



# The Law Society of Manitoba

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R3C 1S8

**KRISTIN DANGERFIELD, LL.B.**  
Chief Executive Officer

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## MEMORANDUM

**TO:** The Profession  
**FROM:** Kristin Dangerfield  
**DATE:** June 1, 2016  
**RE:** **2016/2017 Insurance Levy**

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This year the insurance levy for 2016/2017 has been set at \$1,550. Although this reflects an increase over last year, it still ranks favourably with insurance levies across the country. And it is considerably lower than it was two decades ago when lawyers in Manitoba were paying \$2,050 for their insurance premiums.

There are a number of considerations that are taken into account when establishing the insurance levy. First of all we consider the cost of the CLIA levy. This year our reciprocal insurer reduced its levy to \$349 from the \$596 that was charged last year. This resulted in large part from the changes to CLIA over the last year that have seen a new governance structure and changes to the rules of the reciprocal following the departure of Alberta from CLIA several years ago. That is the good news.

Our actuaries must also take a look at our claims experience, which includes the frequency and severity of claims, our experience on past claims, and projections on our existing and future claims. Unfortunately, 2015/2016 was what might be described as a bad year in the insurance world. We experienced an increase in claims and in our reserves. At the same time our investment performance was not as robust as it has been in the past, given the current economic climate. Nonetheless, our actuaries prepare for all of this and by establishing reserves accurately and carefully, we are able to maintain relative stability in the levy from year to year. We are able to do so in part by making use of our reserves to subsidize the levy, and we were able to do so again this year.

We continue to work hard on loss prevention, claims management and maximizing investment performance. Tana Christianson and her staff do an excellent job of consistently managing claims in an efficient and professional manner. We are also actively exploring innovative means to enhance practice standards through management principles that will provide for better and more effective client and practice management, with a view to reducing claims. You will see more on that in the year to come. Please see your invoice for further details and the options for payment.

KD



# The Law Society of Manitoba

## INVOICE

**TO:**  
**The Profession**

**Date:** 2016-06-01  
**GST Registration No.:**  
10760 4357 RT

Your Professional Liability Claims Fund Contribution for the new policy year July 1, 2016 to June 30, 2017 is due on or before **Monday, July 4, 2016** and is payable as follows (please check the applicable boxes):

**Option #1 – Payment in Full**

CLIA Portion (non-refundable)	\$ 349.00
Professional Liability Claims Fund Contribution	1,201.00
RST	124.00
GST	<u>77.50</u>
<b>Due on or before: July 4, 2016</b>	<b><u>\$1,751.50</u></b>

**Option #2 – Instalment Plan**

**First Instalment**

CLIA Portion (non-refundable)	\$174.50
Professional Liability Claims Fund Contribution	600.50
Installment Charge	100.00
RST (on insurance only)	62.00
GST	<u>43.75</u>
<b>Due on or before: July 4, 2016</b>	<b><u>\$980.75</u></b>

**Second Instalment**

CLIA Portion (non-refundable)	\$174.50
Professional Liability Claims Fund Contribution	600.50
RST	62.00
GST	<u>38.75</u>
<b>Due on or before: Dec. 1, 2016</b>	<b><u>\$875.75</u></b>

**Payment**

Law Society Rule 2-87(1) provides for a penalty of \$10 daily, to a maximum penalty of \$300 for late payment of the contribution. A member who fails to pay within 30 days of the due date is automatically suspended from practising law pursuant to Rule 2-88.

**Exemption**

Law Society Rule 5-30(2) provides that a practising lawyer who is not required to contribute to the Professional Liability Claims Fund must complete and file an exemption form. The required form is attached and must be received by the Society no later than July 4, 2016.

**KRISTIN DANGERFIELD**  
Chief Executive Officer

Send cheques payable to the Law Society of Manitoba together with a copy of this invoice to the attention of Colleen Malone, C.F.O., 219 Kennedy Street, Winnipeg, MB, R3C 1S8.



# THE LAW SOCIETY OF MANITOBA

## EXEMPTION FORM FOR MEMBERS WHO DO NOT HAVE TO PAY THE PROFESSIONAL LIABILITY CLAIMS FUND CONTRIBUTION

### Please print legibly:

I, \_\_\_\_\_, claim an exemption from the contribution to the Professional Claims Fund under subsection 19(3) of *The Legal Profession Act* for one year commencing July 1, 2016 to June 30, 2017 (or from \_\_\_\_\_ to \_\_\_\_\_).

Complete either section A or section B below

### A. Manitoba Lawyers Employed by the Government of Manitoba/Federal Government/Municipality

1. I am a lawyer employed exclusively by (check one):

The Government of Manitoba (specify department):  
\_\_\_\_\_

An agency of the government as defined in s. 1(1) of *The Civil Service Act* except The Legal Aid Services Society of Manitoba (specify agency):  
\_\_\_\_\_

A municipality (specify):  
\_\_\_\_\_

The Federal Government (specify department):  
\_\_\_\_\_

2. I do not practise law in Manitoba outside the scope of this employment.

**OR**

### B. Members Resident and Practising in Another Canadian Jurisdiction:

1. I am a member in good standing of the Law Society of \_\_\_\_\_ with a current practising certificate in that jurisdiction.

2. I have current professional liability coverage in the above jurisdiction of at least \$1,000,000.00 per occurrence which coverage will provide protection for any act or omission by me arising out of professional services I may perform within Manitoba. **(Please attach a Certificate of Insurance from your home jurisdiction.)**

3. I do not maintain an office in Manitoba from which I provide legal services on a regular basis.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**Note: Law Society Rule 5-33 requires that if you cease to qualify for the exemption under subsection 19(3) of *The Legal Profession Act* you must immediately notify the Chief Executive Officer of your change in circumstances**



# LA SOCIÉTÉ DU BARREAU DU MANITOBA

## FORMULAIRE D'EXEMPTION À REMPLIR PAR LES MEMBRES QUI NE SONT PAS TENUS DE COTISER AU FONDS D'INDEMNISATION

**Veillez écrire lisiblement en caractères d'imprimerie.**

Moi, \_\_\_\_\_, je demande d'être exempté de contribuer au Fonds d'indemnisation en vertu du paragraphe 19(3) de la *Loi sur la profession d'avocat* pour une période de un an allant du 1<sup>er</sup> juillet 2016 au 30 juin 2017 (ou du \_\_\_\_\_ au \_\_\_\_\_).

Compléter la partie A ou la partie B

**A. Avocats du Manitoba à l'emploi du gouvernement du Manitoba, du gouvernement fédéral ou d'une municipalité**

1. Je suis à l'emploi exclusivement de l'un des organismes suivants (cocher la mention applicable) :

Le gouvernement du Manitoba (donner le nom du ministère) :

\_\_\_\_\_

Un organisme gouvernemental, au sens du paragraphe 1(1) de la *Loi sur la fonction publique*, exception faite de la Société d'aide juridique du Manitoba (donner le nom de l'organisme) :

\_\_\_\_\_

Une municipalité (donner le nom de la municipalité) :

\_\_\_\_\_

Le gouvernement fédéral (donner le nom du ministère) :

\_\_\_\_\_

2. Je n'exerce pas le droit au Manitoba, sauf dans le cadre de mon emploi.

**OU**

**B. Membres qui résident et exercent le droit dans une autre province ou un territoire du Canada :**

1. Je suis membre en règle du Barreau \_\_\_\_\_ et titulaire d'un certificat d'exercice valide délivré dans la province ou le territoire.

2. Je bénéficie dans la province ou le territoire d'une couverture de responsabilité pour faute professionnelle d'au moins 1 000 000,00 \$ par événement, cette couverture de responsabilité s'appliquant à tout geste – acte ou omission – lié aux activités professionnelles que je pourrais accomplir au Manitoba. (**Joindre un certificat d'assurance délivré dans votre province ou votre territoire de résidence**).

3. Je n'ai pas de bureau au Manitoba où je fournis des services juridiques d'une façon régulière.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**Note: La règle 5-33 de la Société du Barreau prévoit que si vous cessez de satisfaire aux conditions vous donnant droit à une exemption en vertu du paragraphe 19(3) de la *Loi sur la profession d'avocat*, vous devez informer sans délai le directeur général de tout changement de votre situation.**

## **Report Your Claims Now If You Want Coverage For Them**

Your Lawyers Professional Liability Insurance Policy expires July 1, 2016. If you know of any circumstances which might possibly, at some point in the future, give rise to an insurance claim against you **and** you want coverage under your Insurance Policy, then you must report these circumstances to the Law Society's Professional Liability Claims Fund staff before the end of June, 2016.

Section 4.2 of the Insurance Policy will only provide you coverage if you had no knowledge of the claim or potential claim before the policy period commenced and could not reasonably have foreseen that a claim might arise. So, if you have knowledge of a problem or are concerned about a file now, please call or write the Professional Liability Claims Fund staff and put us on notice before the policy year runs out on July 1, 2016. Claims Fund staff can be reached at:

Tana Christianson	926-2011	e-mail: tchristianson@lawsociety.mb.ca
Kate Craton	926-2012	e-mail: kcraton@lawsociety.mb.ca
Jim Cox	926-2024	e-mail: jcox@lawsociety.mb.ca

## **Insurance Claims Over \$1 Million**

All Insured lawyers in the Province of Manitoba have mandatory insurance coverage of \$1 Million per claim with an aggregate limit of \$2 Million. However, claims can and do exceed \$1 Million.

Excess coverage can be purchased through the Canadian Lawyers Insurance Association (CLIA) in amounts from \$1 to \$9 Million in excess of the \$1 Million mandatory insurance.

Rates for July 1, 2016 are as follows but will be reduced by a 15% premium credit.

<b><i>Limit of Liability</i></b>	<b><i>Premium Rate per Lawyer (July 1, 2016 to July 1, 2017)</i></b>	<b><i>Less 15% Premium Credit</i></b>
<b><i>\$1 Million excess of Mandatory \$1 Million</i></b>	<b><i>\$343.00</i></b>	<b><i>\$291.55</i></b>
<b><i>\$2 Million excess of Mandatory \$1 Million</i></b>	<b><i>\$504.00</i></b>	<b><i>\$428.40</i></b>
<b><i>\$3 Million excess of Mandatory \$1 Million</i></b>	<b><i>\$589.00</i></b>	<b><i>\$500.65</i></b>
<b><i>\$4 Million excess of Mandatory \$1 Million</i></b>	<b><i>\$624.00</i></b>	<b><i>\$530.40</i></b>
<b><i>\$9 Million excess of Mandatory \$1 Million</i></b>	<b><i>\$873.00</i></b>	<b><i>\$742.05</i></b>

For more information on this year's excess CLIA program and/or excess coverage for retired lawyers please contact Tana Christianson, Heather Vanrobaeys or Kristin Forbister of the Professional Liability Claims Fund. CLIA Excess Applications are also available at [www.clia.ca](http://www.clia.ca).

Tana Christianson	926-2011	e-mail: tchristianson@lawsociety.mb.ca
Heather Vanrobaeys	926-2036	e-mail: hvanrobaeys@lawsociety.mb.ca
Kristin Forbister	926-2047	e-mail: kforbister@lawsociety.mb.ca