31	6.15	4.92	4.20	4.93	1.80	
E&O Canadian Fixed Income	23,525	79.1	0.75	2.37	3.11	3.22	4.26	4.64	4.75	1/04/2006
DEX Short Term Bond			0.30	1.36	2.57	2.77	3.15	4.11	4.28	
Value Added			0.45	1.01	0.54	0.45	1.11	0.53	0.47	
E&O Short-Term	1,429	4.8	0.54 (55)	1.13 (54)	1.04 (69)	1.03 (64)	-	-	0.89 (67)	1/10/2009
DEX 91-Day T-Bill			0.48 (86)	1.00 (76)	0.98 (78)	0.95 (81)	0.80 (85)	1.03 (79)	0.83 (82)	
Value Added			0.06	0.13	0.06	0.08	-	-	0.06	

The total fund performance prior to June 30, 2009 includes a U.S. equities component.
 Parentheses contain percentile rankings.

Executive Summary

E&O Insurance Fund Annual Performance

As of June 30

	Performance (%)										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
E&O Insurance Fund (Gross)	4.97	1.98	6.54	7.43	-0.46	1.42	11.24	-	-	-	-
E&O Insurance Fund Benchmark	2.34	1.70	5.70	5.57	-0.80	2.82	8.39	-	-	-	-
Value Added	2.63	0.28	0.84	1.86	0.34	-1.40	2.85	-	-	-	-
E&O Insurance Fund (Net)	4.82	1.86	6.40	7.29	-0.66	1.26	11.03	-	-	-	-
E&O Insurance Fund Benchmark	2.34	1.70	5.70	5.57	-0.80	2.82	8.39	-	-	-	-
Value Added	2.48	0.16	0.70	1.72	0.14	-1.56	2.64	-	-	-	-
E&O Canadian Equities	21.21 (4)	-9.83 (48)	22.80 (25)	13.89 (23)	-18.85 (26)	-6.78 (93)	26.80 (24)	-	-	-	-
S&P/TSX Capped Composite	7.90 (95)	-10.25 (51)	20.87 (50)	11.95 (43)	-25.69 (67)	6.75 (33)	22.73 (66)	19.64 (49)	18.04 (66)	24.48 (56)	-0.27 (57)
Value Added	13.31	0.42	1.93	1.94	6.84	-13.53	4.07	-	-	-	-
E&O Canadian Fixed Income	2.37	3.87	3.44	7.43	6.16	6.91	5.39	-	-	-	-
DEX Short Term Bond	1.36	3.80	3.16	4.31	8.02	6.46	4.02	0.09	6.54	3.69	7.77
Value Added	1.01	0.07	0.28	3.12	-1.86	0.45	1.37	-	-	-	-
E&O Short-Term	1.13 (54)	0.96 (80)	0.99 (59)	-	-	-	-	-	-	-	-
DEX 91-Day T-Bill	1.00 (76)	0.96 (80)	0.89 (85)	0.33 (74)	1.98 (66)	4.13 (80)	4.27 (75)	3.15 (85)	2.35 (83)	2.65 (70)	2.95 (58)
Value Added	0.13	0.00	0.10	-	-	-	-	-	-	-	-

The total fund performance prior to June 30, 2009 includes a U.S. equities component.
 Parentheses contain percentile rankings.

Executive Summary

Compensation Fund Asset Allocation and Annualized Performance

As of 30 June 2013

	Market Value (\$000)	%	Performance (%)							
			6 Months	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
Compensation Fund (Gross)	33,287	100.0	1.59	5.00	3.48	4.47	5.34	5.05	5.40	1/06/2003
Compensation Fund Benchmark			0.14	2.34	2.02	3.23	4.02	3.76	4.85	
Value Added			1.45	2.66	1.46	1.24	1.32	1.29	0.55	
Compensation Fund (Net)	33,287	100.0	1.55	4.91	3.37	4.39	5.27	4.98	5.31	1/06/2003
Compensation Fund Benchmark			0.14	2.34	2.02	3.23	4.02	3.76	4.85	
Value Added			1.41	2.57	1.35	1.16	1.25	1.22	0.46	
Compensation Canadian Equities	5,420	16.3	6.12 (17)	21.21 (4)	4.55 (16)	10.31 (13)	11.19 (15)	4.40 (15)	10.36 (20)	1/06/2003
S&P/TSX Capped Composite			-0.88 (89)	7.90 (95)	-1.60 (81)	5.39 (75)	6.99 (60)	-0.53 (70)	8.56 (57)	
Value Added			7.00	13.31	6.15	4.92	4.20	4.93	1.80	
Compensation Canadian Fixed Income	25,803	77.5	0.77	2.39	3.12	3.23	4.37	4.76	5.19	1/06/2003
Compensation Fixed Income Benchmark			0.30	1.36	2.57	2.77	3.47	4.17	4.69	
Value Added			0.47	1.03	0.55	0.46	0.90	0.59	0.50	
Compensation Short-Term	2,064	6.2	0.53 (59)	1.12 (56)	1.04 (71)	1.02 (65)	-0.18 (100)	0.88 (93)	1.91 (92)	1/06/2003
DEX 91-Day T-Bill			0.48 (86)	1.00 (76)	0.98 (78)	0.95 (81)	0.80 (85)	1.03 (79)	2.17 (79)	
Value Added			0.05	0.12	0.06	0.07	-0.98	-0.15	-0.26	

The total fund performance prior to June 30, 2009 includes a U.S. equities component.
 Parentheses contain percentile rankings.

Executive Summary

Compensation Fund Annual Performance

As of June 30

	Performance (%)										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Compensation Fund (Gross)	5.00	1.98	6.49	7.97	3.91	3.36	7.93	0.75	10.28	6.10	-
Compensation Fund Benchmark	2.34	1.70	5.70	6.40	2.72	4.91	6.85	0.78	11.29	5.83	-
Value Added	2.66	0.28	0.79	1.57	1.19	-1.55	1.08	-0.03	-1.01	0.27	-
Compensation Fund (Net)	4.91	1.86	6.46	7.95	3.85	3.26	7.79	0.63	10.13	5.99	-
Compensation Fund Benchmark	2.34	1.70	5.70	6.40	2.72	4.91	6.85	0.78	11.29	5.83	-
Value Added	2.57	0.16	0.76	1.55	1.13	-1.65	0.94	-0.15	-1.16	0.16	-
Compensation Canadian Equities	21.21 (4)	-9.83 (48)	22.80 (25)	13.89 (23)	-18.85 (26)	-6.78 (93)	26.80 (24)	16.48 (71)	20.37 (37)	26.78 (29)	-
S&P/TSX Capped Composite	7.90 (95)	-10.25 (51)	20.87 (50)	11.95 (43)	-25.69 (67)	6.75 (33)	22.73 (66)	19.64 (49)	18.04 (66)	24.48 (56)	-0.27 (57)
Value Added	13.31	0.42	1.93	1.94	6.84	-13.53	4.07	-3.16	2.33	2.30	-
Compensation Canadian Fixed Income	2.39	3.87	3.44	7.88	6.33	6.95	5.47	-0.17	13.03	3.00	-
Compensation Fixed Income Benchmark	1.36	3.80	3.16	5.62	7.02	6.80	4.77	-0.66	11.97	3.27	-
Value Added	1.03	0.07	0.28	2.26	-0.69	0.15	0.70	0.49	1.06	-0.27	-
Compensation Short-Term	1.12 (56)	0.96 (80)	0.99 (59)	-3.72 (100)	5.27 (1)	3.72 (94)	3.76 (100)	2.26 (100)	2.41 (73)	2.47 (98)	-
DEX 91-Day T-Bill	1.00 (76)	0.96 (80)	0.89 (85)	0.33 (74)	1.98 (66)	4.13 (80)	4.27 (75)	3.15 (85)	2.35 (83)	2.65 (70)	2.95 (58)
Value Added	0.12	0.00	0.10	-4.05	3.29	-0.41	-0.51	-0.89	0.06	-0.18	-

The total fund performance prior to June 30, 2009 includes a U.S. equities component.
 Parentheses contain percentile rankings.

Executive Summary

General Fund Asset Allocation and Annualized Performance

As of 30 June 2013

	Market Value (\$000)	%	Performance (%)							
			6 Months	1 Year	2 Years	3 Years	4 Years	5 Years	Since Inception	Inception Date
General Fund (Gross)	14,688	100.0	1.59	5.00	3.48	4.48	4.53	4.69	4.26	1/04/2004
General Fund Benchmark			0.14	2.34	2.02	3.23	3.74	3.70	3.95	
Value Added			1.45	2.66	1.46	1.25	0.79	0.99	0.31	
General Fund (Net)	14,688	100.0	1.55	4.91	3.37	4.40	4.47	4.63	4.18	1/04/2004
General Fund Benchmark			0.14	2.34	2.02	3.23	3.74	3.70	3.95	
Value Added			1.41	2.57	1.35	1.17	0.73	0.93	0.23	
General Canadian Equities	2,392	16.3	6.12 (17)	21.21 (4)	4.55 (16)	10.31 (13)	11.19 (15)	4.40 (15)	8.43 (23)	1/04/2004
S&P/TSX Capped Composite			-0.88 (89)	7.90 (95)	-1.60 (81)	5.39 (75)	6.99 (60)	-0.53 (70)	6.57 (65)	
Value Added			7.00	13.31	6.15	4.92	4.20	4.93	1.86	
General Canadian Fixed Income	11,392	77.6	0.78	2.41	3.13	3.24	3.37	4.26	3.99	1/04/2004
DEX Short Term Bond			0.30	1.36	2.57	2.77	3.15	4.11	3.92	
Value Added			0.48	1.05	0.56	0.47	0.22	0.15	0.07	
General Short-Term	904	6.2	0.49 (83)	1.04 (71)	0.99 (78)	0.96 (80)	0.73 (94)	2.24 (1)	2.45 (6)	1/04/2004
DEX 91-Day T-Bill			0.48 (86)	1.00 (76)	0.98 (78)	0.95 (81)	0.80 (85)	1.03 (79)	2.11 (82)	
Value Added			0.01	0.04	0.01	0.01	-0.07	1.21	0.34	

The total fund performance prior to June 30, 2009 includes a U.S. equities component.
 Parentheses contain percentile rankings.

Executive Summary

General Fund Annual Performance

As of June 30

	Performance (%)										
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund (Gross)	5.00	1.98	6.52	4.68	5.33	3.16	6.82	1.25	4.73	-	-
General Fund Benchmark	2.34	1.70	5.70	5.25	3.58	4.64	6.19	1.42	6.67	-	-
Value Added	2.66	0.28	0.82	-0.57	1.75	-1.48	0.63	-0.17	-1.94	-	-
General Fund (Net)	4.91	1.86	6.48	4.67	5.26	3.06	6.70	1.14	4.61	-	-
General Fund Benchmark	2.34	1.70	5.70	5.25	3.58	4.64	6.19	1.42	6.67	-	-
Value Added	2.57	0.16	0.78	-0.58	1.68	-1.58	0.51	-0.28	-2.06	-	-
General Canadian Equities	21.21 (4)	-9.83 (48)	22.80 (25)	13.89 (23)	-18.85 (26)	-6.78 (93)	26.80 (24)	16.48 (71)	20.37 (37)	-	-
S&P/TSX Capped Composite	7.90 (95)	-10.25 (51)	20.87 (50)	11.95 (43)	-25.69 (67)	6.75 (33)	22.73 (66)	19.64 (49)	18.04 (66)	24.48 (56)	-0.27 (57)
Value Added	13.31	0.42	1.93	1.94	6.84	-13.53	4.07	-3.16	2.33	-	-
General Canadian Fixed Income	2.41	3.87	3.44	3.75	7.90	6.79	3.69	0.54	5.71	-	-
DEX Short Term Bond	1.36	3.80	3.16	4.31	8.02	6.46	4.02	0.09	6.54	3.69	7.77
Value Added	1.05	0.07	0.28	-0.56	-0.12	0.33	-0.33	0.45	-0.83	-	-
General Short-Term	1.04 (71)	0.93 (82)	0.90 (85)	0.05 (100)	8.48 (1)	3.76 (92)	3.05 (100)	2.29 (100)	1.94 (100)	-	-
DEX 91-Day T-Bill	1.00 (76)	0.96 (80)	0.89 (85)	0.33 (74)	1.98 (66)	4.13 (80)	4.27 (75)	3.15 (85)	2.35 (83)	2.65 (70)	2.95 (58)
Value Added	0.04	-0.03	0.01	-0.28	6.50	-0.37	-1.22	-0.86	-0.41	-	-

The total fund performance prior to June 30, 2009 includes a U.S. equities component.
 Parentheses contain percentile rankings.

Capital Market Performance

Capital Market Performance

Major Capital Markets' Returns

As of 30 June 2013

	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Canadian Equity							
S&P/TSX Composite	-4.1	7.9	-1.6	5.4	7.0	-0.5	8.4
Foreign Equity							
S&P 500 (CAD)	6.9	24.8	17.9	18.2	14.6	7.8	4.6
S&P 500 (USD)	2.9	20.6	12.8	18.5	17.4	7.0	7.3
MSCI EAFE (Net) (CAD)	2.8	22.8	5.7	9.8	6.4	0.1	5.0
MSCI World (Net) (CAD)	4.5	22.7	11.0	13.4	10.1	3.5	4.6
Real Estate							
REALpac / IPD Canada Property Index	1.5	12.0	13.4	13.2	10.8	8.2	11.3
Fixed Income							
DEX Universe Bond	-2.4	-0.2	4.6	4.6	5.2	5.5	5.3
DEX 91-Day T-Bill	0.2	1.0	1.0	1.0	0.8	1.0	2.2
Consumer Price Index							
Canadian CPI, unadjusted	0.1	1.2	1.3	1.9	1.7	1.3	1.8

Canadian Equities

The S&P/TSX Composite Index was negative in the quarter (-4.1%). For the trailing 1-year period, the Index returned 7.9%. Telecommunications (-10.6%) and Materials (-22.8%) sustained the worst losses for the quarter, while Health Care (11.0 %), Consumer Staples (8.8%) and Consumer Discretionary (8.6%) were the top performing sectors. For the last twelve months, Materials lost 26.9%. Many sectors with small index weightings performed well providing an opportunity for active managers to add value through sector bets. Among the best performers were Health Care (52.6%), Information Technology (32.0%) and Consumer Discretionary (31.9%). Over the last 10 years, the S&P/TSX Index produced a respectable return of 8.4%.

U.S. Equities

The S&P 500 continued its rally during the last quarter (2.9%) and performed well during the last twelve months (20.6%) in US dollar terms. The weakness of the Canadian dollar added 4.0% and 4.2% to the return in the last quarter and the last twelve months, respectively. During the last quarter in US dollars, the three top performing sectors were Financials (7.3%), Consumer Discretionary (6.8%), and Health Care (3.8%). For the past twelve months all sectors were positive with the same top 3 sectors: Financials (35.4%), Consumer Discretionary (31.4%), and Health Care (27.8%). Over the last 10 years, the S&P 500 returned 7.3% in U.S. dollars versus 4.6% in Canadian dollars.

Non-North American Equities

The MSCI EAFE had a return of 2.8% for the quarter. Consumer Discretionary topped all other sectors during the last quarter (9.5%) and Health Care led for the last twelve months (19.7%). The Index return for the past twelve months was 22.8% and the three top performing sectors were Health Care (27.1%), Consumer Discretionary (25.9%), and Consumer Staples (17.3%).

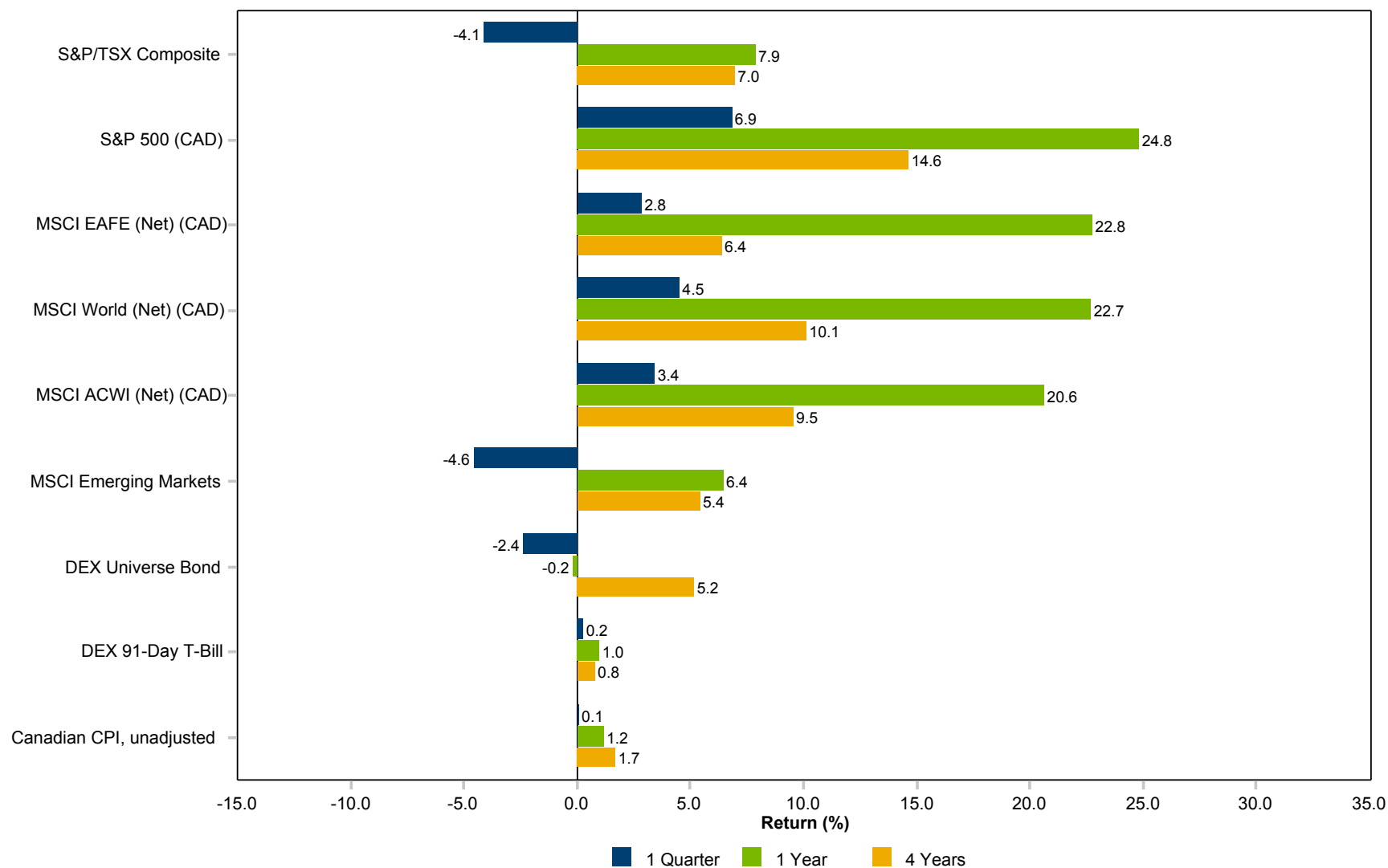
Fixed Income

The Canadian bond market as measured by the DEX Universe Bond Index lost 2.4% over the last quarter due to rising yields. Over the last twelve month period, it lost 0.2%. Over the last 5 years, its 5.5% return outperformed many equity markets. The money market (DEX 91-Day T-Bill) continued its pattern of low returns as the Bank of Canada left the Bank Rate unchanged. Money market securities returned little over the past 10 years earning just a small premium over the rate of inflation.

Capital Market Performance

Comparative Performance

As of 30 June 2013



E&O Insurance Fund Analysis

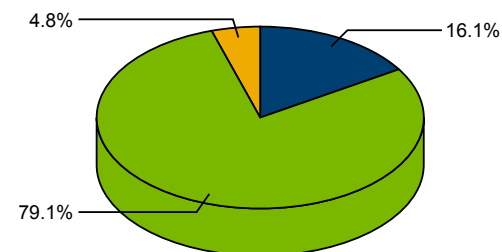
E&O Insurance Fund

Asset Allocation by Segment

E&O Insurance Fund

Segments	Market Value (\$)	Allocation (%)
Canadian Equity	4,784,973	16.1
Canadian Fixed Income	23,525,447	79.1
Short-Term	1,428,750	4.8

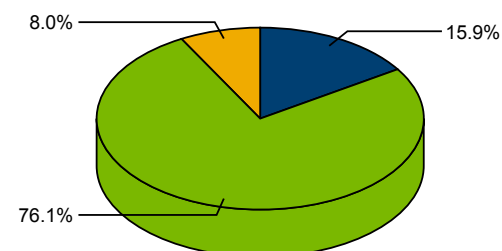
June 30, 2013 : \$29,739,170



Segments	Market Value (\$)	Allocation (%)
Canadian Equity	4,706,724	15.9
Canadian Fixed Income	22,592,448	76.1
Short-Term	2,370,969	8.0

■ Canadian Equity
 ■ Canadian Fixed Income
 ■ Short-Term

December 31, 2012 : \$29,670,141



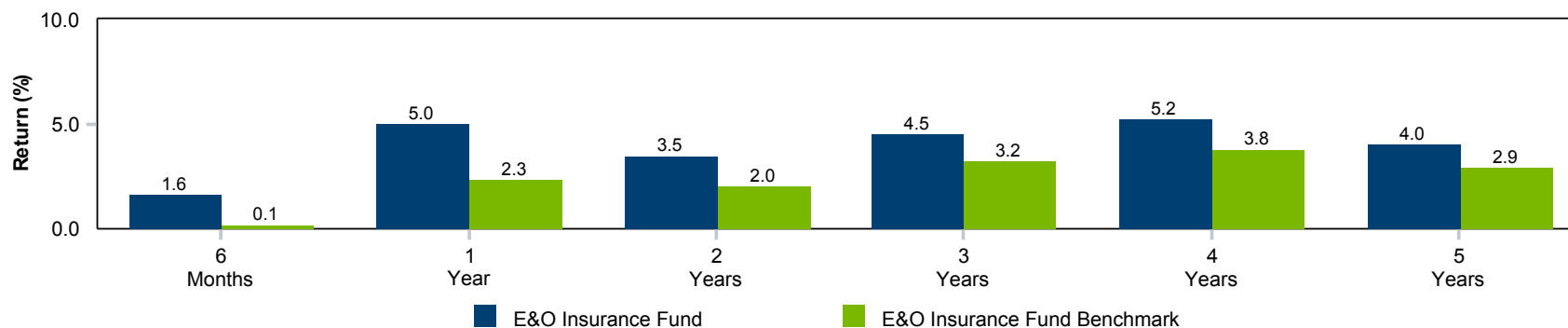
■ Canadian Equity
 ■ Canadian Fixed Income
 ■ Short-Term

E&O Insurance Fund

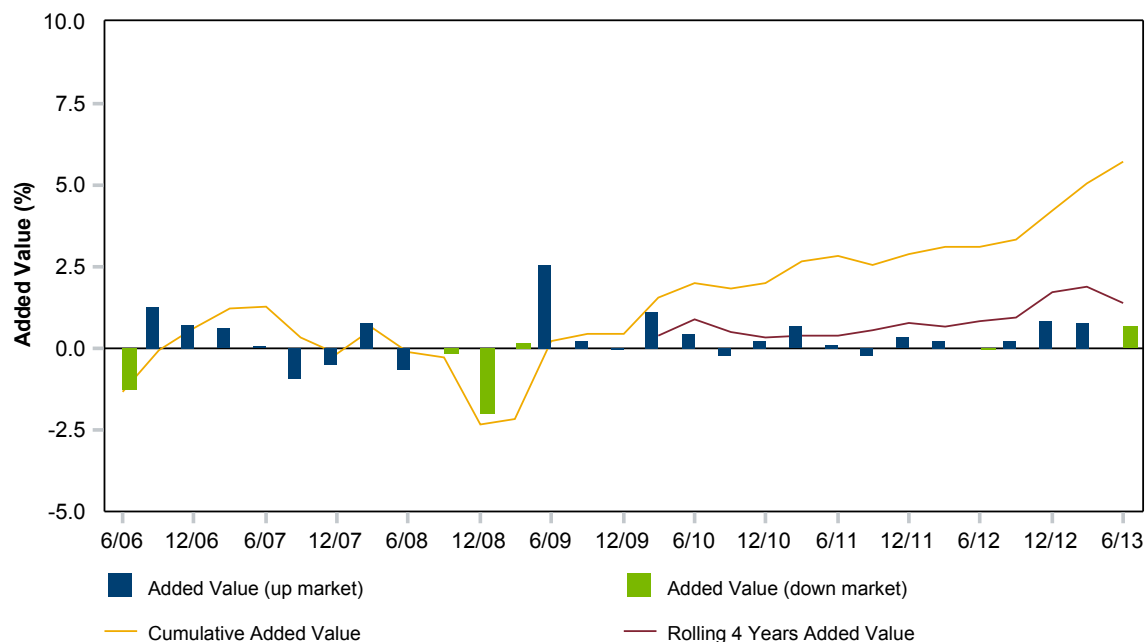
E&O Insurance Fund Performance Summary

As of 30 June 2013

Return Summary



Added Value History (%)



Performance Statistics

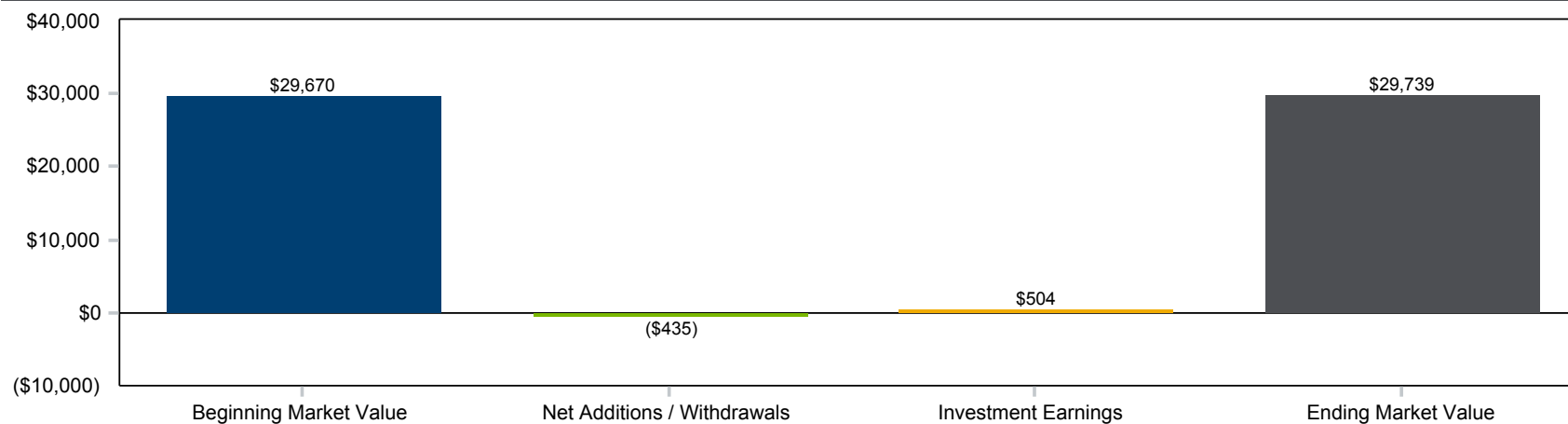
	Quarters	%
Market Capture		
Up Markets	23	127.3
Down Markets	6	135.3
Batting Average		
Up Markets	23	78.3
Down Markets	6	33.3
Overall	29	69.0

- Year to date outperformance can be attributed to strong performance in Canadian equities and fixed income.
- Stocks contributing to the Fund's outperformance were Magna International Inc., Open Text Corp., Loblaw Companies Ltd., and Canadian Tire Corp.
- Not owning any gold mining shares also contributed significantly to the Fund's strong value-added results.

E&O Insurance Fund

E&O Insurance Fund Asset Summary

As of 30 June 2013

Change in Market Value (\$'000)
From 1 January 2013 to 30 June 2013**Summary of Cash Flows (\$'000)**

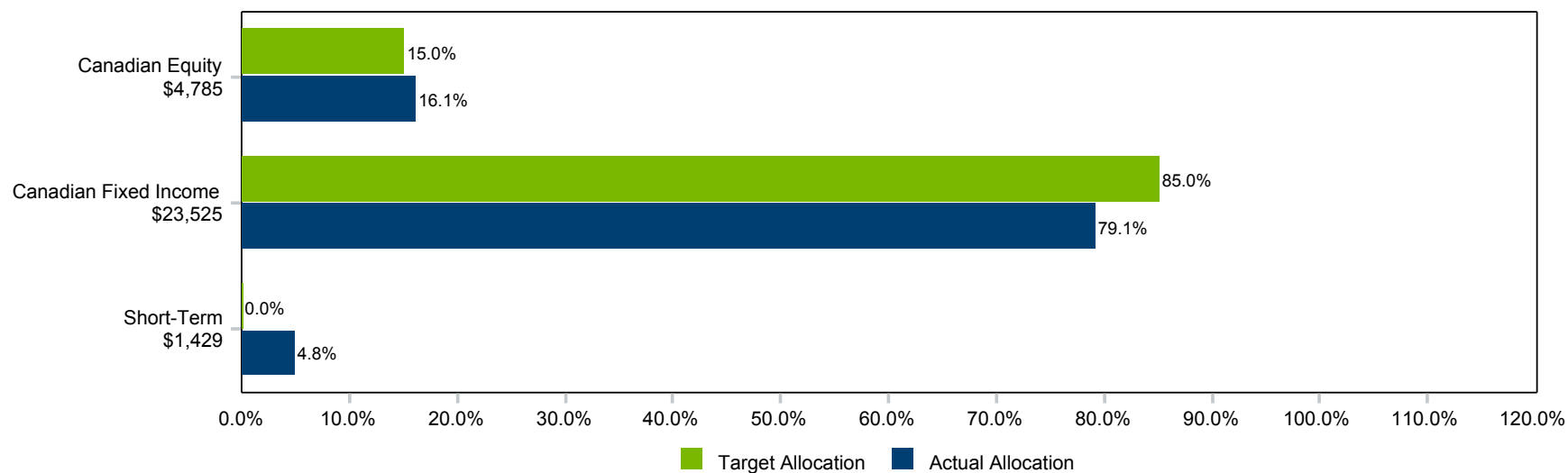
	Jan-2013 To Jun-2013
E&O Insurance Fund	
Beginning Market Value	29,670
+/- Net Cash Flows	-435
+/- Income	482
+/- Capital Gains / Losses	22
= Ending Market Value	29,739

Note: Capital Gains / Losses also includes Accretion / Amortization

E&O Insurance Fund

Asset Allocation Compliance

As of 30 June 2013 (\$000)



	Market Value (\$000)	Market Value (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	29,739	100.0	100.0	0.0		
Canadian Equity	4,785	16.1	15.0	1.1	5.0	25.0
Canadian Fixed Income	23,525	79.1	85.0	-5.9	60.0	95.0
Short-Term	1,429	4.8	0.0	4.8	0.0	15.0

Compensation Fund Analysis

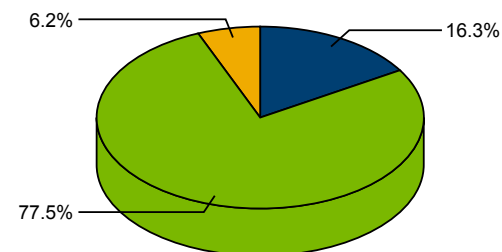
Compensation Fund

Asset Allocation by Segment

Compensation Fund

Segments	Market Value (\$)	Allocation (%)
■ Canadian Equity	5,420,060	16.3
■ Canadian Fixed Income	25,802,841	77.5
■ Short-Term	2,063,878	6.2

June 30, 2013 : \$33,286,779



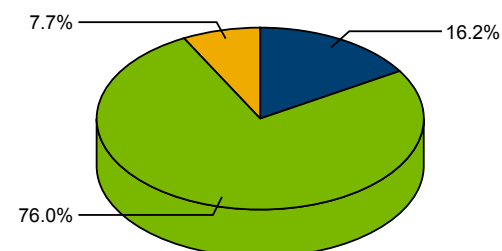
Segments	Market Value (\$)	Allocation (%)
■ Canadian Equity	5,317,689	16.2
■ Canadian Fixed Income	24,905,622	76.0
■ Short-Term	2,528,635	7.7

■ Canadian Equity

■ Canadian Fixed Income

■ Short-Term

December 31, 2012 : \$32,751,946



■ Canadian Equity

■ Canadian Fixed Income

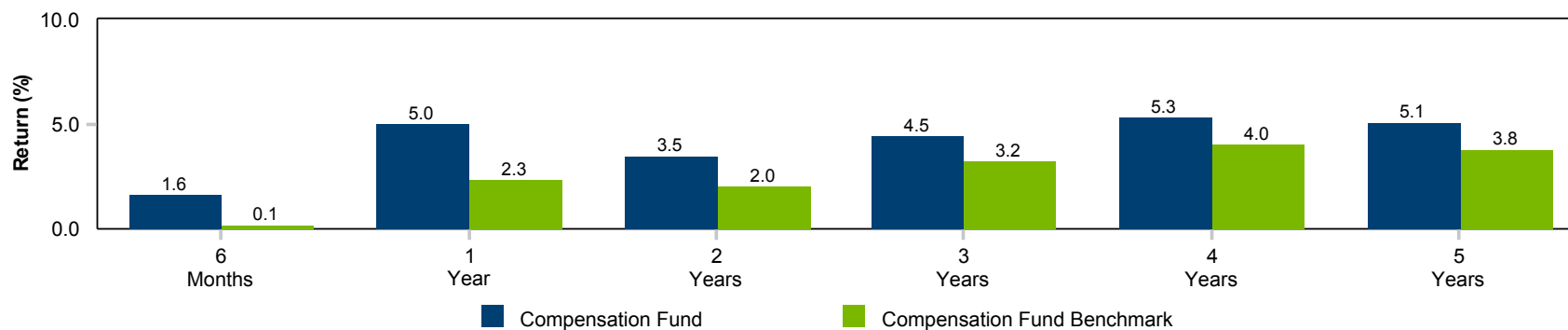
■ Short-Term

Compensation Fund

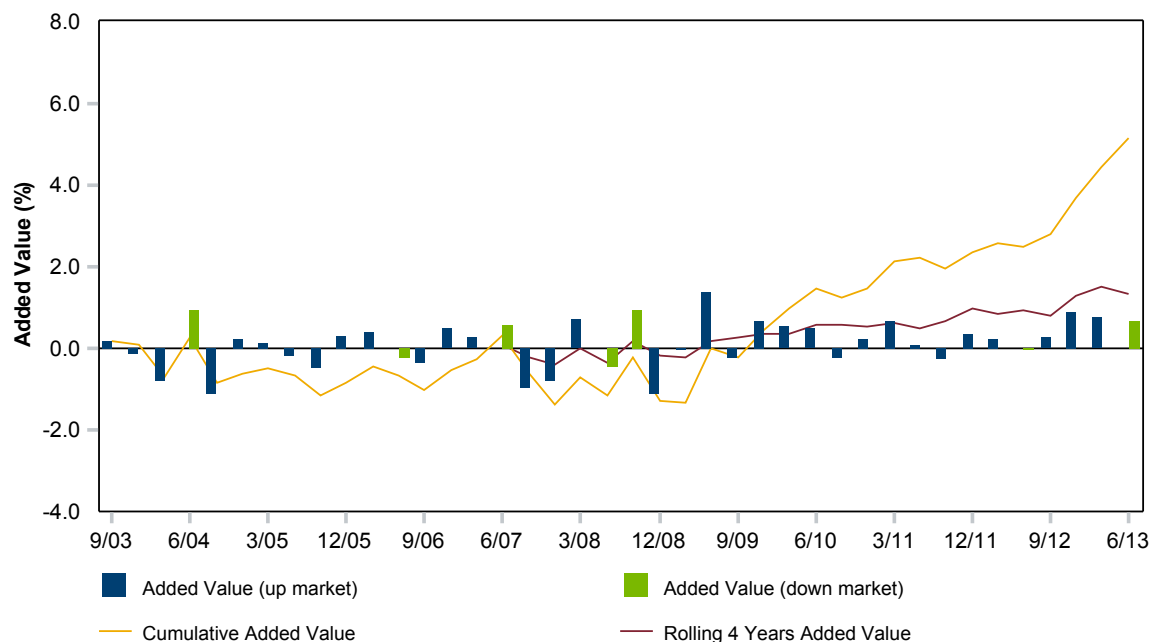
Compensation Fund Performance Summary

As of 30 June 2013

Return Summary



Added Value History (%)



Performance Statistics

	Quarters	%
Market Capture		
Up Markets	33	104.9
Down Markets	7	68.3
Batting Average		
Up Markets	33	60.6
Down Markets	7	57.1
Overall	40	60.0

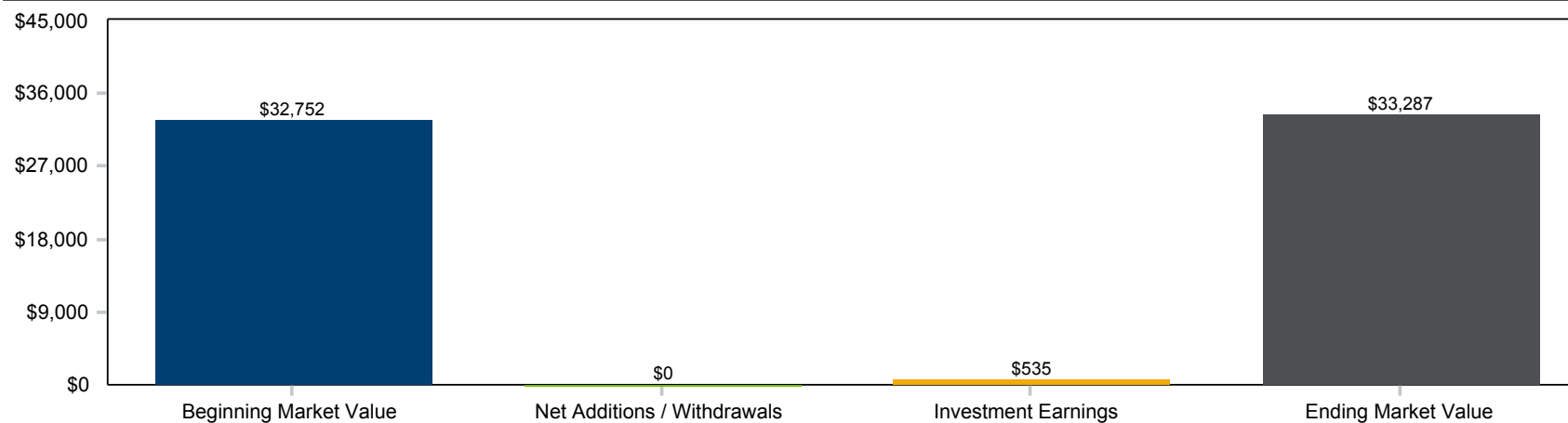
- Year to date outperformance can be attributed to strong performance in Canadian equities and fixed income.
- Stocks contributing to the Fund's outperformance were Magna International Inc., Open Text Corp., Loblaw Companies Ltd., and Canadian Tire Corp.
- Not owning any gold mining shares also contributed significantly to the Fund's strong value-added results.

Compensation Fund

Compensation Fund Asset Summary

As of 30 June 2013

Change in Market Value (\$000)
From 1 January 2013 to 30 June 2013



Summary of Cash Flows (\$000)

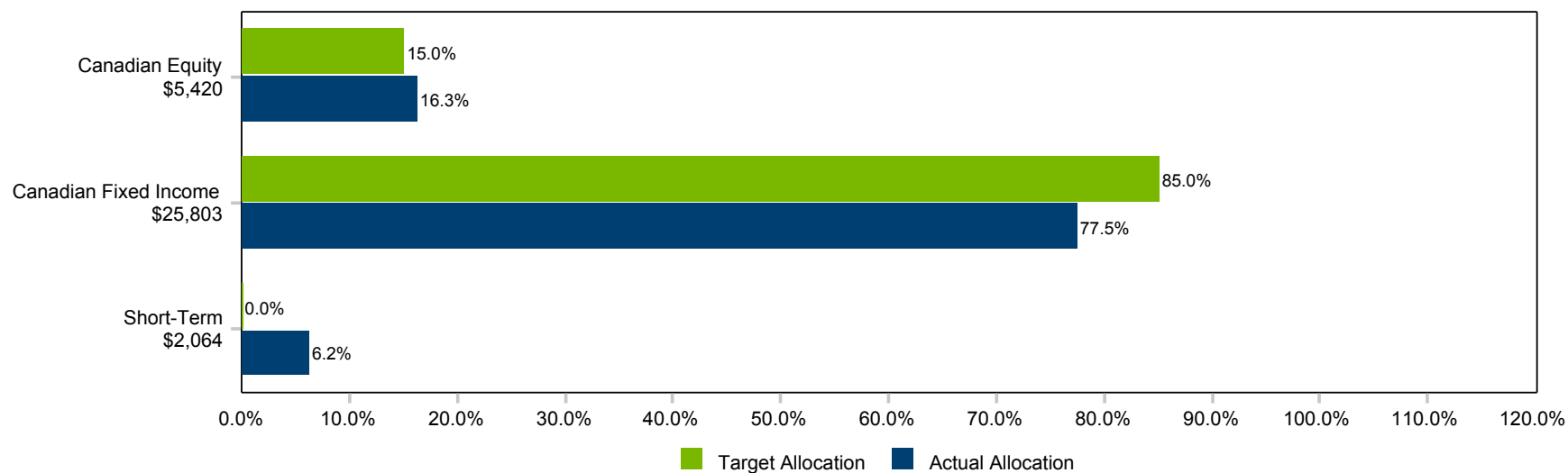
	Jan-2013 To Jun-2013
Compensation Fund	
Beginning Market Value	32,752
+/- Net Cash Flows	-
+/- Income	504
+/- Capital Gains / Losses	31
= Ending Market Value	33,287

Note: Capital Gains / Losses also includes Accretion / Amortization

Compensation Fund

Asset Allocation Compliance

As of 30 June 2013 (\$000)



	Market Value (\$000)	Market Value (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	33,287	100.0	100.0	0.0		
Canadian Equity	5,420	16.3	15.0	1.3	5.0	25.0
Canadian Fixed Income	25,803	77.5	85.0	-7.5	60.0	95.0
Short-Term	2,064	6.2	0.0	6.2	0.0	15.0

General Fund Analysis

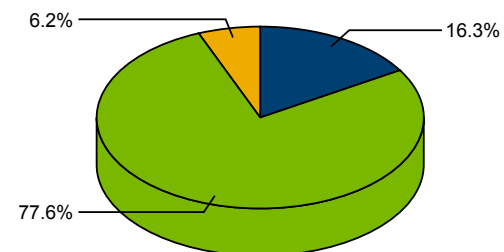
General Fund

Asset Allocation by Segment

General Fund

Segments	Market Value (\$)	Allocation (%)
■ Canadian Equity	2,392,323	16.3
■ Canadian Fixed Income	11,391,878	77.6
■ Short-Term	903,640	6.2

June 30, 2013 : \$14,687,841



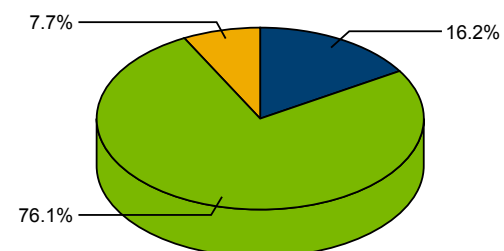
Segments	Market Value (\$)	Allocation (%)
■ Canadian Equity	2,346,058	16.2
■ Canadian Fixed Income	10,995,700	76.1
■ Short-Term	1,110,314	7.7

■ Canadian Equity

■ Canadian Fixed Income

■ Short-Term

December 31, 2012 : \$14,452,071



■ Canadian Equity

■ Canadian Fixed Income

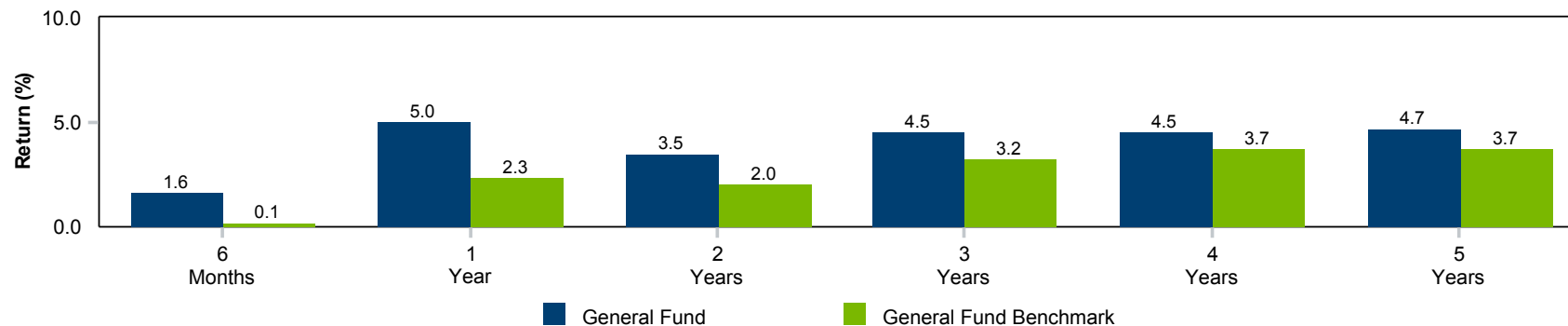
■ Short-Term

General Fund

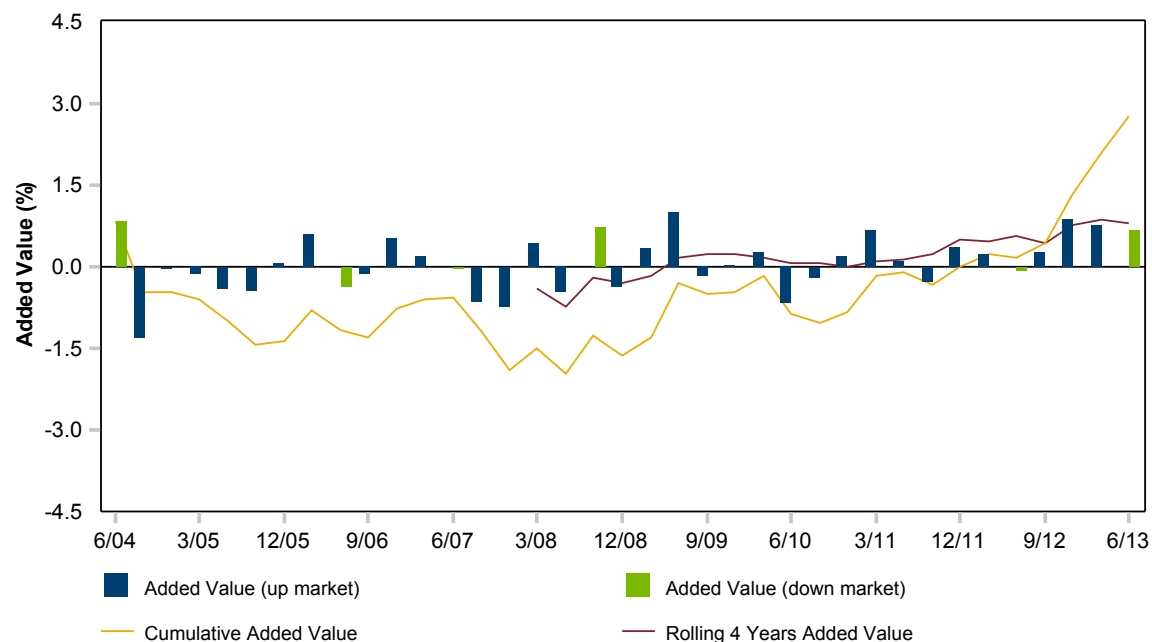
General Fund Performance Summary

As of 30 June 2013

Return Summary



Added Value History (%)



Performance Statistics

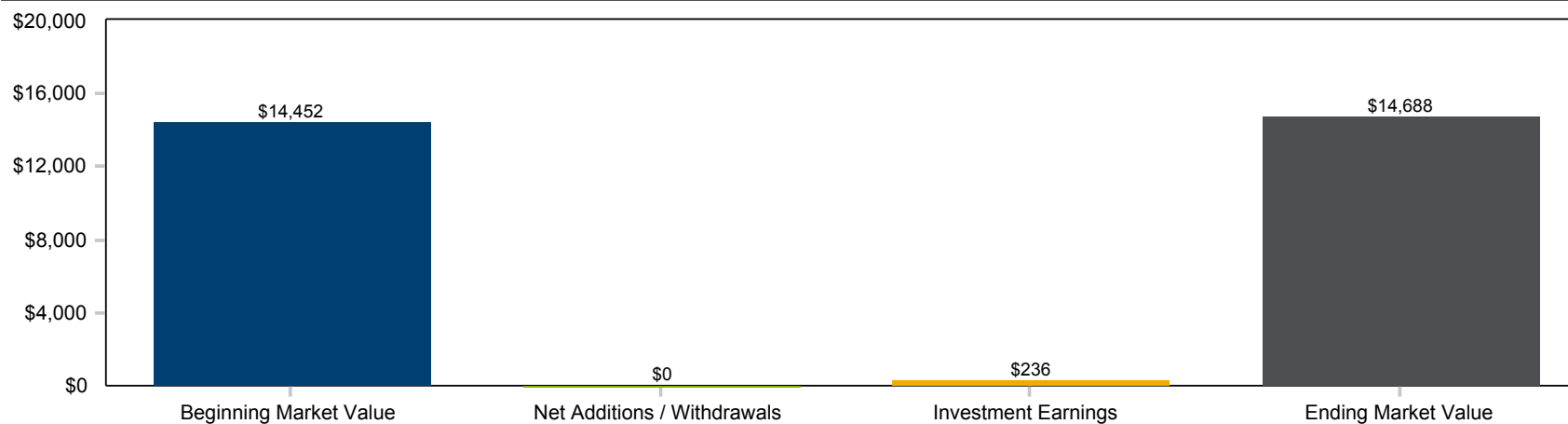
	Quarters	%
Market Capture		
Up Markets	31	102.5
Down Markets	6	44.5
Batting Average		
Up Markets	31	58.1
Down Markets	6	66.7
Overall	37	59.5

- Year to date outperformance can be attributed to strong performance in Canadian equities and fixed income.
- Stocks contributing to the Fund's outperformance were Magna International Inc., Open Text Corp., Loblaw Companies Ltd., and Canadian Tire Corp.
- Not owning any gold mining shares also contributed significantly to the Fund's strong value-added results.

General Fund

General Fund Asset Summary

As of 30 June 2013

Change in Market Value (\$000)
From 1 January 2013 to 30 June 2013

Summary of Cash Flows (\$000)

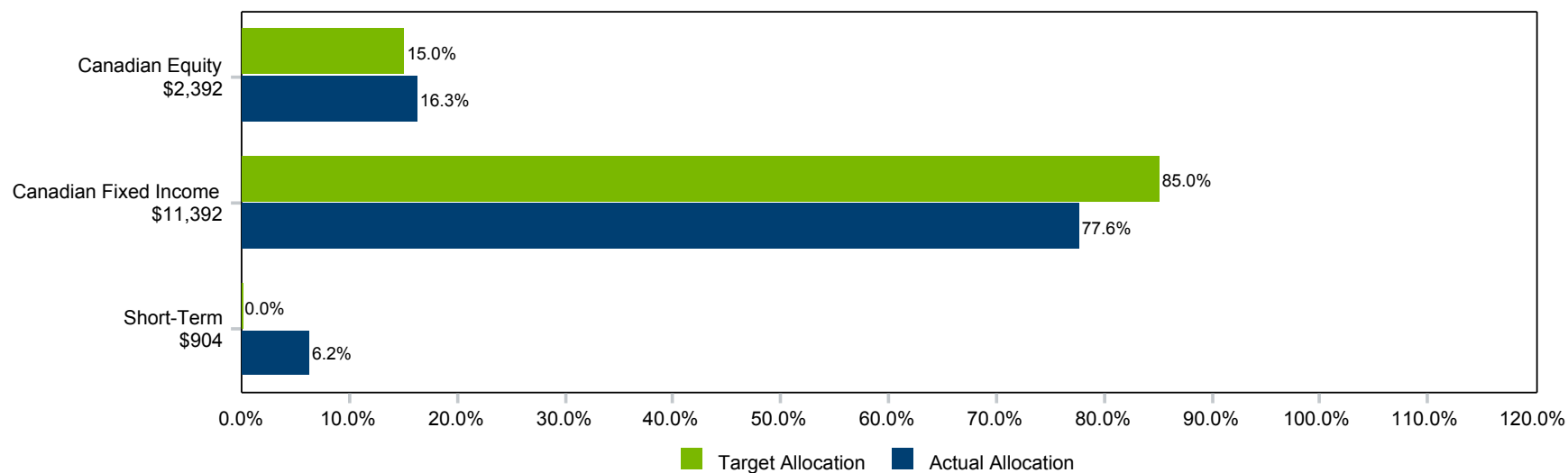
	Jan-2013 To Jun-2013
General Fund	
Beginning Market Value	14,452
+/- Net Cash Flows	-
+/- Income	222
+/- Capital Gains / Losses	13
= Ending Market Value	14,688

Note: Capital Gains / Losses also includes Accretion / Amortization

General Fund

Asset Allocation Compliance

As of 30 June 2013 (\$000)



	Market Value (\$000)	Market Value (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund	14,688	100.0	100.0	0.0		
Canadian Equity	2,392	16.3	15.0	1.3	5.0	25.0
Canadian Fixed Income	11,392	77.6	85.0	-7.4	60.0	95.0
Short-Term	904	6.2	0.0	6.2	0.0	15.0

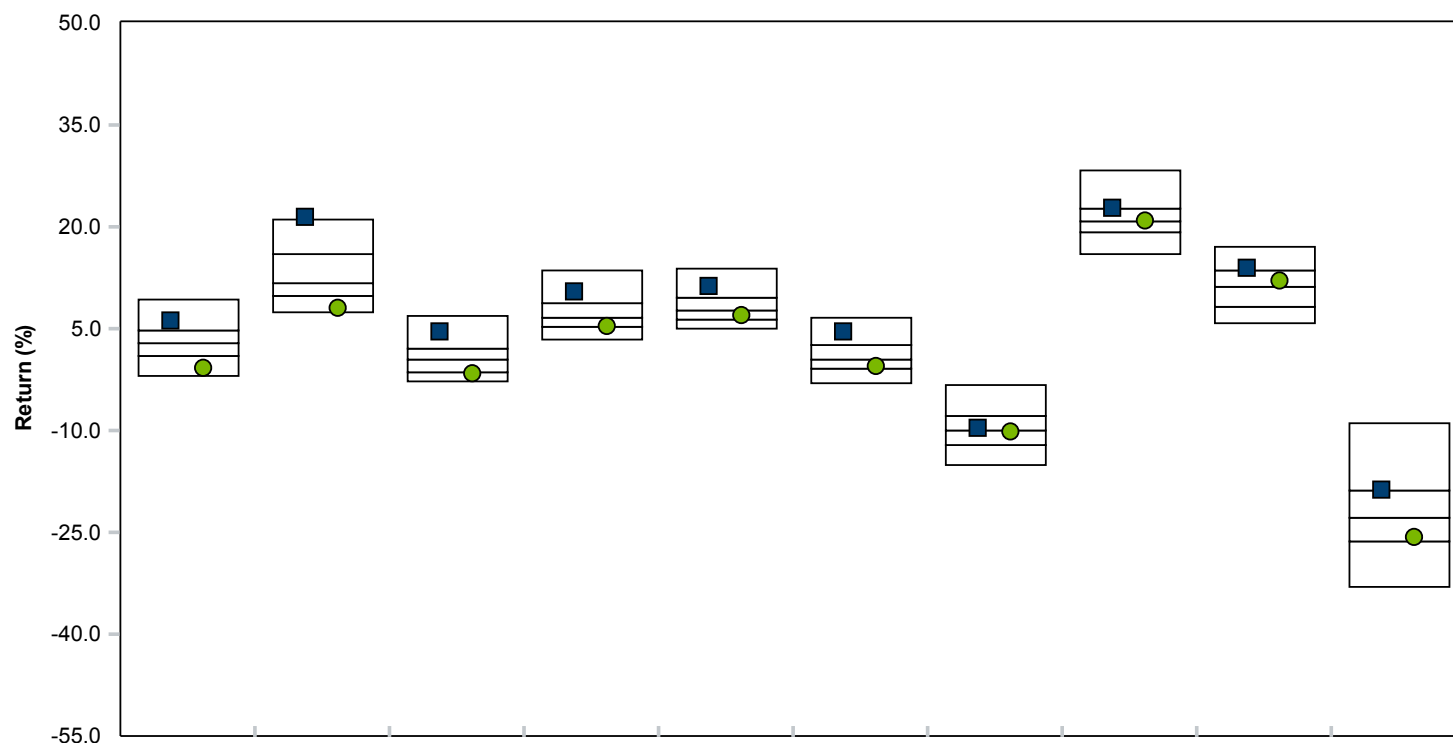
Asset Class Analysis

Canadian Equity Funds

Peer Group Analysis

As of 30 June 2013

Canadian Equity



	6 Months	1 Year	2 Years	3 Years	4 Years	5 Years	2012	2011	2010	2009
■ FGP Canadian Equity	6.1 (17)	21.2 (4)	4.5 (16)	10.3 (13)	11.2 (15)	4.4 (15)	-9.8 (48)	22.8 (25)	13.9 (23)	-18.8 (26)
● S&P/TSX Capped Composite	-0.9 (89)	7.9 (95)	-1.6 (81)	5.4 (75)	7.0 (60)	-0.5 (70)	-10.3 (51)	20.9 (50)	12.0 (43)	-25.7 (67)
5th Percentile	9.3	21.1	6.9	13.4	13.8	6.6	-3.3	28.3	17.1	-9.0
1st Quartile	4.7	15.9	2.0	8.8	9.6	2.5	-7.8	22.8	13.6	-18.8
Median	2.9	11.8	0.4	6.6	7.7	0.5	-10.1	20.8	11.1	-22.8
3rd Quartile	0.9	9.9	-1.5	5.4	6.3	-0.9	-12.2	19.3	8.2	-26.3
95th Percentile	-1.9	7.5	-2.7	3.4	5.0	-3.0	-15.1	15.9	5.9	-33.1
Population	84	84	84	84	83	83	86	86	85	85

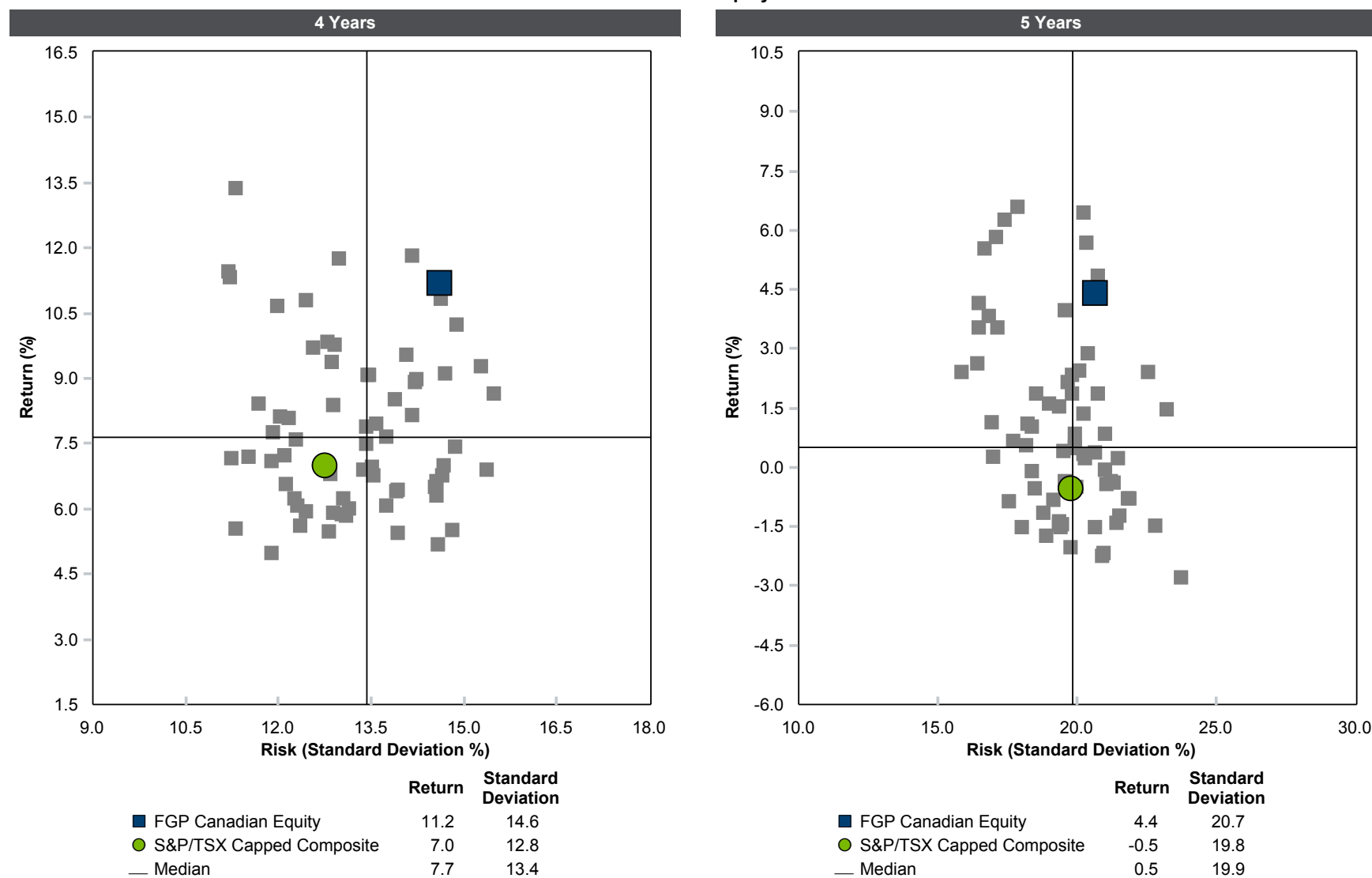
Parentheses contain percentile rankings.
 Returns for periods greater than one year are annualized.
 Source: Aon Hewitt Manager Universe.

Canadian Equity Funds

Peer Group Scattergram

Periods Ending 30 June 2013

Canadian Equity



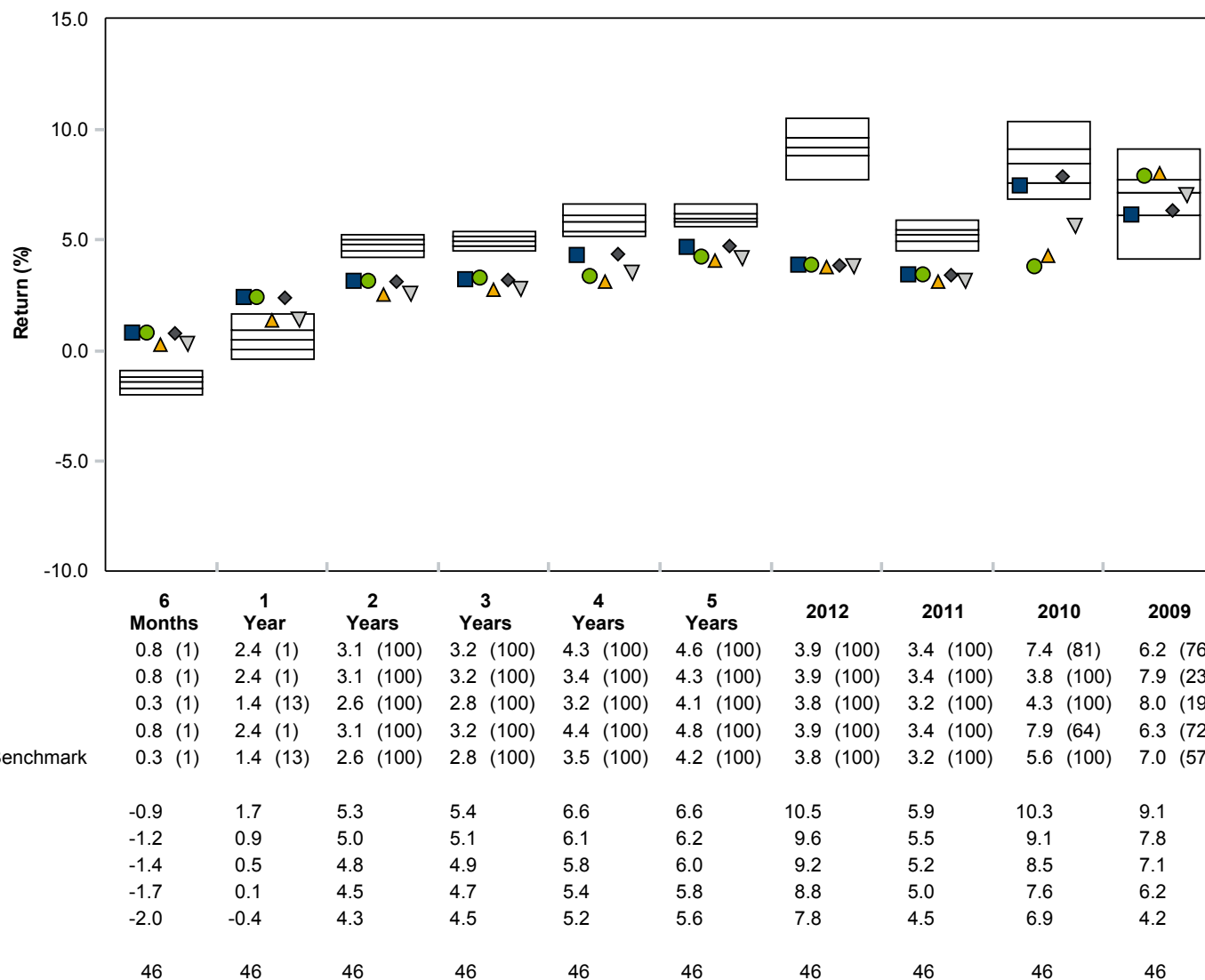
Returns for periods greater than one year are annualized.
Source: Aon Hewitt Manager Universe.

Fixed Income Funds

Peer Group Analysis

As of 30 June 2013

Canadian Bonds



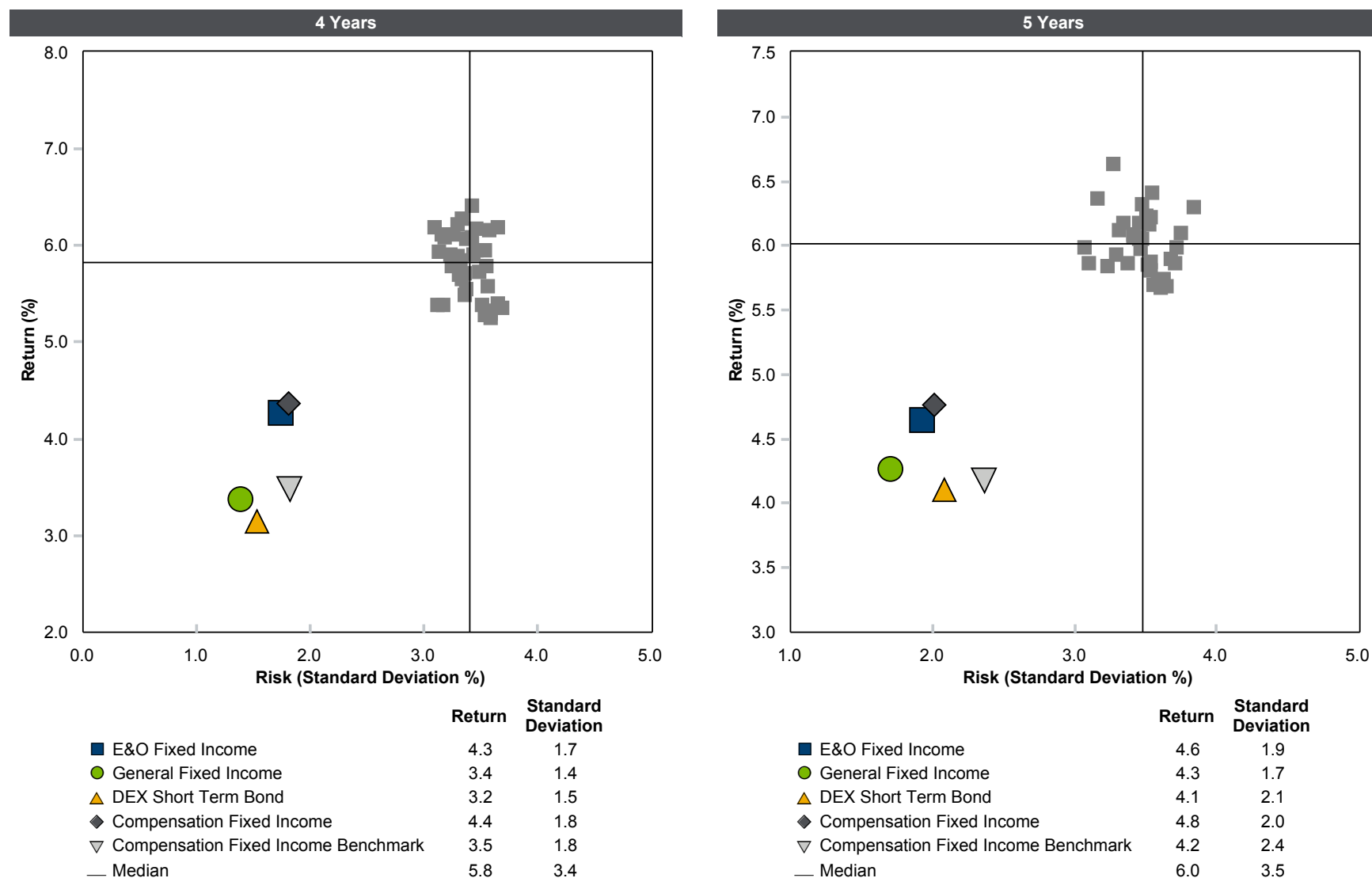
Parenteses contain percentile rankings.
Returns for periods greater than one year are annualized.
Source: Aon Hewitt Manager Universe.

Fixed Income Funds

Peer Group Scattergram

Periods Ending 30 June 2013

Canadian Bonds



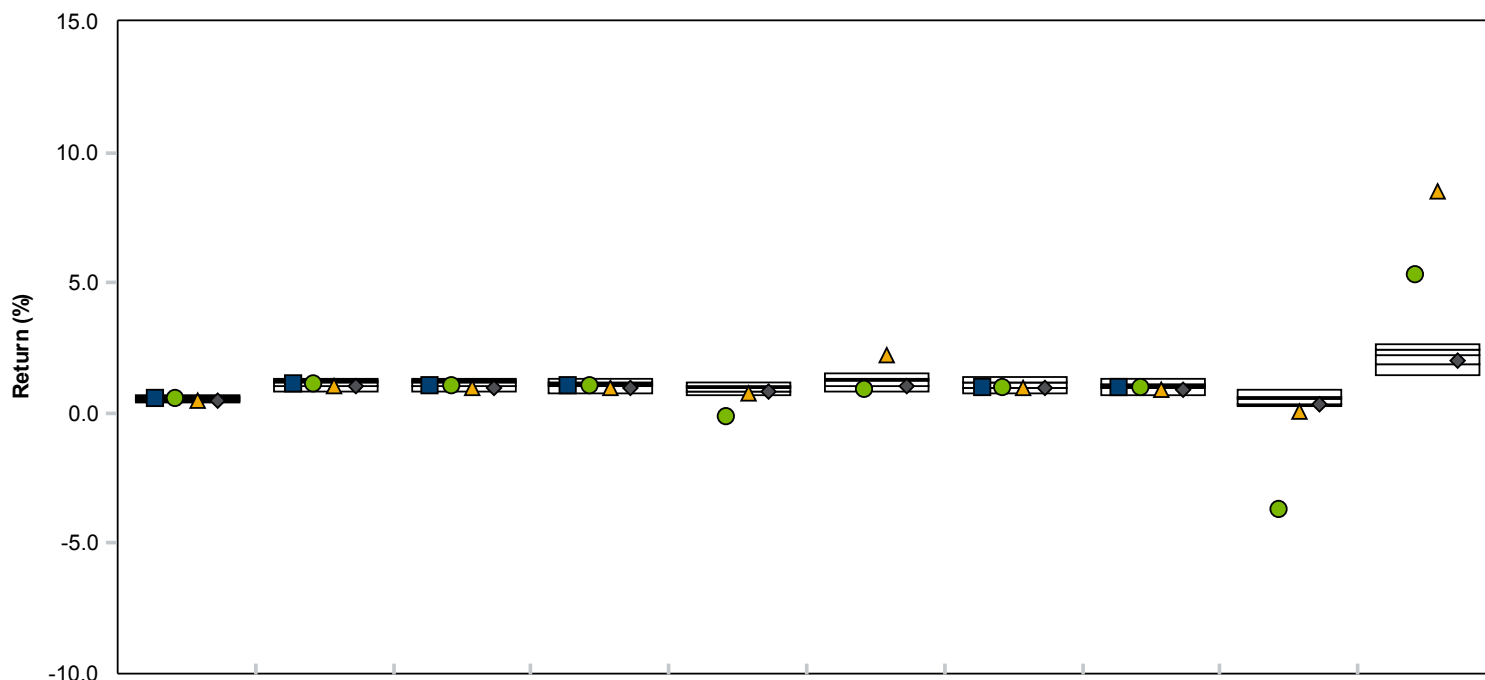
Returns for periods greater than one year are annualized.
Source: Aon Hewitt Manager Universe.

Money Market Funds

Peer Group Analysis

As of 30 June 2013

Money Market



	6 Months	1 Year	2 Years	3 Years	4 Years	5 Years	2012	2011	2010	2009
■ E&O Short-Term	0.5 (55)	1.1 (54)	1.0 (69)	1.0 (64)	N/A	N/A	1.0 (80)	1.0 (59)	N/A	N/A
● Compensation Short-Term	0.5 (59)	1.1 (56)	1.0 (71)	1.0 (65)	-0.2 (100)	0.9 (93)	1.0 (80)	1.0 (59)	-3.7 (100)	5.3 (1)
▲ General Short-Term	0.5 (83)	1.0 (71)	1.0 (78)	1.0 (80)	0.7 (94)	2.2 (1)	0.9 (82)	0.9 (85)	0.0 (100)	8.5 (1)
◆ DEX 91-Day T-Bill	0.5 (86)	1.0 (76)	1.0 (78)	1.0 (81)	0.8 (85)	1.0 (79)	1.0 (80)	0.9 (85)	0.3 (74)	2.0 (66)
5th Percentile	0.7	1.3	1.3	1.3	1.2	1.5	1.4	1.3	0.9	2.6
1st Quartile	0.6	1.3	1.2	1.2	1.0	1.3	1.2	1.1	0.6	2.5
Median	0.6	1.1	1.2	1.1	1.0	1.2	1.2	1.0	0.5	2.2
3rd Quartile	0.5	1.0	1.0	1.0	0.8	1.1	1.0	0.9	0.3	1.9
95th Percentile	0.4	0.8	0.8	0.8	0.7	0.8	0.8	0.7	0.2	1.4
Population	30	30	30	30	30	29	30	30	30	29

Parentheses contain percentile rankings.

Returns for periods greater than one year are annualized.

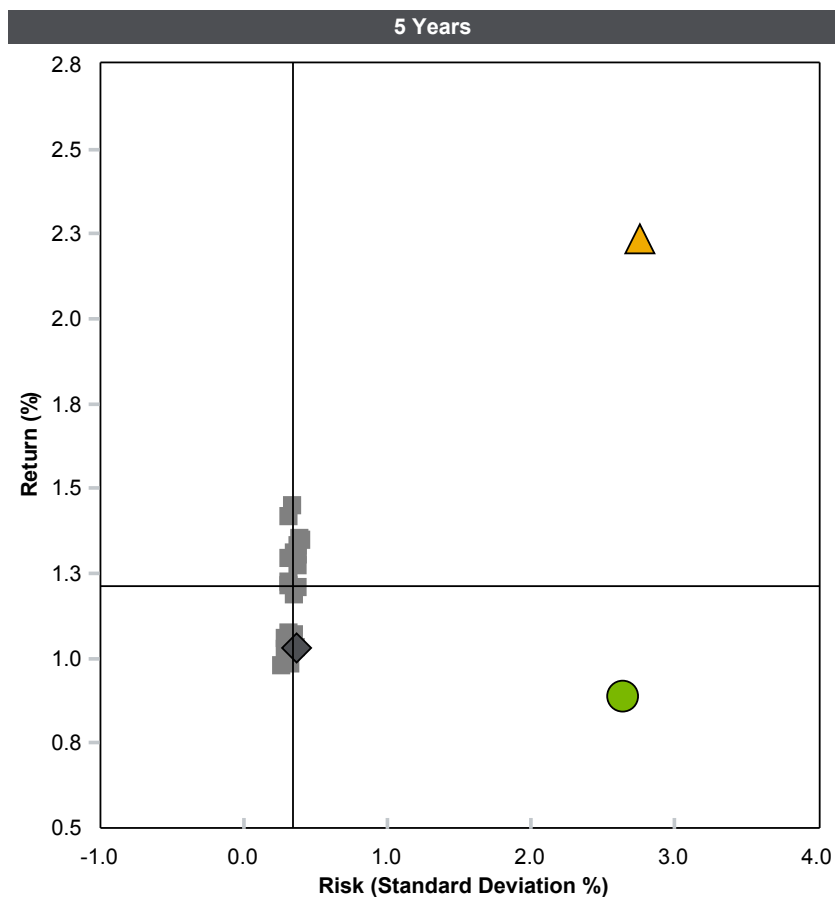
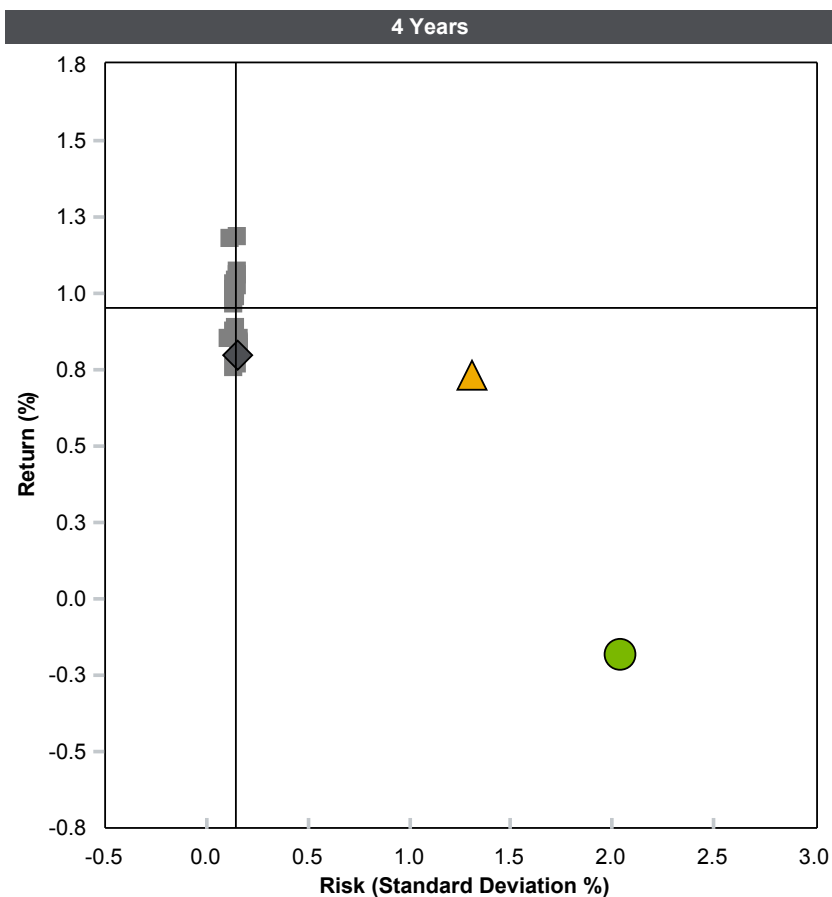
Source: Aon Hewitt Manager Universe.

Money Market Funds

Peer Group Scattergram

Periods Ending 30 June 2013

Money Market



Returns for periods greater than one year are annualized.
Source: Aon Hewitt Manager Universe.

Appendix A - Plan Information

Investment Objectives**Summary of Investment Objectives**

The investment policy contains specific performance objectives for the fund and for the investment manager.

Investment rates of return are reported on a calendar basis and include realized and unrealized capital gains and losses, plus income.

Returns are calculated on a time-weighted basis and are compared to the objectives described below in order to assess the performance of the investment manager.

The primary objective is to outperform a benchmark portfolio over moving four-year periods. The specific benchmark weights are provided on the following page.

Management Mandates: Active management of the asset allocation
Active management of the asset classes

Management Structure: One Short-Term bond mandate
One Canadian Equity mandate

Management Firm: Foyston, Gordon & Payne Inc. (FGP)

Investment Products:	Prior to 30 June 2009	From 1 July 2009 to 21 May 2010	After 21 May 2010
<u>E&O Insurance Fund</u>			
Short-Term	-	Pooled	Pooled
Canadian Bonds	Pooled	Pooled	Segregated
Canadian Equities	Pooled	Pooled	Pooled
Private U.S. Equities	Pooled	-	-
<u>Compensation & General Fund</u>			
Short-Term	Pooled	Pooled	Pooled
Canadian Bonds	Segregated	Segregated	Segregated
Canadian Equities	Pooled	Pooled	Pooled
Private U.S. Equities	Segregated	-	-

Note: Segregated = Individual Securities

Investment Objectives

Summary of Investment Objectives

Blended Benchmark Composition

E&O Insurance Fund Benchmark

Passive Portfolios	Weight (%)
Mar-2006	
S&P/TSX Composite	15.00
S&P 500 (CAD)	15.00
DEX Short Term Bond	70.00
Jul-2009	
S&P/TSX Composite	15.00
DEX Short Term Bond	85.00

Compensation Fund Benchmark

Passive Portfolios	Weight (%)
Jun-2003	
S&P/TSX Composite	7.50
S&P 500 (CAD)	7.50
DEX Short Term Bond	85.00
Jan-2004	
S&P/TSX Composite	7.50
S&P 500 (CAD)	7.50
DEX Universe Bond	85.00
Jul-2009	
S&P/TSX Composite	13.00
DEX Universe Bond	87.00
Apr-2010	
S&P/TSX Composite	15.00
DEX Short Term Bond	85.00

General Fund Benchmark

Passive Portfolios	Weight (%)
Mar-2004	
S&P/TSX Composite	7.50
S&P 500 (CAD)	7.50
DEX Short Term Bond	85.00
Jul-2009	
S&P/TSX Composite	13.00
DEX Short Term Bond	87.00
Apr-2010	
S&P/TSX Composite	15.00
DEX Short Term Bond	85.00

Compensation Fund Fixed Income Benchmark

Passive Portfolios	Weight (%)
Jun-2003	
DEX Short Term Bond	100.00
Jan-2004	
DEX Universe Bond	100.00
Apr-2010	
DEX Short Term Bond	100.00

Appendix B - Manager Updates

Manager Updates

Manager Updates

As of 30 June 2013

Foyston, Gordon & Payne

There were no significant changes at Foyston, Gordon & Payne during the second quarter of 2013.

Owen Ko, joined FGP in the first quarter of 2013 as a Senior Research Analyst, responsible for research coverage of Canadian financials. Prior to joining the firm, Ko was a research analyst at CIBC Global Asset Management. He has also worked at Genuity Capital Markets as a research associate.

Michel Rhéaume also joined FGP as a Vice President in the first quarter. Prior to joining the firm, Rhéaume worked for more than 10 years as a portfolio manager with Phillips, Hager & North, developing and maintaining institutional client relationships. In addition, Michel worked for an actuarial firm as an investment consultant.

Appendix C - Capital Markets Environment

Capital Markets Environment

Capital Markets Environment

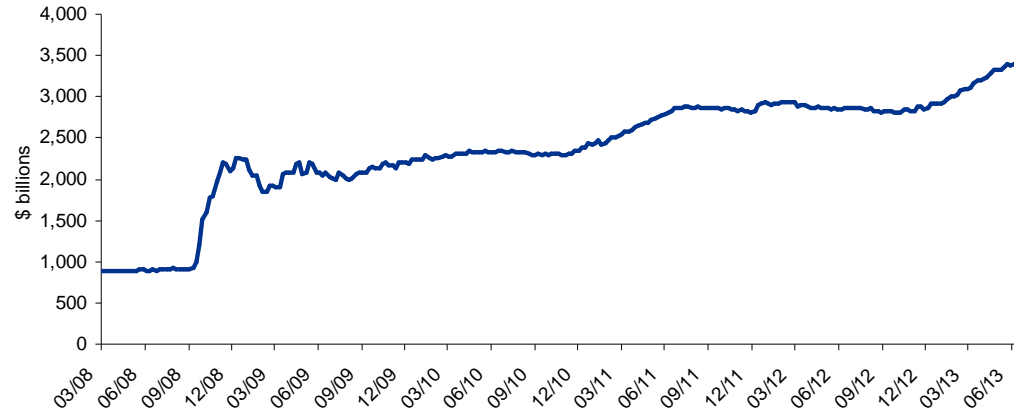
As of 30 June 2013

Outlook for U.S. Economy

U.S. Policy Actions - Monetary Easing

- § The stock market and the U.S. economy have been aided in part by the unprecedented monetary easing by the Federal Reserve.
- § There are two separate banking systems – the Federal Reserve and the private sector.
- § Current monetary easing involves the "printing of money" by the Federal Reserve which is then used to purchase securities, including mortgage-backed securities.
- § The securities are moved to the Fed's balance sheet while the cash remains in the private sector.
- § Through this mechanism the Fed has injected over \$2.5 trillion into the economy since 2008.
- § The standing of the U.S. dollar as the World's reserve currency gives the Fed an almost unlimited ability to "print money", providing an immense level of stimulus to the U.S. and global economy.

Federal Reserve Balance Sheet*



*Represents holdings of securities and mortgages

Source: Bloomberg

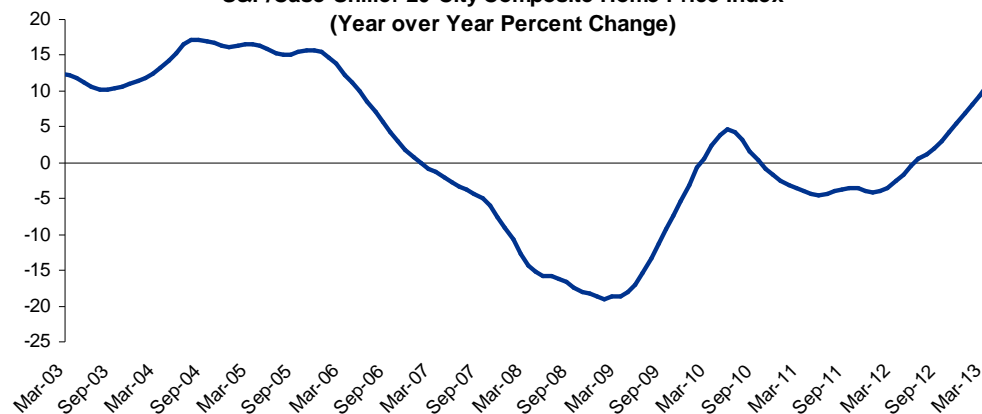
Capital Markets Environment

Capital Markets Environment

As of 30 June 2013

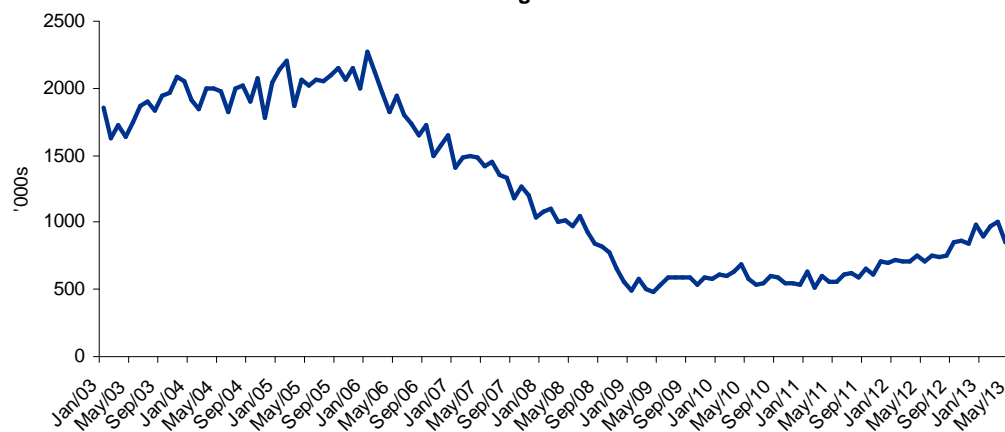
Housing

- § The S&P Case-Schiller Home Price Index continues to show a strong recovery in the U.S. housing market.
- § The year over year increase in prices as at April was 12% nationwide, with metropolitan areas in Western United States experiencing increases of 20%.
- § Housing creates economic growth in several ways, including:
 - The wealth effect caused by increasing home prices,
 - New jobs created by the construction of new homes, and
 - Additional impacts including purchases of furniture, decorating, home repairs, etc.
- § New household formation is a major component of the economy since it results in many additional purchases. The housing chart shows the increasing trend in housing starts from the post crisis level of 500,000 units to a level close to an annual pace of 1 million new units. Well below the level seen in 2003-2006, but sufficient to support continued growth in the U.S. economy.

S&P/Case-Shiller 20-City Composite Home Price Index
(Year over Year Percent Change)

Source: Bloomberg

Housing Starts



Source: Bloomberg

Capital Markets Environment

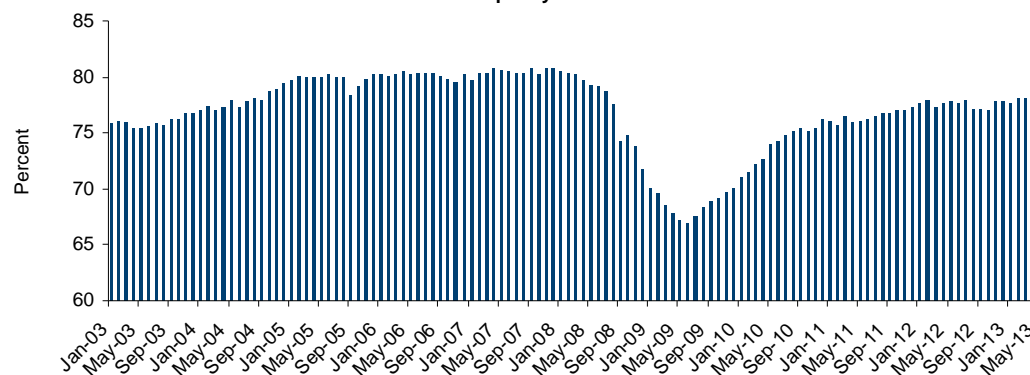
Capital Markets Environment

As of 30 June 2013

Manufacturing

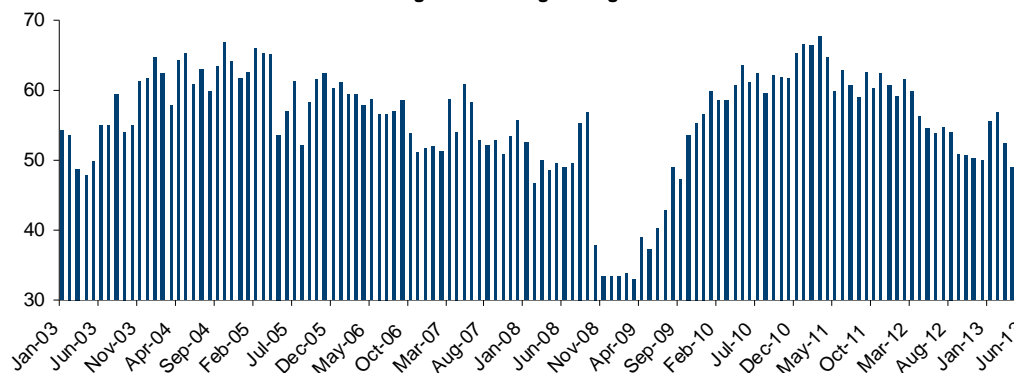
- § Manufacturing has contributed to the recent growth in the U.S. economy.
- § Both the capacity utilization and Chicago Purchasing Managers' (CPM) survey continue to show that the manufacturing sector is growing.
- § Capacity utilization shows the percent of industrial capacity that is being used.
- § This number has increased significantly from the lows of 2008.
- § The CPM measures data on the economy through a survey of 400 purchasing managers in the manufacturing sector.
- § The CPM has been near or above 50 for the past six months. A level above 50 indicates that the manufacturing sector is growing.

US Capacity Utilization



Source: Bloomberg

Chicago Purchasing Managers Index



Source: Bloomberg

Capital Markets Environment

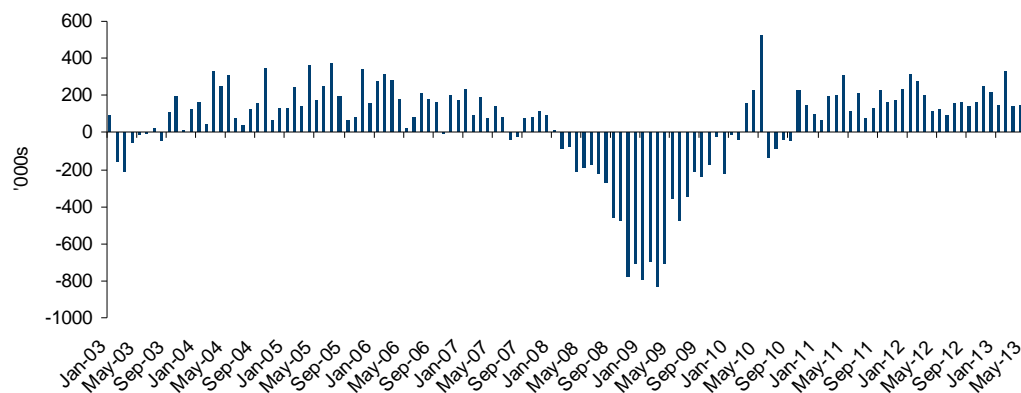
Capital Markets Environment

As of 30 June 2013

The Consumer

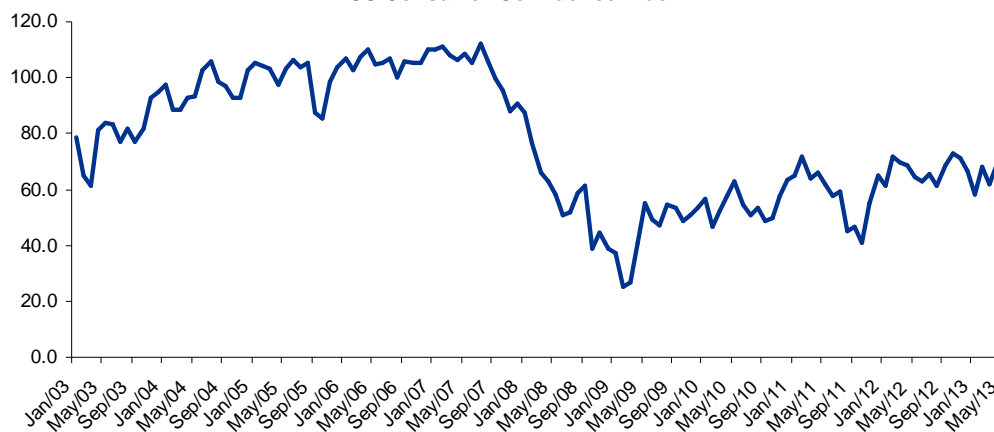
- § The consumer represents about 2/3 of GDP, with consumer confidence being very much influenced by the level of job creation and unemployment.
- § The economy continues to produce new jobs, but at a slower pace than would normally be expected at this stage of the recovery.
- § It is estimated that 250,000 new positions need to be created each month to keep pace with the long term growth of the labour force.
- § The economy has not been able to consistently produce new jobs at this level since the 2008 financial crisis.
- § Consumer confidence has increased steadily but is still substantially below the pre-crisis levels.

Change in U.S. Non-Farm Payrolls



Source: Bloomberg

US Consumer Confidence Index



Source: Bloomberg

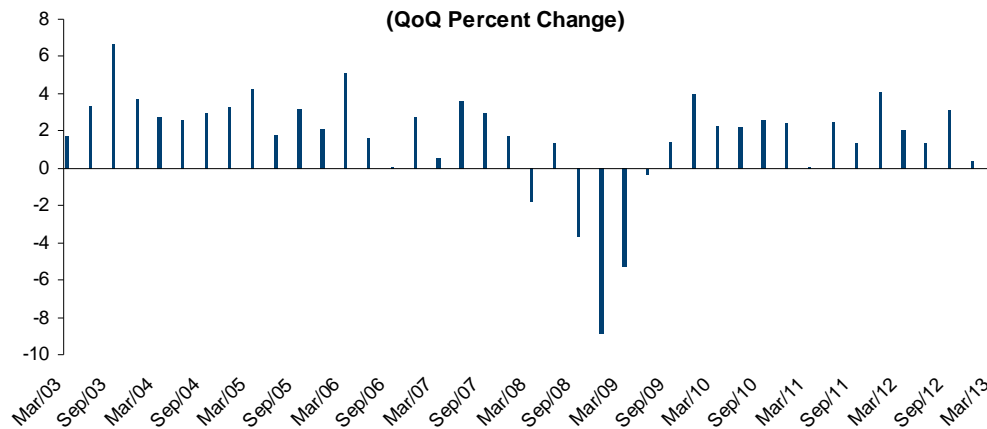
Capital Markets Environment

Capital Markets Environment

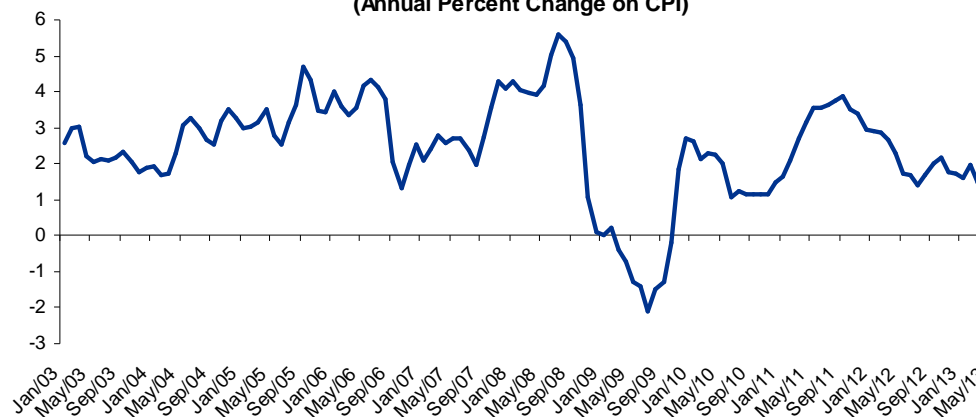
As of 30 June 2013

GDP and Inflation

- § The recent revisions to Q1 US GDP reduced growth from 2.4% to 1.8%. The reduction was mostly attributable to reduced spending by consumers.
- § Growth for the year is forecasted to be around 2.5% which is sluggish when compared to past recoveries.
- § Areas of strength include housing and manufacturing.
- § The latest inflation figures show a subdued rate of inflation as measured by the Consumer Price Index (CPI) at 1.4% year over year.
- § The slow growth combined with low inflation indicates that the Federal Reserve will most likely continue the policy of monetary easing and the current target for Fed Funds Rate for the foreseeable future.

US Gross Domestic Product
(QoQ Percent Change)

Source: Bloomberg

US Inflation Rate
(Annual Percent Change on CPI)

Source: Bloomberg

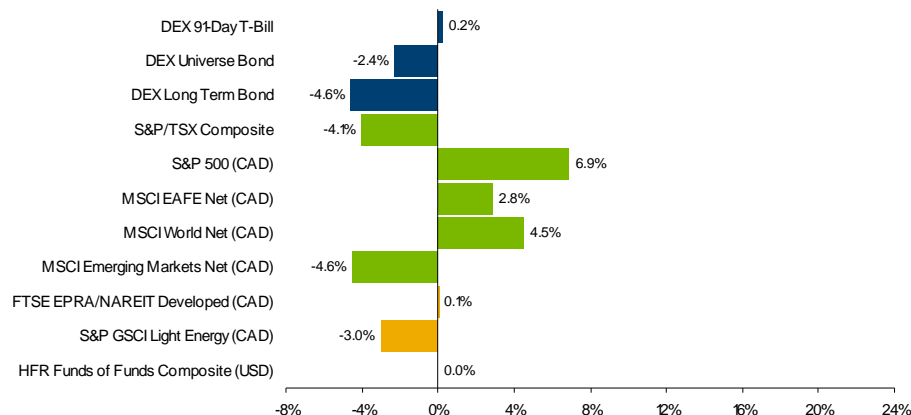
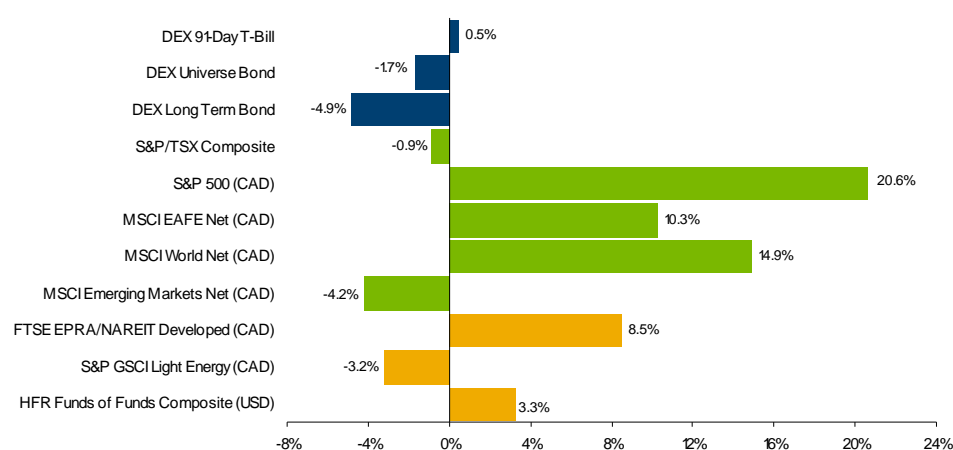
Capital Markets Environment

Capital Markets Environment

As of 30 June 2013

Review of Financial Markets

§ In the last quarter, equities (with the exception of Canadian and emerging markets) continued to post strong returns. The S&P 500 Index had the highest return at 6.9%, followed by the MSCI World Index with a return of 4.5%. The return for the DEX Long Bond Index (which can be considered a proxy for pension solvency liabilities) was -4.6%.

Financial Markets Performance Review
3-Month Period Ending 30 June 2013Financial Markets Performance Review
6-Month Period Ending 30 June 2013

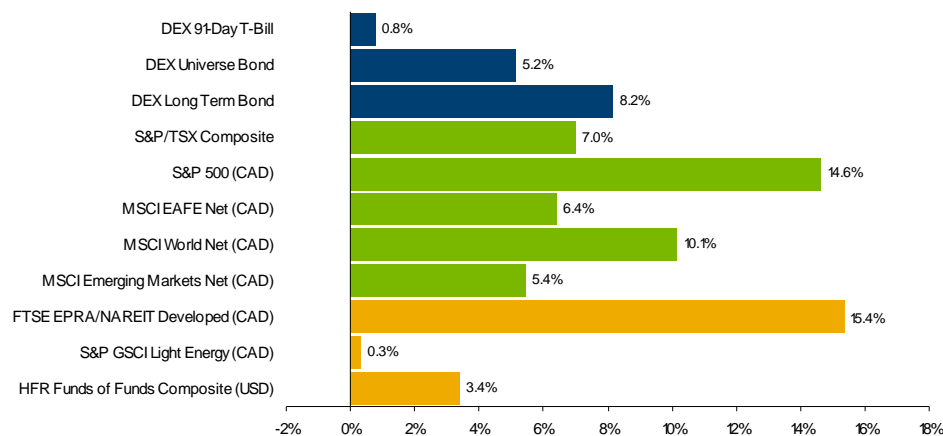
§ The picture remains the same for the six months ending June 30, 2013. Equity returns were uniformly very strong with the exception of emerging markets (-4.2%) and Canada (-0.9%). Bond markets sustained losses with the DEX Long Bond Index losing 4.9%.

Capital Markets Environment

Capital Markets Environment

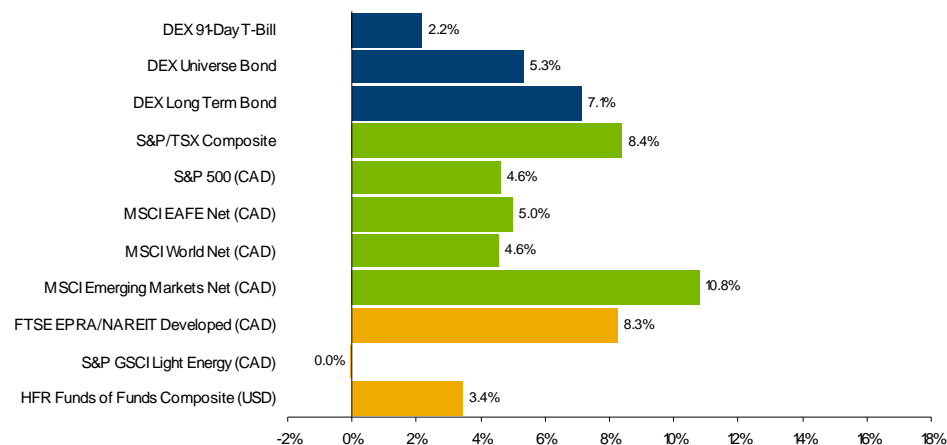
As of 30 June 2013

§ Global listed real estate led all asset class returns over the four-year period ending June 30, 2013, with a return of 15.4%. Strong returns were also earned in U.S. equities (14.6%) and World equities (10.1%). Long term bonds (8.2%) outperformed Canadian equities (7.0%). Commodities were the worst performing asset class with a return of 0.3%.

Financial Markets Performance Review
4-Year Period Ending 30 June 2013

.....

§ For the 10 year period ending June 30, 2013, strong returns were earned in emerging markets (10.8%), Canadian equities (8.4%), and long-term bonds (7.1%). Global listed real estate was also a strong performer with a return of 8.3%. The strong Canadian dollar during this period reduced returns for unhedged investments outside Canada. For example, the 10-year return for the S&P 500 expressed in USD was 8.4%, as compared to only 4.6% in Canadian dollars.

Financial Markets Performance Review
10-Year Period Ending 30 June 2013

Capital Markets Environment

Capital Markets Environment

As of 30 June 2013

Comparison of Financial Indices

Annual returns - Calendar Years											Annualized
2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	YTD	Total
27.5%	27.9%	30.6%	41.8%	18.2%	6.4%	51.6%	17.6%	18.1%	25.8%	20.6%	10.25%
26.7%	16.4%	24.1%	31.7%	10.3%	3.3%	35.1%	14.1%	9.7%	15.6%	14.9%	8.67%
15.1%	14.5%	16.3%	25.9%	9.8%	2.7%	17.4%	12.7%	4.6%	14.7%	10.3%	7.51%
13.4%	11.5%	13.8%	19.6%	4.4%	-21.2%	11.9%	12.5%	1.0%	13.4%	8.5%	7.43%
11.6%	10.3%	12.5%	17.3%	4.0%	-21.4%	11.5%	11.0%	-3.2%	13.3%	3.3%	5.51%
9.1%	7.1%	10.7%	15.4%	3.7%	-24.3%	10.4%	9.1%	-3.5%	7.2%	0.5%	4.14%
8.9%	6.9%	7.5%	10.4%	3.4%	-25.8%	7.4%	6.7%	-4.9%	5.2%	-0.9%	4.00%
6.7%	6.4%	6.7%	4.1%	-5.7%	-29.2%	5.5%	5.9%	-5.7%	4.8%	-1.7%	3.89%
5.3%	2.8%	6.5%	4.1%	-7.5%	-33.0%	5.4%	5.7%	-8.7%	3.6%	-3.2%	3.77%
2.9%	2.3%	2.6%	4.0%	-10.5%	-34.6%	0.6%	2.1%	-10.0%	1.0%	-4.2%	2.20%
-4.6%	0.9%	2.3%	0.6%	-21.1%	-41.6%	-2.0%	0.5%	-16.4%	-0.6%	-4.9%	-1.20%

Best

↑

↓

Worst

DEX 91-Day T-Bill

DEX Long Term Bond

S&P 500 (CAD)

MSCI World Net (CAD)

FTSE EPRA/NAREIT Developed (CAD)

HFR Funds of Funds Composite (USD)

DEX Universe Bond

S&P/TSX Capped Composite

MSCI EAFE Net (CAD)

MSCI Emerging Markets Net (CAD)

S&P GSCI Commodity Index, Light Energy (CAD)

- § This table illustrates the performance ranking of the various asset classes for each of the last 10 years. Over the full 10 years and two quarters, the best performing asset class was emerging markets equities, followed by Canadian equities. Long bonds have had a strong performance as well, which has been a dominant theme of the last decade.
- § The distribution of the color codes in our sample across the ten years highlights the importance of diversification - in order to obtain stable performance, it is necessary to invest in several asset classes.

Capital Markets Environment

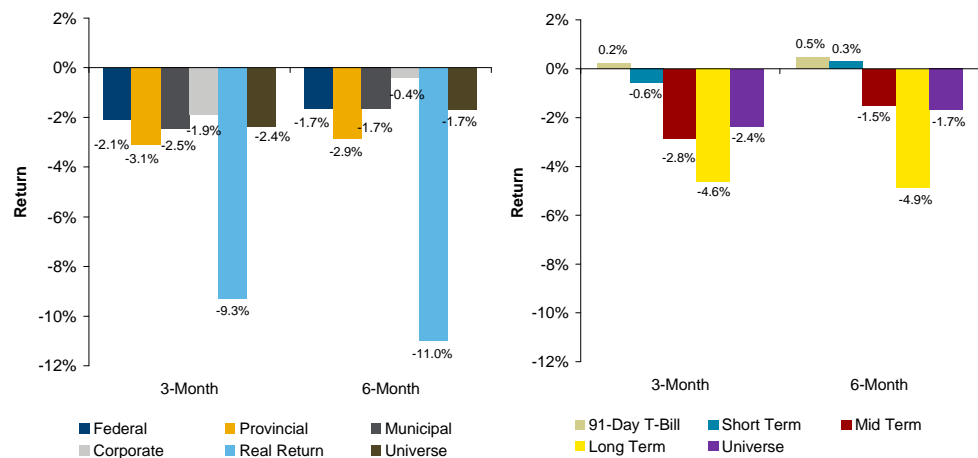
Capital Markets Environment

As of 30 June 2013

§ The bond market posted negative returns for both the 3 and 6 month periods. The corporate sector was the best performer for both periods, with real return bonds suffering large losses. With rates rising across the yield curve performance was directly proportional to maturity, with shorter maturities outperforming longer maturities. T-Bills were the best performing maturity with a return of 0.2% and 0.5% respectively for the 3 and 6 month periods.

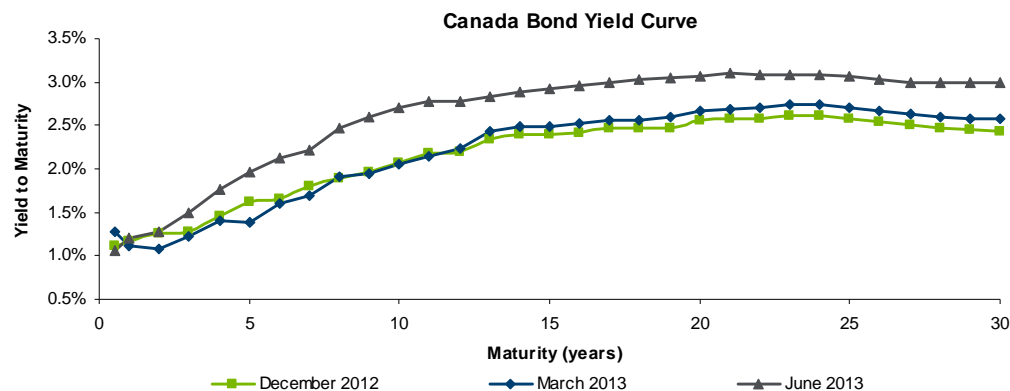
Canadian Bond Market Performance Review
Period ending 30 June 2013

Return by Issuer and by Term - DEX



§ The yield curve pivoted upward during the second quarter of the year with yields rising across all maturities. The short end remained anchored due to the unchanged Bank of Canada policy concerning the Bank Rate.

§ The yield curve maintained a positive slope with longer maturities yielding more than shorter maturities.



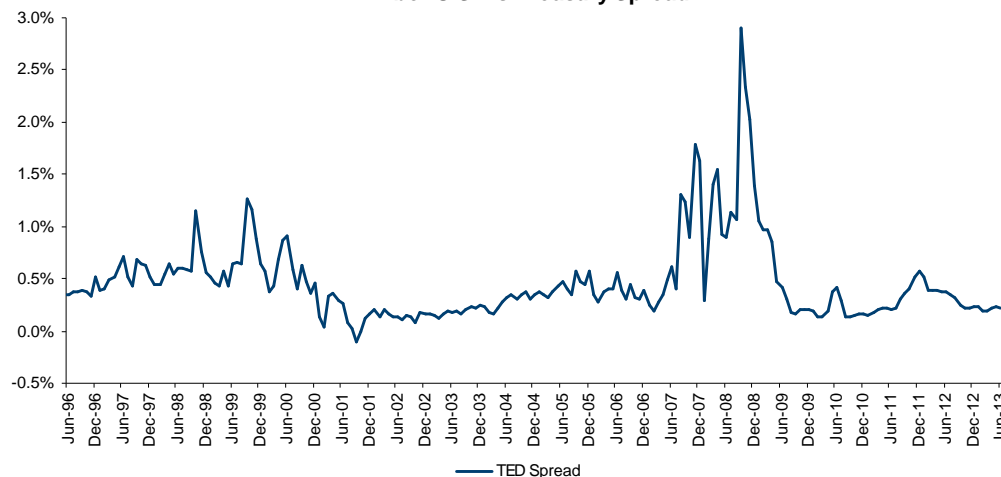
Capital Markets Environment

Capital Markets Environment

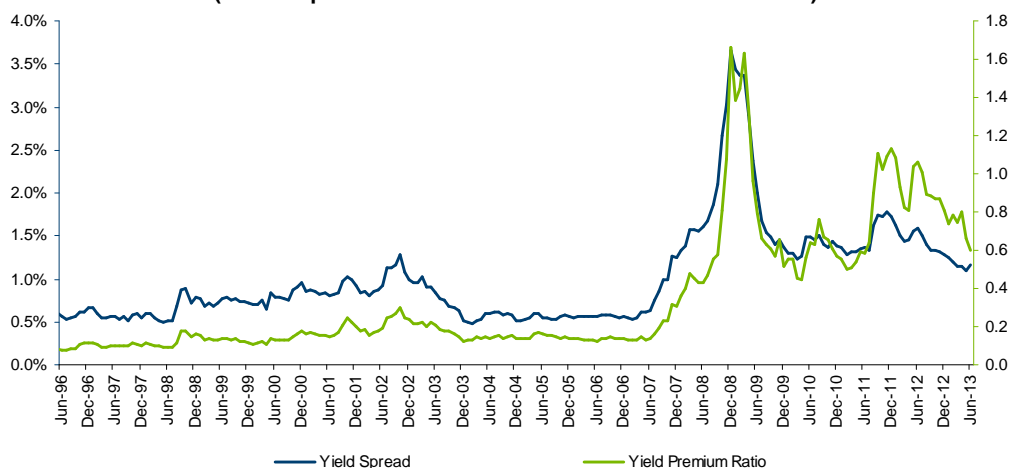
As of 30 June 2013

§ LIBOR, the London Interbank Offered Rate, is an estimate of the rate at which banks lend to one another. The spread between LIBOR and U.S. treasury bills (the TED spread) is an indicator of perceived credit risk in the general economy. The TED Spread has been fairly stable since 2009.

Libor U.S. vs Treasury Spread



§ The yield premium between corporate and government bonds narrowed recently, but still remains attractive by historical standards.

Canadian Corporate Bond Yield Spread
(DEX Corporate Bond Yields vs DEX Federal Bond Yields)

Capital Markets Environment

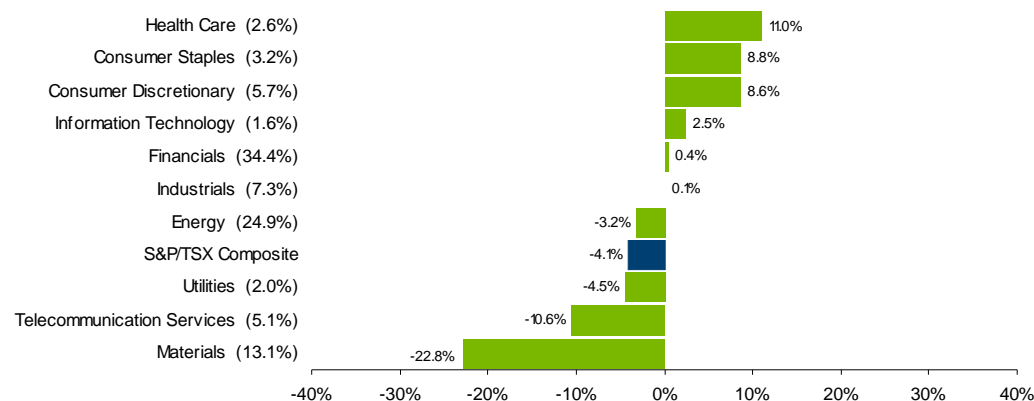
Capital Markets Environment

As of 30 June 2013

Canadian Stock Markets Performance Review
S&P/TSX Composite Sector Returns (Sector Weights)

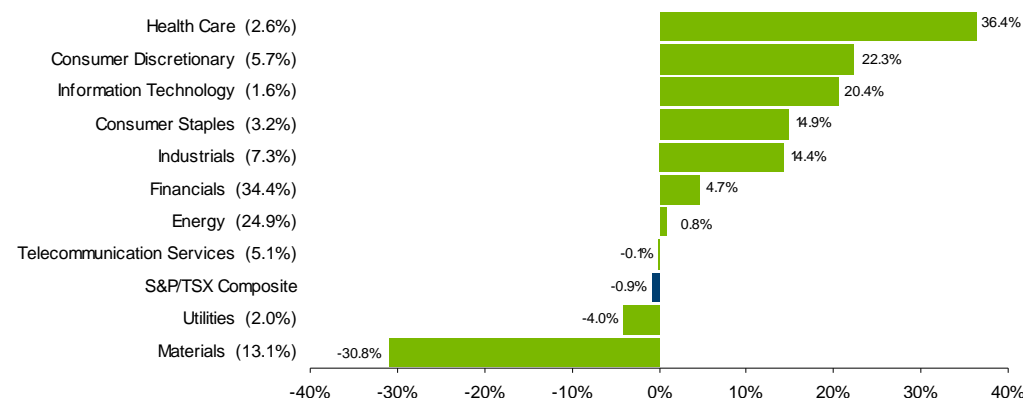
3-Month Period Ending 30 June 2013

§ The past quarter presented an opportunity for active managers to add value through sector bets, as dispersion of returns between sectors was large. Sectors that comprise a small percentage of the Index continued to produce strong returns. Examples include Health Care (11.0%), Consumer Staples (8.8%) and Consumer Discretionary (8.6%).



6-Month Period Ending 30 June 2013

§ For the 6 month period most sectors performed well with the notable exception of the three largest sectors. For the big three the returns were as follows: Materials (-30.8%), Energy (0.8 %) and Financials (4.7%). The poor performance of these three sectors totaling 72.4% of the index resulted in a loss of 0.9% for the index during the period.



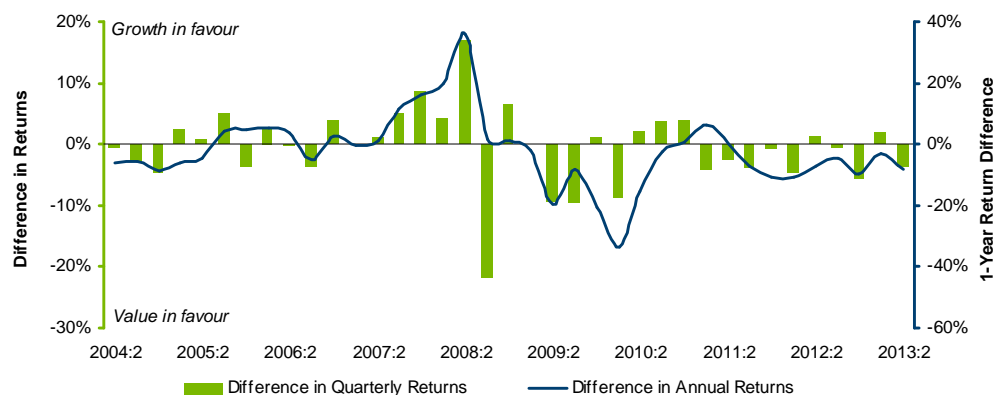
Capital Markets Environment

Capital Markets Environment

As of 30 June 2013

Growth vs. Value Investment Style - Canadian Equity Market*
Comparison to 30 June 2013

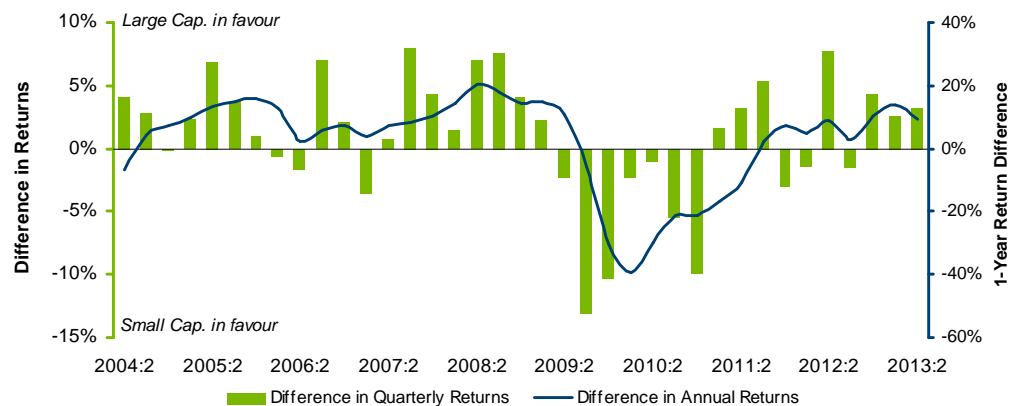
- § In the second quarter of 2013, Canadian value stocks outperformed growth stocks. Value stocks have outperformed growth stocks in eight of the past ten quarters.



*MSCI Canada, Growth vs. MSCI Canada, Value

Large Cap. vs. Small Cap. Universe - Canadian Equity Market**
Comparison to 30 June 2013

- § Canadian large cap stocks outperformed small cap stocks in the second quarter of 2013, and for the 6 month period.



**S&P/TSX 60 vs. S&P/TSX Small Cap Value

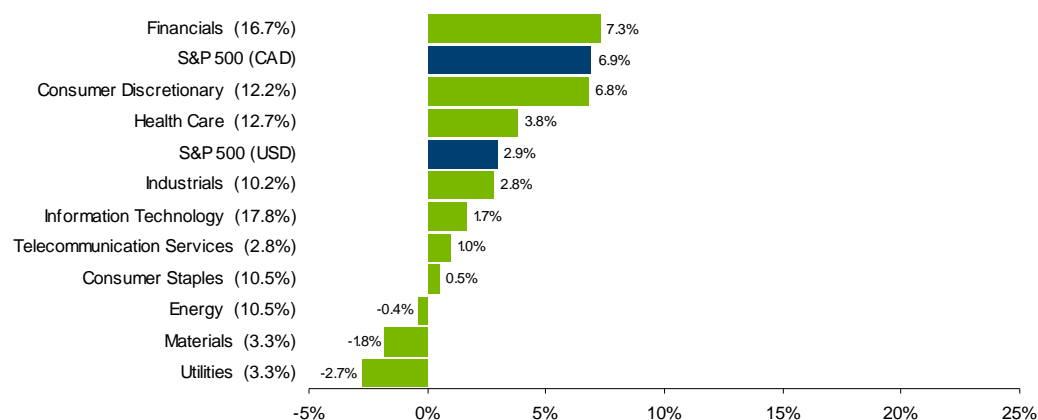
Capital Markets Environment

Capital Markets Environment

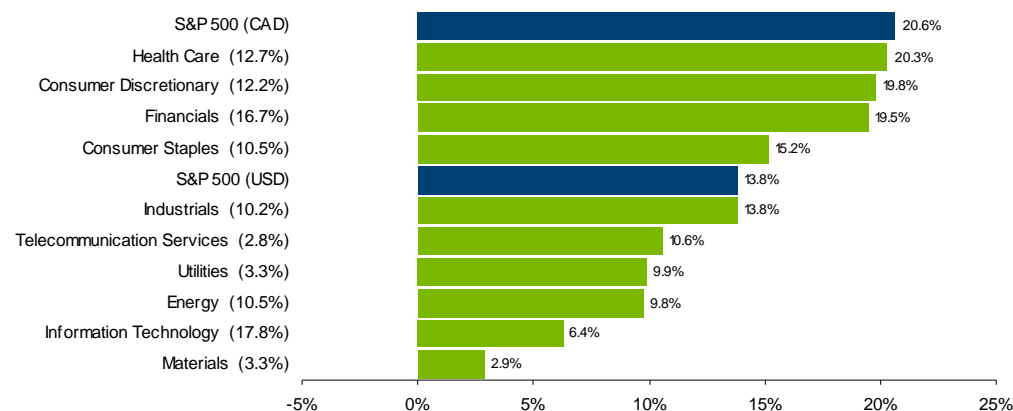
As of 30 June 2013

US Stock Markets Performance Review
S&P 500 (USD) Sector Returns (Sector Weights)

3-Month Period Ending 30 June 2013



6-Month Period Ending 30 June 2013



§ Most sectors in the S&P 500 Index had positive returns in the second quarter with the exception of Energy (-0.4%), Materials (-1.8%) and Utilities (-2.7%). The best performing sector was Financials (7.3%) followed by Consumer Discretionary (6.8%). The effect of a decline in the value of the Canadian dollar versus the U.S. dollar added an additional 4% for Canadian investors.

§ For the 6 month period all sectors of the S&P 500 Index posted strong returns.

§ For the 6 month period the weakening of the Canadian dollar helped Canadian investors, boosting returns by 6.8% for the S&P 500.

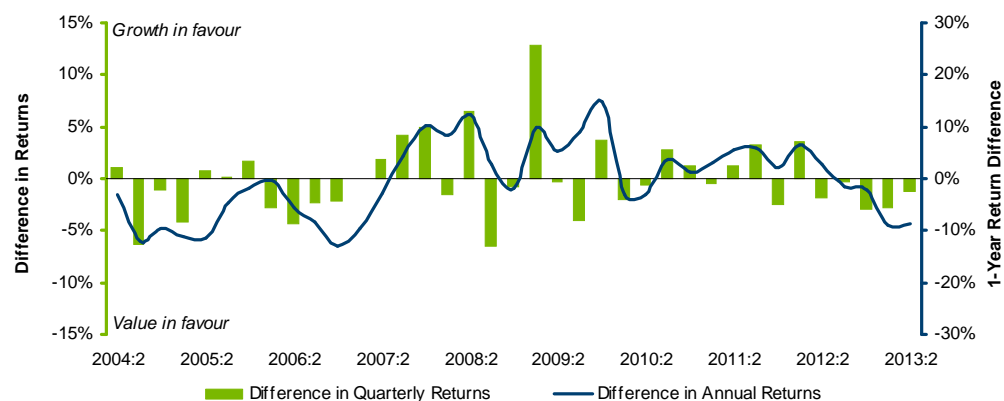
Capital Markets Environment

Capital Markets Environment

As of 30 June 2013

Growth vs. Value Investment Style – U. S. Equity Market*
Comparison to 30 June 2013

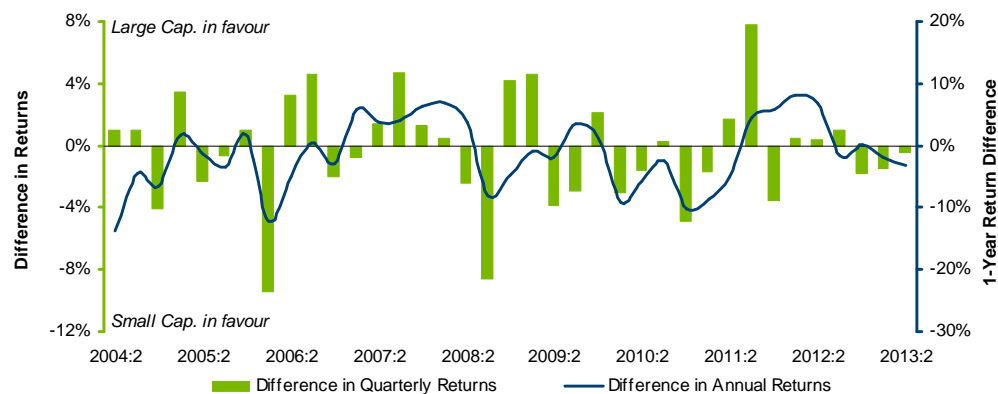
§ In the U.S. equity market, value stocks outperformed growth stocks for the fifth quarter in a row.



*Russell 1000, Growth (CAD) vs. Russell 1000, Value (CAD)

Large Cap vs. Small Cap Universe – U.S. Equity Market**
Comparison to 30 June 2013

§ In the second quarter of 2013, small caps stocks generated a higher return than large cap stocks in the United States. The same return pattern is evident for the last six months.



**Russell 1000 (CAD) vs. Russell 2000 (CAD)

Capital Markets Environment

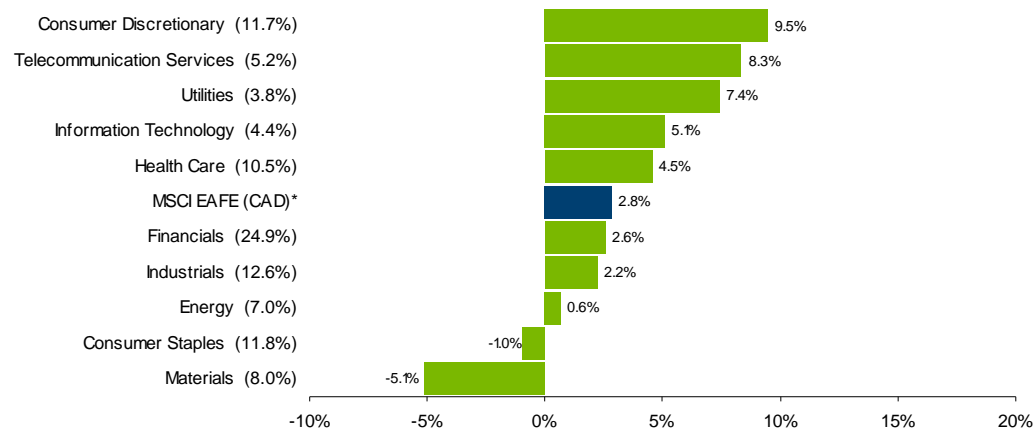
Capital Markets Environment

As of 30 June 2013

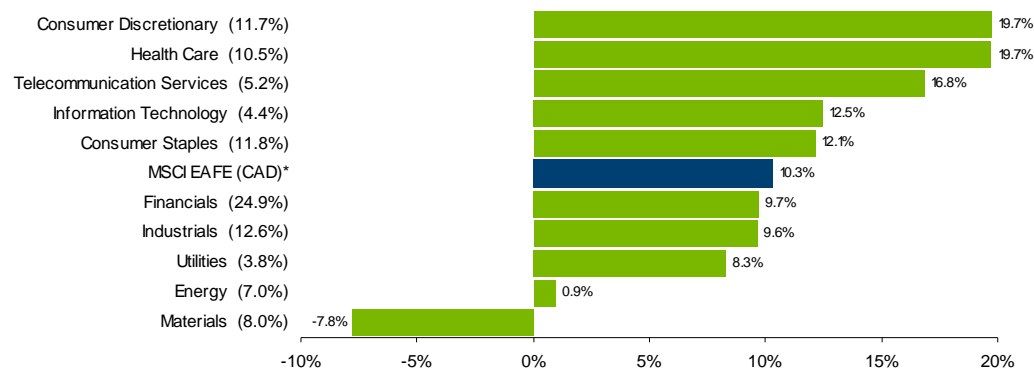
International Stock Markets Performance Review
MSCI EAFE (CAD) Sector Returns (Sector Weights)

§ International equities enjoyed a very strong second quarter of 2013 and strong returns for the last six months. Top performers for the quarter included Consumer Discretionary (9.5%), Telecommunication Services (8.3%) and Utilities (7.4%).

3-Month Period Ending 30 June 2013



6-Month Period Ending 30 June 2013



*MSCI EAFE Net

§ For the last six months, top sectors included Consumer Discretionary (19.7%), Health Care (19.7%) and Telecommunication Services (16.8%).

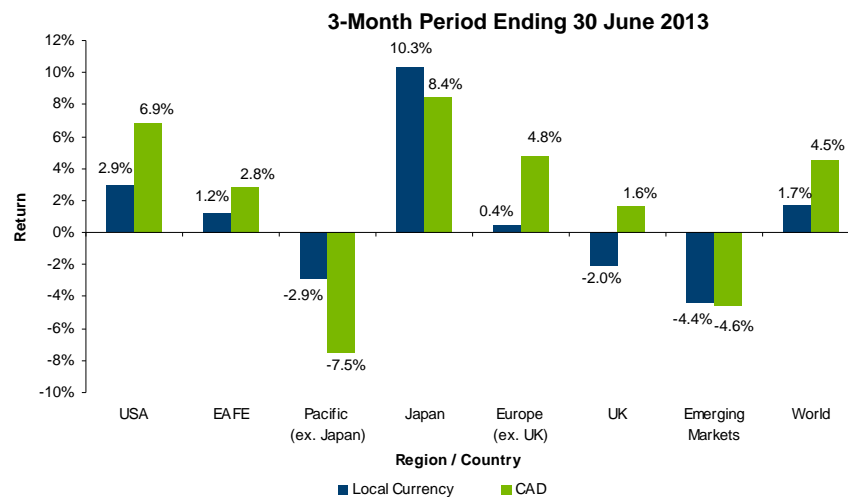
Capital Markets Environment

Capital Markets Environment

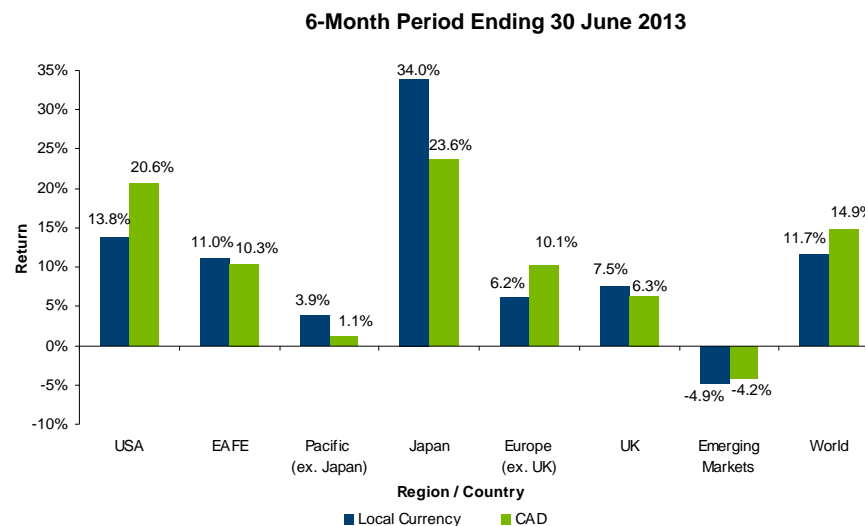
As of 30 June 2013

Foreign Stock Markets Performance Review*

§ In the past quarter, the Canadian dollar weakened against most currencies which increased returns for Canadian investors. Investments in the U.S (+4.0%), Europe (+4.4%), EAFE (+1.6%), U.K. (+3.6%), and the World Index (+2.8%) had higher returns due to the currency effect, while Pacific (ex Japan) (-4.6%), and emerging markets (-0.2%) had lower returns.



§ For the past six months the currency impact was mixed with investors benefitting in some countries such as the U.S. (+6.8%) while the currency movement in other areas reduced returns (Japan -10.4%)



*Benchmark indexes are, from left to right, S&P 500, MSCI EAFE Net, MSCI Pacific Free (ex. Japan), MSCI Japan, MSCI Europe (ex. UK), MSCI UK, MSCI EM Net and MSCI World Net.

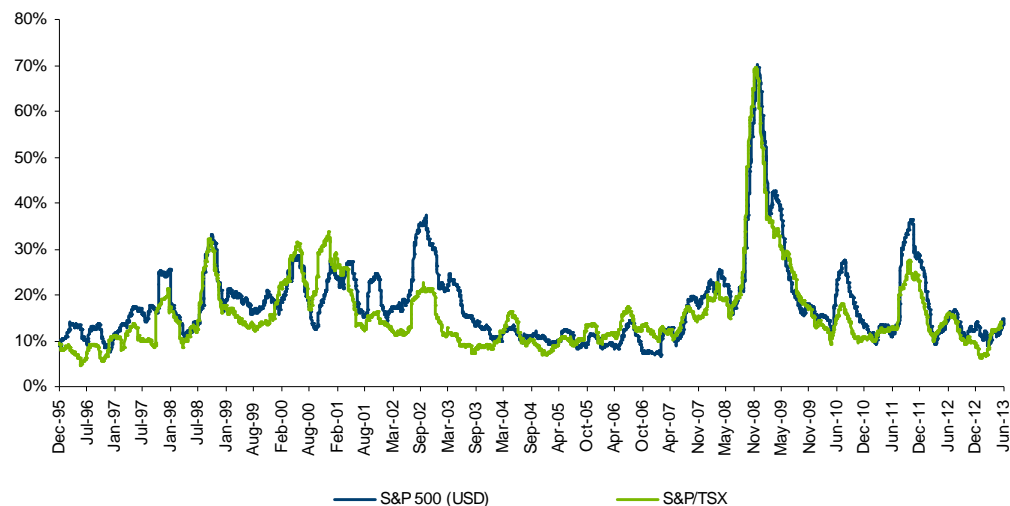
Capital Markets Environment

Capital Markets Environment

As of 30 June 2013

- § Volatility increased in both the Canadian and American stock markets during the past six months. As shown in the graph to the right, volatility of the U.S. and Canadian equity indices was similar, though the U.S. market experienced slightly higher volatility during several periods in 2010 and 2011.
- § Stock market volatility is an indication of uncertainty in financial markets. During the past twelve months, markets were relatively calm despite continuing economic and political concerns throughout the U.S., Europe and China.

**Annualized Standard Deviation - 60-Day Rolling Periods
S&P/TSX (CAD) and S&P 500 (USD)**



Appendix D - Description of Market Indices and Statistics

Description of Market Indices and Statistics

Index Definitions

S&P/TSX Composite

S&P/TSX Composite Index comprises approximately 71 percent of market capitalization for Canadian-based, Toronto Stock Exchange listed companies. It is calculated on a float market capitalization and is the broadest Canadian equity index available. The index also serves as the premier benchmark for Canadian pension funds and mutual market funds.

S&P 500

Standard and Poor's 500 Composite Stock Index consists of the largest 500 companies in the United States chosen for market size, liquidity and industry group representation. It is a market-value weighted index, with each stock's weight in the index proportionate to its market value. For the purposes of this report, the S&P 500 Index returns are converted from U.S. dollars into Canadian dollars, and therefore reflect currency gains or losses.

DEX Universe Bond

DEX Universe Bond Index covers all marketable Canadian bonds with term to maturity of more than one year. The Universe contains approximately one thousand marketable Canadian bonds with an average term of 9.9 years and an average duration of 7.0 years. The purpose of the index is to reflect the performance of the broad "Canadian Bond Market" in a similar manner to the S&P/TSX Composite Index.

DEX 91-Day T-Bill

Canada Treasury Bills represent the highest quality short-term instruments available. The index is constructed by selling and repurchasing Government of Canada T-bills with an average term to maturity of 91 days. The 91-Day Treasury Bill Index is calculated and marked to market daily.

Description of Market Indices and Statistics

Statistic Definitions

As of 30 June 2013

Active Return

Arithmetic difference between the portfolio return and the benchmark return over a specified time period.

Active Weight

The difference between the portfolio weight and the benchmark weight, where the weight is based on the beginning of period weights for the sector/region/asset class for a certain periodicity (monthly or quarterly, depending upon the reporting frequency), adjusted by the relative return for the sector/region/asset class.

Annualized Value Added

A portfolio's excess return over a benchmark, annualized as it is recorded.

Asset Allocation

The value added or subtracted by under or over weighting sectors/regions/asset classes versus the benchmark weights. Asset allocation measures the impact on performance attributed only to the sector/region/asset class weighting decisions by the manager. It assumes that the manager holds the same securities in each sector/region/asset class and in the same proportion as in the benchmark. Any differences in return can be attributed to differences in sector weights between the manager's fund and the benchmark.

Batting Average

The frequency, expressed in percentage terms, of the portfolio's return equaling or exceeding the benchmark's return.

Beta

A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.

Correlation

Also called coefficient of correlation, it is a measure of the co-movements of two sets of returns. Indicates the degree in which two sets of returns move in tandem.

Cumulative Added Value

The geometrically linked excess return of a portfolio over a benchmark.

Down Market Capture

The portfolio's average return as a percentage of the benchmark return, during periods of negative benchmark return. Lower values indicate better portfolio performance.

Downside Risk

A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the portfolio.

Description of Market Indices and Statistics

Statistic Definitions

As of 30 June 2013

Duration

A measure of a bond portfolio's sensitivity to movements in interest rates.

EPS

Earnings Per Share

Excess Return

Arithmetic difference between the managers return and the risk-free return over a specified time period.

Excess Risk

A measure of the standard deviation of a portfolio's performance relative to the risk free return.

Information Ratio

Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.

Return

Compounded rate of return for the period.

R-Squared

The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Square means a higher correlation of the portfolio's performance to the appropriate benchmark.

Security Selection

The value added or subtracted by holding securities at weights which differ from those in the benchmark, including securities not in the benchmark or a zero weight. The security selection return assumes the manager weights for each sector/region/asset class in the portfolio are in the same proportion as in the overall benchmark, and excess returns are due to security selection. That is, differences in returns between the manager's fund and the benchmark are attributed to the securities the manager has chosen.

Sharpe Ratio

Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the portfolio's historical risk-adjusted performance.

Simple Alpha

The difference between the portfolio's return and the benchmark's return.

Description of Market Indices and Statistics

Statistic Definitions

As of 30 June 2013

Standard Deviation

A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.

Tracking Error

A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate benchmark.

Treynor Ratio

Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Represents the excess rate of return over the risk free rate divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the portfolio's historical risk-adjusted performance.

Up Market Capture

The portfolio's average return as a percentage of the benchmark return, during periods of positive benchmark return. Higher values indicate better portfolio performance.

Appendix E - Fee Analysis

Fee Analysis

Manager Fees					
Account	Fee Schedule	Market Value	Percentage of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Total		\$77,713,790	100.0%	\$89,246	0.115%
FGP - Equities	0.450% of the first \$50 Million 0.300% of the next \$25 Million 0.200% of the balance	\$12,597,356	16.2%	\$56,688	0.450%
FGP - Fixed Income & Short-Term	0.050% of the balance	\$65,116,434	83.8%	\$32,558	0.050%

Appendix F - Compliance

Compliance

E&O Insurance Fund, Compensation Fund and General Fund								
Category	Guidelines	Jun-10	Dec-10	Jun-11	Dec-11	Jun-12	Dec-12	Jun-13
General	Confirm whether the following transactions have occurred in the portfolio:							
	Use of non-taxable accounts.	✓	✓	✓	✓	✓	✓	✓
	Use of derivatives.	✓	✓	✓	✓	✓	✓	✓
	Short selling investments.	✓	✓	✓	✓	✓	✓	✓
	Use of margin.	✓	✓	✓	✓	✓	✓	✓
	Direct investment in real estate.	✓	✓	✓	✓	✓	✓	✓
Money Market Investments	Investments have a minimum rating of R1 or equivalent, by DBRS, Moody's or Standard and Poor.	✓	✓	✓	✓	✓	✓	✓
	Investments have a maximum maturity of 1 year (364 days).	✓	✓	✓	✓	✓	✓	✓
	Money Market/Short Term Investments are only in these type of investments: • Federal Government T-Bills (including Federal and Provincial agencies) • Bankers Acceptance • Commercial Paper	✓	✓	✓	✓	✓	✓	✓
	No more than 8% of the total portfolio has been invested with any single issuer other than Government of Canada securities.	✓	✓	✓	✓	✓	✓	✓
Fixed Income Investments	Investments have a minimum rating of BBB for bonds and debentures or P2 for preferred stocks or equivalent by DBRS, Moody's or Standard and Poores.	✓	✓	✓	✓	✓	✓	✓
	Investments are in Canadian Currency.	✓	✓	✓	✓	✓	✓	✓
	No more than 10% of the market value of the fixed income portfolio has been invested with any one security or issuer other than holdings with Federal and Provincial Governments and their guarantees.	✓	✓	✓	✓	✓	✓	✓
	Portfolio's weighted average duration is between 1 to 5 years and in-line with DEX Short Term Bond Index.	✓	✓	✓	✓	✓	✓	✓
	Fixed Income Investments are only in these type of investments: • Bonds, Debentures, Notes, Non-Convertible Preferred Stocks, Term Deposits and GICs • Bonds of Foreign Issuers denominated in Canadian Dollars • NHA-insured Mortgage-Backed Securities or Collateralized Mortgage-Backed Securities • Marketable Private Placement of Bonds	✓	✓	✓	✓	✓	✓	✓
	Confirm whether the fixed income portion of the portfolio's asset mix has been within the ranges defined below for the previous month:							
	Government of Canada Debt Obligations: Max 100%	✓	✓	✓	✓	✓	✓	✓
	Provincial Government Debt Obligations: Max 60%	✓	✓	✓	✓	✓	✓	✓
	Municipal Government Debt Obligations: Max 10%	✓	✓	✓	✓	✓	✓	✓
	Corporate Debt Obligations: Max 50%	✓	✓	✓	✓	✓	✓	✓
	Foreign Issuer or Canadian Issuer in foreign currency: Max 10%	✓	✓	✓	✓	✓	✓	✓
	Equity Securities							
	Stocks are listed on one of the major stock exchanges.	✓	✓	✓	✓	✓	✓	✓
Asset Mix (based on market value)	No more than 10% of market value of the total portfolio is invested with a single issuer.	✓	✓	✓	✓	✓	✓	✓
	Confirm whether the portfolio asset mix has been within the ranges defined below for the previous month:							
	Money Market: Min 0%, Max 15%	✓	✓	✓	✓	✓	✓	✓
	Canadian Fixed Income: Min 60%, Max 95%	✓	✓	✓	✓	✓	✓	✓
	Total Fixed Income: Min 75%, Max 95%	✓	✓	✓	✓	✓	✓	✓
	Canadian Equities: Min 5%, Max 25%	✓	✓	✓	✓	✓	✓	✓

Appendix G - Disclosure

Disclosure

Statement of Disclosure

As of 30 June 2013

Aon Hewitt Inc. reconciles the rates of return with each investment manager quarterly. Aon Hewitt Inc. calculates returns from the custodian/trustee statements while the managers use different data sources. Occasionally discrepancies occur because of differences in computational procedures, security prices, "trade date" versus "settlement date" accounting, etc. We monitor these discrepancies closely and find that they generally do not tend to persist over time. However, if a material discrepancy arises or persists, we will bring the matter to your attention after discussion with your money manager.

This report may contain slight discrepancies in number additions due to rounding.

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TAB 8.2.5

FOR INFORMATION

INVESTMENT COMPLIANCE REPORTS

50. **Convocation is requested to receive compliance statements for the General Fund, Compensation Fund, and Errors & Omissions Insurance Fund portfolios as at June 30, 2013 for information.**

STATEMENT OF INVESTMENT COMPLIANCE
LONG TERM
As at June 30, 2013

		COMPENSATION FUND	GENERAL FUND	E & O FUND
Investment Parameters	Guidelines	Compliance	Compliance	Compliance
1. <u>Asset Mix</u>				
Cash and Short-Term	0 - 15%	Yes	Yes	Yes
Equity investments	5 - 25%	Yes	Yes	Yes
Bonds	75 - 95%	Yes	Yes	Yes
2. <u>Quality Requirements</u>				
Bonds	Min. BBB	Yes	Yes	Yes
3. <u>Quantity Restrictions</u>				
Equities:				
single holding	Max. 10%	Yes	Yes	Yes
weight in portfolio > weight in S&P/TSX Composite Index	Varies	Yes	Yes	Yes
derivatives etc.	None	Yes	Yes	Yes
Non-Canadian	None	Yes	Yes	Yes
Bonds:				
single security or issuer (non-government)	Max. 10%	Yes	Yes	Yes
corporate issues	Max 50%	Yes	Yes	Yes
provincial govt. issues	Max 60%	Yes	Yes	Yes
municipal issues	Max 10%	Yes	Yes	Yes
foreign issues	Max 10%	Yes	Yes	Yes
BBB issues	Max. 10%	Yes	Yes	Yes


 Fred Grady
 Manager of Finance

The Law Society of Upper Canada Compensation Fund

Manager: Foyston, Gordon & Payne Inc.

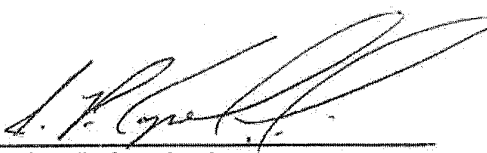
Compliance Report (Period ending June 30, 2013)

1. Asset Mix:	Min.	Mid-Point	Max.	Compliance* (Y/N)
Cash & Short Term	0%	0%	15%	Y
Bonds	60%	85%	95%	Y
Total Fixed Income	75%	85%	95%	Y
Canadian Equity	5%	15%	25%	Y
Minimum bond rating "BBB" or better by the Dominion Bond Rating Service or equivalent rating by another recognized bond rating service.				Y
Max. 10% in BBB rated bonds.				Y
Max. 100% in Government of Canada or Government of Canada guaranteed bonds.				Y
Max. 60% in Provincial government and Provincial government guaranteed bonds.				Y
Max. 10% in Municipal bonds.				Y
Max. 50% in Corporate issues.				Y
Max. 10% in non-Government issuers.				Y
Not more than 10% of the total market value of the bond portfolio will be invested in securities issued by a foreign issuer, or Canadian issuer in a foreign currency.				Y
Bond portfolio duration 1 to 5 years.				Y

Investment policy revised April 2013.

*If policy not complied with, comment on specifics.

Date: July 16, 2013



 Stephen P. Copeland
 Senior Vice President Investments
 & Private Client Services

The Law Society of Upper Canada General Fund

Manager: Foyston, Gordon & Payne Inc.

Compliance Report (Period ending June 30, 2013)

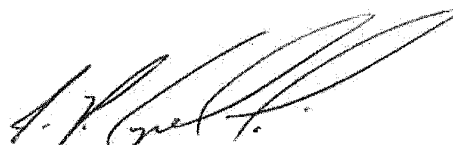
1. Asset Mix:	Min.	Mid-Point	Max.	Compliance* (Y/N)
Cash & Short Term	0%	0%	15%	Y
Bonds	60%	85%	95%	Y
Total Fixed Income	75%	85%	95%	Y
Canadian Equity	5%	15%	25%	Y
Minimum bond rating "BBB" or better by the Dominion Bond Rating Service or equivalent rating by another recognized bond rating service.				
Max. 10% BBB rated bonds.				Y
Max. 100% in Government of Canada or Government of Canada guaranteed bonds.				Y
Max. 60% in Provincial government and Provincial government guaranteed bonds.				Y
Max. 10% in Municipal bonds.				Y
Max. 50% in Corporate issues.				Y
Max. 10% in non-Government issuers.				Y
Not more than 10% of the total market value of the bond portfolio will be invested in securities issued by a foreign issuer, or Canadian issuer in a foreign currency.				Y
Bond portfolio duration 1 to 5 years.				Y

Investment policy revised April 2013.

*If policy not complied with, comment on specifics.

July 16, 2013

Date:



Stephen P. Copeland
Senior Vice President Investments
& Private Client Services



FOYSTON, GORDON & PAYNE INC.

INVESTMENT COUNSEL

July 2013

Ms. Wendy Tysall
Chief Financial Officer
Osgoode Hall
Finance Dept., 1st Floor
130 Queen Street West
Toronto, Ontario
M5H 2N6

Dear Wendy:

Re: Manager Compliance Reporting

For the Law Society of Upper Canada Errors and Omissions Insurance Fund, we wish to confirm that the portfolio being managed by Foyston, Gordon & Payne Inc. was in compliance with the Fund's Investment Policy Statement in effect (latest revision April 2013), for the quarter ending June 30, 2013.

Yours truly,

Stephen P. Copeland
Senior Vice President Investments
& Private Client Services

STATEMENT OF INVESTMENT COMPLIANCE
SHORT TERM
As at June 30, 2013

Investment Parameters	Guidelines for Both	COMPENSATION FUND	GENERAL FUND
		Compliance	Compliance
1. <u>Asset Mix</u>			
Federal & provincial treasury bills	Allowed	Yes	Yes
Bankers acceptances	Allowed	Yes	Yes
Commercial paper	Allowed	Yes	Yes
Investment manager Money Market Fund	Allowed	Yes	Yes
Premium Savings Account	Allowed	Yes	Yes
FGP S/T Invest Fund	Allowed	Yes	Yes
2. <u>Quality Requirements</u>			
Commercial paper rating	Min. R1	N/A	N/A
Liquidity	Max. term to maturity of 365 days	Yes	Yes
3. <u>Quantity Restrictions</u>			
Commercial paper of a single corporate issuer	Max. 8% of Fund	Yes	Yes
4. <u>Other Restrictions</u>			
Equity securities	None	Yes	Yes
Direct investments in:			
resource properties	None	Yes	Yes
mortgages and mortgage-backed securities	None	Yes	Yes
real estate	None	Yes	Yes
venture capital financings	None	Yes	Yes
Derivatives	None	Yes	Yes



Fred Grady
Manager of Finance



Tab 9

**Report to Convocation
September 25th, 2013**

Paralegal Standing Committee

Committee Members
Cathy Corsetti, Chair
Susan McGrath, Vice-Chair
Marion Boyd
Robert Burd
Paul Dray
Ross Earnshaw
Robert Evans
Michelle Haigh
Jacqueline Horvat
Dow Marmur
Malcolm M. Mercer
Kenneth Mitchell
Jan Richardson

Purpose of Report: Decision and Information

Prepared by the Policy Secretariat
Julia Bass 416 947 5228

TABLE OF CONTENTS

For Information [TAB 9.1](#)

Quarterly Report from Professional Regulation

2013 Paralegal Annual Report

Committee Process

1. The Committee met on September 12th, 2013. Committee members present were Cathy Corsetti (Chair), Susan McGrath (Vice-Chair), Robert Burd (by telephone), Paul Dray, Ross Earnshaw, Jacqueline Horvat, Dow Marmur, Malcolm Mercer and Jan Richardson (by telephone). Staff members attending were Diana Miles, Terry Knott, Jim Varro, Elliot Spears, Naomi Bussin, Roy Thomas, Helena Jankovic, Eric Smith, Sheena Weir, and Julia Bass.

TAB 9.1

FOR INFORMATION

PROFESSIONAL REGULATION QUARTERLY REPORT

2. The Quarterly Report for the second quarter of 2013 was before the Committee for information and is shown at **TAB 9.1.1**.

2013 PARALEGAL ANNUAL REPORT

3. The 2013 Paralegal Annual Report is shown at **TAB 9.1.2**. The changes from the 2012 version are as follows:
 - a. The default period has been reduced from 90 days to 60 days, as approved by Convocation in October 2012.
 - b. The Benchers Election Privacy Option question, Section A, Question 1, has been revised to mirror the corresponding question in the Lawyer Annual Report.
 - c. The self-identification questions following Section A, Question 3, in the electronic form, were modified to reflect the decision of the Equity and Aboriginal Issues Committee, presented to Convocation for information in February 2013. Licensees who do not file in electronic format must complete the self-identification questions on the separate paper form, shown at **TAB 9.1.3**.
 - d. The Trust Fund/Property question, Section E, Question 2, has been revised to mirror the corresponding question in the Lawyer Annual Report.
 - e. The existing Client Identification questions, Section E, Questions 4(a) and 4(b) have been revised by the Professional Development & Competence division to provide greater clarity based on licensee feedback.



The Law Society of
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The Professional Regulation Division

Quarterly Report

April – June 2013

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

The Quarterly Report

The Quarterly Report provides a summary of the Professional Regulation Division's activities and achievements during the past quarter, April 1 to June 30, 2013. The purpose of the Quarterly Report is to provide information on the production and work of the Division during the quarter, to explain the factors that may have influenced the Division's performance, and to provide a description of exceptional or unusual projects or events in the period.

The Professional Regulation Division

Professional Regulation is responsible for responding to complaints against licensees, including the resolution, investigation and prosecution of complaints which are within the jurisdiction provided under the *Law Society Act*. In addition the Professional Regulation provides trusteeship services for the practices of licensees who are incapacitated by legal or health reasons. Professional Regulation also includes the Compensation Fund which compensates clients for losses suffered as a result of the wrongful acts of licensees.

See Appendices for a case flow chart describing the complaints process as well as a description of the Professional Regulation division processes and organization.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

INDEX

	Page
SECTION 1 – REPORT HIGHLIGHTS	5
Highlights of Quarterly Performance	6
Complaints Received	6
Case Closures	6
Complaints Resolution and Investigations	6
Discipline and Hearings	7
SECTION 2 – DIVISIONAL PERFORMANCE DURING THE QUARTER	8
PERFORMANCE IN THE PROFESSIONAL REGULATION DIVISION	9
Graph 2A: Complaints Received in the Division	9
Graph 2B: Complaints Closed in the Division	10
Graph 2C: Total Inventory	11
SECTION 3 – DEPARTMENT PERFORMANCE DURING THE QUARTER	12
3.1 – Intake	13
Graph 3.1A: Input	13
Graph 3.1B: Complaints Closed and Transferred Out	14
Graph 3.1C: Department Inventory	15
Graph 3.1D: Median Age of Complaints	16
3.2 – Complaints Resolution	17
Graph 3.2A: Input	17
Graph 3.2B: Complaints Closed and Transferred Out	18
Graph 3.2C: Department Inventory	19
Graph 3.2D: Median Age of Complaints	20
Graph 3.2E: Aging of Complaints	21
3.3 – Investigations	22
Graph 3.3A: Input	22
Graph 3.3B: Complaints Closed and Transferred Out	23
Graph 3.3C: Department Inventory	24
Graph 3.3D: Median Age of Complaints	25
Graph 3.3E: Aging of Complaints – Core Cases and Mortgage Fraud Cases	26
3.4 – Unauthorized Practice (UAP)	28
Graph 3.4A: Unauthorized Practice Complaints in Intake	28
Graph 3.4B: Unauthorized Practice Investigations (in Complaints Resolution & Investigations)	29
Graph 3.4C: UAP Enforcement Actions	29

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

	Page
3.5 – Complaints Review Commissioner	30
Graph 3.5A: Reviews Requested and Files Reviewed (by Quarter)	30
Graph 3.5B: Status of Files Reviewed in each Quarter	30
Graph 3.5C: Decisions Rendered, by Quarter and Active Inventory	31
3.6 – Discipline	32
Graph 3.6A: Input	32
Graph 3.6B: Department Inventory	33
Graph 3.6C: Notices Issued	34
Graph 3.6D: Completed Matters	35
Graph 3.6E: Appeals	36
SECTION 5 – APPENDICES	37
The Professional Regulation Complaint Process	38
Professional Regulation Organization Chart	39

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

SECTION 1

REPORT HIGHLIGHTS

Highlights of Quarterly Performance

Complaints Received

During the first half of 2013, the Law Society experienced an increase in new complaints when compared to the past two years. There was a 6% increase when compared with 2011 and a 9% increase when compared with 2012. In 2012, there was a slight reduction in the overall number of complaints received, however the trend has reversed during the first part of 2013. Trends indicate that by the end of 2013 the Law Society will have experienced an incremental increase in overall intake in keeping with the annual increases prior to 2012.

Altogether 2710 complaints were registered in the first six months of 2013. The increase is largely attributable to a 5% increase in complaints against lawyers (100 additional complaints) and a 21% increase in complaints against paralegals (59 additional complaints). It should be noted that some investigations involve multiple complaints against the same individual and therefore there can be some variation in complaint numbers over time depending on the nature of the issues. The increase in new complaints during this period was also attributable to an increase in the number of good character files opened respecting applicants for both lawyer and paralegal licenses.

Case Closures

Fewer cases were closed in the first six months than were received in this period. However, almost the same number of cases were closed in the first half of 2013 (2635 closed) as in the first half of 2012 (2646 closed).

Complaints Resolution and Investigations

Both of these departments experienced a significant increase in new complaints in the first six months of 2013. It is expected that this increase will moderate during the latter part of the year based, on past yearly cycles.

Complaints Resolution

In this period the department received 1037 new complaints, 19% higher than the comparable period in 2012 and 9% higher than in 2011. During the same period 897 complaints were completed and either closed or forwarded to Discipline for further action. 43 cases were completed on the basis that they would require additional formal action through referral to the Proceedings Authorization Committee. The department continues to focus on case aging by maintaining the targeted median case age, and also case closure targets. With the influx of additional work, the percentage of cases not older than 8 months has decreased from 90% at the end of the first quarter, to 81% at the end of the current period.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Investigations

In the first half of 2013, the department's input of new cases was 785 complaints, 18% higher than in the first half of 2012 (663) and 4.5% higher than in the first half of 2011 (751). During this period, 664 cases were completed as either closed or forwarded for further action in Discipline. 106 of these cases were completed on the basis that they likely required further formal action through the Proceedings Authorization Committee (PAC). The number of complaints related to unauthorized practice (UAP) allegations (131) was almost identical to the number received in 2012. With the increased input of new complaints the department's inventory increased to 1234 cases. The median case age remains low and the department continues to focus on ensuring that cases remain within targeted time frames.

The department continues to receive notice of lawyers involved in mortgage fraud at the rate of approximately two per month. The continuing reduction in the number of complaints has enabled the department to complete more cases and to reduce case aging in the mortgage fraud caseload.

Discipline and Hearings

The Discipline department inventory of cases remains stable with 192 licenses and applicants relating to 541 cases. In the first half of 2013 78 hearing notices were issued compared with 73 issued in the same period in 2012. During the same period, 66 decisions and orders were rendered by Hearing Panels, compared to 57 in the same period in 2012. A total of 6 appeals were commenced in this period.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

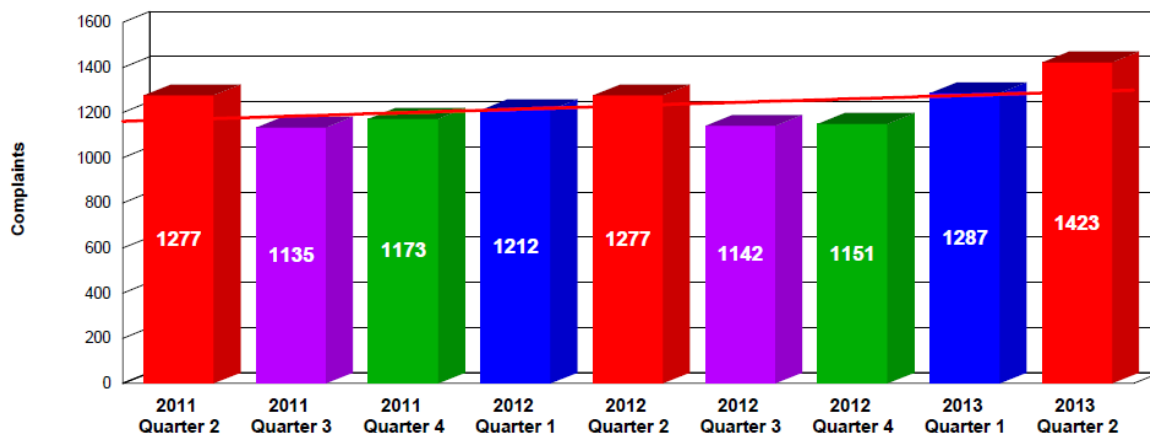
SECTION 2

DIVISIONAL PERFORMANCE DURING THE QUARTER

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

PERFORMANCE IN THE PROFESSIONAL REGULATION DIVISION

Graph 2A: Complaints¹ Received in the Division



The number of new complaints received in the second quarter of 2013 increased by approximately 11% when compared to the number received in the first quarter of 2013. An analysis of new complaints received (below) shows that, in Q2 2013, complaints against lawyers, lawyer applicants and paralegal applicants increased while the number of complaints against licensed paralegals and non-licensees/non-applicants decreased slightly from the number received in Q1 2013.

Detailed Analysis of Complaints Received in the Division

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	944	942	937	1015	1026
Lawyer Applicant Cases ★	59	27	8	18	67
Complaints against Licensed Paralegals	143	118	109	160	152
Paralegal Applicant Cases ★	80	20	26	29	121
Complaints against Non-Licensees/Non-Applicants*	51	35	71	65	57
TOTAL	1277	1142	1151	1287	1423

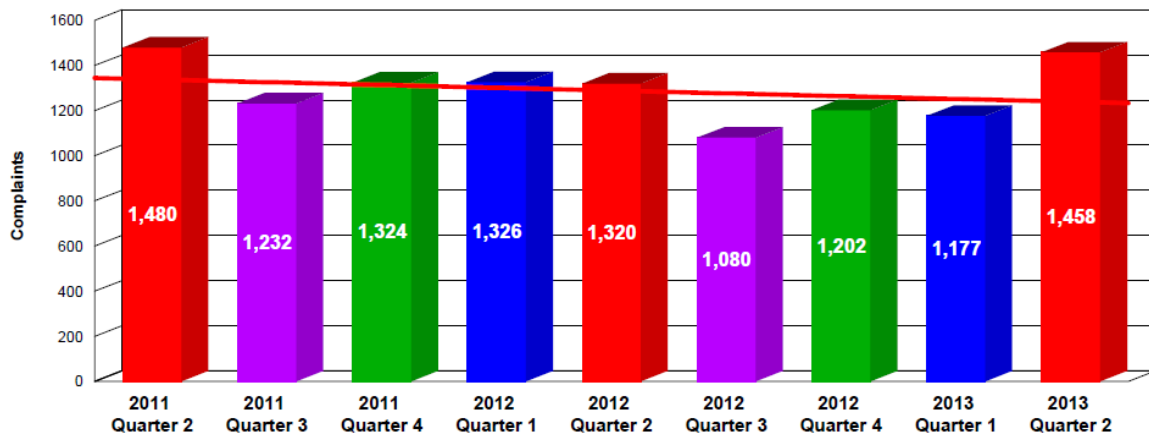
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

¹ Includes all complaints received in PRD from Complaints Services.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Graph 2B: Complaints Closed² in the Division (by Quarters)



The number of cases closed in the Division in Q2 2013 increased by 24% from the number of cases closed in Q1 2013.

Detailed Analysis of Complaints Closed in the Division

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	1015	827	981	946	1118
Lawyer Applicant Cases ★	56	16	11	13	64
Complaints against Licensed Paralegals	113	139	116	105	127
Paralegal Applicant Cases ★	56	39	32	37	83
Complaints against Non-Licensees/Non-Applicants*	80	59	62	76	66
TOTAL	1320	1080	1202	1177	1458

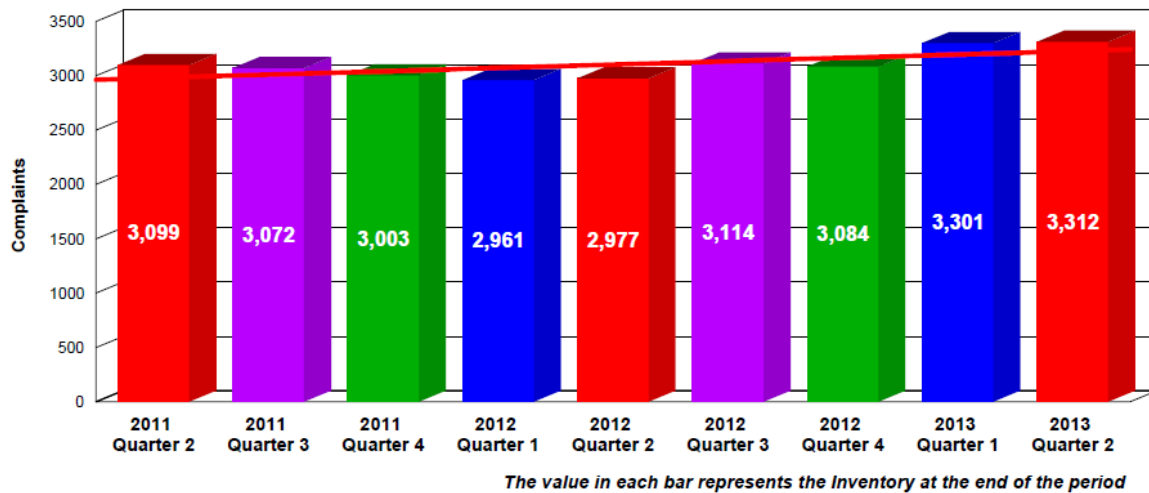
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

² This graph includes all complaints closed in Intake, Complaints Resolution, Investigations and Discipline.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Graph 2C: Total Inventory³



The inventory in the Division at the end of Q2 2013 was approximately the same as at the end of Q1 2013. The breakdown of the inventory in the chart below demonstrates that during the last quarter, the inventory of complaints against lawyers decreased, while the inventory of complaints against all other groups increased.

Detailed Analysis of Division Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	2400	2571	2546	2711	2656
Lawyer Applicant Cases ★	21	34	31	37	39
Complaints against Licensed Paralegals	337	331	322	378	404
Paralegal Applicant Cases ★	86	66	60	55	91
Complaints against Non-Licensees/Non-Applicants*	133	112	125	120	122
TOTAL	2977	3114	3084	3301	3312

★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

³ This graph does not include active complaints in the Monitoring & Enforcement Department.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

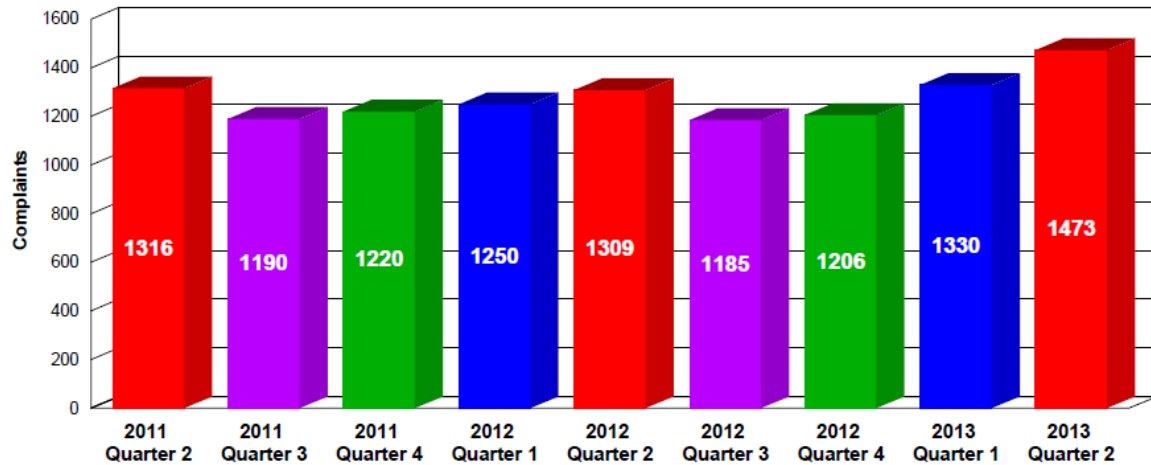
SECTION 3

DEPARTMENTAL PERFORMANCE DURING THE QUARTER

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1A: Intake - Input⁴



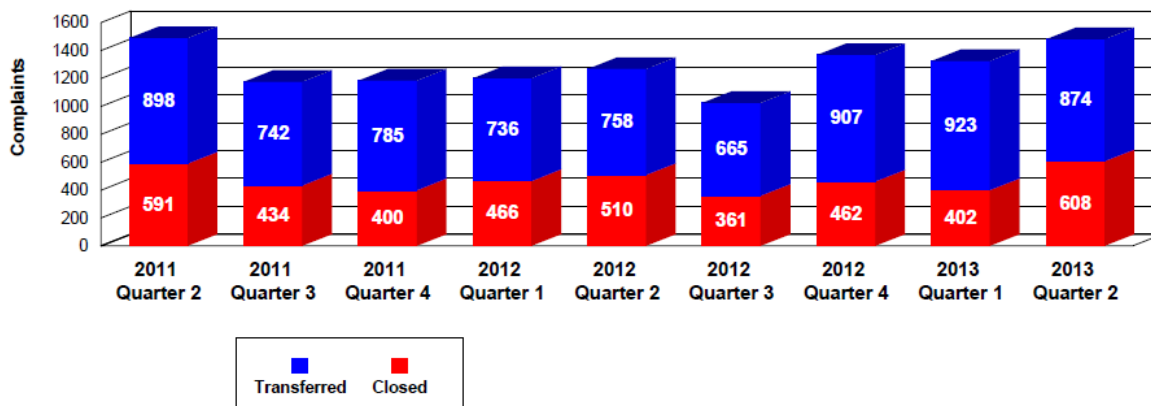
The Intake department processes all new regulatory complaints. In Q2 2013, in addition to the 1423 new cases, Intake re-opened 50 complaints which met the threshold for re-opening a closed matter.

⁴ Includes new complaints received and re-opened complaints

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1B: Intake - Complaints Closed and Transferred Out



In Q2 2013, Intake completed 1482 cases, which represents a 12% increase over the number of cases completed by the department in Q1 2013 (1325) and a 17% increase over the number of cases completed by the department in the same period in 2012 (Q2 2012 – 1268).

Detailed Analysis of Complaints Closed and Transferred From Intake

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	Closed	360	278	386	327	425
	Transferred	583	549	734	737	639
Lawyer Applicant Cases★	Closed	47	10	3	2	45
	Transferred	11	19	4	17	18
Complaints against Licensed Paralegals	Closed	38	42	32	28	39
	Transferred	97	62	116	108	127
Paralegal Applicant Cases★	Closed	40	14	8	13	69
	Transferred	29	19	18	15	45
Complaints against Non-Licensees/Non-Applicants*	Closed	25	17	33	32	30
	Transferred	38	16	35	46	45
TOTAL	Closed	510	361	462	402	608
	Transferred	758	665	907	923	874

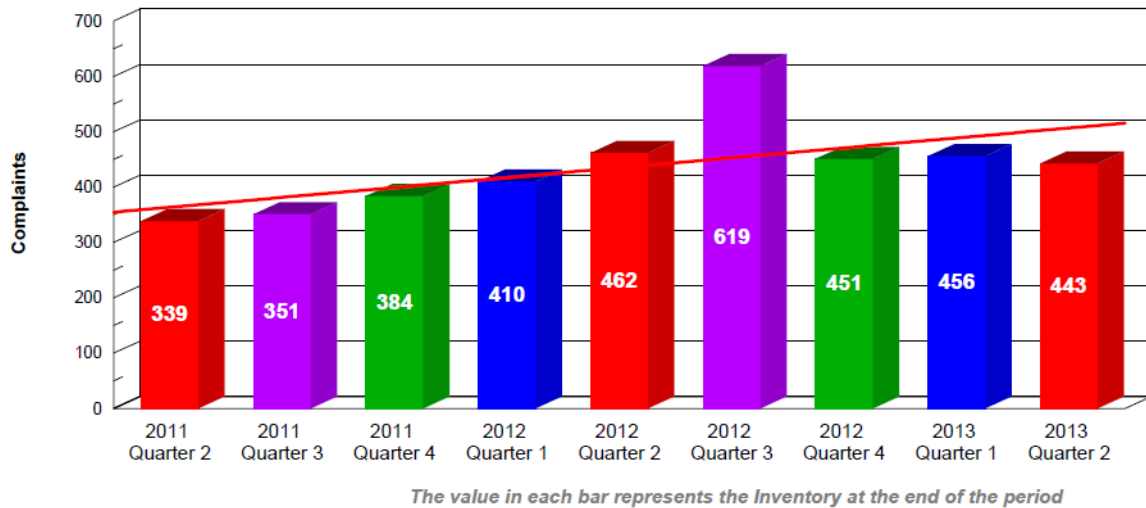
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1 C: Intake - Department Inventory



The department's inventory decreased slightly (3%) over the past quarter, however the graph demonstrates an increase in inventory over the past two years. As noted in the chart below, Intake's inventory at the end of the quarter consisted mostly of complaints against lawyers.

Detailed Analysis of Intake Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	389	541	399	387	384
Lawyer Applicant Cases ★	2	1	2	1	5
Complaints against Licensed Paralegals	52	66	32	56	44
Paralegal Applicant Cases ★	13	0	0	1	6
Complaints against Non-Licensees/Non-Applicants*	6	11	18	11	4
TOTAL	462	619	451	456	443

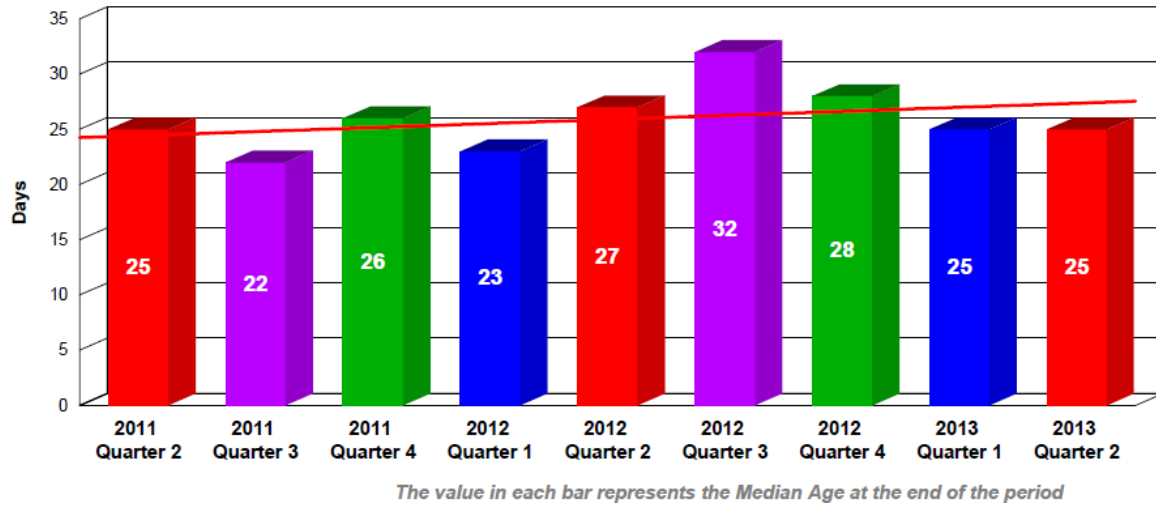
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1D: Intake - Median Age of Complaints

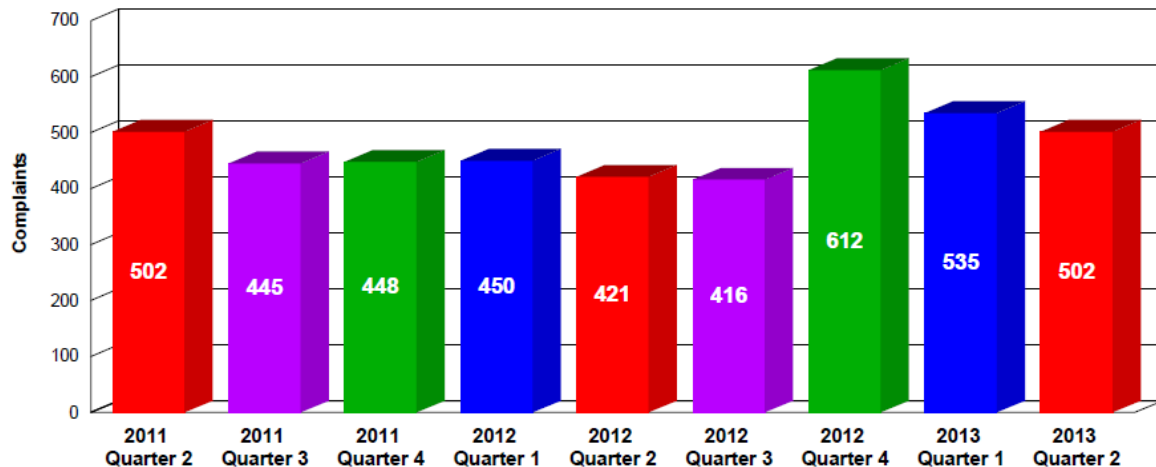


Intake's median age is below the department's 30-day target, indicating a timely case process.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

Graph 3.2A: Complaints Resolution – Input⁵



The input of cases into Complaints Resolution in Q2 2013 decreased by approximately 6% from the number received in Q1 201 (635). When compared to the same period in the previous 2 years, the department's input in Q2 2013 increased by 19% compared to Q2 2012 but was identical to the input in Q2 2011.

Detailed Analysis of New and Re-opened Complaints in Complaints Resolution

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	393	377	548	492	443
Lawyer Applicant Cases ★	0	0	0	0	0
Complaints against Licensed Paralegals	28	39	64	43	59
Paralegal Applicant Cases ★	0	0	0	0	0
Complaints against Non-Licensees/Non-Applicants*	0	0	0	0	0
TOTAL	421	416	612	535	502

★ Applicant cases include good character cases and UAP complaints

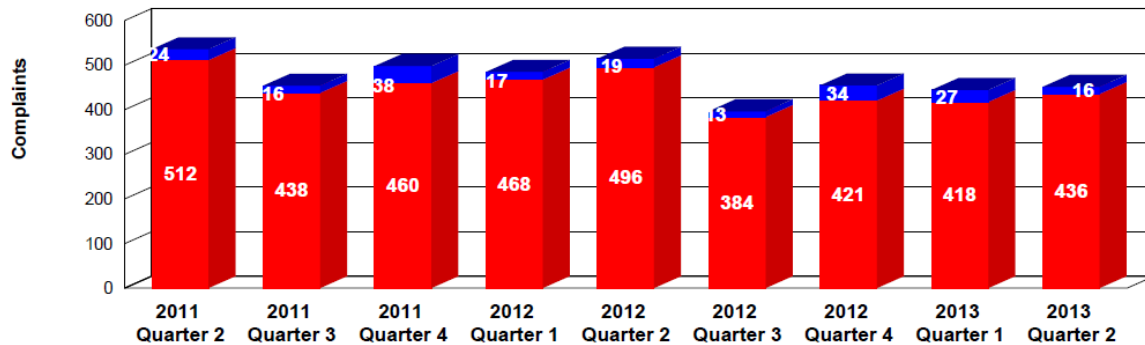
* For a complete analysis of UAP complaints see section 3.4.

⁵ Includes new complaints received into the department as well as complaints re-opened during the Quarter.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

Graph 3.2B: Complaints Resolution - Complaints Closed and Transferred Out



The number of cases completed in Q2 2013 by Complaints Resolution (452) increased by 2% over the number of cases completed in Q4 2012 (445).

Detailed Analysis of Complaints Closed and Transferred From Complaints Resolution

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	Closed	465	357	378	379	408
	Transferred	15	13	31	24	14
Lawyer Applicant Cases★	Closed	0	0	0	0	0
	Transferred	0	0	0	0	0
Complaints against Licensed Paralegals	Closed	31	27	43	39	28
	Transferred	4	0	3	3	2
Paralegal Applicant Cases★	Closed	0	0	0	0	0
	Transferred	0	0	0	0	0
Complaints against Non-Licensees/Non-Applicants*	Closed	0	0	0	0	0
	Transferred	0	0	0	0	0
TOTAL	Closed	496	384	421	418	436
	Transferred	19	13	34	27	16

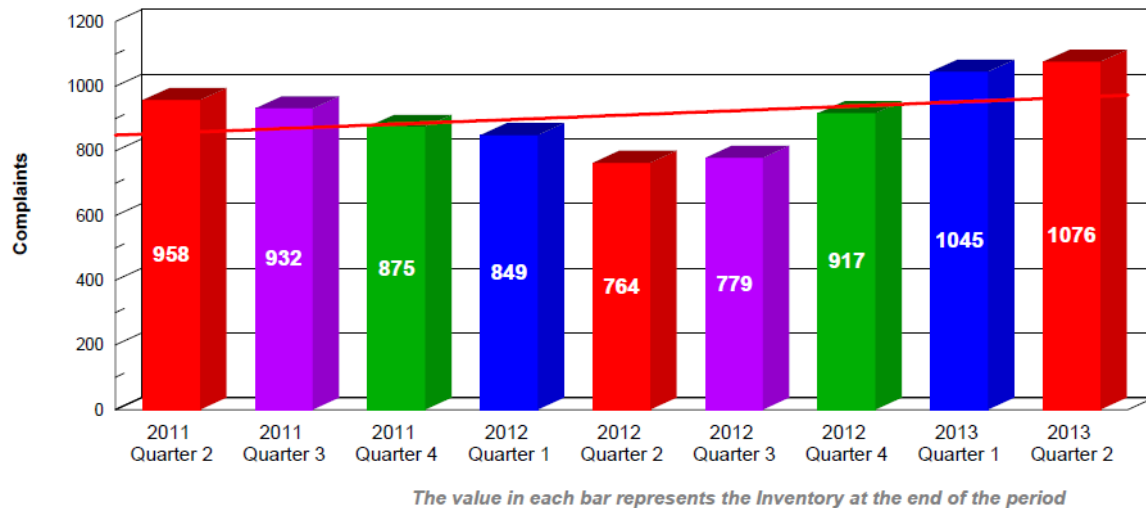
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

Graph 3.2C: Complaints Resolution – Department Inventory



At the end of Q2 2013, the department's inventory was 2% higher than at the end of Q1 2013. The inventory continues to consist mostly of complaints against lawyers.

Detailed Analysis of Complaint Resolution's Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	708	709	830	957	959
Lawyer Applicant Cases ★	0	0	0	0	0
Complaints against Licensed Paralegals	56	70	87	88	117
Paralegal Applicant Cases ★	0	0	0	0	0
Complaints against Non-Licensees/Non-Applicants*	0	0	0	0	0
TOTAL	764	779	917	1045	1076

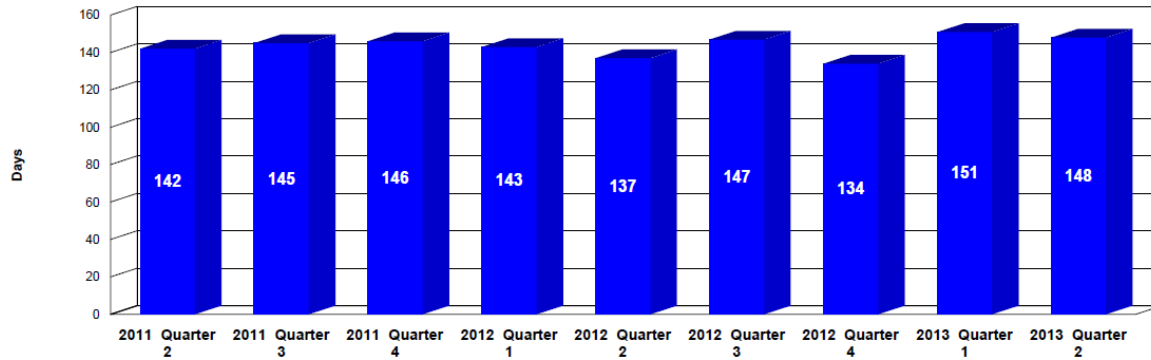
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

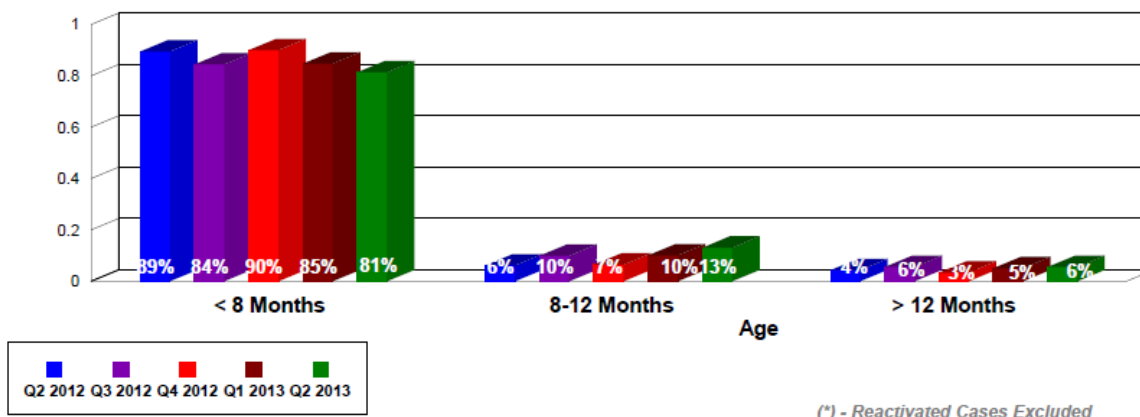
Graph 3.2D: Complaints Resolution - Median Age of Complaints



The department's median age decreased from the previous quarter and is slightly below the department's target range of 150-170 days.

3.2 – Complaints Resolution

Graph 3.2E: Complaints Resolution – Aging of Complaints



The above graph sets out the spectrum of aging in the department's inventory (excluding reactivated cases) at the end of each of the 5 quarters displayed. Excluding reactivated cases, Complaints Resolution's department inventory was 993 cases involving 881 subjects. The age distribution of those cases was:

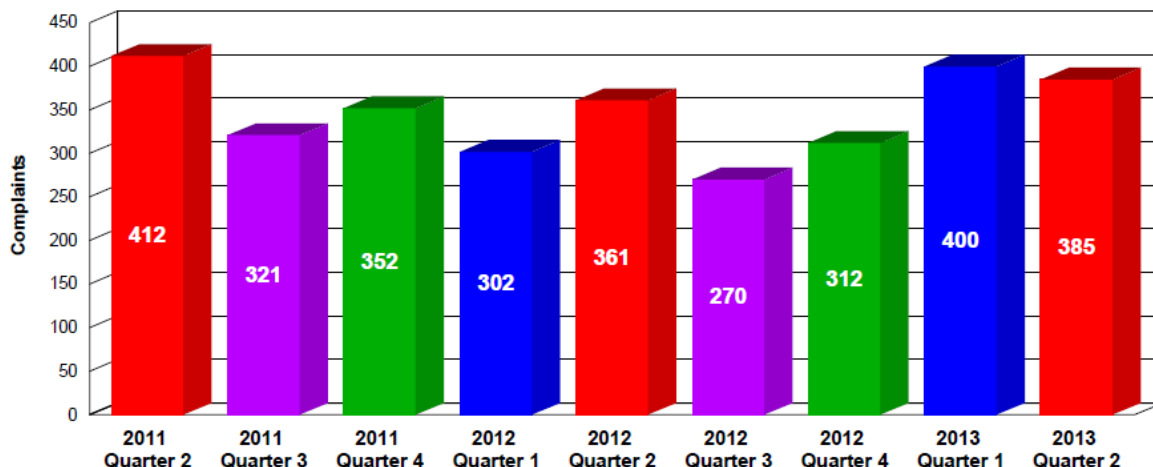
Less than 8 months	808 cases involving 721 subjects
8 to 12 months	130 cases involving 119 subjects
More than 12 months	55 cases involving 41 subjects

The goal is to reduce the proportion of cases in the older time frames and increase the proportion of cases in the youngest time frame. However, it is recognized that there will always be cases that are older than 12 months in Complaints Resolution for the following reasons:

- Newer complaints against the lawyer/paralegal are received. In some cases existing cases await the completion of younger cases relating to the same licensee;
- Delays on the part of licensees in providing representations and in responding to the investigators' requests. In a number of instances, the Summary Hearing process is required;
- Delays on the part of complainants in responding to licensee's representations and to investigators' requests for additional information; and
- New issues raised by the complainant requiring additional investigation

3.3 –Investigations

Graph 3.3A: Investigations - Input



The input of cases into the Investigations department in Q2 2013 decreased by 4% from the input in the last quarter (Q1 2013), largely due to the decrease in the number of complaints against lawyers.

Detailed Analysis of New and Re-opened Complaints Received in Investigations

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	209	192	200	254	208
Lawyer Applicant Cases ★	11	19	4	18	18
Complaints against Licensed Paralegals	71	25	54	67	69
Paralegal Applicant Cases ★	31	19	19	15	45
Complaints against Non-Licensees/Non-Applicants*	39	15	35	46	45
TOTAL	361	270	312	400	385

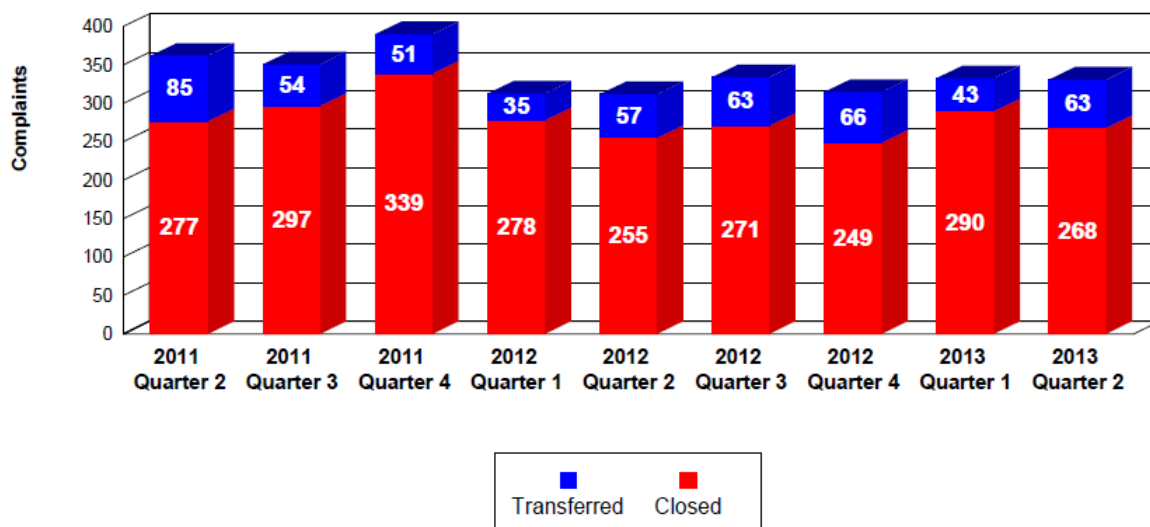
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.3 –Investigations

Graph 3.3B Investigations - Complaints Closed and Transferred Out



The number of cases closed/transferred out of the department in Q2 2013 (331 cases) was almost the same as the number completed in Q1 2013 (333 cases) but 6% more than the number completed in the same period in 2012 (i.e. 312 cases in Q2 2012).

Detailed Analysis of Complaints Closed and Transferred Out of Investigations

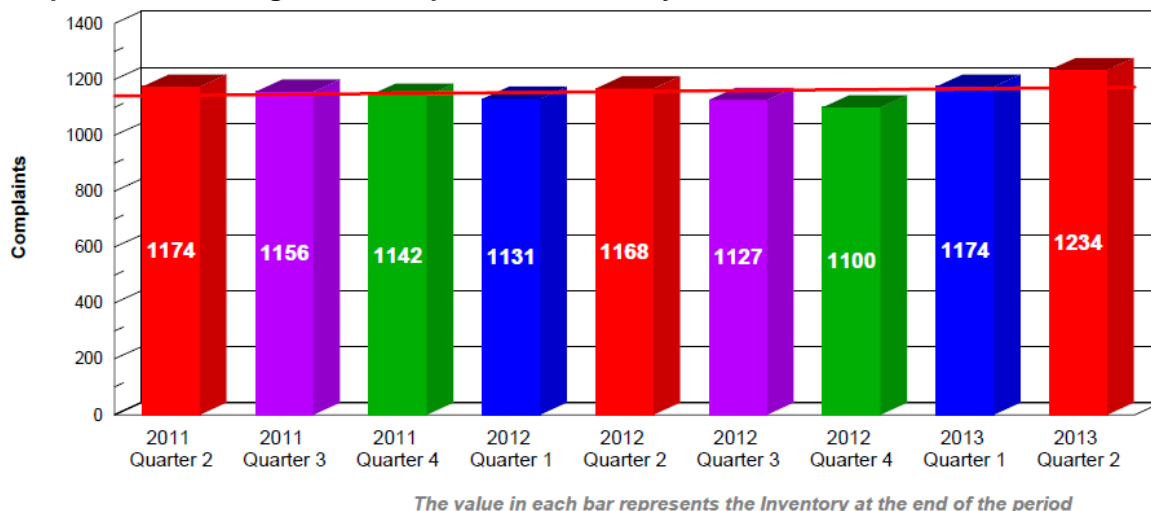
		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	Closed	162	146	160	181	171
	Transferred	27	47	60	23	45
Lawyer Applicant Cases ★	Closed	8	5	8	11	17
	Transferred	1	0	0	1	0
Complaints against Licensed Paralegals	Closed	23	62	38	32	39
	Transferred	21	10	6	7	17
Paralegal Applicant Cases ★	Closed	15	22	17	23	12
	Transferred	0	0	0	4	1
Complaints against Non-Licensees/Non-Applicants*	Closed	47	36	26	43	29
	Transferred	8	6	0	8	0
TOTAL	Closed	255	271	249	290	268
	Transferred	57	63	66	43	63

★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

3.3 – Investigations

Graph 3.3C: Investigations – Department Inventory



The number of cases received by the department in Q2 2013 (385) exceeded the number of cases completed in the department (331). Consequently, Investigations' inventory increased by approximately 5% during the second quarter of 2013. The increase in inventory is attributable mainly to paralegal applicant cases and complaints against licensed paralegals and non-licensees.

Detailed Analysis of Investigations Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	816	831	796	851	851
Lawyer Applicant Cases ★	14	29	25	31	31
Complaints against Licensed Paralegals	182	142	145	174	186
Paralegal Applicant Cases ★	47	43	43	32	64
Complaints against Non-Licensees/Non-Applicants*	109	82	91	86	102
TOTAL	1168	1127	1100	1174	1234

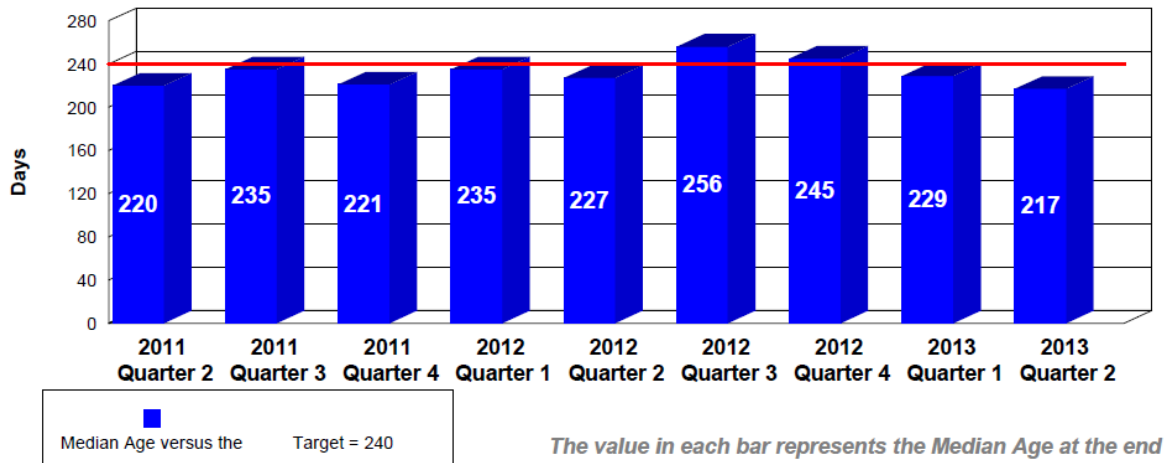
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.3 – Investigations

Graph 3.3D: Investigations – Median Age of All Complaints

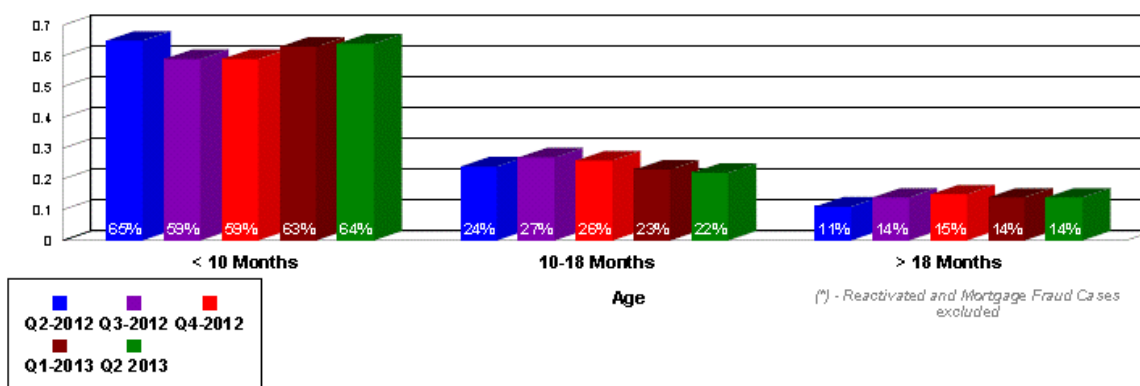


The department's median age decreased in the past quarter to 217 days which is below the target of 240 days.

3.3 – Investigations

Graph 3.3E: Investigations – Aging of Complaints

(a) Core Cases



The above graph sets out the spectrum of aging in the department's inventory (excluding reactivated and mortgage fraud cases) at the end of each of the 5 quarters displayed. The inventory of Investigations at the end of Q2 2013, excluding reactivated and mortgage fraud cases, was 1027 cases involving 790 subjects. The distribution of those cases was:

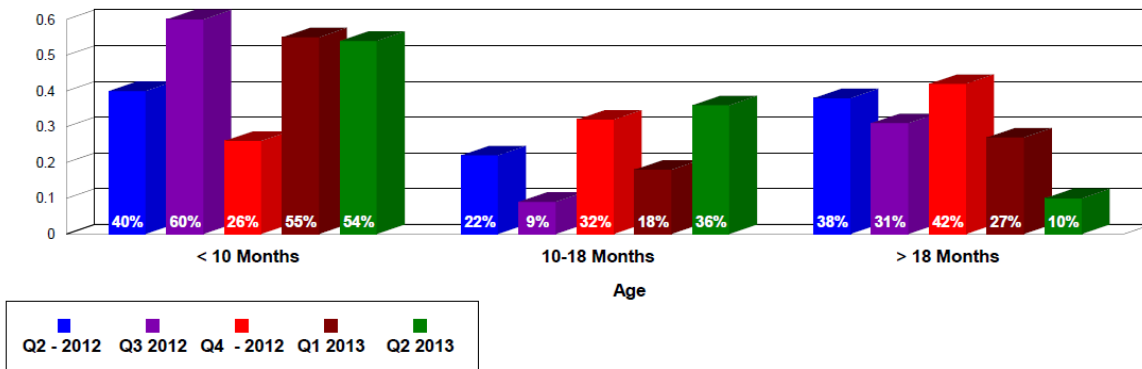
Less than 10 months	658 cases involving 492 subjects
10 to 18 months	223 cases involving 184 subjects
More than 18 months	146 cases involving 114 subjects

While the department strives to reduce the proportion of cases in the older time frame and to increase the proportion of cases in the youngest time frame, it is recognized that there are cases that are older than 18 months in Investigations for the following reasons:

- The investigator has to wait for evidence from a third party (i.e. not the complainant or the licensee/subject), for example psychiatric evaluation, court transcripts, or a key witness;
- Newer complaints are received against the licensee/subject. In order to move forward together to the Proceedings Authorization Committee, the older cases await the completion of younger cases;
- A need to coordinate investigations between different licensees/subject where the issues arise out of the same set of circumstances (e.g. a complainant complains about 2 lawyers in relation to the same matter);
- Multiple cases involve one lawyer. These investigations are complex and time consuming;
- Where capacity issues are raised during a conduct investigation.

3.3 – Investigations

(b) Mortgage Fraud Cases



The above graph sets out the spectrum of aging in the department's mortgage fraud case inventory at the end of each of the 5 quarters displayed. The inventory of mortgage fraud cases at the end of Q2 2013 was 93 cases involving 81 subjects. The distribution of those cases was:

Less than 10 months	50 cases involving 40 subjects
10 to 18 months	34 cases involving 32 subjects
More than 18 months	9 cases involving 9 subjects

As noted above, the department strives to reduce the proportion of mortgage fraud cases in the older time frame and to increase the proportion of cases in the youngest time frame. However, it is recognized that there will always be mortgage fraud cases that are older than 18 months in Investigations for the reasons cited above, particularly:

- When newer complaints against the licensee/subject are received, existing investigations may have to await their completion in order that all the cases can be taken to Proceedings Authorization Committee together.
- There is a need to coordinate investigations between different licensees/subject where the issues arise out of the same set of circumstances (e.g. a complainant complains about 2 lawyers in relation to the same matter).
- There are multiple cases involve one lawyer resulting in greater complexity.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.4 – Unauthorized Practice (UAP)

Graph 3.4A: Unauthorized Practice Complaints in Intake

Quarter	New	Closed/Transferred			Active at end of Quarter
		Closed	Transfer to CR	Transfer to Inv	
Totals: 2008	337	122	50	168	
Totals: 2009	445	165	86	192	
Q1 2010	94	42	0	76	36
Q2 2010	89	32	0	69	32
Q3 2010	67	32	1	50	29
Q4 2010	80	45	0	54	18
Totals – 2010 (+ POL)	330* (398)	151	1	249	
Q1 2011 (+ POL)	61 (74)	24	0	41	20
Q2 2011 (+ POL)	61 (84)	20	1	54	12
Q3 2011 (+ POL)	70 (80)	27	0	49	28
Q4 2011 (+ POL)	63 (83)	16	1	62	15
Totals – 2011 (+POL)	255 (321)	87	2	206	
Q1 2012 (+ POL)	77(91)	16	0	61	17
Q2 2012 (+POL)	58 (80)	22	0	49	6
Q3 2012 (+POL)	41 (44)	16	0	27	11
Q4 2012 (+POL)	80 (84)	32	0	45	19
Totals – 2012 (+POL)	256 (299)	86	0	182	
Q1 2013 (+POL)	71(93)	29	0	59	11
Q2 2013 (+POL)	60(66)	26	0	51	5

* In response to the number of UAP complaints being received in the division, a new allegation of “Practising Outside the Scope of Licence” (“POL”) was added to the division’s case management system in Q1 2010. This allows for improved identification of the nature of these complaints. In Q2 2013, complaints alleging practicing outside the scope of licensee were received in a total of 6 cases. Prior to Q1 2010, these would have been included in the UAP figures.

As noted in the chart above, in the first half of 2012, the Division received 4 fewer UAP complaints than it did in the first half of 2012 (131 vs. 135).

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.4 – Unauthorized Practice (UAP)

Graph 3.4B: Unauthorized Practice investigations (in Complaints Resolution and Investigations)

	New		Closed ⁶		Inventory	
	CR	Inv	CR	Inv	CR	Inv
Totals: 2008	52	171	64	126	106	
Totals: 2009	77	187	48	138	168	
Q1 2010	0	76	12	73	17	79
Q2 2010	0	69	6	54	10	90
Q3 2010	1	50	2	31	8	108
Q4 2010	0	54	8	32	0	124
Totals: 2010	1	249	28	190	124	
Q1 2011	0	41	0	61	0	104
Q2 2011	1	54	0	56	1	102
Q3 2011	0	49	0	45	1	106
Q4 2011	1	62	0	26	1	139
Totals: 2011	2	206	0	188	140	
Q1 2012	0	61	1	45	0	156
Q2 2012	0	49	0	65	0	140
Q3 2012	0	27	0	41	0	120
Q4 2012	0	45	0	34	0	131
Totals: 2012	0	182	1	185	131	
Q1 2013	0	59	0	62	0	128
Q2 2013	0	51	0	36	0	143

As noted in the chart above, in Q2 2013, a total of 36 UAP cases were completed and the inventory of UAP cases in Investigations was 143 cases at the end of Q2 2013.

Graph 3.4C: UAP Enforcement Actions

In the second quarter of 2013, an order was obtained prohibiting the respondents from further contravening the provisions of s. 26.1 of the *Law Society Act* in 1 matter.

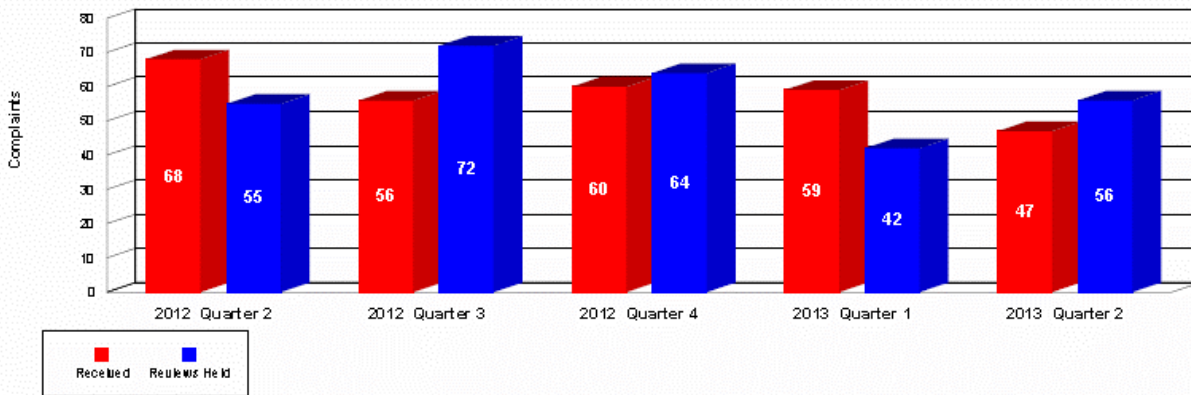
As at June 30, 2013, there were 3 open UAP matters. In 1 matter a permanent injunction is being sought. In the second matter, a permanent injunction has been ordered, however the order is outstanding. In the third matter, an appeal of a permanent injunction has been filed.

⁶ “Closed” refers to completed investigations and therefore consists of both those investigations that were closed by the Law Society and those that were referred for prosecution/injunctive relief.

The Law Society of Upper Canada
 The Professional Regulation Division
 Quarterly Report (April 1 – June 30, 2013)

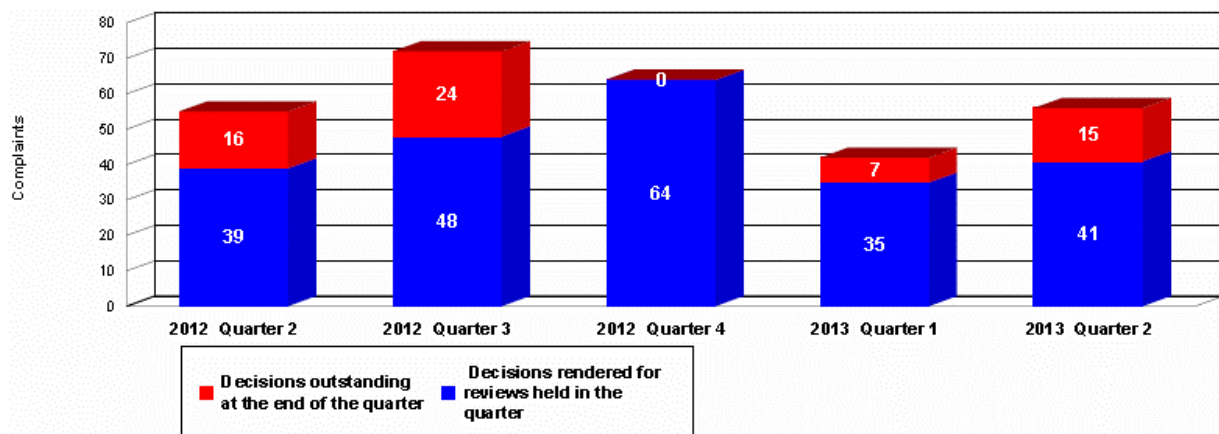
3.5 – Complaints Resolution Commissioner

Graph 3.5A: Reviews Requested and Files Reviewed (by Quarter)



In Q2 of 2013, the Complaints Resolution Commissioner received 47 requests for reviews of cases closed in either Complaints Resolution or Investigations and reviewed 56 cases. Eleven of the cases reviewed were conducted in writing.

Graph 3.5B: Status of Files Reviewed in each Quarter



While the files may be reviewed in one quarter, the final decision by the Commissioner may not be rendered in the same quarter. In Q2 of 2013, the Commissioner rendered decisions in 41 of the 56 cases reviewed in that quarter. As at June 30, 2013, decisions were outstanding in 15 of the 56 cases.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.5 – Complaints Resolution Commissioner

Graph 3.5C: Decisions Rendered, by Quarter

Quarter	Decisions Rendered (# of decisions where review in previous quarter(s))	Files to Remain Closed	Files Referred Back to PRD
Total 2009	194	174 (90%)	20 (10%)
Total 2010	193	160 (83%)	33 (17%)
Q1 2011	85	79 (93%)	6 (7%)
Q2 2011	60	58 (96%)	2 (4%)
Q3 2011	53	50 (94%)	3 (6%)
Q4 2011	62	61 (98%)	1 (2%)
Total 2011	260	248 (95%)	12 (5%)
Q1 2012	36	32 (89%)	4 (11%)
Q2 2012	50	48 (96%)	2 (4%)
Q3 2012	67	63 (94%)	4 (6%)
Q4 2012	89	81 (91%)	8 (9%)
Total 2012	242	224 (93%)	18 (7%)
Q1 2013	35	33 (94 %)	2 (6 %)
Q2 2013	47	43 (91%)	4 (9%)

In Q2 2013 the Commissioner rendered 47 decisions. Of those 47 decisions, the Commissioner sent 4 files (9%) back to Professional Regulation. In 3 of those files, the Commissioner was not satisfied that the decision to close was reasonable and recommended further investigation. With respect to the fourth case, while he found the Law Society's decision to close the case to be reasonable, the Commissioner referred the case back for Professional Regulation to consider new information provided by the Complainant during the review..

With respect to the 3 cases referred back with a recommendation for further investigation, no decision has been rendered by the Director with respect to the Commissioner's recommendation.

Active Inventory

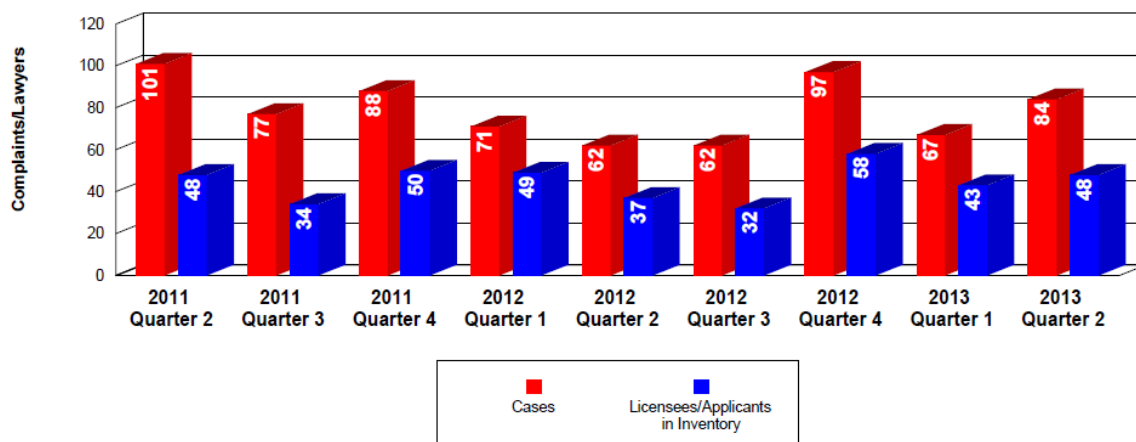
As at June 30, 2013, the Office of the Complaints Resolution Commissioner had an inventory of 141 files:

Request received; awaiting preparation of CRC materials	66 files
Review Meeting Scheduled	52 files
Review Completed Awaiting decision	17 files
Cases in Abeyance	6 Files

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6A: Discipline - Input⁷



As noted in the chart below, in Q2 2013, the department received complaints from various departments involving 36 lawyers (relating to 65 cases), 11 licensed paralegals (relating to 18 cases), and 1 paralegal applicant.

Detailed Analysis of New Cases Received in Discipline

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Lawyers	Cases	31	48	89	47	65
	Lawyers	26*	27*	51*	29*	36*
Lawyer Applicants	Cases	1	0	1	1	0
	Lawyer Applicants	1*	0*	1*	1*	0
Licensed Paralegals	Cases	27	14	8	9	18
	Licensed Paralegals	9*	5*	5*	7*	11*
Paralegal Applicants	Cases	3	5	1	10	1
	Paralegal Applicants	1*	1*	1*	6*	1*
TOTAL	Cases	62	62	99	67	84
	Licensees & Applicants	37*	32*	58*	43*	48*

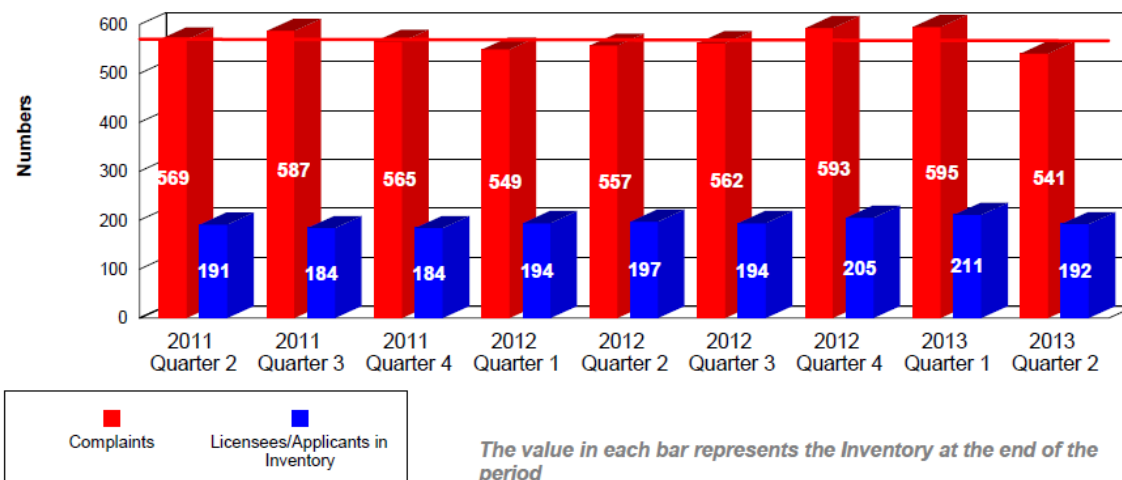
* The number of new Lawyers and Paralegals cited represents the number coming into the department each quarter. However, there may, in fact, already be cases involving the licensee/applicant in the department.

⁷ "Input" refers to complaints that were transferred into Discipline from various other departments during the specific quarter. Includes new complaints/cases received in Discipline and the lawyers/applicants to which the new complaints relate.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6B: Discipline – Department Inventory⁸



This graph shows the total number of licensees/applicants and related complaints that are in the Discipline process at the end of each of the last 9 quarters. At the end of Q2 2013, the department's inventory of licensee/applicants (192) was slightly lower than at the end of Q2 2012 (197) and the same as at the end of Q2 2011 (191).

Detailed Analysis of Discipline's Inventory

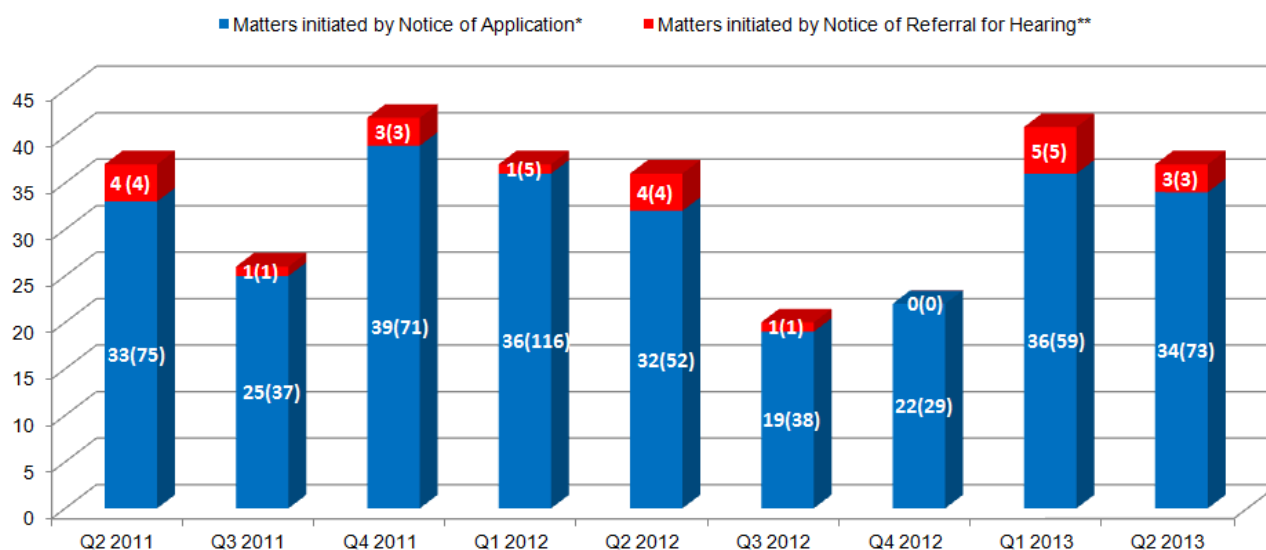
		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Lawyers	Cases	479	482	514	508	460
	Lawyers	162	162	171	176	160
Lawyer Applicants	Cases	5	4	4	5	3
	Lawyer Applicants	5	4	4	5	3
Licensed Paralegals	Cases	47	53	58	60	57
	Licensed Paralegals	19	18	21	20	20
Paralegal Applicants	Cases	23	23	17	22	21
	Paralegal Applicants	11	10	9	10	9
TOTAL	Cases	557	562	593	595	541
	Licensees & Applicants	197	194	205	211	192

⁸ Consists primarily of complaints and lawyers/applicants that are in scheduling and are with the Hearing Panel or on appeal.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6C: Discipline - Notices Issued



* Matters which are initiated by Notice of Application include conduct, capacity, non-compliance and competency matters. Also included in this category are interlocutory suspension/restriction motions.

** Matters which are initiated by Notice of Referral for Hearing (formerly Notice of Hearing) include licensing (including readmission matters), reinstatement and restoration matters.

The above graph shows the number of notices issued by the Discipline department in the past 9 quarters. The numbers in each bar indicate the number of notices issued and, in brackets, the number of cases relating to those notices. One notice may relate to more than one case. For example, in Q2 2013, 34 Notices of Application were issued (relating to 73 cases) and 3 Notices of Referral for Hearing were issued (relating to 3 cases).

With respect to the 34 Notices of Application⁹/Notices of Motion for Interim Suspension Order which were issued in Q2 2013:

- 17 were issued less than 1 month after PAC authorization;
- 14 were issued between 1 and 2 months after PAC authorization; and
- 2 were issued between 2 and 3 months after PAC authorization; and
- 1 was issued more than 3 months after PAC authorization.

With respect to the 3 matters for which a Notice of Referral for Hearing were issued in Q2 2013, 2 were issued less than a month after PAC authorization. One matter did not require PAC authorization as it related to a reinstatement matter.

⁹ Notices of Application are issued with respect to conduct, competency, capacity and non-compliance matters and require authorization by the Proceedings Authorization Committee (PAC).

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6D: Discipline – Completed Matters

		Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Conduct Hearings	Lawyers	17	16	18	31	20	33
	Paralegal Licensees	6	6	4	3	4	2
Interlocutory Suspension Hearings/Orders	Lawyers	2	1	1	-	-	1
	Paralegal Licensees	-	1	-	-	-	-
Capacity Hearings	Lawyers	-	-	1	4	1	-
	Paralegal Licensees	-	-	-	-	-	-
Competency Hearings	Lawyers	-	-	-	-	-	-
	Paralegal Licensees	-	-	-	-	-	-
Non-Compliance Hearings	Lawyers	-	-	-	1	-	-
	Paralegal Licensees	-	-	-	-	-	-
Reinstatement Hearings (incl. Term Disputes)	Lawyers	2	1	-	-	1	-
	Paralegal Licensees	-	-	-	-	-	1
Restoration	Lawyers	-	-	-	-	-	-
	Paralegal Licensees	-	-	-	-	-	-
Licensing Hearings (including Readmission)	Lawyer Applicants	-	1	2	1	-	2
	Paralegal Applicants	3	1	1	-	1	1
TOTAL NUMBER OF HEARINGS	Lawyers*	21	19	22	37	22	36
	Paralegals*	9	8	5	3	5	4
	TOTAL	30	27	27	40	27	40

3.6 – Discipline

Graph 3.6E: Discipline – Appeals

The following chart sets out the number of appeals filed with the Appeal Panel, the Divisional Court or the Court of Appeal in the calendar years 2008, 2009, 2010, 2011, 2012 and the first quarter of 2013:

Quarter/Year	Appeal Panel	Divisional Court	Court of Appeal
2008	14	8 appeal	
2009	19	1 appeal	3 motions for leave; 2 appeals
2010	27	3 appeals; 2 judicial reviews	4 motions for leave
2011	18	6 appeals, 2 judicial reviews	2 motions for leave
2012	23	4 appeals; 5 judicial reviews	2 motions for leave
2013 1 st Quarter	7	1 judicial review	
2 nd Quarter	3	3 appeals	

As of June 30, 2013, there are 13 appeals pending before the Appeal Panel, 6 appeals in which the Appeal Panel has reserved on judgment, 1 appeal before the Appeal Panel that has been adjourned sine die, 1 appeal in which the Appeal Panel has rendered a decision but is still seized on the issue of penalty and 2 appeals in which the Appeal Panel has rendered a decision but is still seized on the issue of costs.

With respect to matters before the Divisional Court, there are 4 appeals and 1 judicial review matter pending. There are no matters pending in the Court of Appeal.

In the second quarter of 2013, decisions were rendered in 4 appeals before the Appeal Panel.

- 2 appeals launched by the licensees were dismissed;
- In the other 2 appeals, the Appeal Panel allowed the licensees' appeals.
 - In one appeal, the Appeal Panel set aside the decision and order of the Hearing Panel and remitted the matter for a new hearing before a differently constituted Hearing Panel:
 - In the other appeal, the Appeal Panel substituted the penalty of a 2-year suspension ordered by the Hearing Panel with a suspension for 12 months.

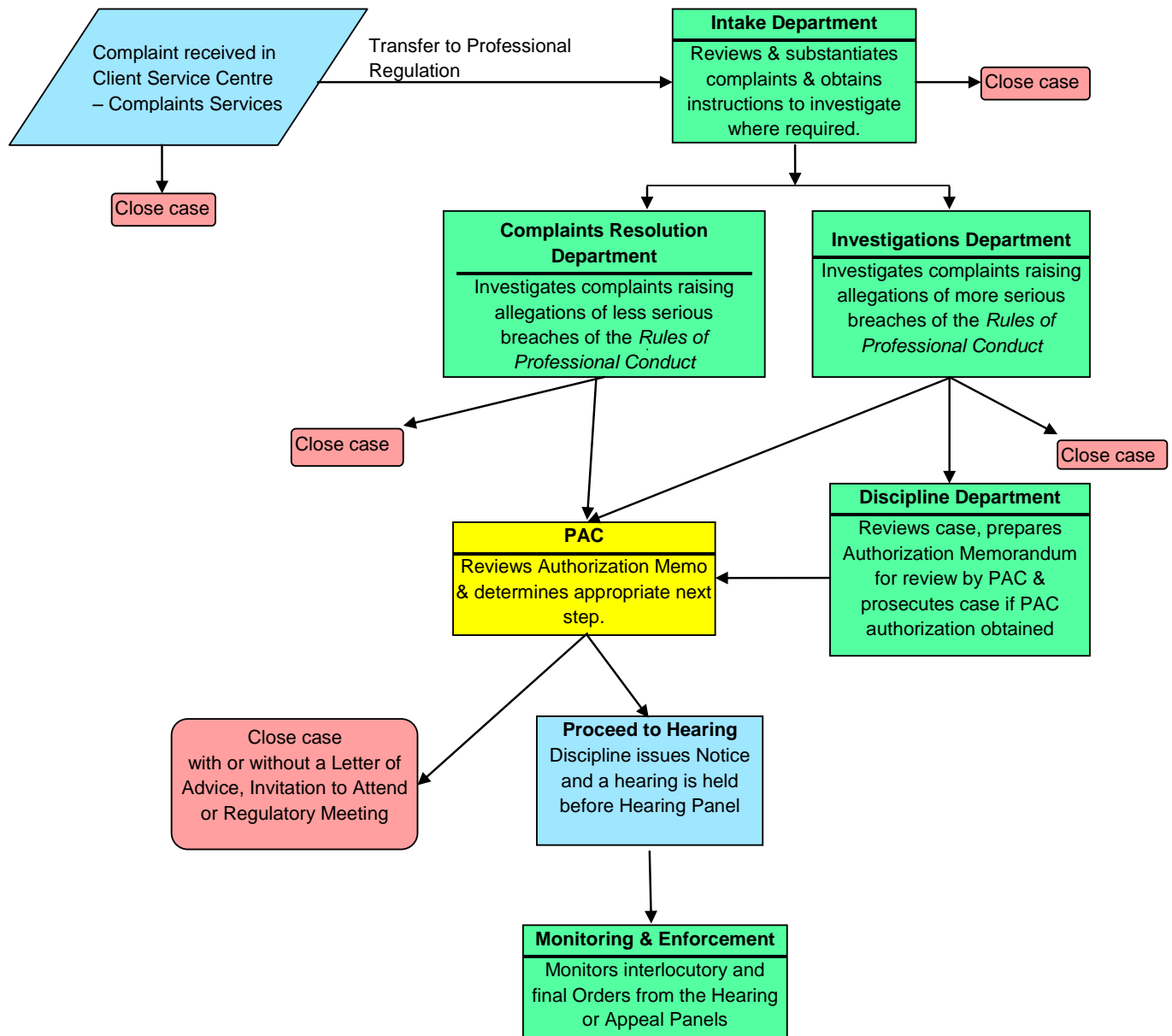
The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (October 1 – December 31, 2012)

SECTION 4

APPENDICES

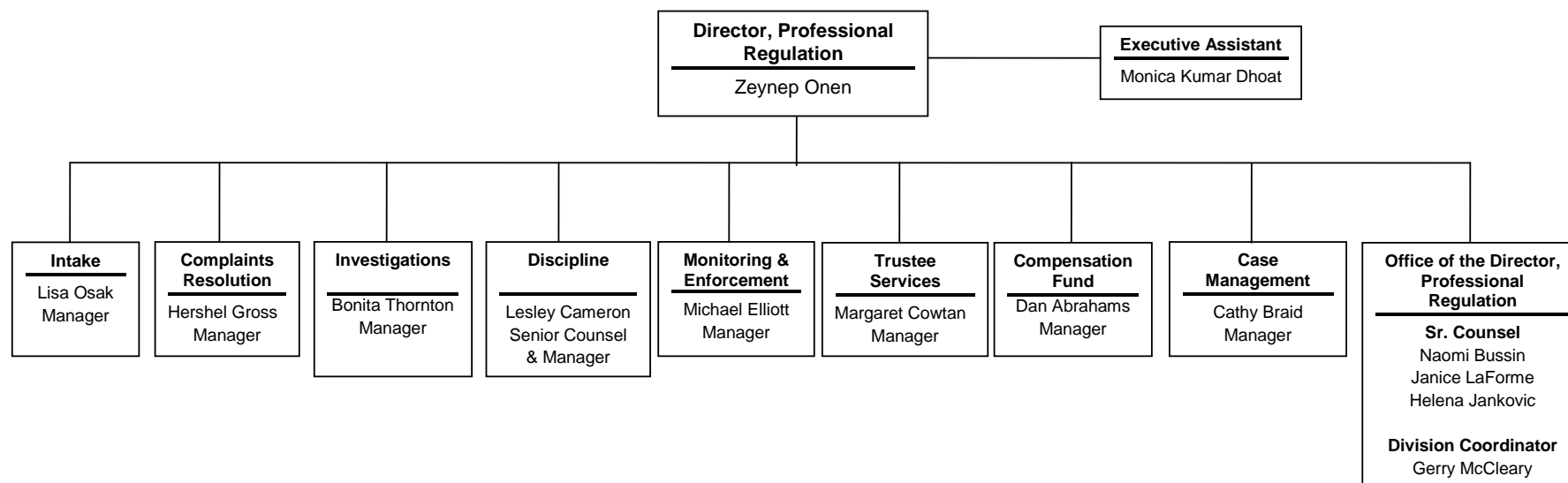
The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (October 1 – December 31, 2012)

The Professional Regulation Complaint Process



The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (October 1 – December 31, 2012)

PROFESSIONAL REGULATION ORGANIZATIONAL CHART





The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Introduction Page

YOUR 2013 PARALEGAL ANNUAL REPORT IS DUE MARCH 31, 2014.

This report is based on the calendar year ending December 31, 2013, and is due by March 31, 2014. Failure to complete and file the report within 60 days of the due date will result in a late filing fee and a summary order suspending your licence until such time as this report is filed and the late filing fee is paid.

GUIDE: For definitions or assistance in completing this report, click the "Guide" button in the "Additional Information Menu" at the top of this page. For quick reference, you can also access relevant parts of the Guide within each section of the report.

FINANCIAL FILING DECLARATION (FFD): Only the Designated Financial Filing Partner for each firm should submit the Financial Filing Declaration. A single Financial Filing Declaration is required from each firm. The Financial Filing Declaration is available for filing at the end of Section F or by clicking on the "FFD" button in the "Attachments Menu". The FFD will not submit automatically with your report; you must ensure that you submit your FFD once you have completed it.

You do not have to submit the FFD at the same time as your Paralegal Annual Report.

FORM 1: REPORT TO THE LAW FOUNDATION OF ONTARIO: To complete and submit this form online, click on the "Form 1 - Report to the Law Foundation" button in the "Attachments Menu". Questions on completing this form and questions concerning interest on mixed trust accounts should be directed to the Law Foundation at (416) 598-1550 or by email at form1@lawfoundation.on.ca.

You must file a Form 1 if client trust monies were held in a mixed trust account during the reporting year and you are responsible for the account or you are the Designated Financial Filing Partner.

If you are not able to submit the Form 1 online, click [here](#) for a printable copy. Once completed it should be sent directly to the Law Foundation at the address found on the form.

You do not have to submit the Form 1 at the same time as your Paralegal Annual Report.

The Form 1 is due by **March 31, 2014.**

BY-LAWS: To reference the applicable by-law, click on the "By-Laws" button in the "Additional Information Menu" at the top of this page.

BLANK DRAFT FORM: To download a draft reference copy, click on the "Blank Draft Form" button found at the top of this page.

The draft reference copy cannot be submitted.

NOTE: Your session will time out automatically after 45 minutes of inactivity. You must save your changes frequently to avoid losing information you have entered in your report. Use the "Save" button found in the Navigation Menu or at the bottom of each section.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

To log out of the LSUC Portal, click on “Log Out” at the top of this page. Please ensure you have saved your changes first; or, if you wish to move to a different area in the LSUC Portal, save your changes and then click on the relevant tab found at the top of this page.

If you require filing assistance contact By-Law Administration Services at (416) 947-3315 or at (800) 668-7380 ext. 3315 or by email at bylawadmin@lsuc.on.ca.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section A IDENTIFICATION

Populated from Law Society records as at December 2013.

Questions about this section? Click [here](#).

Licensee Information:

Law Society Number:

Year Licensed:

Mailing Information*:

**As at December 2013.*

Name:

Address:

City, Province:

Postal Code:

Email:

Assistant/Administrator Email: (optional)

(If you wish your confirmation email to be sent to you and someone else, enter the email address here.)

Phone:

Status:

Is the information above current? If not, update our records online by selecting the Change of Information tab after you have logged out and/or completed filing your annual report. By-Law 8 requires licensees to notify the Law Society immediately after any change in contact information.

Privacy Option

On occasion, the Law Society may provide licensees' names, business addresses and email addresses to professional associations, organizations and institutions (e.g. Paralegal Society of Ontario, post-secondary institutions) without charge, to facilitate the maintenance of mailing lists, and enhance communications with the profession, including information about programs, initiatives, products and services.

You have the option of instructing the Law Society not to provide your name, business address and/or email address to any professional association, organization or institution.

Check this box if you do not wish the Law Society to provide your name, business address and/or email address to any professional association, organization or institution:

☐



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

1. Benchers Election Privacy Option (non-mandatory response)

During the election of paralegals, many candidates want to communicate with voters by email.

Check the box if you give the Law Society permission to provide your email address for election campaigning purposes:

☐

2. Provision of Legal Services in French (non-mandatory response)

a) Can you communicate with your clients and provide legal services to them in the French language?

Yes ☐

No ☐

b) Can you communicate with your clients, provide legal services to them, and represent them in the French language?

Yes ☐

No ☐

3. Other Languages (non-mandatory response)

- ☐ ASL or LSQ (Sign Language)
- ☐ Bulgarian
- ☐ Czech
- ☐ English
- ☐ Finnish
- ☐ Greek
- ☐ Hindi
- ☐ Japanese
- ☐ Lithuanian
- ☐ Norwegian
- ☐ Punjabi
- ☐ Serbian
- ☐ Spanish
- ☐ Urdu

- ☐ Albanian
- ☐ Cantonese
- ☐ Danish
- ☐ Estonian
- ☐ French
- ☐ Gujarati
- ☐ Hungarian
- ☐ Korean
- ☐ Macedonian
- ☐ Polish
- ☐ Romanian
- ☐ Slovak
- ☐ Swedish
- ☐ Yiddish

- ☐ Arabic
- ☐ Croatian
- ☐ Dutch
- ☐ Farsi
- ☐ German
- ☐ Hebrew
- ☐ Italian
- ☐ Latvian
- ☐ Mandarin
- ☐ Portuguese
- ☐ Russian
- ☐ Slovene
- ☐ Ukrainian

☐ Other - Please specify: _____



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section B YEAR END STATUS

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. Choose only one status (your status on December 31, 2013) regardless of changes during the 2013 calendar year.
2. **Your response to this question will not be used to change your status.** To review or update your current status, please refer to the Change of Information tab in the LSUC Portal.

December 31, 2013 Status (Select only ONE)		Mandatory Sections	Complete if Applicable
A sole practitioner, providing legal services alone (with no other paralegals)	<input type="checkbox"/>	CDEFG	
A sole practitioner, providing legal services with one or more paralegals as employees	<input type="checkbox"/>	CDEFG	
A sole practitioner, providing legal services with one or more paralegals and/or lawyers in shared facilities	<input type="checkbox"/>	CDEFG	
A partner with one or more paralegals only, in a paralegal firm providing legal services	<input type="checkbox"/>	CDEFG	
A partner with a lawyer providing legal services for a paralegal firm or law firm	<input type="checkbox"/>	CDEFG	
An employee/associate in a paralegal firm	<input type="checkbox"/>	CDEFG	
In House Paralegal, providing legal services exclusively for your employer	<input type="checkbox"/>	CDEFG	
An employee in a law firm	<input type="checkbox"/>	CDEFG	
Employed by Legal Aid Ontario or a community legal clinic	<input type="checkbox"/>	DEG	CF
Employed in government in Ontario	<input type="checkbox"/>	DEG	CF
Employed in education in Ontario	<input type="checkbox"/>	DEG	CF
Employed other in Ontario (not providing legal services)	<input type="checkbox"/>	DEG	CF
A paralegal providing legal services outside of Ontario	<input type="checkbox"/>	DEG	CF
Employed other outside of Ontario (not providing legal services)	<input type="checkbox"/>	DEG	CF
Not working or on parental leave or unemployed	<input type="checkbox"/>	DEG	CF
Suspended	<input type="checkbox"/>	DEG	CF
In a situation not covered above (specify your status in the area below)	<input type="checkbox"/>	DEG	CF



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section C AREAS OF LEGAL SERVICES (To be completed by all paralegals providing legal services in Ontario.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. Where exact information is not available to respond to the questions under this heading, provide your best approximation.
2. * Refer to the Guide for definitions.

1. Indicate the approximate percentage of time you devoted in 2013 to the areas of legal services listed below:

Ontario Court of Justice <i>Provincial Offences Act</i> matters	_____
Ontario Court of Justice - Summary Conviction offences	_____
Worker's Compensation	_____
Small Claims Court matters	_____
Property Tax Assessment	_____
Statutory Accident Benefits Schedule matters (SABS)	_____
Human Rights	_____
Landlord and Tenant	_____
Other Tribunals - Please specify in the area below	_____
Total:	_____

Question 1 must total 100%.

2. In what primary area do you provide legal services? Choose only one.

Ontario Court of Justice <i>Provincial Offences Act</i> matters	_____
Ontario Court of Justice - Summary Conviction offences	_____
Worker's Compensation	_____
Small Claims Court matters	_____
Property Tax Assessment	_____
Statutory Accident Benefits Schedule matters (SABS)	_____
Human Rights	_____



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Landlord and Tenant _____

Other Tribunals - Please specify in the area below _____

3. Lawyer Supervision

a) Do you work under the supervision* of a lawyer?

Yes

☐

No

☐

If "Yes" to a), answer b).

b) Indicate the percentage of time you spend in the following areas:

Advocacy* _____

Non-advocacy* _____

Total: _____

Question 3b must total 100%.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section D SELF-STUDY (To be completed by all licensees regardless of status.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. Refer to the "Additional Information Menu" above and click on "Guide" for more information about self-study.
2. The annual minimum expectation is 50 hours of self-study.
3. For the purposes of this section, self-study means self-directed reading or research using print materials, electronic or otherwise.
4. CPD hours must be reported in the CPD section of the LSUC Portal by December 31st of each calendar year.

1. Self-Study

a) Did you undertake any self-study during 2013?

Yes ☐ No ☐

If "Yes" to a), answer b) to d).

If "No" to a), you may provide an explanation in the area at the end of this section.

b) Approximate total number of self-study hours spent on **file specific** reading or research: _____

c) Approximate total number of self-study hours spent on **general** reading or research: _____

d) Indicate below the tools used, overall, for all types of self-study. Check all that apply:

☐ Printed Material

☐ Internet

☐ Other

If required, use the area below to provide further information about your Self-Study (Section D).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section E INDIVIDUAL PARALEGAL QUESTIONS (To be completed by all licensees regardless of status.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. For further assistance in completing this section, refer to the Paralegal Bookkeeping Guide available at www.lsuc.on.ca.
2. * Refer to the Guide for definitions.

1. Cash Transactions - All paralegals must report on large cash transactions regardless of jurisdiction where legal services were provided.

- a) Did you receive cash* in an aggregate amount equivalent to \$7,500 CDN or more in respect of any one client file in 2013?

Yes ☐ No ☐

If "Yes" to a):

- b) Was the cash solely for legal services fees and/or client disbursements*?

Yes ☐ No ☐

If "No" to b), provide full particulars below with respect to compliance with By-Law 9, Part III (Cash Transactions).

2. Trust Funds/Property - 2a), 2b), and 2c) must be answered.

- a) In 2013, did you receive* trust funds* and/or trust property* on behalf of your firm in connection with the provision of legal services in Ontario?

Yes ☐ No ☐

- b) In 2013, did you disburse* (payout), or did you have signing authority to disburse, trust funds* or trust property* on behalf of your firm in connection with the provision of legal services in Ontario?

Yes ☐ No ☐

- c) In 2013, did you hold* trust funds* or trust property* on behalf of your firm in connection with the provision of legal services in Ontario?

Yes ☐ No ☐



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

3. Borrowing from Clients - 3a) must be answered and 3b), if applicable.

Note: If your borrowing was/is from a lending institution, financial institution, insurance company, trust company or any similar corporation whose business includes lending money to members of the public, answer **"No" to a)**. See subrules 3.06 (5)(a)(b) of the *Paralegal Rules of Conduct*.

- a) At any time in 2013, were you personally indebted to a client or person who at the time of borrowing was or had been your client or a client of a firm for which you were then providing legal services? Yes ☐ No ☐

If "Yes" to a):

- b) Was the client or person a related* person as defined in the *Income Tax Act* (Canada)? Yes ☐ No ☐ N/A ☐

If "Yes" to a) or b), provide full particulars below. Include the name of the lender and of the borrower, the amount of the loan, the security provided, and particulars of independent legal advice or independent legal representation obtained by the lender.

4. Client Identification - All paralegals must answer questions 4a) and 4b)

- a) i) In 2013, when you provided professional services to clients, did you obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to i), answer ii).

- ii) In 2013, when you provided professional services to clients, were you exempt from the requirement to obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to ii), provide an explanation below.

- b) i) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, did you obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to i), answer ii).

- ii) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, were you exempt from the requirement to obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to ii), provide an explanation below.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

5. Pro Bono Legal Services

(Pro bono legal services means the provision of legal services to persons of limited means or to charitable or not-for-profit organizations without expectation of a fee from the client.)

a) Did you provide pro bono legal services in Ontario in 2013?

Yes ☐

No ☐

If “Yes” to a), complete b).

b) How many hours did you devote to pro bono legal services in Ontario in 2013?

If required, use the area below to provide further information about your Individual Paralegal Questions (Section E).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section F FINANCIAL REPORTING

To be completed by:

- All sole practitioners, partners/employees/associates of paralegal firms or law firms; and
- All other paralegals who held or continued to hold client monies or property from a former legal services business in Ontario as at December 31, 2013.

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. For further assistance in completing this section, refer to the Paralegal Bookkeeping Guide available at www.lsuc.on.ca.
2. * Refer to the Guide for definitions.

1. Trust and General (Non-Trust) Accounts - 1 a) and 1b) must be answered.

- a) As at December 31, 2013, did either you or your firm operate a trust* account in Ontario? Yes ☐ No ☐
- b) As at December 31, 2013, did either you or your firm operate a general* (non-trust) account in Ontario? Yes ☐ No ☐

If "Yes" to a), proceed to question 2.

If "No" to a) and "Yes" to b), proceed to question 4 and then proceed to Section G.

If "No" to both a) and b), proceed to Section G.

2. As at December 31, 2013, were you a sole practitioner, or were you the paralegal responsible for filing the trust account information on behalf of your paralegal firm in Ontario? Yes ☐ No ☐

If "Yes" to 2, proceed to questions 4 through 11.

NOTE about Financial Filing Declaration (FFD): If you are reporting financial information on behalf of other licensees in your firm, you must also submit a Financial Filing Declaration.

Your report is not considered complete without submitting the Financial Filing Declaration.

NOTE about Form 1: Report to the Law Foundation: If you answered "Yes" to question 2, you must complete and submit the Form 1.

If "No" to 2, complete the "Designated Financial Filing Option" (question 3) below.

3. Designated Financial Filing Option

This option is available to you if you are not responsible for filing trust account information.

Indicate on lines a) and b) below who will be reporting the firm's financial information on your behalf, then proceed to Section G.

ENTER DESIGNATED FINANCIAL FILING PARTNER'S NAME & LAW SOCIETY NUMBER



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

a) **FINANCIAL FILING PARTNER'S NAME:** _____

b) **Law Society Number:** _____
(e.g. P12345 or 12345A)

The filing partner you have named is responsible for filing the Financial Filing Declaration to report the firm's financial information on your behalf. Your report will not be considered complete without the submission of the **Financial Filing Declaration by the person you have named.**

4. Firm Records

Were financial records for all your firm's trust* accounts (mixed*, separate*, and other interest generating investments*) and/or general* (non-trust) bank accounts maintained throughout 2013, on a current basis, in accordance with all applicable sections in By-Law 9? Yes ☐ No ☐

If "No" to 4, indicate below which areas were deficient and provide an explanation for each.

**COMPLETE THIS CHART ONLY IF YOU ANSWERED "NO" ABOVE.
COMPLETE ONLY THOSE AREAS WHERE YOU WERE DEFICIENT.**

By-Law 9: Financial Transactions and Records	By-Law 9 Sections 18 & 19 (Maintain)	By-Law 9 Section 22 (Current)	Explanation for Deficiency
1. Trust Receipts Journal <i>Subsection 18(1)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Trust Disbursements Journal <i>Subsection 18(2)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Clients' Trust Ledger <i>Subsection 18(3)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Trust Transfer Journal <i>Subsection 18(4)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
5. General Receipts Journal <i>Subsection 18(5)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
6. General Disbursements Journal <i>Subsection 18(6)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Fees Book or Chronological Billing File <i>Subsection 18(7)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Trust Bank Comparison** <i>Subsection 18(8)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Valuable Property Record <i>Subsection 18(9)</i>	<input type="checkbox"/>	<input type="checkbox"/>	

P12345

Name

13



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

10. Source documents including deposit slips, bank statements and cashed cheques <i>Subsection 18(10)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
11. Electronic Trust Transfer Requisitions and Confirmations <i>Subsection 18(11) (Form 9A)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
12. Duplicate Cash Receipts Book for all cash received <i>Section 19</i>	<input type="checkbox"/>	<input type="checkbox"/>	
** Trust comparisons are to be completed within 25 days of the effective date of the monthly trust reconciliation.			



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

5. Comparison of Trust Bank Reconciliations and Trust Listing of Client Liabilities as at December 31, 2013

Name and address of financial institution(s) where trust account(s) is (are) held and account number(s):

FINANCIAL INSTITUTION NAME: **ADDRESS:** **TRANSIT/ACCOUNT NUMBER:**

Reconciliation To refer to a sample reconciliation in the "Guide" click here.	December 31, 2013 Balances
a) The total dollar value of mixed* trust bank accounts	\$
b) The total dollar value of separate* interest bearing trust accounts or income generating trust accounts/investments*	+ \$
c) TOTAL of a) and b)	=
d) Total outstanding deposits (if any)	+
e) Total bank/posting errors (if any)	+/-
f) Total outstanding cheques (if any)	-
g) Reconciled Bank Balance	=
h) Total Client Trust Liabilities (Client Trust Listing)	-
i) Difference between Reconciled Bank Balance and Total Client Trust Liabilities	=

If there is a difference between the Reconciled Bank Balance (g) and the Total Client Trust Liabilities (h), provide a written explanation below.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

6. Answer all questions as at December 31, 2013.

- a) What is the total number of mixed* trust bank accounts referred to in 5a)? _____
- b) What is the total number of separate* interest bearing trust accounts or income generating trust accounts/investments* referred to in 5b)? _____

7. Overdrawn Accounts

- a) During 2013, did your records at any month end disclose overdrawn clients' trust ledger account(s)? Yes ☐ No ☐

If "Yes" to a):

- b) Were the account(s) corrected by December 31, 2013? Yes ☐ No ☐

If "No" to b):

- c) The total dollar value of overdrawn clients' trust ledger account(s) as at December 31, 2013 was: \$ _____
- d) The total number of overdrawn clients' trust ledger account(s) as at December 31, 2013 was: _____

8. Outstanding Deposits

- a) During 2013, did your records at any month end disclose outstanding trust account deposits, not deposited the following business day? Yes ☐ No ☐

If "Yes" to a):

- b) Were the account(s) corrected by December 31, 2013? Yes ☐ No ☐

If "No" to b):

- c) The total dollar value of outstanding trust account deposits as at December 31, 2013 was: \$ _____
- d) The total number of outstanding trust account deposits as at December 31, 2013 was: _____



2013 Paralegal Annual Report

9. Unchanged Client Trust Ledger Account Balances

- a) Were there client trust ledger account balances that were unchanged* (i.e. had no activity) for the entire year?

Yes ☐ No ☐

If "Yes" to a):

- b) The total dollar value of these account balances as at December 31, 2013 was:

\$ _____

- c) The total number of client trust ledger accounts that remained unchanged* for the entire year as at December 31, 2013 was:

10. Unclaimed Client Trust Ledger Account Balances

- a) Of the amounts identified in question 9, were any unclaimed* for two years or more? (Refer to Section 59.6 of the *Law Society Act*)

Yes ☐ No ☐ N/A ☐

If "Yes" to a):

- b) The total dollar value of the unclaimed* client trust ledger account balances was:

\$ _____

- c) The total number of unclaimed* client trust ledger accounts was:

11. Financial Filing Declaration (FFD)

Will you be filing the above financial information on behalf of any other paralegals and/or lawyers?

Yes ☐ No ☐

Sole practitioners providing legal services alone in Ontario do not need to file the FFD.

If required, use the area below to provide further information about your Financial Reporting (Section F).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Paralegal Annual Report

Section G CERTIFICATION AND SUBMISSION (To be completed by all licensees.)

Certification and Submission

I am the paralegal filing this 2013 Paralegal Annual Report. I have reviewed the matters reported and the information contained herein is complete, true and accurate. I acknowledge that it is professional misconduct to make a false or misleading reporting to the Law Society of Upper Canada.

Signature

DD

MM

YYYY



The Law Society of Upper Canada

*12345A

The Law Society is committed to promoting equality and diversity in the legal profession and to enhancing legal services provided by and for Aboriginal, Francophone and equality-seeking communities. The following questions will help the Law Society to better understand demographic trends, to develop programs and initiatives within the mandate of the Law Society and to promote equality and diversity in the profession.

The question is voluntary and the information collected will be kept confidential. The information will only be available in aggregate form and will not be used to identify the demographic identity of individual lawyers and paralegals.

1. Are you Francophone?

- ☐ Yes
☐ No
☐ I do not wish to answer

2. Are you an Aboriginal person? (select all that apply)

- ☐ First Nations, Status Indian, Non-Status Indian
☐ Inuk (Inuit)
☐ Métis
☐ Other – Specify _____
☐ No, not an Aboriginal person
☐ I do not wish to answer

3. Are you of the following race or ethnic origin?, (select all that apply)

- ☐ Arab
☐ Black (e.g. African-Canadian, African, Caribbean)
☐ Chinese
☐ East-Asian (e.g. Japanese, Korean)
☐ Latin American, Hispanic
☐ South Asian (e.g. Indo-Canadian, Indian Subcontinent)
☐ South-East Asian (e.g. Vietnamese, Cambodian, Thai, Filipino)
☐ West Asian (e.g. Iranian, Afghan)
☐ White
☐ Other – Specify _____
☐ I do not wish to answer

4. What is your religion or creed? (select all that apply)

- ☐ Atheist
- ☐ Buddhist
- ☐ Catholic
- ☐ Christian Orthodox
- ☐ Hindu
- ☐ Jewish
- ☐ Muslim
- ☐ Protestant
- ☐ Sikh
- ☐ No religion
- ☐ Other religion – Specify _____

- ☐ I do not wish to answer

5. Do you have a disability?

- ☐ Yes
- ☐ No

- ☐ I do not wish to answer

6. Are you transgender, transsexual, gay, lesbian or bisexual? (Select all that apply)

- ☐ Transgender
- ☐ Transsexual
- ☐ Gay
- ☐ Lesbian
- ☐ Bisexual
- ☐ Other – Specify _____
- ☐ No

- ☐ I do not wish to answer

For further information or inquiries about the Law Society's initiatives to promote equality and diversity in the profession, please contact the Equity Initiatives Department:

Telephone:	(416) 947-3300 ext. 2153	Toll-free:	1-800-668-7380 ext. 2153
Fax:	(416) 947-3983	E-mail:	equity@lsuc.on.ca



TAB 10

Report to Convocation September 25, 2013

Professional Regulation Committee

Committee Members

Malcolm Mercer (Vice-Chair)
Paul Schabas (Vice-Chair)
John Callaghan
Robert Evans
Julian Falconer
Janet Leiper
William C. McDowell
Kenneth Mitchell
Ross Murray
Jan Richardson
Susan Richer
Linda Rothstein
Peter Wardle

Purpose of Report: Information

**Prepared by the Policy Secretariat
(Margaret Drent (416-947-7613))**

TABLE OF CONTENTS

For Information

Update on Implementation of the Federation of Law Societies of Canada Model Code of Professional Conduct[TAB 10.1](#)

Professional Regulation Division Quarterly Report (April-June 2013)..... [TAB 10.2](#)

COMMITTEE PROCESS

1. The Professional Regulation Committee (“the Committee”) met on September 12, 2013. In attendance were Malcolm Mercer (Chair), Paul Schabas (Vice-Chair), John Callaghan, Julian Falconer, Janet Leiper (by telephone), Ross Murray, Susan Richer, and Jan Richardson (by telephone). Staff members attending were Jim Varro, Naomi Bussin, Terry Knott, Eric Smith, Helena Jankovic, and Margaret Drent.

TAB 10.1

FOR INFORMATION

UPDATE ON IMPLEMENTATION OF THE FEDERATION OF LAW SOCIETIES MODEL CODE OF PROFESSIONAL CONDUCT

2. This report provides an update to Convocation on the implementation of the Model Code of Professional Conduct of the Federation of Law Societies of Canada.
3. The Federation of Law Societies of Canada is the national coordinating body of Canada's fourteen provincial and territorial law societies. It adopted the Model Code in December 2011 and a revised version that includes a new numbering scheme in December 2012. The Law Society's *Rules of Professional Conduct* were used as the basis for the Model Code.
4. The primary impetus for the Model Code was the increased mobility of lawyers in Canada and the need to have uniform ethical standards for the practice of law in Canada. This was based on a belief that there are national and international ethical standards for the practice of law which should be reflected in consistent conduct rules across the country.
5. Law Societies in Canada are now implementing the Model Code.¹ The Committee began reviewing the Model Code and preparing proposed amendments to the Law Society's *Rules of Professional Conduct* based on the Model Code in 2011 and issued a Call for Input on the proposed amendments to the Rules in the summer of 2012. The Committee received numerous submissions from lawyers and legal organizations regarding the proposed amendments.

¹ British Columbia, Alberta, Saskatchewan, Manitoba, the Barreau du Québec, Nova Scotia, and Newfoundland and Labrador have already adopted new professional codes based on the Model

6. After review and discussion of the submissions, the Committee prepared additional amendments to the Rules, including amendments to the proposed new conflicts rule. The amendments will include a new numbering scheme for the Rules, based on the Model Code's numbering scheme.
7. The Committee plans to bring its report on the amendments to Convocation in October, 2013. The report will be accompanied by a version of the Rules that shows all proposed amendments.
8. As mentioned above, the amendments include a revised conflicts rule. Since the Committee began its work, the Supreme Court of Canada issued the decision in *Canadian National Railways v. McKercher*.² The Committee will be addressing the process for dealing with this development in its report.
9. The Committee will be proposing that the amendments to the Rules, if approved by Convocation, will come into force on October 1, 2014. This is to permit time for the profession to orient itself to the new Rules and for the Law Society to appropriately implement the changes to the Rules operationally.

² 2013 SCC 39, online at <http://scc.lexum.org/decisia-scc-csc/scc-csc/scc-csc/en/13154/1/document.do>.

TAB 10.2

2013 LAWYER ANNUAL REPORT

10. The 2013 Lawyer Annual Report is shown at **TAB 10.2.1**. The changes from the 2012 version are as follows:
 - a. The default period has been reduced from 90 days to 60 days, as approved by Convocation in October 2012.
 - b. The self-identification questions following Section A, Question 3, within the electronic form, were modified to reflect the Report of the Equity and Aboriginal Issues Committee, presented to Convocation for information in February 2013. Licensees who file in a non-electronic format must complete the self-identification questions on the separate stand-alone form.
 - c. All lawyers who act on a real estate transaction in 2013 will be required to complete the mandatory Real Estate Acknowledgement at Section D, Question 4(e). The Real Estate Acknowledgement was approved by Convocation in February 2013.
 - d. The word “sole” has been removed from Section F, Question 3 and the definition for “Sole Estate Trustee”, as found in the Annual Report Guide, will be replaced with a definition for “Estate Trustee” would be included. Additionally, the definitions for “Estate Trustee” and “Power of Attorney” would be expanded to include references to both co-estate trustees and co-attorneys.
 - e. The existing Client Identification questions, Section F, Questions 7(a) and 7(b) have been revised to provide greater clarity.
11. The 2013 Class L2 Licence Annual Report is attached as **TAB 10.2.2**. Changes described in subparagraphs 10.a., b. and e. above have also been made to this Report.

12. The 2013 Class L3 Canadian Legal Advisor Annual Report is attached as **TAB 10.2.3**. Changes for 2013 described in subparagraphs 10.a., b. d. and e. above have also been made to this Report. Further, the phrase “clients resident in Ontario” has been changed to “client matters in Ontario” in Section G, Questions 1(a), 1(b), 5, 7(a), 8(a), 9(a) and 10(a) for greater clarity.
13. As discussed above, the self-identification questions that appear after section A, question 3, in the electronic form have been amended. Lawyers who do not file the form electronically are required to complete the self-identification questions in a separate, stand-alone form, which appears at **TAB 10.2.4** of these materials.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Introduction Page

YOUR 2013 LAWYER ANNUAL REPORT IS DUE MARCH 31, 2014.

This report is based on the calendar year ending December 31, 2013, and is due by March 31, 2014. Failure to complete and file the report within 60 days of the due date will result in a late filing fee and a summary order suspending your licence until such time as this report is filed and the late filing fee is paid.

Your responses to Sections A to D will be shared with the Lawyers' Professional Indemnity Company (LAWPRO), which may rely on this information for the purposes of your professional indemnity insurance.

GUIDE: For definitions or assistance in completing this report, click the "Guide" button in the "Additional Information Menu" at the top of this page. For quick reference, you can also access relevant parts of the Guide within each section of the report.

FINANCIAL FILING DECLARATION (FFD): Only the Designated Financial Filing Partner for each firm should submit the Financial Filing Declaration. A single Financial Filing Declaration is required from each firm. The Financial Filing Declaration is available for filing at the end of Section G or by clicking on the "FFD" button in the "Attachments Menu". The FFD will not submit automatically with your report; you must ensure that you submit your FFD once you have completed it.

You do not have to submit the FFD at the same time as your Lawyer Annual Report.

FORM 1: REPORT TO THE LAW FOUNDATION OF ONTARIO:

To complete and submit this form online, click on the "Form 1 - Report to The Law Foundation" button in the "Attachments Menu". Questions on completing this form and questions concerning interest on mixed trust accounts should be directed to The Law Foundation at (416) 598-1550 or by email at form1@lawfoundation.on.ca.

You must file a Form 1 if client trust monies were held in a mixed trust account during the reporting year and you are responsible for the account or you are the Designated Financial Filing Partner.

If you are not able to submit the Form 1 online, click here for a printable copy. Once completed it should be sent directly to The Law Foundation at the address found on the form.

You do not have to submit the Form 1 at the same time as your Lawyer Annual Report.

The Form 1 is due by **March 31, 2014**.

BY-LAWS: To reference the applicable by-law, click on the "By-Laws" button in the "Additional Information Menu" at the top of this page.

BLANK DRAFT FORM: To download a draft reference copy, click on the "Blank Draft Form" button found at the top of this page.

The draft reference copy cannot be submitted.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

NOTE: Your session will time out automatically after 45 minutes of inactivity. You must save your changes frequently to avoid losing any information you have entered in your report. Use the “Save” button found in the Navigation Menu or at the bottom of each section.

To log out of the LSUC Portal, click on “Log Out” at the top of this page. Please ensure you have saved your changes first; or, if you wish to move to a different area in the LSUC Portal, save your changes and then click on the relevant tab found at the top of this page.

If you require filing assistance contact By-Law Administration Services at (416) 947-3315 or at (800) 668-7380 ext. 3315 or by email at bylawadmin@lsuc.on.ca.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section A IDENTIFICATION

Populated from Law Society records as at December 2013.

Questions about this section? Click [here](#).

Licensee Information:

Law Society Number:

Year of Call:

Mailing Information*:

**As at December 2013*

Name:

Address:

City, Province:

Postal Code:

Email:

Assistant/Administrator Email: (optional)

(If you wish your confirmation email to be sent to you and someone else, enter the email address here.)

Phone:

Status:

Is the information above current? If not, update our records online by selecting the Change of Information tab after you have logged out and/or completed filing your annual report. By-Law 8 requires licensees to notify the Law Society immediately after any change in contact information.

Privacy Option

On occasion, the Law Society may provide licensees' names, business addresses and email addresses to professional legal associations, organizations and institutions (e.g. Ontario Bar Association, law schools) without charge, to facilitate the maintenance of mailing lists, and enhance communications with the profession, including information about programs, initiatives, products and services.

You have the option of instructing the Law Society not to provide your name, business address and/or email address to any professional association, organization or institution.

Check this box if you do not wish the Law Society to provide your name, business address and/or email address to any professional association, organization or institution:

☐



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

1. Benchers Election Privacy Option (non-mandatory response)

During the benchers election, many candidates want to communicate with voters by email.

Check the box if you give the Law Society permission to provide your email address for benchers election campaigning purposes:

☐

2. Provision of Legal Services in French (non-mandatory response)

- a) Can you communicate with your clients and provide legal advice to them in the French language? Yes ☐ No ☐
- b) Can you communicate with your clients, provide legal advice to them, and represent them in the French language? Yes ☐ No ☐

3. Other Languages (non-mandatory response)

- | | | |
|---|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> ASL or LSQ (Sign Language) | <input type="checkbox"/> Albanian | <input type="checkbox"/> Arabic |
| <input type="checkbox"/> Bulgarian | <input type="checkbox"/> Cantonese | <input type="checkbox"/> Croatian |
| <input type="checkbox"/> Czech | <input type="checkbox"/> Danish | <input type="checkbox"/> Dutch |
| <input type="checkbox"/> English | <input type="checkbox"/> Estonian | <input type="checkbox"/> Farsi |
| <input type="checkbox"/> Finnish | <input type="checkbox"/> French | <input type="checkbox"/> German |
| <input type="checkbox"/> Greek | <input type="checkbox"/> Gujarati | <input type="checkbox"/> Hebrew |
| <input type="checkbox"/> Hindi | <input type="checkbox"/> Hungarian | <input type="checkbox"/> Italian |
| <input type="checkbox"/> Japanese | <input type="checkbox"/> Korean | <input type="checkbox"/> Latvian |
| <input type="checkbox"/> Lithuanian | <input type="checkbox"/> Macedonian | <input type="checkbox"/> Mandarin |
| <input type="checkbox"/> Norwegian | <input type="checkbox"/> Polish | <input type="checkbox"/> Portuguese |
| <input type="checkbox"/> Punjabi | <input type="checkbox"/> Romanian | <input type="checkbox"/> Russian |
| <input type="checkbox"/> Serbian | <input type="checkbox"/> Slovak | <input type="checkbox"/> Slovene |
| <input type="checkbox"/> Spanish | <input type="checkbox"/> Swedish | <input type="checkbox"/> Ukrainian |
| <input type="checkbox"/> Urdu | <input type="checkbox"/> Yiddish | |

☐ Other - Please specify: _____



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section B YEAR END STATUS

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. Choose only one status (your status on December 31, 2013) regardless of changes during the 2013 calendar year.
2. **Your response to this question will not be used to change your status.** To review or update your current status, please refer to the Change of Information tab in the LSUC Portal.

December 31, 2013 Status (Select only ONE)		Mandatory Sections	Complete if Applicable
A sole practitioner, practising alone in Ontario	<input type="checkbox"/>	DEFGH	
A sole practitioner, practising in Ontario with one or more lawyers as employees	<input type="checkbox"/>	DEFGH	
A sole practitioner, practising in Ontario with one or more lawyers in shared facilities	<input type="checkbox"/>	DEFGH	
A partner in a law partnership in Ontario	<input type="checkbox"/>	DEFGH	
An employee/associate/counsel in a law firm in Ontario	<input type="checkbox"/>	DEFGH	
In House Counsel Insured by LawPRO	<input type="checkbox"/>	EF H	CDG
In House Counsel Not Insured by LawPRO	<input type="checkbox"/>	EF H	CDG
Employed by Legal Aid Ontario or a community legal clinic	<input type="checkbox"/>	EF H	CDG
Employed in government in Ontario	<input type="checkbox"/>	EF H	CDG
Employed in education in Ontario	<input type="checkbox"/>	EF H	CDG
Employed other in Ontario (not practising law)	<input type="checkbox"/>	EF H	CDG
A lawyer practising law outside of Ontario	<input type="checkbox"/>	EF H	CDG
Employed other outside of Ontario (not practising law)	<input type="checkbox"/>	EF H	CDG
Emeritus lawyer providing pro bono legal services through Pro Bono Law Ontario	<input type="checkbox"/>	EF H	CDG
Not working or on parental leave or unemployed	<input type="checkbox"/>	EF H	CDG
Suspended	<input type="checkbox"/>	EF H	CDG
In a situation not covered above (specify your status in the area below)	<input type="checkbox"/>	EF H	CDG



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section C ALLOCATION OF PRACTICE (To be completed by all lawyers practising law but not in private practice in 2013.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. Complete Section C only if you engaged in the practice of law* in respect of Ontario law (whether Provincial or Federal) during the course of your employment or engagement. Complete Section C only in respect of such services. Complete regardless of where you were resident.
2. "Employer" includes a corporation or other entity employing you, as well as affiliated, controlled, and subsidiary companies of that corporation or other entity.
3. "Affiliated", "controlled" and "subsidiary" companies are as defined in the *Securities Act*, R.S.O. 1990, c.S.5.
4. * Refer to the Guide for definitions.

What approximate percentage of the time spent practising law was devoted to:

The practice of law for outside third parties on your employer's behalf (e.g. employer's clients, customers, etc.) _____

The practice of law for outside third parties not on your employer's behalf _____

The practice of law directly for your employer _____

Total: _____

The total for the 3 rows should be 100%.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section D AREAS OF PRACTICE (To be completed by all lawyers resident in Ontario in 2013, who engaged in the practice of law, whether in private practice or otherwise. Other lawyers, including those resident and practising in Canada, but outside of Ontario throughout 2013, and those resident and practising outside of Canada throughout 2013, should omit this section and proceed to Section E.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

- Questions in this section relate only to your law practice while resident in Ontario in 2013. "Resident" as used in this section has the same meaning given to it for the purposes of the *Income Tax Act* (Canada).
- Where exact information is not available to respond to the questions under this heading, provide your best approximation.
- In estimating the approximate percentage of time in each question, your response should include:
 - time spent by non-lawyer staff on your behalf, and
 - your docketed and undocketed time, combined.
- If you were engaged in the practice of law* other than in private practice, unless otherwise noted, your responses should be based upon the whole of your practice, whether for your employer or for others.
- Do not include ADR or litigation activities in the categories of "Corporate/Commercial Law" and "Real Estate Law" for the first two questions in this section. ADR and litigation activities should be reflected under "ADR/Mediation Services" and "Civil Litigation" respectively for these noted categories.
- In the category of "ADR/Mediation Services" for the first two questions in this section, indicate the percentage of time spent as a mediator or other role as an intermediary.
- *Refer to the Guide for definitions.

1. Canadian Law Practice – Ontario

- a) Did you practise law relating to Ontario Law in 2013? Yes ☐ No ☐

If "Yes" to a):

- b) Describe that portion of your law practice most directly relating to Ontario, by indicating the approximate percentage of time devoted by you while resident in Ontario in 2013 to each area of law listed below:

Aboriginal Law	_____	ADR/Mediation Services (see Notes 5 & 6 above)	_____
Administrative Law	_____	Bankruptcy & Insolvency Law	_____
Civil Litigation – Plaintiff	_____	Civil Litigation – Defendant	_____
Construction Law	_____	Corporate/Commercial Law (see Note 5 above)	_____
Criminal/Quasi Criminal Law	_____	Employment/Labour Law	_____
Environmental Law	_____	Family/Matrimonial Law	_____
Franchise Law	_____	Immigration Law	_____
Intellectual Property Law	_____	Real Estate Law (see Note 5 above)	_____
Securities Law	_____	Tax Law	_____
Wills, Estates, Trusts Law	_____	Workplace Safety & Insurance Law	_____



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Other _____

Total: _____

Question 1 must total 100%.

2. Canadian Law Practice – Other than Ontario

a) Did you practise law relating to Canadian jurisdictions other than Ontario in 2013? Yes ☐ No ☐

If “Yes” to a):

b) Describe that portion of your law practice most directly relating to Canadian jurisdictions other than Ontario, by indicating the approximate percentage of time devoted by you while resident in Ontario in 2013 to each area of law listed below.

Aboriginal Law	_____	ADR/Mediation Services (see Notes 5 & 6 above)	_____
Administrative Law	_____	Bankruptcy & Insolvency Law	_____
Civil Litigation – Plaintiff	_____	Civil Litigation - Defendant	_____
Construction Law	_____	Corporate/Commercial Law (see Note 5 above)	_____
Criminal/Quasi Criminal Law	_____	Employment/Labour Law	_____
Environmental Law	_____	Family/Matrimonial Law	_____
Franchise Law	_____	Immigration Law	_____
Intellectual Property Law	_____	Real Estate Law (see Note 5 above)	_____
Securities Law	_____	Tax Law	_____
Wills, Estates, Trusts Law	_____	Workplace Safety & Insurance Law	_____
Other	_____		
Total:	_____		

Question 2 must total 100%.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

3. Canadian Law Practice - Other than Ontario

What percentage of your total Canadian law practice relates most directly to Canadian jurisdictions other than Ontario? _____

4. Details of Real Estate Practice (if applicable)

a) Of the time you devoted to your overall real estate practice in 2013, what approximate percentage of the time related to:

Purchases and mortgages	_____	Sales	_____
Development/land use	_____	Residential landlord/tenant	_____
Commercial leasing	_____	Mortgage remedies work	_____
Other	_____		
Total:	_____		

The total for the 7 rows should be 100%.

b) Of the time you devoted to your overall residential real estate practice in 2013 (including urban and non-urban, combined), what approximate percentage of the time related to:

--Non-Condominiums--

Residential single unit dwellings	_____	Residential multiple unit dwellings of 4 units or less	_____
Residential multiple unit dwellings of more than 4 units	_____		

--Condominiums--

Residential	_____
Total:	_____

The total for the 4 rows should be 100%.

c) Of the time you devoted to conveyancing-related work, including mortgage work in 2013, what approximate percentage of the time related to:

Residential urban (i.e. within town/city limits)	_____	Residential non-urban	_____
Commercial	_____	Industrial	_____
Other	_____		
Total:	_____		

The total for the 5 rows should be 100%.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

d) Did you act on a real estate transaction in 2013? If Yes" to d)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
---	------------------------------	-----------------------------

e) Real Estate Acknowledgement – To be completed by all lawyers who acted on a real estate transaction in 2013.		
i. I acknowledge my professional obligations to not permit anyone to use my lawyer's e-reg™ diskette/key and to not disclose to anyone my personalized e-reg™ pass phrase, as set out at Rule 5.01(3) of the <i>Rules</i> and at s. 6(2) of By-Law 7.1.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
ii. I acknowledge my professional obligations to directly supervise non-lawyers to whom I assign permissible tasks and functions and to not assign to non-lawyers tasks requiring a lawyer's skill or judgment, as set out at Rule 5.01 of the <i>Rules</i> and in Part I of By-Law 7.1.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
iii. I acknowledge my professional obligation to not act for both a transferor and a transferee in the transfer of title to real property, as set out at Rule 2.04.1 of the <i>Rules</i> , except in the limited circumstances set out at Rule 2.04.1(3).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
iv. I acknowledge my professional obligation, when acting in permissible circumstances for both a borrower and a lender in a mortgage or loan transaction, to disclose in writing to the borrower and lender, before the advance or release of mortgage or loan funds, all material information that is relevant to the transaction, as set out at Rule 2.04(6.1) of the <i>Rules</i> and discussed further in the Commentary to the Rule.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
v. I acknowledge my professional obligation, in the practice of real estate law, to not act or do anything or omit to do anything to assist a client, a person associated with a client or any other person to facilitate dishonesty, fraud, crime, or illegal conduct, as set out at Rules 2.02(5) and 2.02(5.0.1) of the <i>Rules</i> , and discussed further in the Commentary to the Rules, which I have read. I am aware that the Law Society and LawPRO offer many resources about real estate fraud, including the Law Society's <u>Update on Mortgage Fraud</u> and webpage entitled <u>Fighting Real Estate Fraud</u> , and LawPRO's <u>Fraud Fact Sheet</u> and webpage entitled <u>Avoid a Claim</u> .	Yes <input type="checkbox"/>	No <input type="checkbox"/>
vi. I acknowledge my obligation under the Electronic Land Registration Agreement to obtain evidence of proper authorization from the owner of the land or holder of an interest in the land that has directed the registration, prior to the submission of the document for registration in the electronic land registration system.	Yes <input type="checkbox"/>	No <input type="checkbox"/>



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section E SELF-STUDY (To be completed by all licensees regardless of status.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. Refer to the "Additional Information Menu" above and click on "Guide" for more information about self-study.
2. The annual minimum expectation is 50 hours of self-study.
3. For the purposes of this section, self-study means self-directed reading or research using print materials, electronic or otherwise.
4. CPD hours must be reported in the CPD section of the LSUC Portal by December 31st of each calendar year.

1. Self-Study

a) Did you undertake any self-study during 2013?

Yes ☐ No ☐

If "Yes" to a), answer b) to d).

If "No" to a), you may provide an explanation in the area at the end of this section.

b) Approximate total number of self-study hours spent on **file specific** reading or research: _____

c) Approximate total number of self-study hours spent on **general** reading or research: _____

d) Indicate below the tools used, overall, for all types of self-study. Check all that apply:

☐ Printed Material

☐ Internet

☐ Other

If required, use the area below to provide further information about your Self-Study (Section E).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section F INDIVIDUAL LAWYER QUESTIONS (To be completed by all licensees regardless of status.)

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

- For further assistance in completing this section, refer to the Bookkeeping Guide available at www.lsuc.on.ca.
- *Refer to the Guide for definitions.

1. Cash Transactions - All lawyers must report on large cash transactions regardless of jurisdiction of practice.

- a) Did you receive cash* in an aggregate amount equivalent to \$7,500 CDN or more in respect of any one client file in 2013?

Yes ☐ No ☐

If "Yes" to a):

- b) Was the cash solely for legal fees and/or client disbursements*?

Yes ☐ No ☐

If "No" to b), provide full particulars below with respect to compliance with By-Law 9, Part III (Cash Transactions).

2. Trust Funds/Property - 2a), 2b) and 2c) must be answered.

- a) In 2013, did you receive* trust funds* and/or trust property* on behalf of your firm in connection with the practice of law in Ontario?

Yes ☐ No ☐

- b) In 2013, did you disburse* (payout), or did you have signing authority to disburse, trust funds* or trust property* on behalf of your firm in connection with the practice of law in Ontario?

Yes ☐ No ☐

- c) In 2013, did you hold* trust funds* or trust property* on behalf of your firm in connection with the practice of law in Ontario?

Yes ☐ No ☐

3. Estates and Power(s) of Attorney - 3a), 3b) and 3c) must be answered.

- a) i) In 2013, did you act as an estate trustee* in Ontario?

Yes ☐ No ☐

If "Yes" to i), answer ii), iii) & iv)

- ii) Were you an estate trustee* only for related* persons in Ontario?

Yes ☐ No ☐

- iii) In 2013, the total number of estates in which you were an estate trustee* was:

_____ N/A ☐

- iv) As estate trustee* for any estate, did you receive*, hold*, or disburse* estate funds or estate property?

Yes ☐ No ☐

If "Yes" to iv), answer v), vi) & vii)

- v) The total dollar value as at December 31, 2013 of all separate* bank accounts and investments* for the estates referred to in iv) was:

\$_____ N/A ☐

12345A

Name

12



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

vi) Were books and records maintained in accordance with By-Law 9, or other applicable rules/statutes?

Yes ☐ No ☐ N/A ☐

vii) Was the total dollar value indicated in v) recorded in the firm's accounting records?

Yes ☐ No ☐ N/A ☐

If "No" to vii), provide a written explanation in the text box at the end of this section.

b) i) In 2013, did you exercise a power of attorney* for property in Ontario?

Yes ☐ No ☐

If "Yes" to i), answer ii), iii) & iv)

ii) Did you exercise the power(s) of attorney* for property only for related* persons in Ontario?

Yes ☐ No ☐

iii) In 2013, the total number of persons for whom you exercised a power of attorney* was:

_____ N/A ☐

iv) In exercising the power(s) of attorney* for any person, did you receive*, hold*, or disburse* the donors' funds or property?

Yes ☐ No ☐

If "Yes" to iv), answer v), vi) & vii)

v) The total dollar value as at December 31, 2013 of all separate* bank accounts and investments* for the power(s) of attorney* referred to in iv) was:

\$_____ N/A ☐

vi) Were books and records maintained in accordance with By-Law 9, or other applicable rules/statutes?

Yes ☐ No ☐ N/A ☐

vii) Was the total dollar value indicated in v) recorded in the firm's accounting records?

Yes ☐ No ☐ N/A ☐

If "No" to vii), provide a written explanation in the text box at the end of this section.

c) i) In 2013, did you control* estate assets as a solicitor, and not as an estate trustee, in Ontario? (Only the lawyer responsible for the estate should answer "Yes")

Yes ☐ No ☐

If "Yes" to i), answer ii) & iii)

ii) In 2013, the total number of estate files open at any time during the year in which you were a solicitor with control* over estate assets, but not an estate trustee was:

_____ N/A ☐



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

iii) As a solicitor, did you receive*, hold*, or disburse* estate funds or estate property?

Yes ☐ No ☐

If "Yes" to iii), answer iv), v) & vi)

iv) The total dollar value as at December 31, 2013 of all separate* bank accounts and investments* for the estate files referred to in iii) was:

\$ _____ N/A ☐

v) Were books & records maintained in accordance with By-Law 9?

Yes ☐ No ☐ N/A ☐

vi) Was the total dollar value indicated in iv) recorded in the firm's accounting records?

Yes ☐ No ☐ N/A ☐

If "No" to vi), provide a written explanation in the text box at the end of this section.

4. Borrowing from Clients - 4a) and 4b) must be answered.

Note: If your borrowing was/is from a lending institution, financial institution, insurance company, trust company or any similar corporation whose business includes lending money to members of the public, answer "No" to i) and "N/A" to ii).

See subrule 2.04(4), Commentary, and subrule 2.04(5) of the *Rules of Professional Conduct*.

a) i) At any time in 2013, were you personally indebted to a client or person who at the time of borrowing was or had been your client or a client of a firm for which you were then practising law?

Yes ☐ No ☐

If "Yes" to i):

ii) Was the client or person a related* person as defined in the *Income Tax Act* (Canada)?

Yes ☐ No ☐ N/A ☐

If "Yes" to i) or ii), provide full particulars below. Include the name of the lender and of the borrower, the amount of the loan, the security provided, and particulars of independent legal advice or independent legal representation obtained by the lender.

b) At any time in 2013, was your spouse or a corporation, syndicate or partnership in which either you or your spouse has, or both of you have, directly or indirectly, a substantial interest, indebted to a client or person who at the time of borrowing was or had been your client or a client of a firm in which you were then practising law?

Yes ☐ No ☐

If "Yes" to a) or b), provide full particulars below. Include the name of the lender and of the borrower, the amount of the loan, the security provided, and particulars of independent legal advice or independent legal representation obtained by the lender.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

5. Mortgage Transactions

In 2013, did you either directly or indirectly through a related person* or corporation*, hold* mortgages or other charges on real property in trust for clients or other persons? Yes ☐ No ☐

6. Private Mortgages - 6a) and 6b) must be answered.

Refer to the Guide for Private Mortgage reporting information.

a) In 2013, did you act for a lender, lending money through a mortgage broker? Yes ☐ No ☐

b) i) In 2013, did you act for, or receive money from, a lender who was lending money secured by a charge, or charges, on real property, except for transactions listed in By-Law 9 subsection 24(2)? (Note: For the exception in subsection 24 (2)(a)(i), funds loaned through RRSPs and RSPs belong to the plan holder, not the financial institution). Yes ☐ No ☐

If "Yes" to i):

ii) In 2013, approximately how many private mortgage* loans were advanced? _____

iii) In 2013, the approximate total dollar value of private mortgage* loans advanced was: \$ _____

7. Client Identification - All lawyers must answer questions 7a) and 7b)

a) i) In 2013, when you provided professional services to clients, did you obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to i), answer ii).

ii) In 2013, when you provided professional services to clients, were you exempt from the requirement to obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to ii), provide an explanation below.

b) i) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, did you obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III? Yes ☐ No ☐ N/A ☐

If "No" to i), answer ii).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

ii) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, were you exempt from the requirement to obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If "No" to ii), provide an explanation below.

8. Pro Bono Legal Services

(Pro bono legal services means the provision of legal services to persons of limited means or to charitable or not-for-profit organizations without expectation of a fee from the client.)

a) Did you provide pro bono legal services in Ontario in 2013?

Yes ☐ No ☐

If "Yes" to a), complete b) and c).

b) How many hours did you devote to pro bono legal services in Ontario in 2013?

c) Did you provide pro bono legal services for Pro Bono Law Ontario (PBLO) sponsored programs?

Yes ☐ No ☐

If required, use the area below to provide further information about your Individual Lawyer Questions (Section F).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section G FINANCIAL REPORTING

To be completed by:

- All sole practitioners, partners/employees/associates/counsel of law firms;
- Lawyers employed by Legal Aid responsible for general (non-trust) accounts or trust accounts; and
- All other lawyers who held or continued to hold client monies or property from a former legal practice in Ontario as at December 31, 2013.

Questions about this section? Click [here](#).

NOTES ABOUT THIS SECTION:

1. For further assistance in completing this section, refer to the Bookkeeping Guide available at www.lsuc.on.ca.
2. * Refer to the Guide for definitions.

1. Trust and General (Non-Trust) Accounts - 1a) and 1b) must be answered.

a) As at December 31, 2013, did either you or your firm operate a trust* account in Ontario? Yes ☐ No ☐

b) As at December 31, 2013, did either you or your firm operate a general* (non-trust) account in Ontario? Yes ☐ No ☐

If "Yes" to a), proceed to question 2.

If "No" to a) and "Yes" to b), proceed to question 4, and then proceed to Section H.

If "No" to both a) and b), proceed to Section H.

2. As at December 31, 2013, were you a sole practitioner, or were you the lawyer responsible for filing the trust account information on behalf of your firm in Ontario? Yes ☐ No ☐

If "Yes" to 2, proceed to questions 4 through 11.

NOTE about Financial Filing Declaration (FFD): If you are reporting financial information on behalf of other lawyers and/or paralegals in your firm, you must also submit a Financial Filing Declaration.

Your report is not considered complete without submitting the Financial Filing Declaration.

NOTE about Form 1: Report to The Law Foundation: If you answered "Yes" to question 2, you must complete and submit the Form 1.

If "No" to 2, complete the "Designated Financial Filing Option" (question 3) below.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

3. Designated Financial Filing Option

This option is available to you if you are not responsible for filing trust account information.

Indicate on lines a) and b) below who will be reporting the firm's financial information on your behalf, then proceed to Section H.

ENTER DESIGNATED FINANCIAL FILING PARTNER'S NAME & LAW SOCIETY NUMBER

a) **FINANCIAL FILING PARTNER'S NAME:** _____

b) **Law Society Number:** _____
(e.g. 12345A or P12345)

The filing partner you have named is responsible for filing the Financial Filing Declaration to report the firm's financial information on your behalf. Your report will not be considered complete without the submission of the **Financial Filing Declaration by the person you have named.**

4. Firm Records

Were financial records for all your firm's trust* accounts (mixed*, separate*, estates, power(s) of attorney* and other interest generating investments*) and/or general* (non-trust) bank accounts maintained throughout 2013, on a current basis, in accordance with all applicable sections in By-Law 9 ?

Yes ☐ No ☐

If "No" to 4, indicate below which areas were deficient and provide an explanation for each.

**COMPLETE THIS CHART ONLY IF YOU ANSWERED "NO" ABOVE.
COMPLETE ONLY THOSE AREAS WHERE YOU WERE DEFICIENT.**

By-Law 9: Financial Transactions and Records	By-Law 9 Sections 18, 19 & 20 (Maintain)	By-Law 9 Section 22 (Current)	Explanation for Deficiency
1. Trust Receipts Journal <i>Subsection 18(1)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Trust Disbursements Journal <i>Subsection 18(2)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Clients' Trust Ledger <i>Subsection 18(3)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Trust Transfer Journal <i>Subsection 18(4)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
5. General Receipts Journal <i>Subsection 18(5)</i>	<input type="checkbox"/>	<input type="checkbox"/>	

12345A

Name

18



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

6. General Disbursements Journal <i>Subsection 18(6)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Fees Book or Chronological Billing File <i>Subsection 18(7)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Trust Bank Comparison ** <i>Subsection 18(8)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Valuable Property Record <i>Subsection 18(9)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Source documents including deposit slips, bank statements and cashed cheques <i>Subsection 18(10)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
11. Electronic Trust Transfer Requisitions and Confirmations <i>Subsection 18(11) and Section 12 (Form 9A)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
12. Teranet Authorizations and Confirmations <i>Subsection 18(12) and Section 15 (Form 9B)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
13. Duplicate Cash Receipts Book for all cash received <i>Section 19</i>	<input type="checkbox"/>	<input type="checkbox"/>	
14. Records for mortgages held in trust <i>Section 20</i>	<input type="checkbox"/>	<input type="checkbox"/>	
** Trust comparisons are to be completed within 25 days of the effective date of the monthly trust reconciliation.			



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

5. Comparison of Trust Bank Reconciliations and Trust Listing of Client Liabilities as at December 31, 2013

Name and address of financial institution(s) where trust account(s) is (are) held and account number(s):

FINANCIAL INSTITUTION NAME:

ADDRESS:

TRANSIT/ACCOUNT NUMBER:

Reconciliation To refer to a sample reconciliation in the "Guide" click here.	December 31, 2013 Balances
a) The total dollar value of mixed* trust bank accounts	\$
b) The total dollar value of separate* interest bearing trust accounts or income generating trust accounts/investments*	+ \$
c) The total dollar value of separate* estate and/or power of attorney* accounts and investments* Include the total dollar value indicated in questions F 3 a) v), F 3 b) v) and/or F 3 c) iv) (if any)	+ \$
d) TOTAL of a) to c)	=
e) Total outstanding deposits (if any)	+
f) Total bank/posting errors (if any)	+/-
g) Total outstanding cheques (if any)	-
h) Reconciled Bank Balance	=
i) Total Client Trust Liabilities (Client Trust Listing)	-
j) Difference between Reconciled Bank Balance and Total Client Trust Liabilities	=

If there is a difference between the Reconciled Bank Balance (**h**) and the Total Client Trust Liabilities (**i**), provide a written explanation below.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

6. Answer all questions as at December 31, 2013.

- a) i) What is the total number of mixed* trust bank accounts referred to in 5a)? _____
- ii) Of the total mixed* trust bank account balance recorded in 5a), what is the estimated value of estate assets? \$ _____
- b) What is the total number of separate* interest bearing trust accounts or income generating trust accounts/investments* referred to in 5b)? _____
- c) What is the total number of separate* estate and/or power of attorney* accounts and investments* referred to in 5c)? _____

7. Overdrawn Accounts

- a) During 2013, did your records at any month end disclose overdrawn clients' trust ledger account(s)? Yes ☐ No ☐

If "Yes" to a):

- b) Were the account(s) corrected by December 31, 2013? Yes ☐ No ☐

If "No" to b):

- c) The total dollar value of overdrawn clients' trust ledger account(s) as at December 31, 2013 was: \$ _____
- d) The total number of overdrawn clients' trust ledger account(s) as at December 31, 2013 was: _____

8. Outstanding Deposits

- a) During 2013, did your records at any month end disclose outstanding trust account deposits, not deposited the following business day? Yes ☐ No ☐

If "Yes" to a):

- b) Were the account(s) corrected by December 31, 2013? Yes ☐ No ☐

If "No" to b):

- c) The total dollar value of outstanding trust account deposits as at December 31, 2013 was: \$ _____
- d) The total number of outstanding trust account deposits as at December 31, 2013 was: _____



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

9. Unchanged Client Trust Ledger Account Balances

- a) Were there client trust ledger account balances that were unchanged* (i.e. had no activity) for the entire year? Yes ☐ No ☐

If "Yes" to a):

- b) The total dollar value of these account balances as at December 31, 2013 was: \$ _____
- c) The total number of client trust ledger accounts that remained unchanged* for the entire year as at December 31, 2013 was: _____
- d) Were any of the unchanged* client trust ledger account balances for the registration of mortgage discharges? Yes ☐ No ☐

If "Yes" to d):

- e) The total number of unchanged* client trust ledger account balances held for the registration of mortgage discharges was: _____

10. Unclaimed Client Trust Ledger Account Balances

- a) Of the amounts identified in question 9, were any unclaimed* for two years or more? (Refer to Section 59.6 of the *Law Society Act*): Yes ☐ No ☐ N/A ☐

If "Yes" to a):

- b) The total dollar value of the unclaimed* client trust ledger account balances was: \$ _____
- c) The total number of unclaimed* client trust ledger accounts was: _____

11. Financial Filing Declaration (FFD)

Will you be filing the above financial information on behalf of any other lawyers and/or paralegals? Yes ☐ No ☐

Sole practitioners practising alone in Ontario do not need to file the FFD.

If required, use the area below to provide further information about your Financial Reporting (Section G).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Lawyer Annual Report

Section H CERTIFICATION AND SUBMISSION (To be completed by all licensees.)

Certification and Submission

I am the lawyer filing this 2013 Lawyer Annual Report. I have reviewed the matters reported and the information contained herein is complete, true and accurate. I acknowledge that it is professional misconduct to make a false or misleading reporting to the Law Society of Upper Canada.

Signature _____

_____/_____
DD

_____/_____
MM

YYYY



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

Introduction Page

YOUR 2013 CLASS L2 LICENCE ANNUAL REPORT IS DUE MARCH 31, 2014.

This report is based on the calendar year ending December 31, 2013, and is due by March 31, 2014. Failure to complete and file the report within 60 days of the due date will result in a late filing fee and a summary order suspending your licence until such time as this report is filed and the late filing fee is paid.

GUIDE: For definitions or assistance in completing this report, see the enclosed Guide.

BY-LAWS: The applicable by-laws are available in your annual report package or on our website, for your reference.

If you require filing assistance contact By-Law Administration Services at (416) 947-3315 or at (800)-668-7380 ext. 3315 or by email at bylawadmin@lsuc.on.ca.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

Section A IDENTIFICATION

Populated from Law Society records as at December 2013.

Licensee Information:

Law Society Number:

Year of Call:

Mailing Information*:

Name:

Address:

City, Province:

Postal Code:

Email:

Phone:

Status:

*As at December 2013

Is the information above current? If not, update our records online by selecting the Change of Information tab in the LSUC Portal. By-Law 8 requires licensees to notify the Law Society immediately after any change in contact information.

Privacy Option

On occasion, the Law Society may provide licensees' names, business addresses and email addresses to professional legal associations, organizations and institutions without charge, to facilitate the maintenance of mailing lists, and enhance communications with the profession, including information about programs, initiatives, products and services.

You have the option of instructing the Law Society not to provide your name, business address and/or email address to any professional association, organization or institution.

Check this box if you do not wish the Law Society to provide your name, business address and/or email address to any professional association, organization or institution:

☐



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

1. Benchers Election Privacy Option (non-mandatory response)

During the benchers election, many candidates want to communicate with voters by e-mail.

Check the box if you give the Law Society permission to -provide - your e-mail address for benchers election campaigning purposes:

☐

2. Provision of Legal Services in French (non-mandatory response)

a) Can you communicate with your clients and provide legal advice to them in the French language?

Yes ☐

No ☐

b) Can you communicate with your clients, provide legal advice to them, and represent them in the French language?

Yes ☐

No ☐

3. Other Languages (non-mandatory response)

☐ ASL or LSQ (Sign Language)

☐ Bulgarian

☐ Czech

☐ English

☐ Finnish

☐ Greek

☐ Hindi

☐ Japanese

☐ Lithuanian

☐ Norwegian

☐ Punjabi

☐ Serbian

☐ Spanish

☐ Urdu

☐ Albanian

☐ Cantonese

☐ Danish

☐ Estonian

☐ French

☐ Gujarati

☐ Hungarian

☐ Korean

☐ Macedonian

☐ Polish

☐ Romanian

☐ Slovak

☐ Swedish

☐ Yiddish

☐ Arabic

☐ Croatian

☐ Dutch

☐ Farsi

☐ German

☐ Hebrew

☐ Italian

☐ Latvian

☐ Mandarin

☐ Portuguese

☐ Russian

☐ Slovene

☐ Ukrainian

Other - Please specify



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

Section B YEAR END STATUS (To be completed by all licensees.)

NOTES ABOUT THIS SECTION:

1. Choose only one status (your status on December 31, 2013) regardless of changes during the 2013 calendar year.
2. **Your response to this question will not be used to change your status.** To review or update your status, please refer to the Change of Information tab in the LSUC Portal.

December 31, 2013 Status (Select only ONE)		Mandatory Sections
A Barrister & Solicitor in the employ of the Attorney General for Ontario	<input type="checkbox"/>	DEFH
Appointed as a Crown Attorney under the <i>Crown Attorneys Act</i>	<input type="checkbox"/>	DEFH
Appointed as an Assistant Crown Attorney under the <i>Crown Attorneys Act</i>	<input type="checkbox"/>	DEFH
Employed other in Ontario (not practising law)	<input type="checkbox"/>	DEFH
A lawyer practising law outside of Ontario	<input type="checkbox"/>	DEFH
Not working or on parental leave or unemployed	<input type="checkbox"/>	DEFH
Suspended	<input type="checkbox"/>	DEFH
In a situation not covered above (specify your status in the area below)	<input type="checkbox"/>	DEFH

Section C NOT APPLICABLE TO A CLASS L2 LICENCE

Section D AREAS OF PRACTICE (To be completed by all licensees.)

NOTE ABOUT THIS SECTION:

1. Where exact information is not available, provide your best approximation.

1. Indicate the approximate percentage of time you devoted in 2013 to each area of practice as a Barrister and Solicitor in Ontario	
A Barrister & Solicitor in the employ of the Attorney General for Ontario	_____
Appointed as a Crown Attorney under the <i>Crown Attorneys Act</i>	_____
Appointed as an Assistant Crown Attorney under the <i>Crown Attorneys Act</i>	_____
Total:	_____
Question 1 must total 100%	
If required, use the area below to provide further information about your Areas of Practice (Section D).	



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

Section E SELF-STUDY (To be completed by all licensees)

NOTES ABOUT THIS SECTION:

1. The annual minimum expectation is 50 hours of law related self-study.
2. For the purposes of this section, self-study means self-directed reading or research using print materials, electronic or otherwise.
3. CPD hours must be reported in the CPD section of the LSUC Portal by December 31st of each calendar year.

1. Self-Study

a) Did you undertake any self-study during 2013?

Yes ☐ No ☐

If "Yes" to a), answer b) to d).

If "No" to a), you may provide an explanation in the area at the end of this section.

b) Approximate total number of self-study hours spent on file specific reading or research: _____

c) Approximate total number of self-study hours spent on general reading or research: _____

d) Indicate below the tools used, overall, for all types of self-study. Check all that apply:

☐ Printed Material

☐ Internet

☐ Other

If required, use the area below to provide further information about your Self-Study (Section E).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

Section F INDIVIDUAL LAWYER QUESTIONS (To be completed by all licensees)

NOTES ABOUT THIS SECTION:

- For definitions or assistance in completing this section see the enclosed Guide.

1. Client Identification – All lawyers must answer questions 1a) and 1b)

- a) i) In 2013, when you provided professional services to clients, did you obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to i), answer ii).

- ii) In 2013, when you provided professional services to clients, were you exempt from the requirement to obtain and record identification for every (each) client and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to ii), provide an explanation below

- b) i) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, did you obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to i), answer ii).

- ii) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, were you exempt from the requirement to obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to ii), provide an explanation below.

If required, use the area below to provide further information about your Individual Lawyer Questions (Section F).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L2 Licence Annual Report

Section G – NOT APPLICABLE TO A CLASS L2 LICENCE

Section H CERTIFICATION AND SUBMISSION (To be completed by all licensees)

I am the lawyer filing this 2013 Class L2 Licence Annual Report. I have reviewed the matters reported, and the information contained herein is complete, true and accurate. I acknowledge that it is professional misconduct to make a false or misleading reporting to the Law Society of Upper Canada.

Signature

____/____/____
DD MM YYYY



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Introduction Page

YOUR 2013 CLASS L3 LICENCE CANADIAN LEGAL ADVISOR ANNUAL REPORT IS DUE MARCH 31, 2014.

This report is based on the calendar year ending December 31, 2013, and is due by March 31, 2014. Failure to complete and file the report within 60 days of the due date will result in a late filing fee and a summary order suspending your licence until such time as this report is filed and the late filing fee is paid.

GUIDE: For definitions or assistance in completing this report, see the enclosed Guide.

FINANCIAL FILING DECLARATION (FFD): Only the Designated Financial Filing Partner for each firm should submit the Financial Filing Declaration. A single Financial Filing Declaration is required from each firm. The Financial Filing Declaration is enclosed.

You do not have to submit the FFD at the same time as your Annual Report.

FORM 1: REPORT TO THE LAW FOUNDATION:

Questions on completing this form and questions concerning interest on mixed trust accounts should be directed to The Law Foundation at (416) 598-1550 or email form1@lawfoundation.on.ca.

You must file a Form 1 if client trust monies were held in a mixed trust account during the reporting year and you are responsible for the account or you are the Designated Financial Filing Partner.

Once completed it should be mailed directly to The Law Foundation at the address found at the top of the form.

You do not have to submit the Form 1 at the same time as your Annual Report.

The Form 1 is due March 31, 2014.

BY-LAWS: The applicable by-laws are available in your 2013 L3 Licence Canadian Legal Advisor Annual Report package or on our website, for your reference.

If you require assistance contact By-Law Administration Services at (416) 947-3315 or at (800) 668-7380 ext. 3315 or by email at bylawadmin@lsuc.on.ca.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Section A IDENTIFICATION

Populated from Law Society records as at December 2013.

Licensee Information:

Law Society Number:

Year of Call:

Mailing Information*:

Name:

Address:

City, Province:

Postal Code:

Email:

Phone:

Status:

*As at December 2013

Is the information above current? If not, update our records online by selecting the Change of Information tab in the LSUC Portal. By-Law 8 requires licensees to notify the Law Society immediately after any change in contact information.

Privacy Option

On occasion, the Law Society may provide licensees' names, business addresses and email addresses to professional legal associations, organizations and institutions without charge, to facilitate the maintenance of mailing lists, and enhance communications with the profession, including information about programs, initiatives, products and services.

You have the option of instructing the Law Society not to provide your name, business address and/or email address to any professional association, organization or institution.

Check this box if you do not wish the Law Society to provide your name, business address and/or email address to any professional association, organization or institution:

☐



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

1. Benchers Election Privacy Option (non-mandatory response)

During the benchers election, many candidates want to communicate with voters by email.

Check the box if you give the Law Society permission to provide your email address for benchers election campaigning purposes:

☐

2. Provision of Legal Services in French and English (non-mandatory response)

- a) Can you communicate with your clients and provide legal advice to them in both the French and English languages? Yes ☐ No ☐
- b) Can you communicate with your clients, provide legal advice to them, and represent them in both the French and English languages? Yes ☐ No ☐

3. Other Languages (non-mandatory response)

- | | | |
|---|-------------------------------------|---|
| <input type="checkbox"/> ASL or LSQ (Sign Language) | <input type="checkbox"/> Albanian | <input type="checkbox"/> Arabic |
| <input type="checkbox"/> Bulgarian | <input type="checkbox"/> Cantonese | <input type="checkbox"/> Croatian |
| <input type="checkbox"/> Czech | <input type="checkbox"/> Danish | <input type="checkbox"/> Dutch |
| <input type="checkbox"/> English | <input type="checkbox"/> Estonian | <input type="checkbox"/> Farsi |
| <input type="checkbox"/> Finnish | <input type="checkbox"/> French | <input type="checkbox"/> German |
| <input type="checkbox"/> Greek | <input type="checkbox"/> Gujarati | <input type="checkbox"/> Hebrew |
| <input type="checkbox"/> Hindi | <input type="checkbox"/> Hungarian | <input type="checkbox"/> Italian |
| <input type="checkbox"/> Japanese | <input type="checkbox"/> Korean | <input type="checkbox"/> Latvian |
| <input type="checkbox"/> Lithuanian | <input type="checkbox"/> Macedonian | <input type="checkbox"/> Mandarin |
| <input type="checkbox"/> Norwegian | <input type="checkbox"/> Polish | <input type="checkbox"/> Portuguese |
| <input type="checkbox"/> Punjabi | <input type="checkbox"/> Romanian | <input type="checkbox"/> Russian |
| <input type="checkbox"/> Serbian | <input type="checkbox"/> Slovak | <input type="checkbox"/> Slovene |
| <input type="checkbox"/> Spanish | <input type="checkbox"/> Swedish | <input type="checkbox"/> Ukrainian |
| <input type="checkbox"/> Urdu | <input type="checkbox"/> Yiddish | <input type="checkbox"/> Other - Please specify |



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Section B YEAR END STATUS (To be completed by all licensees.)

NOTES ABOUT THIS SECTION:

1. Choose only one status (your status as a Canadian Legal Advisor in Ontario on December 31, 2013) regardless of changes during the 2013 calendar year.
2. **Your response to this question will not be used to change your status.** To review or update your status, please refer to the Change of Information tab in the LSUC Portal.

December 31, 2013 Status (Select only ONE)		Mandatory Sections	Complete if Applicable
Canadian Legal Advisor practising in Ontario	<input type="checkbox"/>	DEFGH	
Canadian Legal Advisor prohibited from practising in Ontario (pursuant to subsection 4.1 of By-Law 4)	<input type="checkbox"/>	EFH	DG
Canadian Legal Advisor suspended in Ontario	<input type="checkbox"/>	EFH	DG
In a situation not covered above (specify your status in the area below)	<input type="checkbox"/>	EFH	DG

Section C – NOT APPLICABLE TO A CLASS L3 LICENCE

Section D AREAS OF PRACTICE (Complete if you engaged in the practice of law in Ontario, whether in private practice or otherwise.)

NOTE ABOUT THIS SECTION:

Where exact information is not available provide your best approximation.

1. Indicate the percentages of time you devoted as a lawyer in Ontario to each area of practice.	
a)The Laws of Canada	_____
b)The Laws of Quebec	_____
c)Public International Law	_____
Total:	_____
Question 1 must total 100%	



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Section E SELF-STUDY (To be completed by all licensees.)

NOTES ABOUT THIS SECTION:

1. The annual minimum expectation is 50 hours of law related self-study. Canadian Legal Advisors can complete self-study in Ontario or Quebec.
2. For the purposes of this section, self-study means self-directed reading or research using print materials, electronic or otherwise.
3. CPD hours must be reported in the CPD section of the LSUC Portal by December 31st of each calendar year.

1. Self-Study

a) Did you undertake any self-study during 2013?

Yes ☐

No ☐

If "Yes" to a), answer b) to d).

If "No" to a), you may provide an explanation in the area at the end of this section.

b) Approximate total number of self-study hours spent on file specific reading or research: _____

c) Approximate total number of self-study hours spent on general reading or research: _____

d) Indicate below the tools used, overall, for all types of self-study. Check all that apply:

☐ Printed Material

☐ Internet

☐ Other

If required, use the area below to provide further information about your Self-Study (Section E).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Section F INDIVIDUAL LAWYER QUESTIONS (To be completed by all licensees in Ontario)

NOTES ABOUT THIS SECTION:

- For further assistance in the completion of this section, refer to The Lawyer Bookkeeping Guide.
- *Refer to the Guide for definitions.

1. Cash Transactions – All lawyers must report on large cash transactions regardless of jurisdiction of practice.

- a) Did you receive cash* in an aggregate amount equivalent to \$7,500 CDN or more in respect of any one client file in 2013?

Yes ☐ No ☐

If "Yes" to a)

- b) Was the cash solely for legal fees and/or client disbursements*?

Yes ☐ No ☐

If "No" to b), provide full particulars below with respect to compliance with By-Law 9, Part III (Cash Transactions).

2. Trust Funds/Property - 2a), 2b) and 2c) must be answered.

- a) In 2013, did you receive* trust funds* and/or trust property* on behalf of your firm in connection with the practice of law in Ontario?

Yes ☐ No ☐

- b) In 2013, did you disburse* (payout), or did you have signing authority to disburse, trust funds* or trust property* on behalf of your firm in connection with the practice of law in Ontario?

Yes ☐ No ☐

- c) In 2013, did you hold* trust funds* or trust property* on behalf of your firm in connection with the practice of law in Ontario?

Yes ☐ No ☐

3. Estates and Power(s) of Attorney - 3a), 3b) and 3c) must be answered.

- a) i) In 2013, did you act as an estate trustee* in Ontario?

Yes ☐ No ☐

If "Yes" to i), answer ii)

- ii) Were you an estate trustee* only for related* persons in Ontario?

Yes ☐ No ☐

- b) i) In 2013, did you exercise a power of attorney* for property in Ontario?

Yes ☐ No ☐

If "Yes" to i), answer ii)

- ii) Did you exercise the power(s) of attorney* for property only for related* persons in Ontario?

Yes ☐ No ☐

- c) i) In 2013, did you control* estate assets as a solicitor/legal counsel, and not as an estate trustee, in Ontario?

Yes ☐ No ☐

(Only the lawyer responsible for the estate should answer "Yes")



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

4. Borrowing from Clients resident in Ontario - 4a) and 4b) must be answered.

Note: If your borrowing was/is from a lending institution, financial institution, insurance company, trust company or any similar corporation whose business includes lending money to members of the public, answer “No” to i) and “N/A” to ii).

See subrule 2.04(4), Commentary, and subrule 2.04(5) of the *Rules of Professional Conduct*.

- a) i) At any time in 2013, were you personally indebted to a client or person resident in Ontario who at the time of borrowing was or had been your client or a client of a firm in which you were then practising law?

Yes ☐ No ☐

If “Yes” to i)

- ii) Was the client or person a related person as defined in the *Income Tax Act* (Canada)?

Yes ☐ No ☐ N/A ☐

If “Yes” to i) or ii), provide full particulars below. Include the name of the lender and of the borrower, the amount of the loan, the security provided, and particulars of independent legal advice or independent legal representation obtained by the lender.

- b) At any time in 2013, was your spouse or a corporation, syndicate or partnership in which either you or your spouse has, or both of you have, directly or indirectly, a substantial interest, indebted to a client or person resident in Ontario who at the time of borrowing was or had been your client or a client of a firm in which you were then practising law?

Yes ☐ No ☐

If “Yes” to b), provide full particulars below. Include the name of the lender and of the borrower, the amount of the loan, the security provided, and particulars of independent legal advice or independent legal representation obtained by the lender.

5. NOT APPLICABLE TO A CLASS L3 LICENCE

6. NOT APPLICABLE TO A CLASS L3 LICENCE

7. Client Identification – All lawyers must answer questions 7a) and 7b)

- a) i) In 2013, when you provided professional services to clients, did you obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, part III?

Yes ☐ No ☐ N/A ☐

If “No” to i), answer ii).

- ii) In 2013, when you provided professional services to clients, were you exempt from the requirement to obtain and record identification information for every (each) client and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to ii), provide an explanation below.



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

- b) i) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, did you obtain and record information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to i), answer ii)

- ii) In 2013, when you engaged in or gave instructions in respect of the receiving, paying or transferring of funds, were you exempt from the requirement to obtain information to verify the identity of each client, and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1, Part III?

Yes ☐ No ☐ N/A ☐

If “No” to ii), provide an explanation below.

8. Pro Bono Legal Services

(Pro bono legal services means the provision of legal services to persons of limited means or to charitable or not-for-profit organizations without expectation of a fee from the client.)

- a) Did you provide pro bono legal services in Ontario in 2013?

Yes ☐ No ☐

If “Yes” to a), complete b) and c).

- b) How many hours did you devote to pro bono legal services in Ontario in 2013?

- c) Did you provide pro bono legal services for Pro Bono Law Ontario (PBLO) sponsored programs?

Yes ☐ No ☐

If required, use the area below to provide further information about your Individual Lawyer Questions (Section F).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Section G FINANCIAL REPORTING Answer the following questions as they relate to clients resident in Ontario. To be completed by:

- All sole practitioners, partners/employees/associates/counsel of law firms;
- Lawyers employed by Legal Aid Ontario responsible for general (non-trust) accounts or trust accounts; and
- All other lawyers who held or continued to hold client monies or property from a former legal practice in Ontario as at December 31, 2013.

NOTES ABOUT THIS SECTION:

- For further assistance in the completion of this section, refer to The Lawyer Bookkeeping Guide available on our website at www.lsuc.on.ca.
- * Refer to the Guide for definitions.

1. Trust and General (Non-Trust) Accounts - 1a) and 1b) must be answered.

a) As at December 31, 2013, did either you or your firm operate a trust* account for client matters in Ontario?

Yes ☐ No ☐

b) As at December 31, 2013, did either you or your firm operate a general* (non-trust) account for client matters in Ontario?

Yes ☐ No ☐

If “Yes” to a), proceed to question 2.

If “No” to a) and “Yes” to b) proceed to question 4, and then proceed to Section H.

If “No” to both a) and b) proceed to Section H.

2. As at December 31, 2013, were you a sole practitioner or were you the lawyer responsible for filing the Ontario trust account information on behalf of your firm?

Yes ☐ No ☐

If “Yes” to 2, proceed to questions 4 through 11

NOTE about Financial Filing Declaration (FFD): If you are reporting financial information on behalf of other lawyers and/or licensed paralegals in your firm, you must also submit a Financial Filing Declaration.

Your report is not considered complete without the submission of the Financial Filing Declaration.

NOTE about FORM 1: Report to The Law Foundation: If you answered 'Yes' to question 2, you must complete and submit the Form 1.

If “No” to 2, complete the “Designated Financial Filing Option” (question 3) below.

3. Designated Financial Filing Option

This option is available to you if you are not responsible for filing trust account information. Indicate on lines a) and b) below, who will be reporting the firm financial information on your behalf, then proceed to Section H.

ENTER DESIGNATED FINANCIAL FILING PARTNER'S NAME & LAW SOCIETY NUMBER



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

- a) **FINANCIAL FILING PARTNER'S NAME**
b) **Law Society Number (e.g. 12345A or P12345)**

The filing partner you have named is responsible for filing the Financial Filing Declaration to report the firm's financial information on your behalf. Your annual report will not be considered complete without the submission of the **Financial Filing Declaration by the person you have named.**

4. Firm Records

For your clients resident in Ontario, were financial records for all your firm's trust* accounts (mixed*, separate*, estates, power(s) of attorney* and other interest generating investments*) and/or general* (non-trust) bank accounts maintained throughout 2013, on a current basis, in accordance with all applicable sections in By-Law 9? Yes ☐ No ☐

If "No" to 4), indicate below which areas were deficient and provide an explanation for each.

**COMPLETE THIS CHART ONLY IF YOU ANSWERED "NO" ABOVE.
COMPLETE ONLY THOSE AREAS WHERE YOU WERE DEFICIENT.**

By-Law 9: Financial Transactions and Records	By-Law 9 Sections 18, 19 & 20 (Maintain)	By-Law 9 Section 22 (Current)	Explanation for Deficiency
1. Trust Receipts Journal <i>Subsection 18(1)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Trust Disbursements Journal <i>Subsection 18(2)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Clients' Trust Ledger <i>Subsection 18(3)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Trust Transfer Journal <i>Subsection 18(4)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
5. General Receipts Journal <i>Subsection 18(5)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
6. General Disbursements Journal <i>Subsection 18(6)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Fees Book or Chronological Billing File <i>Subsection 18(7)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Trust Bank Comparison ** <i>Subsection 18(8)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Valuable Property Record <i>Subsection 18(9)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Source documents including deposit slips, bank statements and cashed cheques <i>Subsection 18(10)</i>	<input type="checkbox"/>	<input type="checkbox"/>	
11. Electronic Trust Transfer Requisitions and Confirmations <i>Subsection 18(11) and Section 12 (Form 9A)</i>	<input type="checkbox"/>	<input type="checkbox"/>	

12345A

Name

10



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

12. NOT APPLICABLE TO CLASS L3 LICENCE			
13. Duplicate Cash Receipts Book for all cash received <i>Section 19</i>	<input type="checkbox"/>	<input type="checkbox"/>	
14. NOT APPLICABLE TO CLASS L3 LICENCE			

** Trust comparisons are to be completed within 25 days of the effective date of the monthly trust reconciliation.

5. Comparison of Trust Bank Reconciliations and Trust Listing of Client Liabilities as at December 31, 2013

Name and address of financial institution(s) where trust account(s) is (are) held and account number(s) for client matters in Ontario:

FINANCIAL INSTITUTION NAME: ADDRESS: TRANSIT/ACCOUNT NUMBER:

Reconciliation A sample reconciliation is available in the Guide.	December 31, 2013 Balances
a) The total dollar value of mixed* trust bank accounts	\$
b) The total dollar value of separate* interest bearing trust accounts or income generating trust accounts/investments*	+ \$
c) The total dollar value of separate* estate and/or power of attorney* accounts and investments*	+ \$
d) TOTAL of a) to c)	=
e) Total outstanding deposits (if any)	+
f) Total bank/posting errors (if any)	+/-
g) Total outstanding cheques (if any)	-
h) Reconciled Bank Balance	=
i) Total Client Trust Liabilities (Client Trust Listing)	-
j) Difference between Reconciled Bank Balance and Total Client Trust Liabilities	=

If there is a difference between the Reconciled Bank Balance (h) and the Total Client Trust Liabilities (i), provide a written explanation below.

6. NOT APPLICABLE TO CLASS L3 LICENCE

7. Overdrawn Accounts

a) During 2013, did your records, at any month end, disclose overdrawn clients' trust ledger account(s) for client matters in Ontario?

Yes ☐ No ☐

If "Yes" to a)

b) Were the account(s) corrected by December 31, 2013?

Yes ☐ No ☐

If "No" to b)

c) The total dollar value of overdrawn clients' trust ledger account(s) as at December 31, 2013 was:

\$ _____

d) The total number of overdrawn clients' trust ledger account(s) as at December 31, 2013 was:



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

8. Outstanding Deposits

- a) During 2013, did your records, at any month end, disclose outstanding trust account deposits, not deposited the following business day for client matters in Ontario?

Yes ☐ No ☐

If "Yes" to a)

- b) Were the account(s) corrected by December 31, 2013?

Yes ☐ No ☐

If "No" to b)

- c) The total dollar value of outstanding trust account deposits as at December 31, 2013 was:

\$_____

- d) The total number of outstanding trust account deposits as at December 31, 2013 was:

9. Unchanged Client Trust Ledger Account Balances

- a) Were there client trust ledger account balances that were unchanged*(i.e. had no activity) for the entire year for client matters in Ontario?

Yes ☐ No ☐

If "Yes" to a)

- b) The total dollar value of these account balances as at December 31, 2013 was:

\$_____

- c) The total number of client trust ledger accounts that remained unchanged* for the entire year as at December 31, 2013 was:

10. Unclaimed Client Trust Ledger Account Balances

- a) Of the amounts identified in question 9, were any unclaimed* for two years or more for client matters in Ontario? (Refer to subsection 59.6 of the *Law Society Act*)

Yes ☐ No ☐ N/A ☐

If "Yes" to a)

- b) The total dollar value of the unclaimed* client trust ledger account balances was:

\$_____

- c) The total number of unclaimed* client trust ledger accounts was:

11. Financial Filing Declaration (FFD)

Will you be filing the above financial information on behalf of any other lawyers and/or paralegals?

Yes ☐ No ☐

Sole practitioners practising alone in Ontario do not need to file the FFD.

If required, use the area below to provide further information about your Financial Reporting (Section G).



The Law Society of
Upper Canada

Barreau
du Haut-Canada

2013 Class L3 Licence Canadian Legal Advisor Annual Report

Section H CERTIFICATION AND SUBMISSION (To be completed by all licensees.)

I am the lawyer filing this 2013 Class L3 Licence Canadian Legal Advisor Annual Report. I have reviewed the matters reported, and the information contained herein is complete, true and accurate. I acknowledge that it is professional misconduct to make a false or misleading reporting to the Law Society of Upper Canada.

Signature _____

DD

MM

YYYY



The Law Society of Upper Canada

*12345A

The Law Society is committed to promoting equality and diversity in the legal profession and to enhancing legal services provided by and for Aboriginal, Francophone and equality-seeking communities. The following questions will help the Law Society to better understand demographic trends, to develop programs and initiatives within the mandate of the Law Society and to promote equality and diversity in the profession.

The question is voluntary and the information collected will be kept confidential. The information will only be available in aggregate form and will not be used to identify the demographic identity of individual lawyers and paralegals.

1. Are you Francophone?

- ☐ Yes
☐ No
☐ I do not wish to answer

2. Are you an Aboriginal person? (select all that apply)

- ☐ First Nations, Status Indian, Non-Status Indian
☐ Inuk (Inuit)
☐ Métis
☐ Other – Specify _____
☐ No, not an Aboriginal person
☐ I do not wish to answer

3. Are you of the following race or ethnic origin?, (select all that apply)

- ☐ Arab
☐ Black (e.g. African-Canadian, African, Caribbean)
☐ Chinese
☐ East-Asian (e.g. Japanese, Korean)
☐ Latin American, Hispanic
☐ South Asian (e.g. Indo-Canadian, Indian Subcontinent)
☐ South-East Asian (e.g. Vietnamese, Cambodian, Thai, Filipino)
☐ West Asian (e.g. Iranian, Afghan)
☐ White
☐ Other – Specify _____
☐ I do not wish to answer

4. What is your religion or creed? (select all that apply)

- ☐ Atheist
- ☐ Buddhist
- ☐ Catholic
- ☐ Christian Orthodox
- ☐ Hindu
- ☐ Jewish
- ☐ Muslim
- ☐ Protestant
- ☐ Sikh
- ☐ No religion
- ☐ Other religion – Specify _____

- ☐ I do not wish to answer

5. Do you have a disability?

- ☐ Yes
- ☐ No

- ☐ I do not wish to answer

6. Are you transgender, transsexual, gay, lesbian or bisexual? (Select all that apply)

- ☐ Transgender
- ☐ Transsexual
- ☐ Gay
- ☐ Lesbian
- ☐ Bisexual
- ☐ Other – Specify _____
- ☐ No

- ☐ I do not wish to answer

For further information or inquiries about the Law Society's initiatives to promote equality and diversity in the profession, please contact the Equity Initiatives Department:

Telephone:	(416) 947-3300 ext. 2153	Toll-free:	1-800-668-7380 ext. 2153
Fax:	(416) 947-3983	E-mail:	equity@lsuc.on.ca

TAB 10.3

PROFESSIONAL REGULATION DIVISION

QUARTERLY REPORT

14. The Professional Regulation Division's Quarterly Report (second quarter 2013), provided to the Committee by Zeynep Onen, the Director of Professional Regulation, appears on the following pages. The report includes information on the Division's activities and responsibilities, including file management and monitoring, for the period April to June 2013.



The Law Society of
Upper Canada

Barreau
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The Professional Regulation Division

Quarterly Report

April – June 2013

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

The Quarterly Report

The Quarterly Report provides a summary of the Professional Regulation Division's activities and achievements during the past quarter, April 1 to June 30, 2013. The purpose of the Quarterly Report is to provide information on the production and work of the Division during the quarter, to explain the factors that may have influenced the Division's performance, and to provide a description of exceptional or unusual projects or events in the period.

The Professional Regulation Division

Professional Regulation is responsible for responding to complaints against licensees, including the resolution, investigation and prosecution of complaints which are within the jurisdiction provided under the *Law Society Act*. In addition the Professional Regulation provides trusteeship services for the practices of licensees who are incapacitated by legal or health reasons. Professional Regulation also includes the Compensation Fund which compensates clients for losses suffered as a result of the wrongful acts of licensees.

See Appendices for a case flow chart describing the complaints process as well as a description of the Professional Regulation division processes and organization.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

INDEX

	Page
SECTION 1 – REPORT HIGHLIGHTS	5
Highlights of Quarterly Performance	6
Complaints Received	6
Case Closures	6
Complaints Resolution and Investigations	6
Discipline and Hearings	7
 SECTION 2 – DIVISIONAL PERFORMANCE DURING THE QUARTER	 8
PERFORMANCE IN THE PROFESSIONAL REGULATION DIVISION	9
Graph 2A: Complaints Received in the Division	9
Graph 2B: Complaints Closed in the Division	10
Graph 2C: Total Inventory	11
 SECTION 3 – DEPARTMENT PERFORMANCE DURING THE QUARTER	 12
3.1 – Intake	13
Graph 3.1A: Input	13
Graph 3.1B: Complaints Closed and Transferred Out	14
Graph 3.1C: Department Inventory	15
Graph 3.1D: Median Age of Complaints	16
 3.2 – Complaints Resolution	 17
Graph 3.2A: Input	17
Graph 3.2B: Complaints Closed and Transferred Out	18
Graph 3.2C: Department Inventory	19
Graph 3.2D: Median Age of Complaints	20
Graph 3.2E: Aging of Complaints	21
 3.3 – Investigations	 22
Graph 3.3A: Input	22
Graph 3.3B: Complaints Closed and Transferred Out	23
Graph 3.3C: Department Inventory	24
Graph 3.3D: Median Age of Complaints	25
Graph 3.3E: Aging of Complaints – Core Cases and Mortgage Fraud Cases	26
 3.4 – Unauthorized Practice (UAP)	 28
Graph 3.4A: Unauthorized Practice Complaints in Intake	28
Graph 3.4B: Unauthorized Practice Investigations (in Complaints Resolution & Investigations)	29
Graph 3.4C: UAP Enforcement Actions	29

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

	Page
3.5 – Complaints Review Commissioner	30
Graph 3.5A: Reviews Requested and Files Reviewed (by Quarter)	30
Graph 3.5B: Status of Files Reviewed in each Quarter	30
Graph 3.5C: Decisions Rendered, by Quarter and Active Inventory	31
3.6 – Discipline	32
Graph 3.6A: Input	32
Graph 3.6B: Department Inventory	33
Graph 3.6C: Notices Issued	34
Graph 3.6D: Completed Matters	35
Graph 3.6E: Appeals	36
SECTION 5 – APPENDICES	37
The Professional Regulation Complaint Process	38
Professional Regulation Organization Chart	39

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

SECTION 1

REPORT HIGHLIGHTS

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Highlights of Quarterly Performance

Complaints Received

During the first half of 2013, the Law Society experienced an increase in new complaints when compared to the past two years. There was a 6% increase when compared with 2011 and a 9% increase when compared with 2012. In 2012, there was a slight reduction in the overall number of complaints received, however the trend has reversed during the first part of 2013. Trends indicate that by the end of 2013 the Law Society will have experienced an incremental increase in overall intake in keeping with the annual increases prior to 2012.

Altogether 2710 complaints were registered in the first six months of 2013. The increase is largely attributable to a 5% increase in complaints against lawyers (100 additional complaints) and a 21% increase in complaints against paralegals (59 additional complaints). It should be noted that some investigations involve multiple complaints against the same individual and therefore there can be some variation in complaint numbers over time depending on the nature of the issues. The increase in new complaints during this period was also attributable to an increase in the number of good character files opened respecting applicants for both lawyer and paralegal licenses.

Case Closures

Fewer cases were closed in the first six months than were received in this period. However, almost the same number of cases were closed in the first half of 2013 (2635 closed) as in the first half of 2012 (2646 closed).

Complaints Resolution and Investigations

Both of these departments experienced a significant increase in new complaints in the first six months of 2013. It is expected that this increase will moderate during the latter part of the year based, on past yearly cycles.

Complaints Resolution

In this period the department received 1037 new complaints, 19% higher than the comparable period in 2012 and 9% higher than in 2011. During the same period 897 complaints were completed and either closed or forwarded to Discipline for further action. 43 cases were completed on the basis that they would require additional formal action through referral to the Proceedings Authorization Committee. The department continues to focus on case aging by maintaining the targeted median case age, and also case closure targets. With the influx of additional work, the percentage of cases not older than 8 months has decreased from 90% at the end of the first quarter, to 81% at the end of the current period.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Investigations

In the first half of 2013, the department's input of new cases was 785 complaints, 18% higher than in the first half of 2012 (663) and 4.5% higher than in the first half of 2011 (751). During this period, 664 cases were completed as either closed or forwarded for further action in Discipline. 106 of these cases were completed on the basis that they likely required further formal action through the Proceedings Authorization Committee (PAC). The number of complaints related to unauthorized practice (UAP) allegations (131) was almost identical to the number received in 2012. With the increased input of new complaints the department's inventory increased to 1234 cases. The median case age remains low and the department continues to focus on ensuring that cases remain within targeted time frames.

The department continues to receive notice of lawyers involved in mortgage fraud at the rate of approximately two per month. The continuing reduction in the number of complaints has enabled the department to complete more cases and to reduce case aging in the mortgage fraud caseload.

Discipline and Hearings

The Discipline department inventory of cases remains stable with 192 licenses and applicants relating to 541 cases. In the first half of 2013 78 hearing notices were issued compared with 73 issued in the same period in 2012. During the same period, 66 decisions and orders were rendered by Hearing Panels, compared to 57 in the same period in 2012. A total of 6 appeals were commenced in this period.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

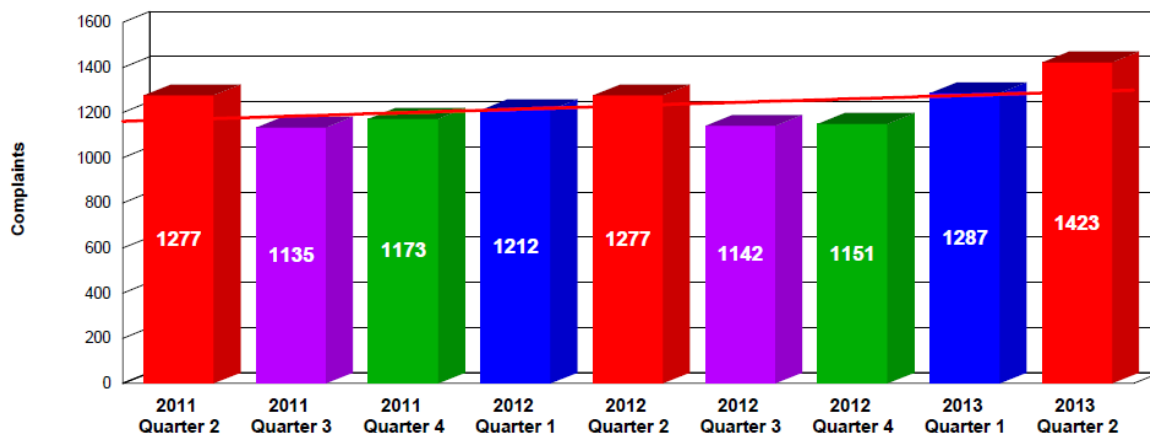
SECTION 2

DIVISIONAL PERFORMANCE DURING THE QUARTER

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

PERFORMANCE IN THE PROFESSIONAL REGULATION DIVISION

Graph 2A: Complaints¹ Received in the Division



The number of new complaints received in the second quarter of 2013 increased by approximately 11% when compared to the number received in the first quarter of 2013. An analysis of new complaints received (below) shows that, in Q2 2013, complaints against lawyers, lawyer applicants and paralegal applicants increased while the number of complaints against licensed paralegals and non-licensees/non-applicants decreased slightly from the number received in Q1 2013.

Detailed Analysis of Complaints Received in the Division

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	944	942	937	1015	1026
Lawyer Applicant Cases ★	59	27	8	18	67
Complaints against Licensed Paralegals	143	118	109	160	152
Paralegal Applicant Cases ★	80	20	26	29	121
Complaints against Non-Licensees/Non-Applicants*	51	35	71	65	57
TOTAL	1277	1142	1151	1287	1423

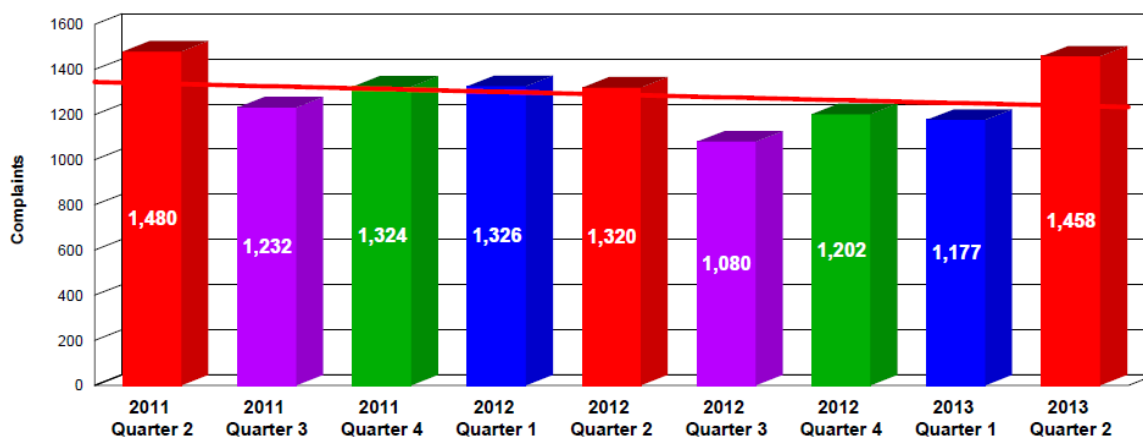
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

¹ Includes all complaints received in PRD from Complaints Services.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Graph 2B: Complaints Closed² in the Division (by Quarters)



The number of cases closed in the Division in Q2 2013 increased by 24% from the number of cases closed in Q1 2013.

Detailed Analysis of Complaints Closed in the Division

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	1015	827	981	946	1118
Lawyer Applicant Cases ★	56	16	11	13	64
Complaints against Licensed Paralegals	113	139	116	105	127
Paralegal Applicant Cases ★	56	39	32	37	83
Complaints against Non-Licensees/Non-Applicants*	80	59	62	76	66
TOTAL	1320	1080	1202	1177	1458

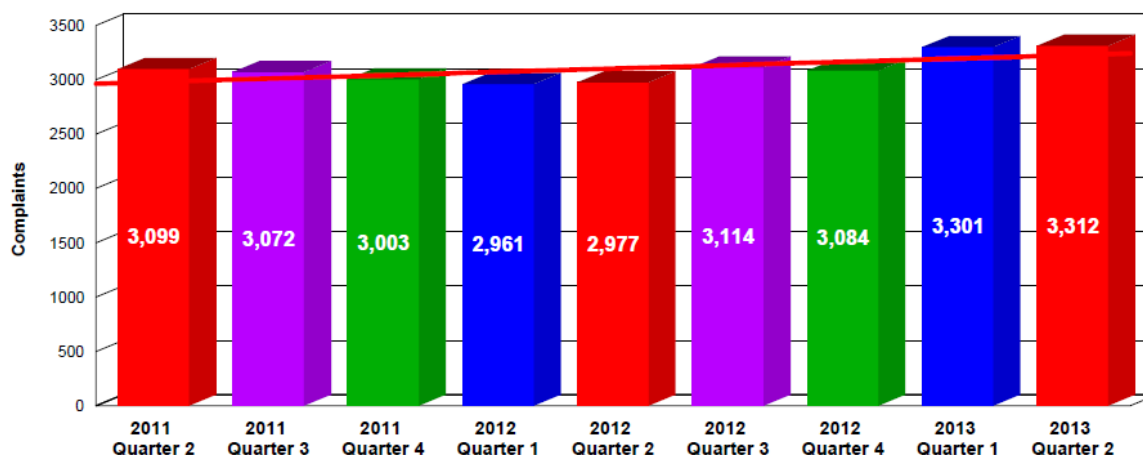
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

² This graph includes all complaints closed in Intake, Complaints Resolution, Investigations and Discipline.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

Graph 2C: Total Inventory³



The value in each bar represents the inventory at the end of the period

The inventory in the Division at the end of Q2 2013 was approximately the same as at the end of Q1 2013. The breakdown of the inventory in the chart below demonstrates that during the last quarter, the inventory of complaints against lawyers decreased, while the inventory of complaints against all other groups increased.

Detailed Analysis of Division Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	2400	2571	2546	2711	2656
Lawyer Applicant Cases ★	21	34	31	37	39
Complaints against Licensed Paralegals	337	331	322	378	404
Paralegal Applicant Cases ★	86	66	60	55	91
Complaints against Non-Licensees/Non-Applicants*	133	112	125	120	122
TOTAL	2977	3114	3084	3301	3312

★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

³ This graph does not include active complaints in the Monitoring & Enforcement Department.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

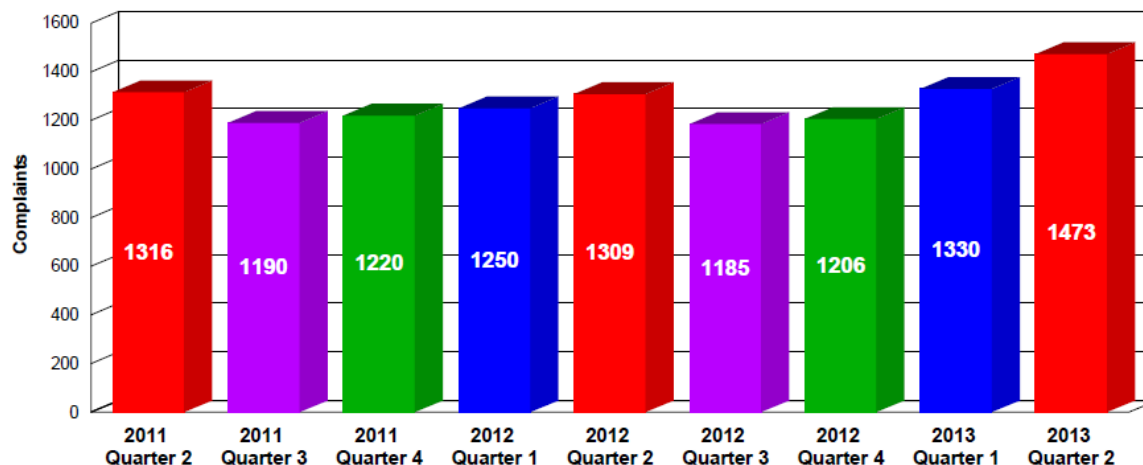
SECTION 3

DEPARTMENTAL PERFORMANCE DURING THE QUARTER

The Law Society of Upper Canada
 The Professional Regulation Division
 Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1A: Intake - Input⁴



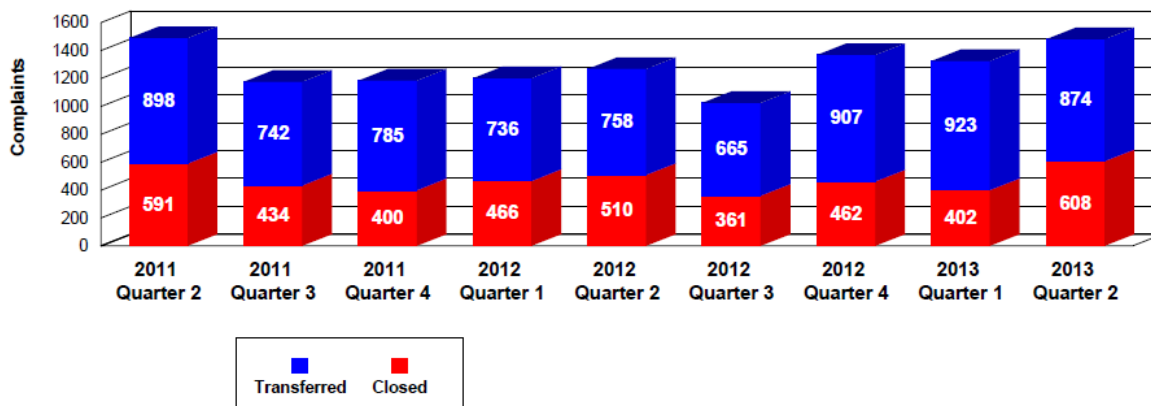
The Intake department processes all new regulatory complaints. In Q2 2013, in addition to the 1423 new cases, Intake re-opened 50 complaints which met the threshold for re-opening a closed matter.

⁴ Includes new complaints received and re-opened complaints

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1B: Intake - Complaints Closed and Transferred Out



In Q2 2013, Intake completed 1482 cases, which represents a 12% increase over the number of cases completed by the department in Q1 2013 (1325) and a 17% increase over the number of cases completed by the department in the same period in 2012 (Q2 2012 – 1268).

Detailed Analysis of Complaints Closed and Transferred From Intake

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	Closed	360	278	386	327	425
	Transferred	583	549	734	737	639
Lawyer Applicant Cases★	Closed	47	10	3	2	45
	Transferred	11	19	4	17	18
Complaints against Licensed Paralegals	Closed	38	42	32	28	39
	Transferred	97	62	116	108	127
Paralegal Applicant Cases★	Closed	40	14	8	13	69
	Transferred	29	19	18	15	45
Complaints against Non-Licensees/Non-Applicants*	Closed	25	17	33	32	30
	Transferred	38	16	35	46	45
TOTAL	Closed	510	361	462	402	608
	Transferred	758	665	907	923	874

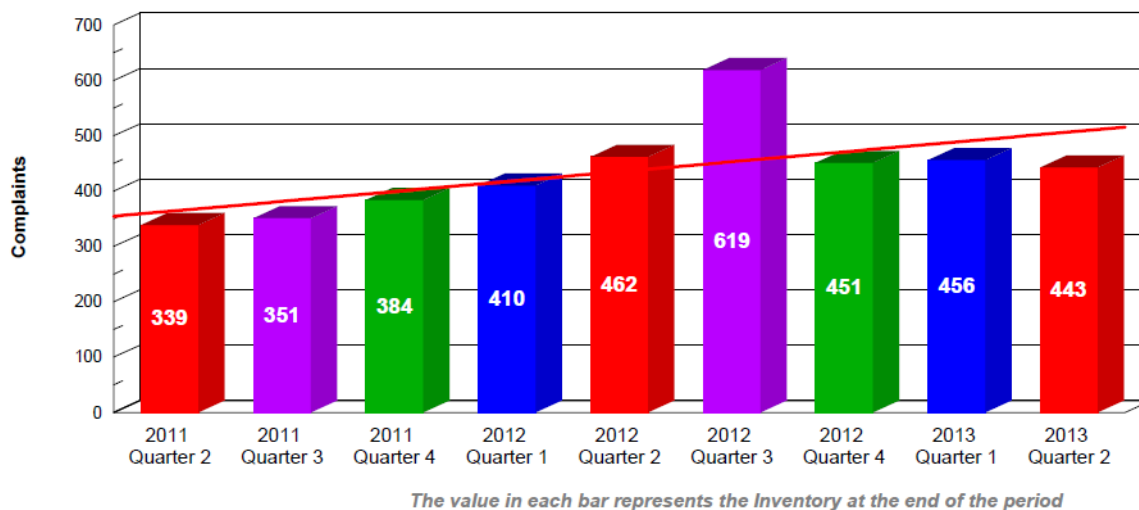
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1 C: Intake - Department Inventory



The department's inventory decreased slightly (3%) over the past quarter, however the graph demonstrates an increase in inventory over the past two years. As noted in the chart below, Intake's inventory at the end of the quarter consisted mostly of complaints against lawyers.

Detailed Analysis of Intake Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	389	541	399	387	384
Lawyer Applicant Cases ★	2	1	2	1	5
Complaints against Licensed Paralegals	52	66	32	56	44
Paralegal Applicant Cases ★	13	0	0	1	6
Complaints against Non-Licensees/Non-Applicants*	6	11	18	11	4
TOTAL	462	619	451	456	443

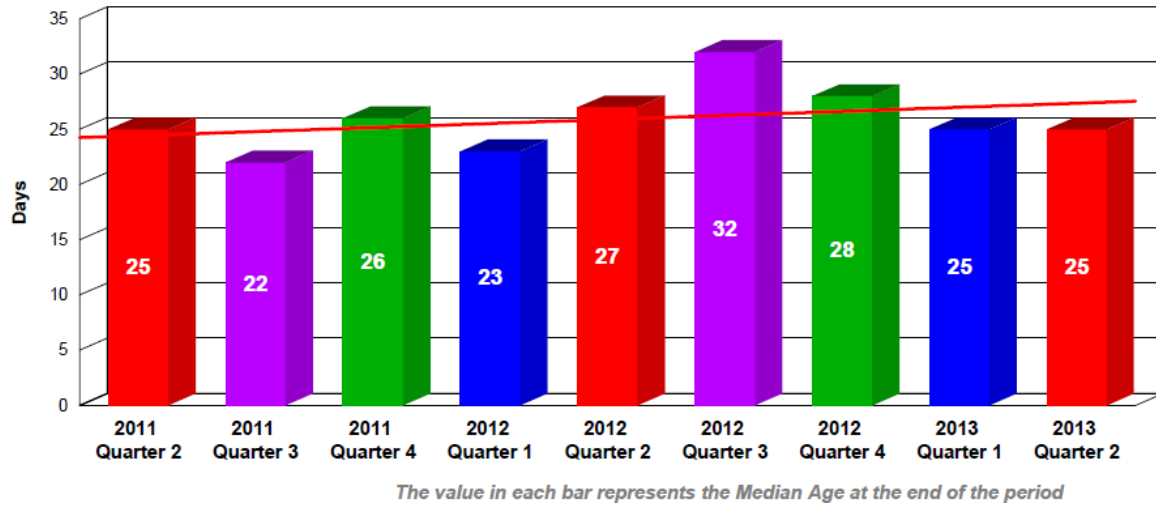
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.1 – Intake

Graph 3.1D: Intake - Median Age of Complaints

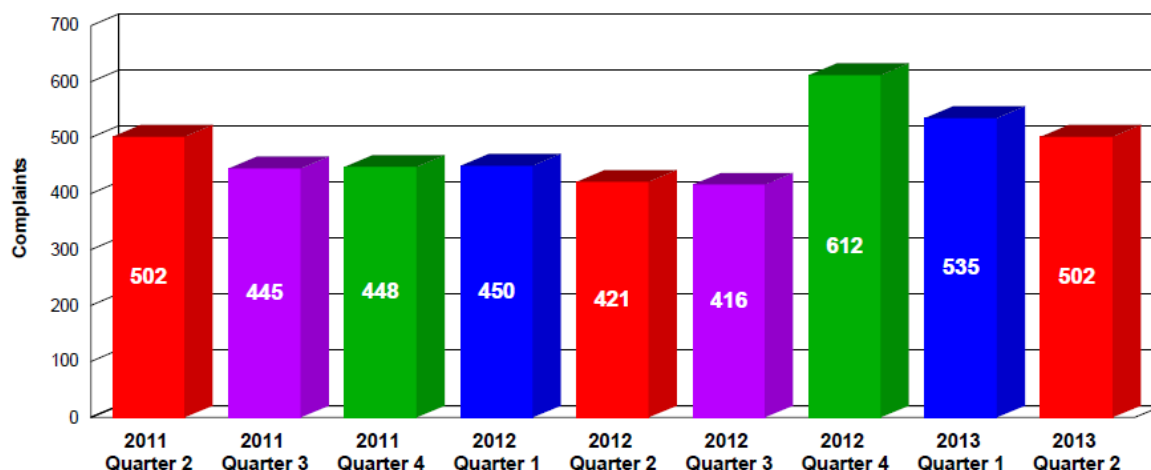


Intake's median age is below the department's 30-day target, indicating a timely case process.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

Graph 3.2A: Complaints Resolution – Input⁵



The input of cases into Complaints Resolution in Q2 2013 decreased by approximately 6% from the number received in Q1 201 (635). When compared to the same period in the previous 2 years, the department's input in Q2 2013 increased by 19% compared to Q2 2012 but was identical to the input in Q2 2011.

Detailed Analysis of New and Re-opened Complaints in Complaints Resolution

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	393	377	548	492	443
Lawyer Applicant Cases ★	0	0	0	0	0
Complaints against Licensed Paralegals	28	39	64	43	59
Paralegal Applicant Cases ★	0	0	0	0	0
Complaints against Non-Licensees/Non-Applicants*	0	0	0	0	0
TOTAL	421	416	612	535	502

★ Applicant cases include good character cases and UAP complaints

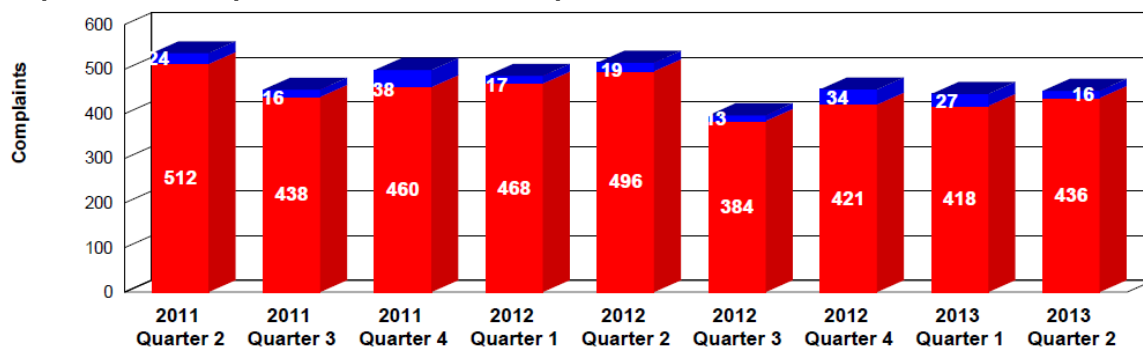
* For a complete analysis of UAP complaints see section 3.4.

⁵ Includes new complaints received into the department as well as complaints re-opened during the Quarter.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

Graph 3.2B: Complaints Resolution - Complaints Closed and Transferred Out



The number of cases completed in Q2 2013 by Complaints Resolution (452) increased by 2% over the number of cases completed in Q4 2012 (445).

Detailed Analysis of Complaints Closed and Transferred From Complaints Resolution

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	Closed	465	357	378	379	408
	Transferred	15	13	31	24	14
Lawyer Applicant Cases★	Closed	0	0	0	0	0
	Transferred	0	0	0	0	0
Complaints against Licensed Paralegals	Closed	31	27	43	39	28
	Transferred	4	0	3	3	2
Paralegal Applicant Cases★	Closed	0	0	0	0	0
	Transferred	0	0	0	0	0
Complaints against Non-Licensees/Non-Applicants*	Closed	0	0	0	0	0
	Transferred	0	0	0	0	0
TOTAL	Closed	496	384	421	418	436
	Transferred	19	13	34	27	16

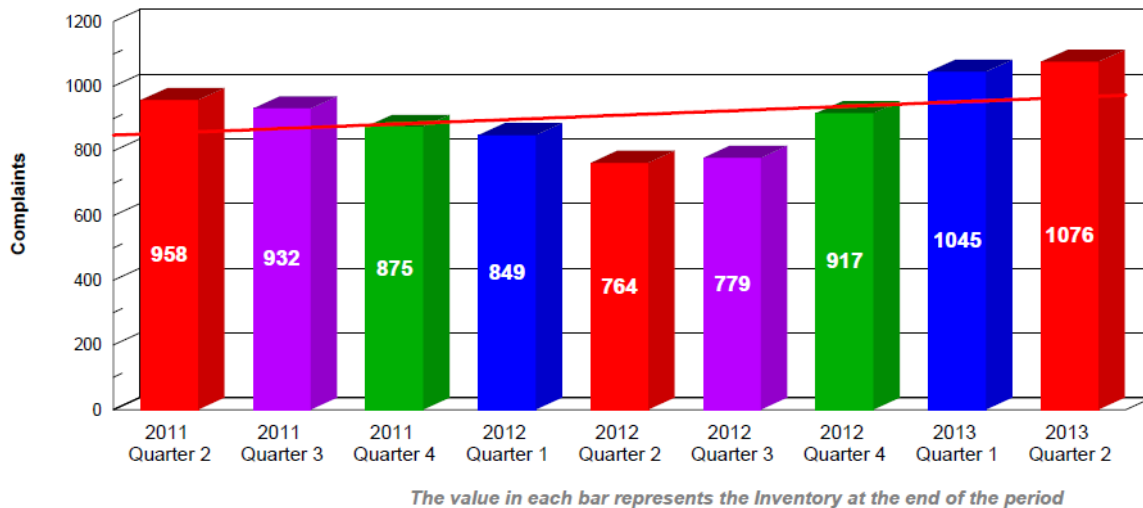
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

Graph 3.2C: Complaints Resolution – Department Inventory



At the end of Q2 2013, the department's inventory was 2% higher than at the end of Q1 2013. The inventory continues to consist mostly of complaints against lawyers.

Detailed Analysis of Complaint Resolution's Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	708	709	830	957	959
Lawyer Applicant Cases ★	0	0	0	0	0
Complaints against Licensed Paralegals	56	70	87	88	117
Paralegal Applicant Cases ★	0	0	0	0	0
Complaints against Non-Licensees/Non-Applicants*	0	0	0	0	0
TOTAL	764	779	917	1045	1076

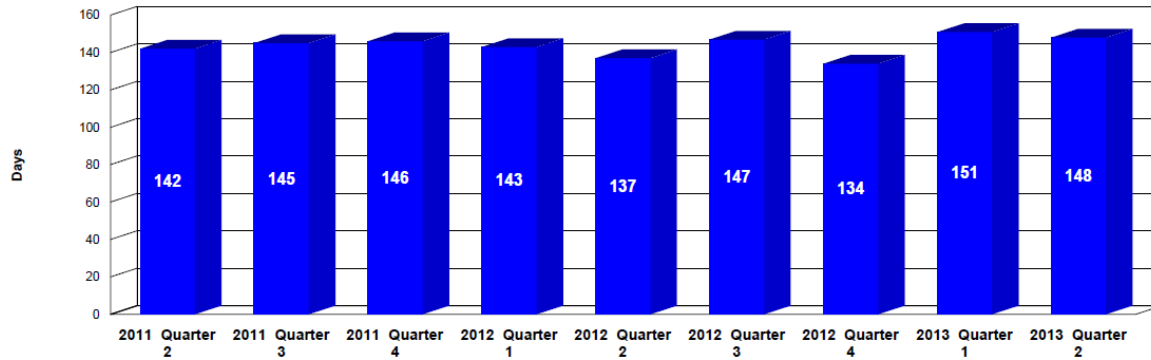
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.2 – Complaints Resolution

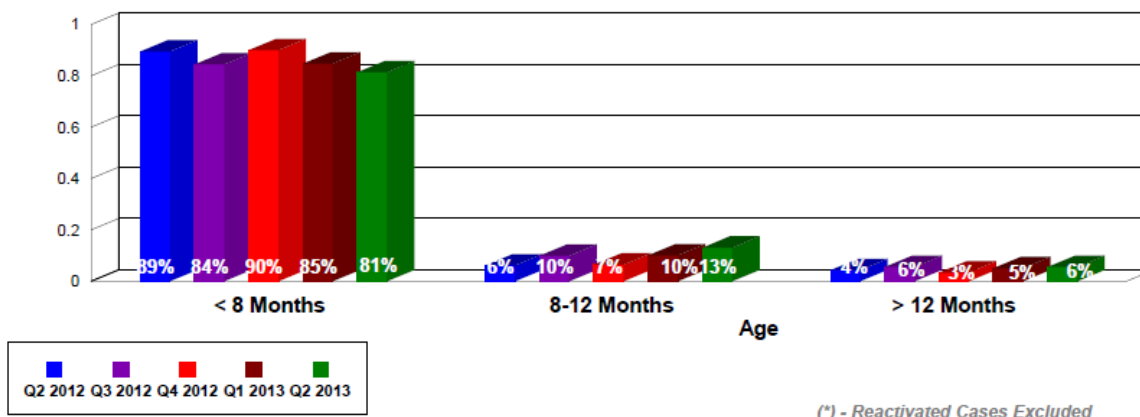
Graph 3.2D: Complaints Resolution - Median Age of Complaints



The department's median age decreased from the previous quarter and is slightly below the department's target range of 150-170 days.

3.2 – Complaints Resolution

Graph 3.2E: Complaints Resolution – Aging of Complaints



The above graph sets out the spectrum of aging in the department's inventory (excluding reactivated cases) at the end of each of the 5 quarters displayed. Excluding reactivated cases, Complaints Resolution's department inventory was 993 cases involving 881 subjects. The age distribution of those cases was:

Less than 8 months	808 cases involving 721 subjects
8 to 12 months	130 cases involving 119 subjects
More than 12 months	55 cases involving 41 subjects

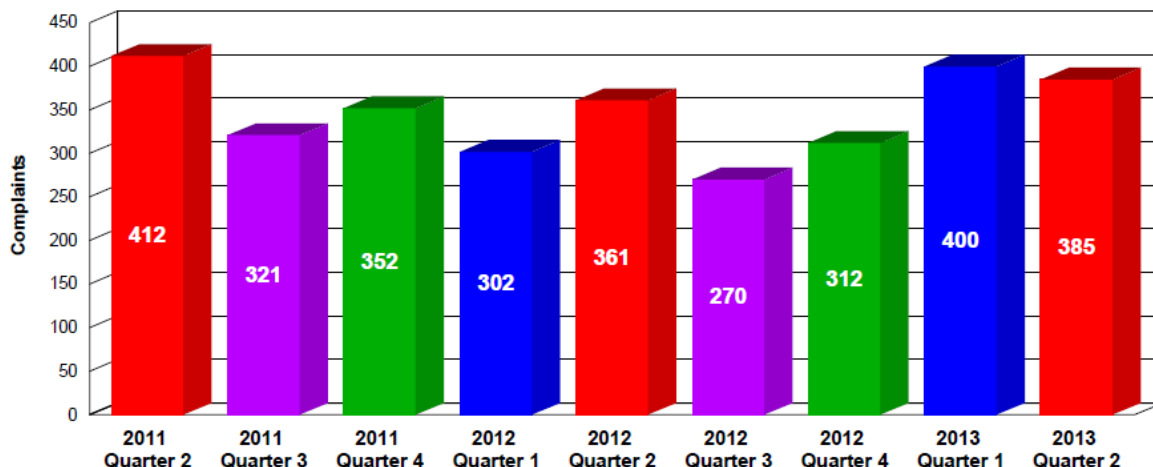
The goal is to reduce the proportion of cases in the older time frames and increase the proportion of cases in the youngest time frame. However, it is recognized that there will always be cases that are older than 12 months in Complaints Resolution for the following reasons:

- Newer complaints against the lawyer/paralegal are received. In some cases existing cases await the completion of younger cases relating to the same licensee;
- Delays on the part of licensees in providing representations and in responding to the investigators' requests. In a number of instances, the Summary Hearing process is required;
- Delays on the part of complainants in responding to licensee's representations and to investigators' requests for additional information; and
- New issues raised by the complainant requiring additional investigation

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.3 –Investigations

Graph 3.3A: Investigations - Input



The input of cases into the Investigations department in Q2 2013 decreased by 4% from the input in the last quarter (Q1 2013), largely due to the decrease in the number of complaints against lawyers.

Detailed Analysis of New and Re-opened Complaints Received in Investigations

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	209	192	200	254	208
Lawyer Applicant Cases ★	11	19	4	18	18
Complaints against Licensed Paralegals	71	25	54	67	69
Paralegal Applicant Cases ★	31	19	19	15	45
Complaints against Non-Licensees/Non-Applicants*	39	15	35	46	45
TOTAL	361	270	312	400	385

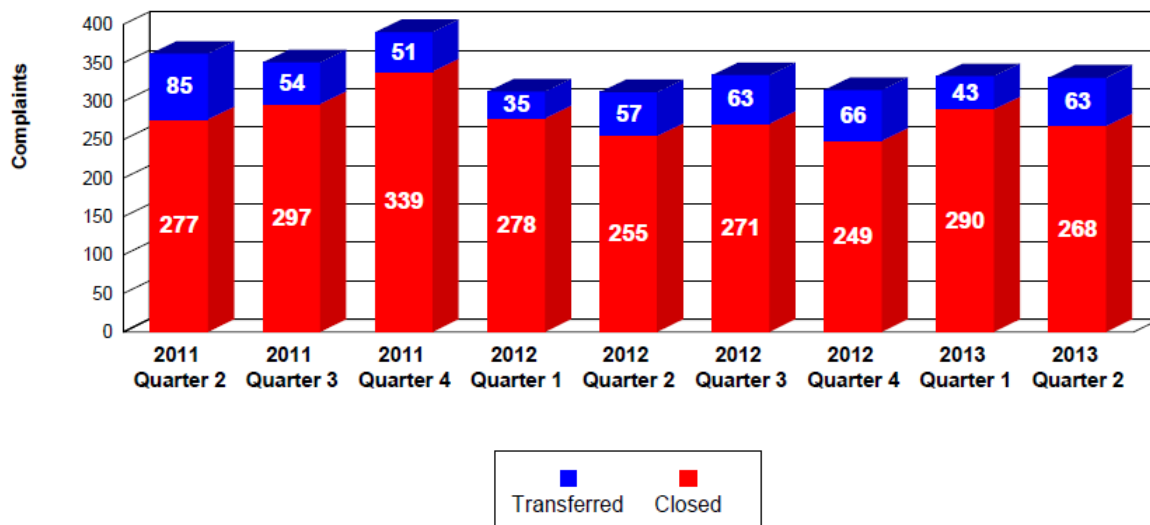
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.3 –Investigations

Graph 3.3B Investigations - Complaints Closed and Transferred Out



The number of cases closed/transferred out of the department in Q2 2013 (331 cases) was almost the same as the number completed in Q1 2013 (333 cases) but 6% more than the number completed in the same period in 2012 (i.e. 312 cases in Q2 2012).

Detailed Analysis of Complaints Closed and Transferred Out of Investigations

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	Closed	162	146	160	181	171
	Transferred	27	47	60	23	45
Lawyer Applicant Cases ★	Closed	8	5	8	11	17
	Transferred	1	0	0	1	0
Complaints against Licensed Paralegals	Closed	23	62	38	32	39
	Transferred	21	10	6	7	17
Paralegal Applicant Cases ★	Closed	15	22	17	23	12
	Transferred	0	0	0	4	1
Complaints against Non-Licensees/Non-Applicants*	Closed	47	36	26	43	29
	Transferred	8	6	0	8	0
TOTAL	Closed	255	271	249	290	268
	Transferred	57	63	66	43	63

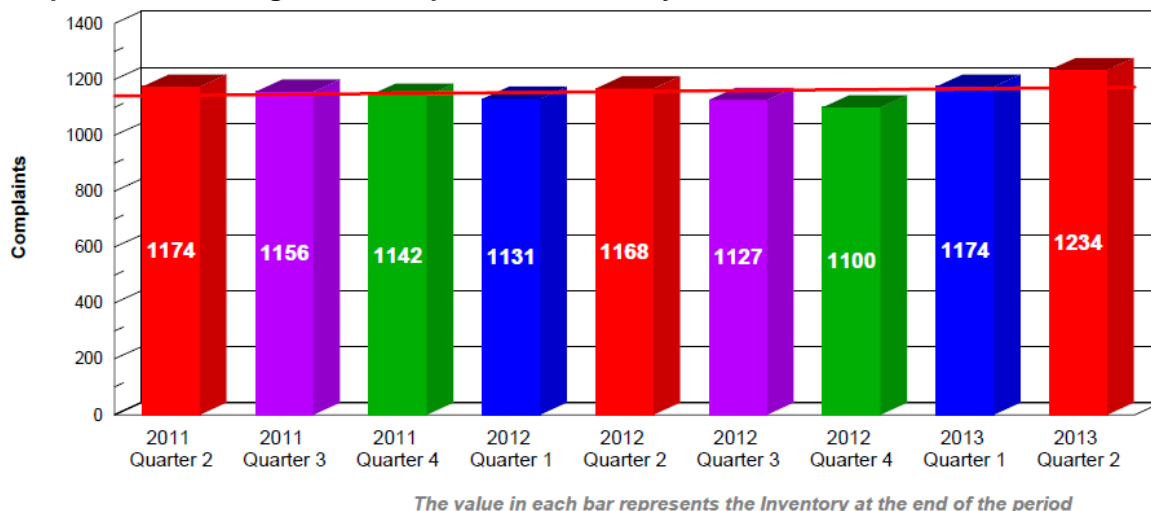
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.3 – Investigations

Graph 3.3C: Investigations – Department Inventory



The number of cases received by the department in Q2 2013 (385) exceeded the number of cases completed in the department (331). Consequently, Investigations' inventory increased by approximately 5% during the second quarter of 2013. The increase in inventory is attributable mainly to paralegal applicant cases and complaints against licensed paralegals and non-licensees.

Detailed Analysis of Investigations Inventory

	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Complaints against Lawyers	816	831	796	851	851
Lawyer Applicant Cases ★	14	29	25	31	31
Complaints against Licensed Paralegals	182	142	145	174	186
Paralegal Applicant Cases ★	47	43	43	32	64
Complaints against Non-Licensees/Non-Applicants*	109	82	91	86	102
TOTAL	1168	1127	1100	1174	1234

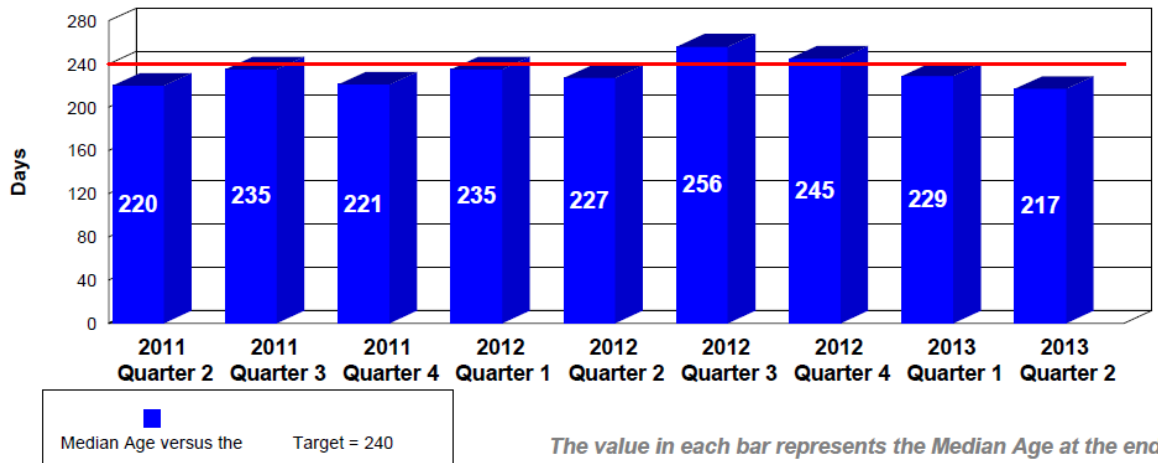
★ Applicant cases include good character cases and UAP complaints

* For a complete analysis of UAP complaints see section 3.4.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.3 – Investigations

Graph 3.3D: Investigations – Median Age of All Complaints

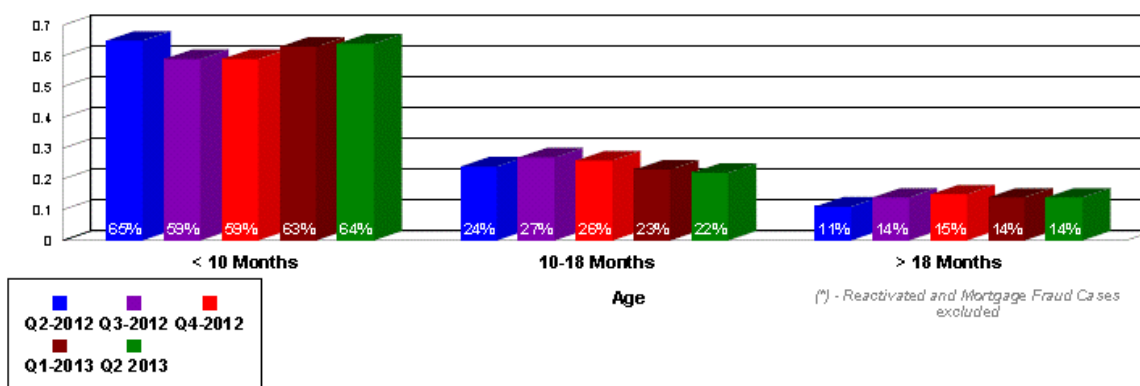


The department's median age decreased in the past quarter to 217 days which is below the target of 240 days.

3.3 – Investigations

Graph 3.3E: Investigations – Aging of Complaints

(a) Core Cases



The above graph sets out the spectrum of aging in the department's inventory (excluding reactivated and mortgage fraud cases) at the end of each of the 5 quarters displayed. The inventory of Investigations at the end of Q2 2013, excluding reactivated and mortgage fraud cases, was 1027 cases involving 790 subjects. The distribution of those cases was:

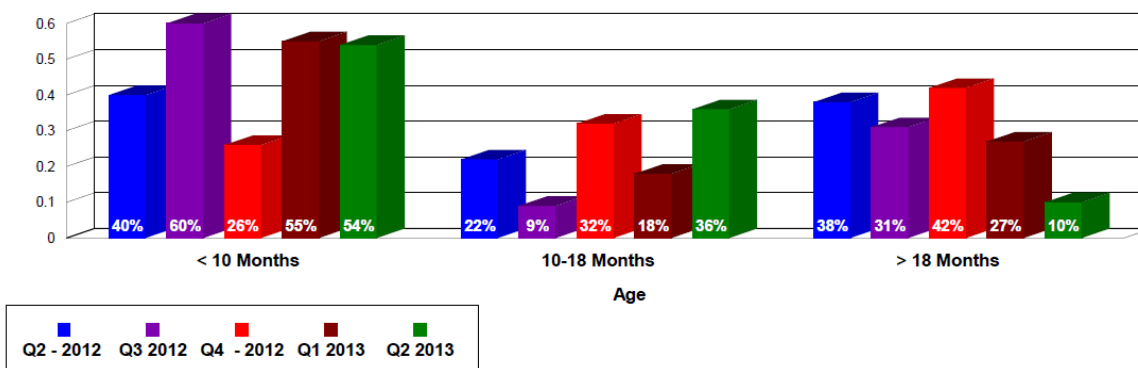
Less than 10 months	658 cases involving 492 subjects
10 to 18 months	223 cases involving 184 subjects
More than 18 months	146 cases involving 114 subjects

While the department strives to reduce the proportion of cases in the older time frame and to increase the proportion of cases in the youngest time frame, it is recognized that there are cases that are older than 18 months in Investigations for the following reasons:

- The investigator has to wait for evidence from a third party (i.e. not the complainant or the licensee/subject), for example psychiatric evaluation, court transcripts, or a key witness;
- Newer complaints are received against the licensee/subject. In order to move forward together to the Proceedings Authorization Committee, the older cases await the completion of younger cases;
- A need to coordinate investigations between different licensees/subject where the issues arise out of the same set of circumstances (e.g. a complainant complains about 2 lawyers in relation to the same matter);
- Multiple cases involve one lawyer. These investigations are complex and time consuming;
- Where capacity issues are raised during a conduct investigation.

3.3 – Investigations

(b) Mortgage Fraud Cases



The above graph sets out the spectrum of aging in the department's mortgage fraud case inventory at the end of each of the 5 quarters displayed. The inventory of mortgage fraud cases at the end of Q2 2013 was 93 cases involving 81 subjects. The distribution of those cases was:

Less than 10 months	50 cases involving 40 subjects
10 to 18 months	34 cases involving 32 subjects
More than 18 months	9 cases involving 9 subjects

As noted above, the department strives to reduce the proportion of mortgage fraud cases in the older time frame and to increase the proportion of cases in the youngest time frame. However, it is recognized that there will always be mortgage fraud cases that are older than 18 months in Investigations for the reasons cited above, particularly:

- When newer complaints against the licensee/subject are received, existing investigations may have to await their completion in order that all the cases can be taken to Proceedings Authorization Committee together.
- There is a need to coordinate investigations between different licensees/subject where the issues arise out of the same set of circumstances (e.g. a complainant complains about 2 lawyers in relation to the same matter).
- There are multiple cases involve one lawyer resulting in greater complexity.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.4 – Unauthorized Practice (UAP)

Graph 3.4A: Unauthorized Practice Complaints in Intake

Quarter	New	Closed/Transferred			Active at end of Quarter
		Closed	Transfer to CR	Transfer to Inv	
Totals: 2008	337	122	50	168	
Totals: 2009	445	165	86	192	
Q1 2010	94	42	0	76	36
Q2 2010	89	32	0	69	32
Q3 2010	67	32	1	50	29
Q4 2010	80	45	0	54	18
Totals – 2010 (+ POL)	330* (398)	151	1	249	
Q1 2011 (+ POL)	61 (74)	24	0	41	20
Q2 2011 (+ POL)	61 (84)	20	1	54	12
Q3 2011 (+ POL)	70 (80)	27	0	49	28
Q4 2011 (+ POL)	63 (83)	16	1	62	15
Totals – 2011 (+POL)	255 (321)	87	2	206	
Q1 2012 (+ POL)	77(91)	16	0	61	17
Q2 2012 (+POL)	58 (80)	22	0	49	6
Q3 2012 (+POL)	41 (44)	16	0	27	11
Q4 2012 (+POL)	80 (84)	32	0	45	19
Totals – 2012 (+POL)	256 (299)	86	0	182	
Q1 2013 (+POL)	71(93)	29	0	59	11
Q2 2013 (+POL)	60(66)	26	0	51	5

* In response to the number of UAP complaints being received in the division, a new allegation of “Practising Outside the Scope of Licence” (“POL”) was added to the division’s case management system in Q1 2010. This allows for improved identification of the nature of these complaints. In Q2 2013, complaints alleging practicing outside the scope of licensee were received in a total of 6 cases. Prior to Q1 2010, these would have been included in the UAP figures.

As noted in the chart above, in the first half of 2012, the Division received 4 fewer UAP complaints than it did in the first half of 2012 (131 vs. 135).

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.4 – Unauthorized Practice (UAP)

Graph 3.4B: Unauthorized Practice investigations (in Complaints Resolution and Investigations)

	New		Closed ⁶		Inventory	
	CR	Inv	CR	Inv	CR	Inv
Totals: 2008	52	171	64	126	106	
Totals: 2009	77	187	48	138	168	
Q1 2010	0	76	12	73	17	79
Q2 2010	0	69	6	54	10	90
Q3 2010	1	50	2	31	8	108
Q4 2010	0	54	8	32	0	124
Totals: 2010	1	249	28	190	124	
Q1 2011	0	41	0	61	0	104
Q2 2011	1	54	0	56	1	102
Q3 2011	0	49	0	45	1	106
Q4 2011	1	62	0	26	1	139
Totals: 2011	2	206	0	188	140	
Q1 2012	0	61	1	45	0	156
Q2 2012	0	49	0	65	0	140
Q3 2012	0	27	0	41	0	120
Q4 2012	0	45	0	34	0	131
Totals: 2012	0	182	1	185	131	
Q1 2013	0	59	0	62	0	128
Q2 2013	0	51	0	36	0	143

As noted in the chart above, in Q2 2013, a total of 36 UAP cases were completed and the inventory of UAP cases in Investigations was 143 cases at the end of Q2 2013.

Graph 3.4C: UAP Enforcement Actions

In the second quarter of 2013, an order was obtained prohibiting the respondents from further contravening the provisions of s. 26.1 of the *Law Society Act* in 1 matter.

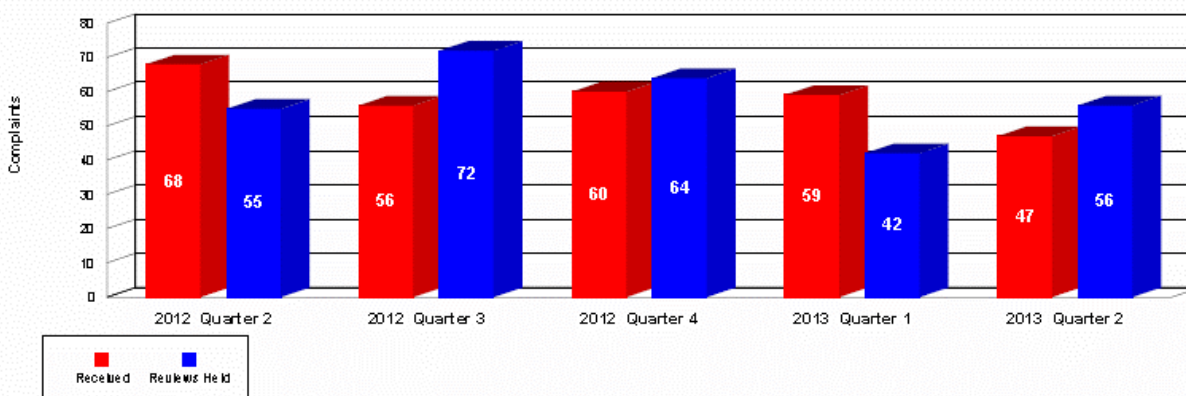
As at June 30, 2013, there were 3 open UAP matters. In 1 matter a permanent injunction is being sought. In the second matter, a permanent injunction has been ordered, however the order is outstanding. In the third matter, an appeal of a permanent injunction has been filed.

⁶ “Closed” refers to completed investigations and therefore consists of both those investigations that were closed by the Law Society and those that were referred for prosecution/injunctive relief.

The Law Society of Upper Canada
 The Professional Regulation Division
 Quarterly Report (April 1 – June 30, 2013)

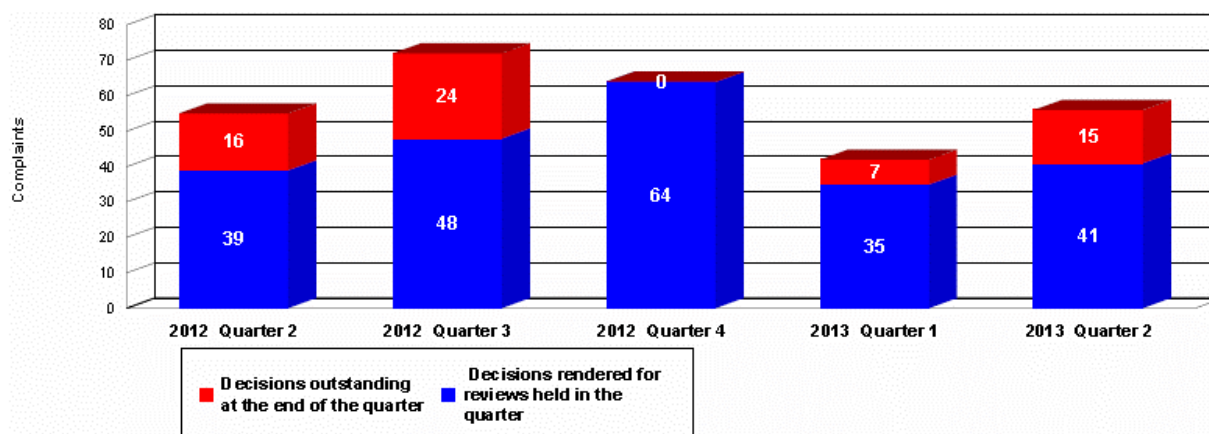
3.5 – Complaints Resolution Commissioner

Graph 3.5A: Reviews Requested and Files Reviewed (by Quarter)



In Q2 of 2013, the Complaints Resolution Commissioner received 47 requests for reviews of cases closed in either Complaints Resolution or Investigations and reviewed 56 cases. Eleven of the cases reviewed were conducted in writing.

Graph 3.5B: Status of Files Reviewed in each Quarter



While the files may be reviewed in one quarter, the final decision by the Commissioner may not be rendered in the same quarter. In Q2 of 2013, the Commissioner rendered decisions in 41 of the 56 cases reviewed in that quarter. As at June 30, 2013, decisions were outstanding in 15 of the 56 cases.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.5 – Complaints Resolution Commissioner

Graph 3.5C: Decisions Rendered, by Quarter

Quarter	Decisions Rendered (# of decisions where review in previous quarter(s))	Files to Remain Closed	Files Referred Back to PRD
Total 2009	194	174 (90%)	20 (10%)
Total 2010	193	160 (83%)	33 (17%)
Q1 2011	85	79 (93%)	6 (7%)
Q2 2011	60	58 (96%)	2 (4%)
Q3 2011	53	50 (94%)	3 (6%)
Q4 2011	62	61 (98%)	1 (2%)
Total 2011	260	248 (95%)	12 (5%)
Q1 2012	36	32 (89%)	4 (11%)
Q2 2012	50	48 (96%)	2 (4%)
Q3 2012	67	63 (94%)	4 (6%)
Q4 2012	89	81 (91%)	8 (9%)
Total 2012	242	224 (93%)	18 (7%)
Q1 2013	35	33 (94 %)	2 (6 %)
Q2 2013	47	43 (91%)	4 (9%)

In Q2 2013 the Commissioner rendered 47 decisions. Of those 47 decisions, the Commissioner sent 4 files (9%) back to Professional Regulation. In 3 of those files, the Commissioner was not satisfied that the decision to close was reasonable and recommended further investigation. With respect to the fourth case, while he found the Law Society's decision to close the case to be reasonable, the Commissioner referred the case back for Professional Regulation to consider new information provided by the Complainant during the review..

With respect to the 3 cases referred back with a recommendation for further investigation, no decision has been rendered by the Director with respect to the Commissioner's recommendation.

Active Inventory

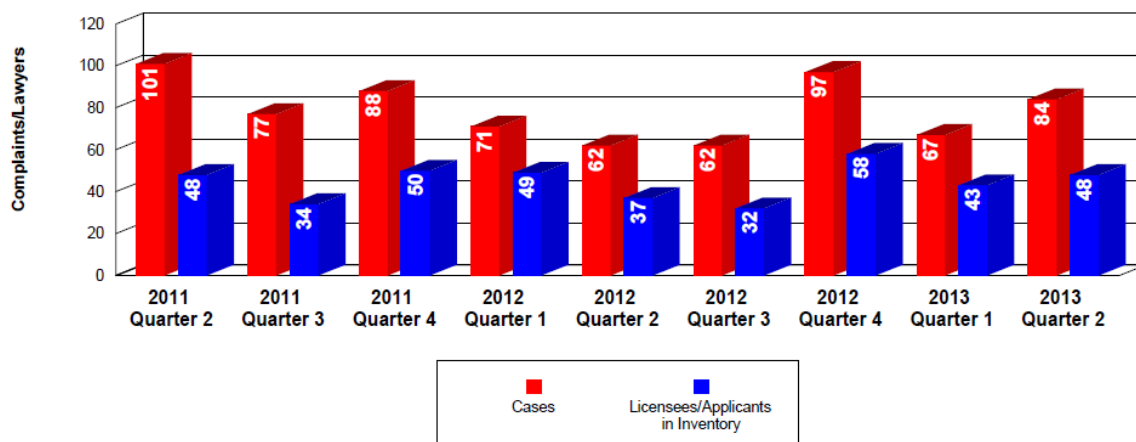
As at June 30, 2013, the Office of the Complaints Resolution Commissioner had an inventory of 141 files:

Request received; awaiting preparation of CRC materials	66 files
Review Meeting Scheduled	52 files
Review Completed Awaiting decision	17 files
Cases in Abeyance	6 Files

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6A: Discipline - Input⁷



As noted in the chart below, in Q2 2013, the department received complaints from various departments involving 36 lawyers (relating to 65 cases), 11 licensed paralegals (relating to 18 cases), and 1 paralegal applicant.

Detailed Analysis of New Cases Received in Discipline

		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Lawyers	Cases	31	48	89	47	65
	Lawyers	26*	27*	51*	29*	36*
Lawyer Applicants	Cases	1	0	1	1	0
	Lawyer Applicants	1*	0*	1*	1*	0
Licensed Paralegals	Cases	27	14	8	9	18
	Licensed Paralegals	9*	5*	5*	7*	11*
Paralegal Applicants	Cases	3	5	1	10	1
	Paralegal Applicants	1*	1*	1*	6*	1*
TOTAL	Cases	62	62	99	67	84
	Licensees & Applicants	37*	32*	58*	43*	48*

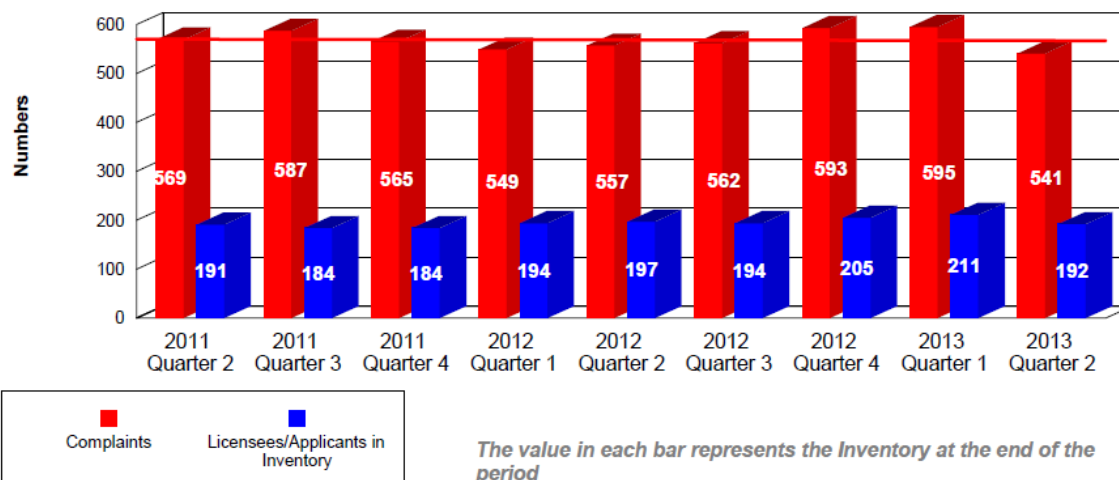
* The number of new Lawyers and Paralegals cited represents the number coming into the department each quarter. However, there may, in fact, already be cases involving the licensee/applicant in the department.

⁷ "Input" refers to complaints that were transferred into Discipline from various other departments during the specific quarter. Includes new complaints/cases received in Discipline and the lawyers/applicants to which the new complaints relate.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6B: Discipline – Department Inventory⁸



This graph shows the total number of licensees/applicants and related complaints that are in the Discipline process at the end of each of the last 9 quarters. At the end of Q2 2013, the department's inventory of licensee/applicants (192) was slightly lower than at the end of Q2 2012 (197) and the same as at the end of Q2 2011 (191).

Detailed Analysis of Discipline's Inventory

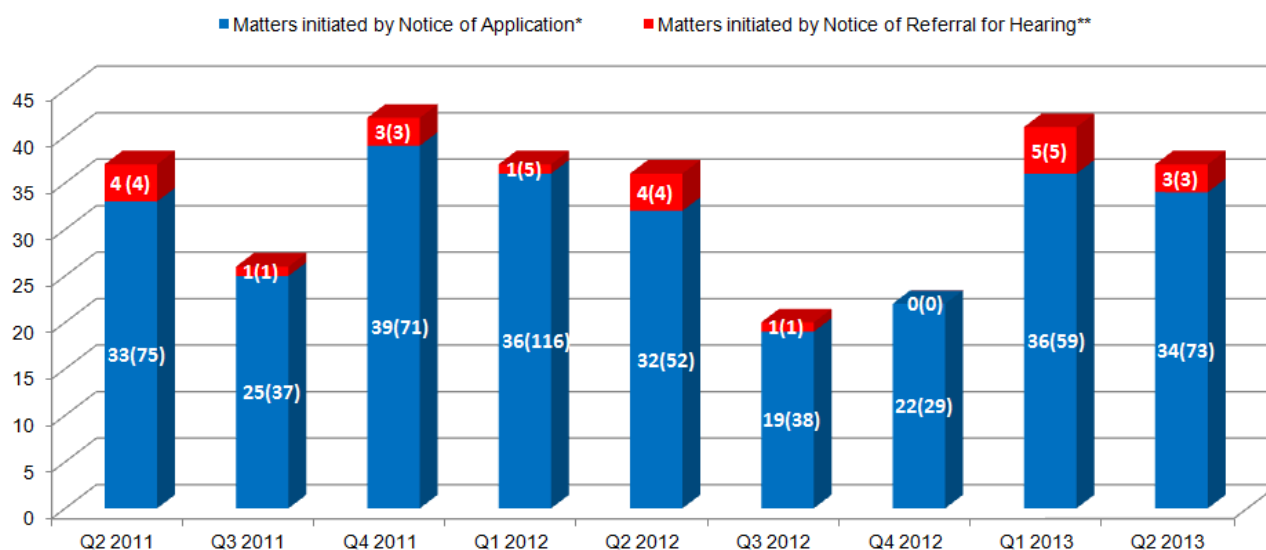
		Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Lawyers	Cases	479	482	514	508	460
	Lawyers	162	162	171	176	160
Lawyer Applicants	Cases	5	4	4	5	3
	Lawyer Applicants	5	4	4	5	3
Licensed Paralegals	Cases	47	53	58	60	57
	Licensed Paralegals	19	18	21	20	20
Paralegal Applicants	Cases	23	23	17	22	21
	Paralegal Applicants	11	10	9	10	9
TOTAL	Cases	557	562	593	595	541
	Licensees & Applicants	197	194	205	211	192

⁸ Consists primarily of complaints and lawyers/applicants that are in scheduling and are with the Hearing Panel or on appeal.

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6C: Discipline - Notices Issued



* Matters which are initiated by Notice of Application include conduct, capacity, non-compliance and competency matters. Also included in this category are interlocutory suspension/restriction motions.

** Matters which are initiated by Notice of Referral for Hearing (formerly Notice of Hearing) include licensing (including readmission matters), reinstatement and restoration matters.

The above graph shows the number of notices issued by the Discipline department in the past 9 quarters. The numbers in each bar indicate the number of notices issued and, in brackets, the number of cases relating to those notices. One notice may relate to more than one case. For example, in Q2 2013, 34 Notices of Application were issued (relating to 73 cases) and 3 Notices of Referral for Hearing were issued (relating to 3 cases).

With respect to the 34 Notices of Application⁹/Notices of Motion for Interim Suspension Order which were issued in Q2 2013:

- 17 were issued less than 1 month after PAC authorization;
- 14 were issued between 1 and 2 months after PAC authorization; and
- 2 were issued between 2 and 3 months after PAC authorization; and
- 1 was issued more than 3 months after PAC authorization.

With respect to the 3 matters for which a Notice of Referral for Hearing were issued in Q2 2013, 2 were issued less than a month after PAC authorization. One matter did not require PAC authorization as it related to a reinstatement matter.

⁹ Notices of Application are issued with respect to conduct, competency, capacity and non-compliance matters and require authorization by the Proceedings Authorization Committee (PAC).

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6D: Discipline – Completed Matters

		Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
Conduct Hearings	Lawyers	17	16	18	31	20	33
	Paralegal Licensees	6	6	4	3	4	2
Interlocutory Suspension Hearings/Orders	Lawyers	2	1	1	-	-	1
	Paralegal Licensees	-	1	-	-	-	-
Capacity Hearings	Lawyers	-	-	1	4	1	-
	Paralegal Licensees	-	-	-	-	-	-
Competency Hearings	Lawyers	-	-	-	-	-	-
	Paralegal Licensees	-	-	-	-	-	-
Non-Compliance Hearings	Lawyers	-	-	-	1	-	-
	Paralegal Licensees	-	-	-	-	-	-
Reinstatement Hearings (incl. Term Disputes)	Lawyers	2	1	-	-	1	-
	Paralegal Licensees	-	-	-	-	-	1
Restoration	Lawyers	-	-	-	-	-	-
	Paralegal Licensees	-	-	-	-	-	-
Licensing Hearings (including Readmission)	Lawyer Applicants	-	1	2	1	-	2
	Paralegal Applicants	3	1	1	-	1	1
TOTAL NUMBER OF HEARINGS	Lawyers*	21	19	22	37	22	36
	Paralegals*	9	8	5	3	5	4
	TOTAL	30	27	27	40	27	40

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (April 1 – June 30, 2013)

3.6 – Discipline

Graph 3.6E: Discipline – Appeals

The following chart sets out the number of appeals filed with the Appeal Panel, the Divisional Court or the Court of Appeal in the calendar years 2008, 2009, 2010, 2011, 2012 and the first quarter of 2013:

Quarter/Year	Appeal Panel	Divisional Court	Court of Appeal
2008	14	8 appeal	
2009	19	1 appeal	3 motions for leave; 2 appeals
2010	27	3 appeals; 2 judicial reviews	4 motions for leave
2011	18	6 appeals, 2 judicial reviews	2 motions for leave
2012	23	4 appeals; 5 judicial reviews	2 motions for leave
2013 1 st Quarter	7	1 judicial review	
2 nd Quarter	3	3 appeals	

As of June 30, 2013, there are 13 appeals pending before the Appeal Panel, 6 appeals in which the Appeal Panel has reserved on judgment, 1 appeal before the Appeal Panel that has been adjourned sine die, 1 appeal in which the Appeal Panel has rendered a decision but is still seized on the issue of penalty and 2 appeals in which the Appeal Panel has rendered a decision but is still seized on the issue of costs.

With respect to matters before the Divisional Court, there are 4 appeals and 1 judicial review matter pending. There are no matters pending in the Court of Appeal.

In the second quarter of 2013, decisions were rendered in 4 appeals before the Appeal Panel.

- 2 appeals launched by the licensees were dismissed;
- In the other 2 appeals, the Appeal Panel allowed the licensees' appeals.
 - In one appeal, the Appeal Panel set aside the decision and order of the Hearing Panel and remitted the matter for a new hearing before a differently constituted Hearing Panel:
 - In the other appeal, the Appeal Panel substituted the penalty of a 2-year suspension ordered by the Hearing Panel with a suspension for 12 months.

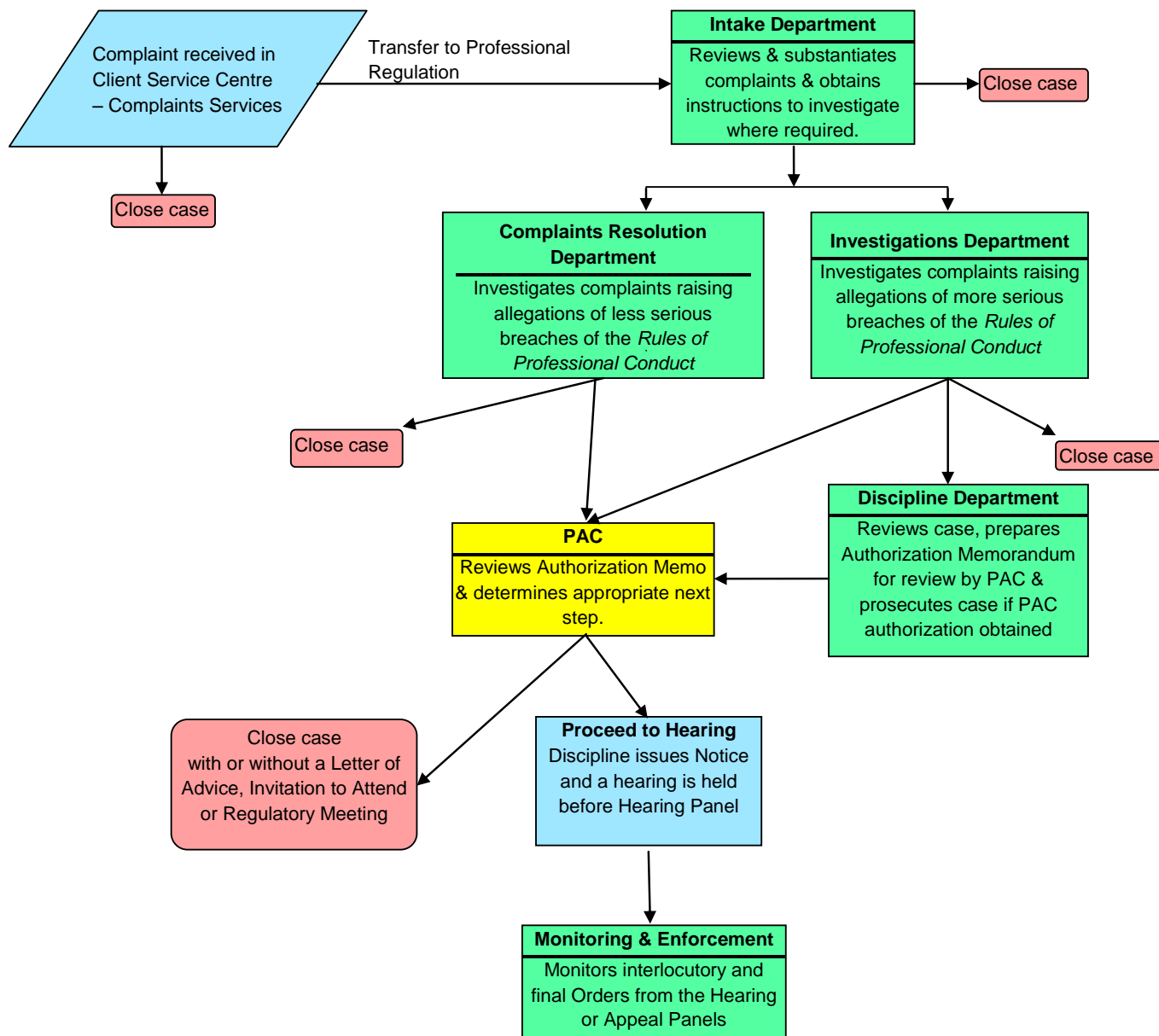
The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (October 1 – December 31, 2012)

SECTION 4

APPENDICES

The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (October 1 – December 31, 2012)

The Professional Regulation Complaint Process



The Law Society of Upper Canada
The Professional Regulation Division
Quarterly Report (October 1 – December 31, 2012)

PROFESSIONAL REGULATION ORGANIZATIONAL CHART

