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#182



A+ GRADE FOR NEWLY ELECTED BENCH

At the Treasurer's request in 2022 an Advisory Group undertook the study of a policy for responding to Bencher requests for information not readily available through the Committee or Convocation process. This process was certainly implemented in direct response to an ongoing demand by Bencher Klippenstein for information that has boiled over into an unseemly Superior Court proceeding. Recognizing substantive and procedural concerns a majority of voting Benchers (23 to 19) voted to table the policy for future consideration.

The proposal sought to create a bureaucratic protocol to be undertaken by a Bencher requesting information through a written application to the Treasurer considered with the CEO and if denied, the request would be referred to Convocation for determination.

The new policy could limit access to internal organizational information by Benchers elected to perform their duties (akin to those of corporate directors). Benchers have fiduciary obligations and important oversight governance functions to be fulfilled on behalf of the Law Society, the professions, and the public. It seems counter-intuitive that information in the hands of the organization, likely paid for through the fees of licensees, should be denied to those charged with oversight. What is wrong with transparency? I believe that the proposed policy was drafted in reverse order. The premise should have been entitlement by elected Benchers to ALL information in the hands of the Law Society (perhaps subject to proportionality and possible exceptions such as personnel matters or litigation privilege). If there is opposition to release of information to an elected Bencher that party could make its case to the Treasurer or Convocation as needed. The tabled policy would have created silos and a hierarchy of those entitled to information. Why? Who should be charged with the determination of what is required for a Bencher to fulfill governance responsibilities and what is extraneous to that purpose? Today we have seen an excellent example of independent, thoughtful, newly elected Benchers considering a matter of importance and dealing with it in a responsible and respectful manner they each believe to have been correct without any sense of a "party line" or bloc politics.

LAW PRO 2024

Good News. For next year, the base premium remains at \$3250.00 and all other discounts and charges remain unchanged. However, the maximum billings threshold to qualify for the part-time practice discount is increased to \$100,000.00 from \$90,000.00. Due to fraud related activities and to help lawyers take steps to reduce risk, LAWPRO is introducing a sublimit of \$250,000.00 that can be increased to \$1.0m if basic risk mitigation steps are taken.

Click here to see the Report to Convocation:

<https://lawsocietyontario.azureedge.net/media/lso/media/about/convocation/2023/convocation-september-2023-lawpro-report.pdf>

LAW FOUNDATION OF ONTARIO / LAW LIBRARIES

As a result of its first application for funding since 2015 the LFO granted \$1.4M to the Legal Information and Resource Network (LiRN) for its Innovation and Equity of Access in Ontario Courthouse Libraries project. The two-year project seeks to enhance access to justice by improving and innovating courthouse libraries to expand use of library resources. Additionally, an Innovation Sandbox is to be established to enable libraries to seek grants to test new technologies, equipment, and service models, including expanding law library access to social workers, mental health professionals, and members of the public. A key project goal is to improve collections to a common minimum standard in particular for smaller, rural, and northern communities. The Foundation has provided funding in support of courthouse libraries since 1975.

VIRTUAL IDENTIFICATION OF CLIENTS

The Law Society will allow virtual verification of client identity where the licensee determines that the client's government-issued photo identification is authentic beginning in 2024. This aligns virtual verification requirements with the Law Society's By-law 7.1, which requires that documents and records be authentic, valid, and current, and provides a safeguard against fraud, money laundering and other illegal activity. Please recall that verification of client identity is only required where the retainer involves engaging in or giving instructions in respect of the receipt, payment, or transfer of funds that are not subject to detailed exceptions. The By-Law also includes other methods of verification that do not require meeting with the individual in-person. See the [Notice to the Professions](#), issued July 27 for further explanation and to access resources that may be helpful in the authentication process.

WATCH OUT Mandatory disclosure rules in the *Income Tax Act*

Following my last report on this topic, the Federation of Law Societies of Canada, on behalf of all law societies in Canada, filed an application in the British Columbia Supreme Court, challenging the constitutionality of the amendments to the mandatory disclosure rules in the *Income Tax Act* (ITA).

The Attorney General of Canada agreed to exempt legal professionals from the mandatory disclosure provisions until the earlier of the Court's decision in respect of the Federation's application or November 20, 2023. The Federation's application

is scheduled to be heard on October 20, 2023.

The federal government has sought to expand the mandatory disclosure rules in the ITA. The impact of these changes will not be limited to tax practitioners. Any licensee who serves clients in respect of certain transactions with tax consequences may be required to report those transactions to the Canada Revenue Agency. The ITA amendments may impact any number of negotiations and transactions from structured wrongful dismissal settlements to share purchase price allocations. A breach of the new provisions could result in very significant consequences including financial penalties for parties and their lawyers.

Licensees who have questions about their obligations under the *Rules of Professional Conduct* or the *Paralegal Rules of Conduct* should contact the [Practice Management Helpline](#). For more information see [The Law Society Notice to the Professions](#) issued June 30. Stay tuned for the Court determination.

[2024 LAW SOCIETY AWARDS](#)

Nominations for the 2024 Law Society Awards are open until December 15, 2023. Award criteria, the nomination process and the online nomination form are all available here. Paralegals are eligible for the [William J. Simpson Distinguished Paralegal Award](#). Awards for lawyers include the [Law Society Medal](#) and the [Laura Legge Award](#). Both lawyers and paralegals are eligible for the [J. Shirley Denison Award](#) and the [Lincoln Alexander Award](#). Nominations are encouraged across the province.

[OCTOBER 26, 2023 CONVOCATION](#)

Remember you can watch the work of Convocation including the 2024 budget deliberations by logging in to the portal at the Law Society site (LSO.ca/home)

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