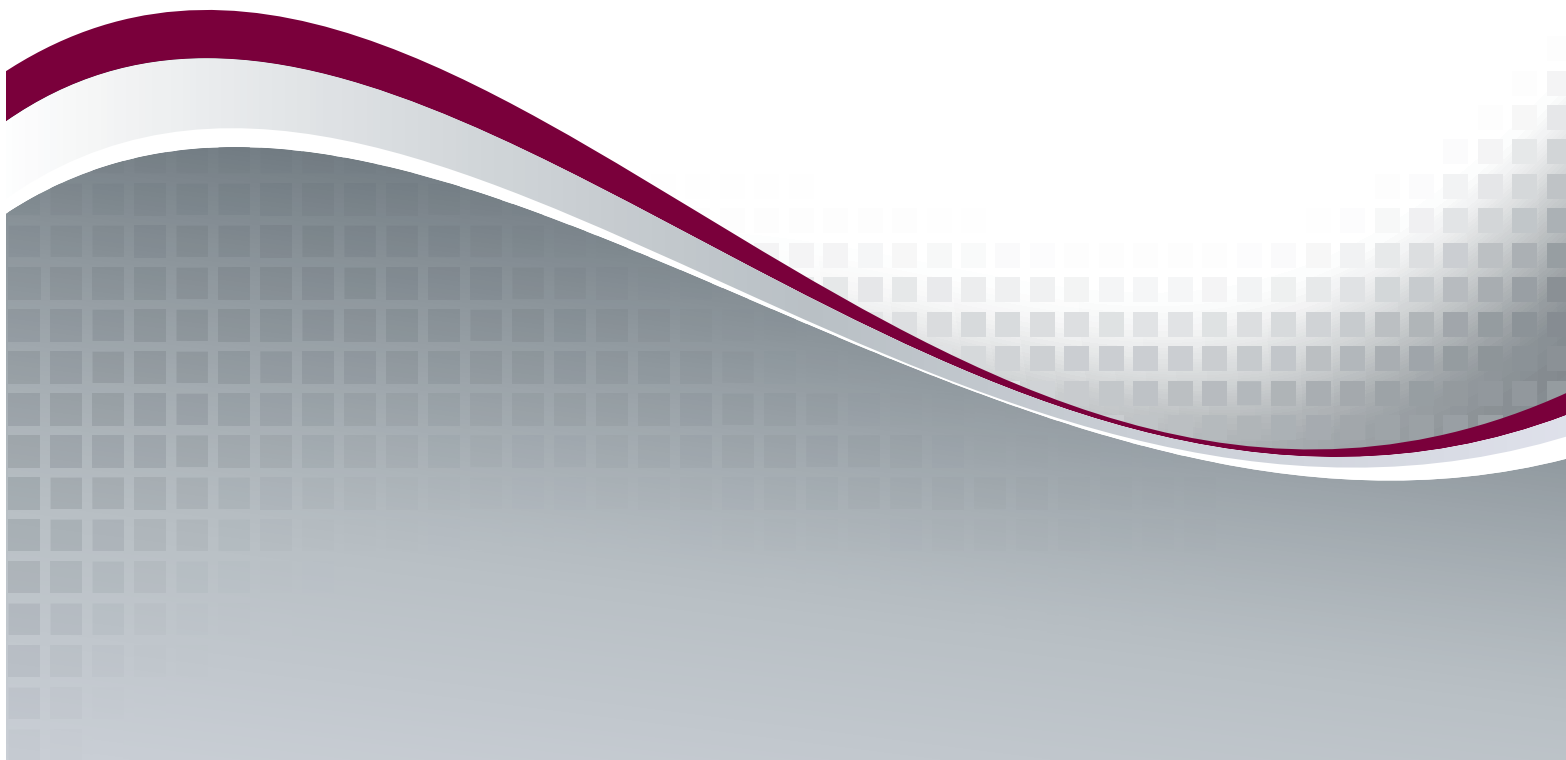


LAWYERS' INSURANCE

ASSOCIATION OF NOVA SCOTIA

ANNUAL REPORT 2024





Nova Scotia
Lawyers Assistance Program

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LAWYERS' INSURANCE ASSOCIATION OF NOVA SCOTIA

ANNUAL REPORT 2024

Mission Statement

The Lawyers' Insurance Association of Nova Scotia (LIANS), as established by the *Legal Profession Act*, conducts the mandatory professional liability insurance program for the benefit of the Members, which program includes providing risk and practice management (RPM) resources and administering the Society's Lawyer Assistance Program (LAP).

Vision

To be recognized by the Members and similar insurance programs in Canada for the superior quality and management of its professional liability and RPM programs and to continually meet its goals and objectives.

To achieve its vision, LIANS is guided by four strategic directions:

- (1) Maintain financial stability and strength
- (2) Oversee the Lawyers Assistance Program and assist Legal Services Support (LSS) through RPM initiatives
- (3) Ensure member satisfaction with LIANS, both organizationally and with its claim handling
- (4) Develop appropriate governance policies, procedures and controls

REPORT FROM THE CHAIR OF THE BOARD



**CHARLES
THOMPSON**

Chair

Charles Thompson
of Burchell
MacDougall
LLP-Truro is Chair
of the Board of
Directors and
a member of
the Investment
Committee.

LIANS had another positive year in 2024, with no big events (epidemics, stock market crashes or unanticipated large claim payouts) to cause our Director of Insurance, Lawrence Rubin, too many sleepless nights.

During 2024, LIANS opened 266 new claim files and closed almost the same number, 261, which is in the normal range for the past several years. While claim numbers have not changed significantly in recent years, claim severity has continued to worsen over time.

The financial performance of LIANS' operations for the year was positive. We had lower than projected defence costs and indemnity payments, and the performance of our investments exceeded expectations, largely due to strong equity markets. The performance of the investment portfolio has a huge impact on the overall financial situation of LIANS, and positive returns on our investments are what enables the organization to continue to fund a credit on the gross amount of the levy.

The levy for 2024-2025 for lawyers in private practice was \$1,950, in line with the amount of the levy over the past several years. For 2025-2026 the levy has increased slightly to \$1,989.

Though the effects of increasing claim severity and costs are mitigated, to a degree, by investment returns, as costs continue to increase they will present challenges for the future, particularly if there is volatility in investment markets.

A reminder that along with managing the insurance program and claims handling, LIANS engages in many other activities and initiatives, including the Lawyers Assistance Program (LAP), fraud alerts, the LIANSwers newsletter, and mentorship program,

that assist LIANS in achieving its mandate and provide a valuable service to members.

This is my last report as Board Chair and my term as a Board Director of LIANS is also at an end after almost eight years. I want to take to this opportunity to say two things.

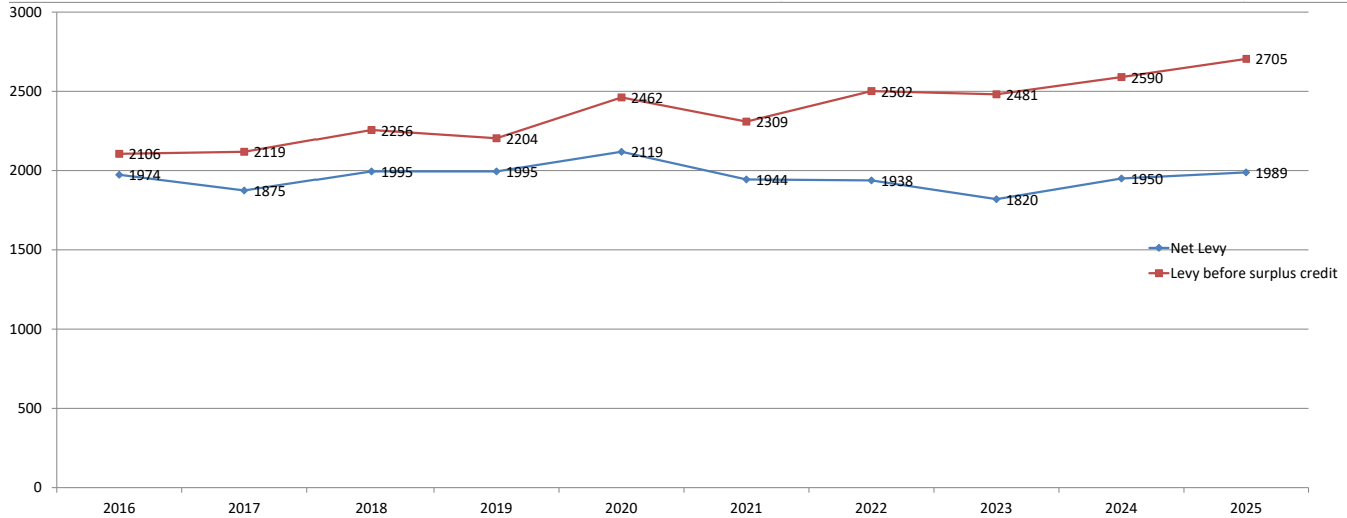
First, thank you to Lawrence for his hard work and dedication to LIANS and to his role as Director of Insurance. He is a great asset to LIANS. Also thanks to the rest of the staff, who do an excellent job of managing claims and otherwise operating the business of LIANS. Finally, thanks to the many current and former Directors I have had the privilege to work with.

Second, I want to make a pitch to lawyers across the province to consider joining the Board or a Committee of LIANS. There is a need for lawyers from all backgrounds to participate in LIANS. I have learned an incredible amount during my tenure and have greatly enjoyed my work on the Board and Committee work. While experience in and knowledge of insurance is helpful, I can attest to the fact that it is not critical to playing a productive role on the Board. The time commitment and expectations are very reasonable, and the experience of working with a bright and insightful team of staff and fellow Directors is very rewarding.

The LIANS Board is now chaired by Joshua Martin. Josh has many years of experience on the Board and in the insurance field, and he is committed to LIANS and its mission – he will perform very well in his role as Chair. I wish Josh, Lawrence and the rest of the LIANS team all the best.

Charles Thompson
Chair

INSURANCE LEVY: 10-YEAR HISTORY



PROGRAM REPORT



LAWRENCE RUBIN,

Director of

Insurance

The opening comment in our 2023 annual report was that the metrics we track had, for the most part, returned to behaving as we expect them to. This remained the case through 2024. One only has to go back a few years to find a time when nothing was behaving as it should. Two items on any list of things insurance providers like are accurate predictions and metrics in expected ranges. We like it when things behave at least as expected. Boring perhaps, but it works.

The Metrics

In January, we predict what we think the year will look like. These predictions, and the assumptions used by the actuary, make their way into the levy for the renewal policy year. Invariably, over the next 12 months there will be deviation from those predictions and assumptions. We may see significantly more, or significantly fewer, claims than expected. We may pay more, or less, than we expect.

But through it all, one consistency year-over-year is our ability to resolve matters within our assessments. This is a testament to our assessing each claim we receive fairly and reasonably and standing by our assessments. It means, on one hand, maintaining diligence when dealing with the challenges of unreasonable expectations and, on the other, recognizing that things will happen that affect our assessments, positively or negatively, and quickly adjusting to deal with those changed circumstances.

Most often for this program, the solution to a claim is a repair that we carry out, often with the assistance of the insured involved in the claim. And make no mistake - if a repair is the solution, that is the solution. An assumption many make is that if a lawyer (or anyone for that matter) makes a mistake, then there is an entitlement to damages. That is a false assumption. Financial loss has to be proven as we will not make economic settlements. We will not compensate false or frivolous claims or matters where there is no financial loss. Lest we breach our mandate which is to provide the mandatory professional liability program for the benefit of the membership.

To summarize 2024's claim performance, both paid defence and claim costs were significantly below our projections

for the year, defence costs 30% below and indemnity payments 45% below. But this should not be taken as an indication that severity is decreasing for it is not. The reduction in what we paid out does not reflect increasing case reserves or the increasing number of files that are before our Claims Review Committee, discussed below. The reduction in paid defence costs was an anomaly and paid indemnity has been lower than expected for some time. Case reserves are based on allegations and assessments but resolutions are based upon our having reports and documents that support the allegations and any financial loss claimed.

So how did 2024 compare to prior years? From 2019 through 2023, the fiscal year average ratio of our claim costs versus levy revenue was approximately 68%, meaning that for every dollar of levy revenue received, on average the program spent \$0.68 on claims. For 2024, the ratio was 61%, primarily attributed to the lower than usual paid defence costs. But when we add in our administrative costs, they typically ranging from 30 – 37% of levy revenue per year, the program typically spends every levy dollar it receives. This result emphasizes the necessity of positive performance of the investments as it is the investments that grow the surplus and support the levy credit which means rate stability.

As important as claim metrics are for us, we know what matters most to you is how all this translates into the levy you see on your invoice. We strive to provide your primary professional liability insurance coverage at the lowest possible cost to you. The starting point to setting the levy is what the actuary determines the program will require to operate for the upcoming policy year and for the 2025 – 2026 policy year, this amount increased by 2% from the prior policy year. But as you know, the cost of the program is divided among the members to establish the per person and then per practicing lawyer cost. And this year we saw a reversal in a trend we had the benefit of for several years, that being increasing member count. This year a decline is forecast which results in the gross levy per full practicing lawyer increasing by 4.5% over last year.

In some years, excess surplus declines over the prior year making less available for a levy credit. In other

PROGRAM REPORT

years it increases making more available. 2024 saw an increase and it has translated into the largest credit per full practicing lawyer that the program has provided in several years, the total value of the credit being 9% larger than the previous year and the largest credit issued since 2015 when the current structure of the program was implemented. Though the net result on the levy after applying the credit is a full practicing levy for the 2025-2026 policy year that is 2% (\$39) higher than last year, that number is 26% below the actuarially determined pre-credit or gross levy. But everything has a cost and providing the credit means that there is likely to be a levy deficiency for the year as levy revenue will be lower than what the actuary determines the program requires. The cost of this shortfall is indicated as a levy deficiency on our financial statements. Referring to the summary of the financial statements, the deficiency for 2024 was \$665,000.00, an amount we expect to cover by investment gains.

Though we paid less in claims in 2024, overall, the program operated within our usual and expected parameters and 2025, thus far, is continuing that trending.

Claims

Claim frequency in 2024 was higher than the prior year but in the range we have seen over the past ten years. The ten-year average is slightly below what it was last year (259 versus 260) but if we remove years more than one standard deviation from the mean to account for anomalies such as 2022, the average new file count is 253, the same as last year. 2022 went a long way to compensating for the lower claim frequency during the pandemic and that reduction appears to have been made up.

YEAR	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
FILES OPENED	266	243	291	239	246	277	237	285	245	258

With declining member count and the increased new claim count, the number of new files per hundred lawyers increased from last year but remains in the usual range.

Claims Reported Per 100 Lawyers (2015-2024)

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
13	11	14	12	13	14	12	14	13	13

Risk Management

With frequency being steady, increasing claim costs are attributed to increasing severity. Though what we actually pay in claims is one way to look at severity, the better way is to look at our claim reserves, these being the estimates we put on claims as we assess them. Referring to the financial summary provided in this annual report, the claims provision as of December 31 , 2024 is 8% higher than the prior year end, the highest year over year change since 2021. The Claims Review Committee (CRC) reviews all claims where the total incurred, that is the sum of defence and indemnity amounts paid and reserved, exceeds \$125,000. As of January 2025, the CRC had 50% more matters before it than at that time in 2024 with both the average defence and indemnity amounts being higher than they were the prior year.

One way, perhaps the best way, to reduce severity is risk management, the process of minimizing risk by identifying potential loss exposures and taking steps to minimize their financial impact. For lawyers, risk management is primarily practice management - confirming instructions, making file notes, staff training and supervision and cyber awareness. It also means not becoming the victim of a financial fraud, especially if the nature of the fraud is not something LIANS can help you resolve. Situational awareness to all these things is important for your practice.

Also important if you have a claim or potential claim is to promptly report it to LIANS and fully cooperate with us. We are seeing an increase in both late reported claims and lack of cooperation from our insureds once claims are reported. We remind the profession that late reporting and lack of

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cooperation are contrary to terms and conditions in the policy and either can result in prejudice to us, a risk we are having to increasingly advise of in individual matters. There is no excuse for either. We recently wrote about this and its potential to result in a denial of coverage in the November 2024 issue of LIANSwers. Rather than repeat those comments we would direct you there.

Cost of Claims by Area of Law: 2015 – 2024 (indemnity and defence costs combined but excluding internal administration costs)

Area of Law	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrative/Boards/Tribunals		<1%	<1%	<1%	<1%	2%	2%	3%	2%	4%
Arbitration										
Bankruptcy/Insolvency/Receivership		<1%	<1%	1%	<1%		<1%			
Civil Litigation	16%	20%	21%	19%	33%	26%	31%	43%	58%	24%
Commercial	2%	7%	18%	6%	6%	4%	1%	1%	1%	3%
Corporate	4%	4%	1%	6%	5%	<1%	2%	<1%	2%	4%
Criminal	<1%	3%	2%	7%	6%	4%	7%	7%	5%	9%
Employment/Labour		<1%	3%	2%	2%	10%	<1%	1%	<1%	1%
Estate Planning & Administration	4%	7%	11%		18%	1%	6%	1%	3%	5%
Environmental	<1%	<1%		2%	<1%	1%	4%	<1%		
Immigration	<1%	2%			<1%			<1%	<1%	
Intellectual Property		<1%								
Matrimonial & Family	9%	8%	5%	3%	2%	1%	6%	8%	4%	2%
Real Estate	61%	44%	37%	52%	25%	37%	23%	27%	20%	46%
Tax	<1%	2%	<1%	<1%		14%	15%	5%	<1%	<1%
All other		<1%					<1	<1%	3%	<1%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Percentage of Claims by Area of Law: 2015-2024

Area of Law	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrative/Boards/Tribunals	3%	2%	2%	<1%	2%	1%	<1%	1%	4%	2%
Admiralty									<1%	<1%
Arbitration							<1%	<1%		
Bankruptcy/Insolvency/Receivership			<1%		<1%		<1%	<1%	2%	<1%
Civil Litigation	20%	15%	19%	22%	31%	23%	25%	25%	18%	22%
Commercial	6%	6%	7%	6%	4%	3%	4%	2%	2%	4%
Corporate	2%	4%	2%	2%	2%	3%	1%	3%	<1%	2%
Criminal	7%	6%	9%	9%	8%	11%	9%	9%	13%	14%
Employment/Labour	<1%	<1%	<1%	<1%	1%	1%	1%	1%	<1%	<1%
Estate Planning and Administration	7%	7%	8%	8%	7%	4%	8%	11%	8%	14%
Environmental										
Immigration	<1%	1%	<1%	1%	<1%				<1%	<1%
Intellectual Property	<1%				<1%	<1%	<1%	1%		<1%
Matrimonial and Family	9%	14%	11%	8%	10%	7%	12%	8%	9%	8%
Real Estate	43%	44%	39%	37%	33%	40%	33%	35%	40%	30%
Tax	<1%		<1%	3%	<1%	1%	1%		<1%	<1%
All other	<1%		<1%	2%	1%	5%	2%	2%	2%	2%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

The allegation of ineffective assistance of counsel in the conduct of a criminal defence remains worthy of comment. Frequency remains high as does their cost but the outcomes remain the same with most of these matters either being withdrawn or dismissed. But through 2024 we saw an increase in the amount of time it is taking to deal with these matters. Multiple adjournments for appellants to file materials are not uncommon and often the matter is nothing more than an attempt to relitigate. I repeat our usual comment that nothing here should be taken to suggest, and we do not in any way mean to suggest, that lawyers should not pursue these matters if the allegation has merit. If there is merit, the matter should be taken on. But lawyers must, in our opinion, do a full merit assessment before pursuing the allegation and the application should be focused on the issue from the trial not relitigating the trial.

When it comes to issues in civil litigation, claims resulting from missed limitations remain prevalent. But an aspect of this that we have been seeing with increased frequency is actions issued in time but the pleadings not being served within the required amount of time after issuance such that they expire and require an application to renew. What we are often told is that the lawyer issued the action, put the issued pleading in the file but forgot to serve it or when the lawyer looked at what they issued they saw that it had expired.

If you are going to issue an action but not require an immediate defence, it is, in our opinion, better to serve it and provide a waiver of defence. A waiver of service from the defendant is also an option but if the waiver comes from the defendant itself and not their insurer, their insurer could deny coverage at a later date for late reporting. And actions that expire because they are not served necessitate an application to renew which are being challenged, sometimes successfully. So, again, why not serve it when it is issued?

And our usual advice that if your matter has a limitation, diarize it to a date well in advance of the expiration date. If you wait to the last day, what do you do if your document is not accepted by the court or, in the case of a property matter, the registry office, is closed due to weather or Property Online is having system issues?

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We did not see as many claims from providing legal services for clients in other provinces last year. But we remind you that as good as mobility is for the profession generally, if you take on a matter in another province you have to have knowledge of its local law and practice. And we have seen an uptick in matters that involve Nova Scotia residents while travelling in other jurisdictions that have different insurance regimes and available remedies. Do not assume that the laws, civil procedure rules or insurance coverage in other jurisdictions, be it another province or different country, are the same as those here because we know they are not.

When I did my initial draft of this report a few weeks back, I wrote that we have seen a decline in matters pursued by Organized Pseudolegal Commercial Argument (“OPCA”) litigants, a good thing. But, between then and this final version, we became aware that there are lawyers here who, despite our repeated advisories in LIANSwvrs not to do so, are notarizing documents for an OPCA litigant. When we first published our advisories, one of the comments we received was that the only responsibility of the notary is to confirm the person’s ID and there is no obligation or requirement to look at or read the document being notarized or commissioned. We fundamentally disagreed with that position then, we still do and we are not alone in our opinion. In *R. v. Ayyazi*, 2025 ABCA 47, an OPCA case, the Alberta Court of Appeal dealt with a matter where the lawyer simply confirmed the person’s ID but did not read the materials before notarizing them. In setting aside a financial penalty imposed by the lower Court on the lawyer who notarized the OPCA materials, the Court stated :

- [11] *[The lawyer] understood that her role was to confirm Mr Ayyazi’s identity and that he was “the actual person signing the letter”...[The lawyer] had argued that her obligation as a notary “is to treat all persons equally and with respect,” and that required her to notarize Mr Ayyazi’s documents....*
- [12] *This suggests [the lawyer] harbours a fundamental misunderstanding of her role. The documents in question were clearly irregular on their face and [the Lawyer] should have refused to notarize them. In our view, this points to a gap in education rather than an intention to participate in any nefarious scheme Mr Ayyazi attempted to perpetrate.*
- [13] *We accept that [the Lawyer] has been significantly impacted as a result of her uninformed decision to notarize these documents.... Her professional reputation has been impacted...[The lawyer] conveyed her sincere apologies to the court below, its staff, and anyone who may have been harmed in any way by her conduct. In the circumstances, we are of the view that the Rule 10.49(1) [financial] penalty imposed on [the lawyer] is not warranted*

Lawyers should always take the time to read what they are asked to notarize or commission. As the Court in *Ayyazi* stated, not doing so is a fundamental misunderstanding of the role. And if what you are being asked to notarize or commission is for an OPCA document or is otherwise irregular, give serious consideration to not adding your name. This is especially so if the person seeking your notarization is not otherwise your client. Because if they are your client, the likelihood that you will sign off on something you cannot defend is lower.

More generally, we recommend that you read LIANSwvrs when it is published. In addition to a wellness item and some reminders, each issue contains items on what is on our minds from a practice and risk management perspective. In our opinion, each issue is worth 15 minutes of your time (but we publish it so we are biased).

Closed Files

LIANS closed 261 files in 2024, down from 285 in 2023 but consistent with prior years. Of the 261, 10.3% had an indemnity payment, up from 5.5% in 2023. However, as our historical range for indemnity payments in a calendar year is 8 – 12%, 2024 was a return to the normal range for this measure. If frequency of indemnity payments increases, severity will follow.

Claims that incurred both an indemnity payment and defence costs outnumbered those with indemnity only by a 2.4:1 ratio, up from 2:1 last year but lower than the 3:1 of 2022. 67% of claims closed in 2024 did not incur defence costs, down from 71% in 2023 (though some of those did incur an indemnity payment).

LIANS compares favourably on these measures to other jurisdictions. For example, the publicly reported 2024 closed file data

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from Ontario's LawPRO indicates 12% of files closed in the year had an indemnity payment (LIANS 10%), 56% incurred defence costs only (LIANS 25%) and 32% closed with no payments of any kind (LIANS 64%). This last measure reflects the amount of work we do in house.

We received 57 responses to our 2024 closed file survey, a 35% response rate, 11% lower than 2023. Ninety-four percent of respondents indicated they were satisfied with our handling and 96% were satisfied with the outcome, results in line with prior years. But satisfaction rates like this can be problematic because I believe there is always something that can be improved upon. This is why it is important for those completing the survey to provide comments, even if satisfied with our work. Many respondents do and we consider all comments we receive. We do not take our responsibilities lightly or your satisfaction with our work for granted. We strive to maintain the quality of our work and your satisfaction.

Mentorship and Peer Volunteer Programs

LIANS oversees a mentorship program that matches young lawyers with experienced practitioners. Mentoring facilitates professional and personal development. In addition to providing camaraderie and helping address issues of stress and isolation, mentorship enhances professionalism and lawyering skills by providing support, contacts and encouragement. Please contact us if you would like to become a mentor or mentee.

We are also working to reestablish our peer volunteer program. The focus of this program is personal issues a lawyer may be experiencing. Peer volunteers are senior lawyers who provide support, encouragement and assistance to members of the profession. And very often, the peer volunteer is a person who has experienced and worked through their own challenging personal situations. As peers, they are members of the profession who are available for others to talk to about personal issues they are experiencing. Peer volunteers can also provide a confidential link between a lawyer seeking help and the appropriate help or helper.

But to reestablish this program we need volunteers from the profession. If you have ten years at the bar, have worked through personal challenges, have a desire to help your peers based on those personal experiences and are nonjudgmental and empathetic, we would like to hear from you.

We continue to encourage all firms to regularly reach out to their lawyers, younger lawyers in particular, to see how they are doing. And we encourage all to reach out to the Lawyers' Assistance Program if appropriate.

Practice Standards

Lawyers should review the practice standards when appropriate. The Standards Committees put a lot of work into drafting and updating standards to respond to changing law and new issues.

Artificial Intelligence

Last year we mentioned AI and provided some thoughts on its use. If using AI, read and confirm the output before you use the output. Put another way, make sure the cases and research you get from the search exist and say what the search says they say. For guidance on this we refer to *Ko v. Li*, 2025 ONSC 2766 where, in response to a factum that was prepared by AI and contained hallucinated cases and incorrect conclusions from actual decisions, the Court stated (and we would add that several of these comments apply to more than just use of AI):

- [15] *All lawyers have duties to the court, to their clients, and to the administration of justice.*
- [16] *It is the lawyer's duty to faithfully represent the law to the court.*
- [17] *It is the lawyer's duty not to fabricate case precedents and not to mis-cite cases for propositions that they do not support.*
- [18] *It is the lawyer's duty to use technology, conduct legal research, and prepare court documents competently.*
- [19] *It is the lawyer's duty to supervise staff and review material prepared for [their] signature.*
- [20] *It is the lawyer's duty to ensure human review of materials prepared by non-human technology such as generative artificial intelligence.*

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[21] *It should go without saying that it is the lawyer's duty to read cases before submitting them to a court as precedential authorities. At its barest minimum, it is the lawyer's duty not to submit case authorities that do not exist or that stand for the opposite of the lawyer's submission.*

[22] *It is the litigation lawyer's most fundamental duty not to mislead the court.*

Our conclusion from what we said about AI last year has not changed, that being that if you are going to use AI for drafting or research, be careful. We would suggest that Courts agree with that proposition.

Conclusion

LIANS as established by the *Legal Profession Act* is overseen by a Board of Directors comprised of practicing members. The Board appoints a Director of Insurance to oversee operations and has five standing committees. The Audit, Investment and Governance committees have responsibilities not unlike similar corporate committees. The Claims Review Committee meets regularly to review active claims that come within its mandate and the Lawyers Assistance Program Committee oversees the LAP program.

Which brings me, as always, to those who get the credit for LIANS' successes and who I want to personally thank. I am just the team leader, a team that is made up of our staff, the volunteers who sit on the Board of Directors and committees (their names are at the back of this annual report), those who volunteer their time to the LAP and mentorship programs, our defence counsel and last, but certainly not least, you, the Membership, for your continued trust in us and our work, and your understanding of our purpose and mandate. LIANS' successes are the result of a group effort and without everyone's contributions, we could not operate or achieve the outcomes we do.

And last, a thank you to Robyn Elliott KC and Charles Thompson who stepped down from the Board in May 2025. They both joined the Board in 2017, Robyn serving as Board Chair from January 2020 through May 2022 and Charles serving in that role from May 2022 through May 2025. The Board Chair is an important role for any organization. The Chair leads the Board, ensures the organization stays on track with its mission and is the primary contact point between management and the Board. The Chair is the person management turns to when considering specific or new issues or ideas. Robyn's and Charles' contributions have been many and I would like to thank them for their service. And for taking my calls.

We are available to answer any questions you may have about the program and welcome the opportunity to speak on topics within our purview.

Lawrence Rubin
Director of Insurance

PROGRAM REPORT



RONALD E. PIZZO

Chair

NSLAP Committee

Ronald E. Pizzo is
Chair of the Nova
Scotia Lawyers
Assistance Program,
and a partner with
Pink Larkin-Halifax

Nova Scotia Lawyers Assistance Program

To start the Committee report, I would like to thank the committee members, Jennifer Snow, Marc Njoh, Deepak Prasad and Michelle Chai for their continued dedication to the NSLAP. I would also like to thank the membership and the Society for its continued involvement and support of the NSLAP.

Homewood Health Inc. (Homewood) continues to provide counselling and wellness services to members of the Nova Scotia Barristers' Society, their employees and families. In addition, last year with the support of LIANS, enhanced mental health services were added to the program offering. The services provided by Homewood and through this Committee and LIANS are important to ensuring members have supports they need to stay healthy and successful in the practice of law. The Committee welcomes your comments on the program as we are always looking at ways to improve it. In addition, LIANS is prepared to host Homewood for the membership. If you have an interest in programming that would be of assistant to the membership generally, let LIANS know and they will look to see what is available. In addition, firms can on their own obtain Homewood programming.

As the long-standing service provider for the NSLAP, Homewood continues to expand its counselling services and wellness programs through different platforms. Services and programs are now offered in numerous areas including financial concerns, preparing for retirement, family, child and eldercare issues, communication problems, career development, health and fitness and, perhaps most importantly for our profession, wellness, psychological and emotional disorders, addiction, stress, depression, anxiety and trauma.

Though overall use of the program has returned to pre-pandemic rates, the issues presented by those who reach out to the program and their demographics have not changed in a significant way. The fact is that the health issues and personal challenges presented by lawyers are fairly consistent regardless of the overall program usage rate.

As to specific usage of Homewood's services, demographics are also tracked so we know which groups of lawyers are the higher users of the service. Though the pandemic saw an increase in the number of young lawyers using Homewood's services, that group remains the highest user of the program, trending seen throughout the Canadian legal profession.

The LAP committee continues its work to reestablish LIANS' Peer Volunteer Program. That said, what we can do is limited if there are insufficient volunteers. The program is structured as a panel of lawyers in the province from a variety of backgrounds and experiences (including health and wellness experiences) who volunteer to provide peer support to members having similar experiences. This program is separate from LIANS' young lawyer mentorship program. Both of these programs are important. But both also require volunteers from the profession to operate. LIANS currently has a waiting list of several young lawyers seeking mentors. And we know there is a need to reestablish the peer volunteer program thus a need for volunteers for it as well. If you are interested in volunteering for either of these programs, please contact either Cynthia Nield or Lawrence Rubin at LIANS.

Members are encouraged, along with their employees and families, to explore Homewood's full range of services and reach out for assistance if needed, the earlier the better.

Ron Pizzo
Chair, NSLAP Committee

PROGRAM REPORT



CYNTHIA NIELD,

*Database and
Information Officer*

Cynthia Nield
oversees LIANS'
software
and systems
technologies,
and coordinates
resources and
events of the RPM
program

Risk and Practice Management

The Risk and Practice Management (RPM) program continues to provide the membership with resources and tools related to practice risks, and offer support to minimize claims exposure.

Publications and Presentations

We continue to distribute LIANSwers, our bimonthly electronic newsletter. The articles and information are to assist lawyers with the running of their practice, provide tips and guidance that could serve to avoid or mitigate a malpractice claim and to provide information on interesting cases that we come across, as well as fraud alerts, pertinent LIANS operational matters, and Lawyers Assistance Program articles and resources from Homewood Health™, our health and wellness assistance program provider. However, you should remember that this advice does not, nor is it intended to, replace your own exercise of professional judgment on a particular file. We continue to monitor the number of visits per edition, and maintained another high readership rate of 23% this year, averaging 473 readers.

LIANS' latest website and member portal design continues to offer a wide variety of RPM resource material and access to online claim forms and the mandatory policy. According to our website analytics, the most-often used website resources are our sample retainer agreements and engagement letters, mortgage discharge escalation lists, limited scope retainer materials, table of limitation periods, information on succession planning and opening a law office, numerous sample letters / precedents / checklists / templates for notes to file; as well as the five Professional Standards Committees (Real Estate, Criminal, Family, Law Office Management, and Wills, Powers of Attorney and Personal Directives).

Fraud Alerts

Lawyers continue to be popular targets as recipients of suspicious email and fraud attempts, particularly during the pandemic, when scammers are targeting distracted staff and impermanent workplaces in the hope that these vulnerabilities will delay detection of scams. LIANS' monitors these and will periodically notify the membership of new frauds and scams as we become aware of them. If you receive something that looks suspicious and you question its legitimacy, please contact us. We can advise if we are familiar with it or if it is a new scam worthy of a note to the profession. We maintain a list of the schemes we are aware of on our website as a reference tool for you.

LIANS/NSBS 16th Annual (Virtual) Conference

As a result of the continued precautions related to the global pandemic, we held our third fully virtual annual conference on November 14th, 2024 via Zoom. It was another great success, with 243 individual registrants for the conference who virtually attended the morning session, or the afternoon, or both.

This was the fifth joint effort event to be hosted by both LIANS and the NSBS Legal Services Support team. The feedback received from the conference attendees was again positive, where 68% of attendees gave an overall rating of either "Very Good" or "Excellent".

The sessions included:

Morning - 9am-12:15pm

- Updates from Dave Jackson, CEO of CLIA & Greg Markell, CEO of Ridge Canada (Cyber Underwriter/ Provider to CLIA)

PROGRAM REPORT

- **What Lawyers Wished They Were Taught in Law School (for the Benefit of Young Lawyers):** Wills (Trinda Ernst), Civil Litigation (Bill Mahody), Business (Rob Arkin), Property (Justin Adams), Family (Laura Kanaan) and Criminal (Mark Scott)
- **Anti-Money Laundering Rules & Client ID** with Kate Shewan and Elaine Cumming of the NSBS

Afternoon 1pm-4pm

- **Claims Update and Other Current Thoughts** with Lawrence Rubin, LIANS' Director of Insurance
- **Updates and Recommendations for a Healthy and Sustainable Practice** with Marla Brown and Jane Willwerth of the NSBS Equity & Access Office
- **The Case for Lawyering with Emotional Intelligence: What it is, Why it Matters, and How to Develop It** with Kendra Brodin, Founder & CEO, EsquireWell
- **Updates from Professional Standards Committees:** with Real Estate (Justin Adams), Wills (Mary Jane Saunders), Office Management (Bob Carter), Family (Shelley Hounsell), Criminal (Leonard MacKay)

Mentorship Program

LIANS' Mentorship Program continues to grow and we will always accept new applicants. The program provides the membership with opportunities to network, gain knowledge about practice management issues, and receive support from the Risk and Practice Management Program.

The program currently has 247 participants, although we continue to note a significant drop in applicants looking to become a Mentor since the beginning of the pandemic, due no doubt to the time constraints of individuals maintaining their practice during uncertain times. To qualify as a Mentor, you must have at least nine years at the Bar. There are no requirements to qualify as a Mentee. This program is ongoing and LIANS reaches out to the members on a regular basis to encourage those interested to participate, especially in the recruit of applicants for a Mentor role.

Member Inquiries

The program continues to provide one-on-one practice advice and assistance to members on topics such as insurance coverage matters, risk reduction, fraud, closing a practice, file retention, Client ID Regulations, the Lawyers Assistance Program and succession planning.

RPM and Legal Services Support

LIANS continues to coordinate its RPM information and resources with the Society's Legal Services Support (LSS) initiative. As always, however, LIANS maintains the confidentiality of all claim-specific information it receives from a member.

Cynthia Nield
Database and Information Officer

SUMMARY OF FINANCIAL HIGHLIGHTS

Notes to the Summary of Financial Highlights

LIANS’ financial position for the year ended December 31, 2024 remains stable.

The year-over-year increase in the insurance reserve results from the gain in the investment portfolio, that gain outpacing the increase in the provision for unpaid claims, a reduction in the provision for the levy deficiency and a year-over-year decline in total claim payments. Levy revenue for the year was virtually the same as 2023.

Excess surplus (being the insurance reserve less the minimum retained surplus) supports the credit to the levy charged full practicing lawyers for the mandatory insurance coverage. The actuarially determined levy before applying a surplus credit required for the 2025–2026 policy year increased from the 2024–2025 policy year. In determining the surplus credit, the Board of Directors, in accordance with its mandate to exercise prudent fiscal management of LIANS’ assets, considers a variety of factors including the retention, available surplus, claim experience and investment trending. As a result of its analysis for the 2025–2026 policy year, the Board approved a surplus credit larger than that provided for the 2024–2025 policy year. Despite the larger credit, with the increase in the gross levy from last year, the net levy has increased.

Total claim costs for 2024 (indemnity plus defence costs) were lower than 2023 with decreases in both paid indemnity and defence. The cost of administration of the program was slightly higher than 2023.

Statement of financial position as at December 31

	2024	2023
	\$	\$
Assets		
Current		
Cash	4,426,303	3,309,481
Accounts receivable	435,898	403,460
Government remittances receivable	—	3,822
Levy receivable	674,700	642,474
Prepaid expenses	93,361	251,043
Recoverable unpaid claims and expenses	807,320	931,573
Investments	26,947,671	24,398,506
Property and equipment, net	9,822	3,494
Total assets	33,395,075	29,943,853
Liabilities		
Current		
Accounts payable and accrued liabilities	856,052	328,207
Unearned levy	1,785,485	1,671,134
Total current liabilities	2,648,575	1,999,341
Provision for levy deficiency	666,253	716,516
Provision for unpaid claims and expenses	12,329,700	11,414,020
Total liabilities	15,643,528	14,128,877
Net assets		
Professional liability insurance reserve	17,751,547	15,814,976

Statement of revenue and expenditure for the year ended December 31

	2024	2023
	\$	\$
Revenue	6,235,638	5,410,094
Insurance premiums	(541,616)	(427,085)
Net revenue	5,694,022	4,983,009
Claims and expenses		
Payments	1,563,643	1,936,267
Group deductible reimbursement	(72,019)	(52,500)
	1,491,624	1,883,767
Current period expense	989,670	559,726
Total claims and expenses	2,481,304	2,443,493

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LAP Peer Volunteers

The LIANS and NSBS 17th Annual

Fall Solo & Small Firm Conference coming soon ...

Sessions may be eligible as CPD hours

This online event will be held solely in a
virtual webinar format

Stay tuned to LIANS.ca and NSBS.org for upcoming details

