

CLARIFICATIONS TO THE INSURANCE POLICY AS OF APRIL 1, 2020

By *M^e Maria De Michele*, Executive Director

For the insurance period starting on April 1, 2020, the Professional Liability Insurance Fund of the Barreau du Québec has clarified the insurance policy with regard to the professional services that are covered under the policy.

The current policy already provides that services that are covered are those that have or should have been rendered solely in the capacity as a lawyer. The Insurance Fund never intended to cover investment, foreign exchange or real estate brokerage services. Such services are not services rendered solely in the capacity as a lawyer.

In order to properly reflect this intention, the insurance policy has been clarified as follows:

- The definition of “Professional Services” specifies that Investment Services or Real Estate Brokerage services, among others, are not services that are covered by the Fund;
- The expression “Investment Services” is defined;
- Exclusion 2.04 g) pertaining to Claims arising from Real Estate Brokerage is clarified;
- Exclusion 2.04 j) pertaining to Claims arising from Investment Services is clarified.

Thus, the text is clarified as follows:

Provision of the policy	Existing policy expiring March 31, 2020	Policy as of April 1, 2020
1.04	PROFESSIONAL SERVICES: a) When the named Insured is entered on the Roll without holding a Special permit and is not admitted as a Sollicitor: All services, which have or should have been rendered by the named Insured, directly or indirectly, solely in his capacity as a lawyer and as a member in good standing of the Barreau du Québec, while he was not	

Provision of the policy	Existing policy expiring March 31, 2020	Policy as of April 1, 2020
	<p>exempt from the obligation to subscribe to the Fonds d'assurance;</p> <p>b) When the named Insured is entered on the Roll while holding a Special permit or is admitted as Sollicitor and is not exempt from the obligation to subscribe to the Fonds d'assurance:</p> <p>Only services authorized in accordance with the permit or as such, which have or should have been rendered in Québec by the named Insured.</p>	<p>Addition of a paragraph to the definition of Professional Services:</p> <p><u>c) Such services do not include, namely, but not limited to:</u></p> <p><u>i) Investment Services; and</u></p> <p><u>ii) Real Estate Brokerage.</u></p>
1.05	<p>REAL ESTATE BROKERAGE: Acting as intermediary between two or more parties in a real estate transaction for the purpose of earning a commission on the amount of the transaction.</p>	

Provision of the policy	Existing policy expiring March 31, 2020	Policy as of April 1, 2020
1.14		Addition of the definition of: INVESTMENT SERVICES: <u>Any advice, opinion, service or recommendation in matters of placements, investments or foreign exchange operations, namely with respect to, but not limited to, the performance or return of such placements, investments or foreign exchange operations.</u>
2.04	EXCLUSIONS: This policy does not apply to a Claim or part of a Claim : g) arising from Real Estate Brokerage . However, this exclusion does not apply to other Professional Services rendered in connection with such transaction;	EXCLUSIONS: This policy does not apply to a Claim or part of a Claim : g) arising from Real Estate Brokerage , <u>irrespective of whether Professional Services resulted therefrom or preceded thereto</u> ;
2.04	EXCLUSIONS: This policy does not apply to a Claim or part of a Claim : j) arising from any advice, opinion or services in matters of placements, of investment or of foreign exchange operations; however, this exclusion does not apply to other Professional Services rendered in connection with such distribution, investment or foreign exchange operations;	EXCLUSIONS: This policy does not apply to a Claim or part of a Claim : j) arising from <u>Investment Services</u> , <u>irrespective of whether Professional Services resulted therefrom or preceded thereto</u> ;

In addition, in order to comply with the requirements of the new legislative provisions applicable to professional liability insurance funds of professional orders as of April 1, 2020, the procedure for the processing of insurance claims is more fully described in ss. 3.01 to 3.02.4 of the policy.

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3.02	<p>FORM OF NOTICE: Any notice by the Insured to the Insurer shall be sent in writing to the address indicated in Item 6 of the Declarations or, if applicable, to any other address of which the Insured has been notified in writing.</p> <p>Any notice given by the Insurer to the named Insured shall be sent in writing to the last address indicated on the “Tableau de l’Ordre” or to any other address of which the Insurer has been notified in writing.</p>	
3.02.1		<p>OPENING OF FILE: The Insurer opens a file upon receipt of a written notice of a Claim or of a written notice of facts or circumstances that may give rise to a Claim.</p>
3.02.2		<p>ACKNOWLEDGMENT OF RECEIPT: The Insurer acknowledges receipt to the Insured or a third-party claimant, as the case may be, within ten (10) days of the date of receipt of a written notice of a Claim.</p>
3.02.3		<p>ANALYSIS: As soon as possible, the Insurer analyzes the Claim made.</p>
3.02.4		<p>COMMUNICATION OF THE INSURER’S POSITION: The Insurer informs the Insured or the third-party claimant, as the case may be, of its position with respect to the Claim made.</p>

The full text of the insurance policy is available on the Insurance Fund’s website at <https://www.assurance-barreau.com/>.