

INSURANCE NEWS

BY DEBORAH ROZEE

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Society Appointees to Outside Boards – *Society appointees to outside boards are not insured by the Society for directors and officers liability.*

The CLIA professional liability insurance program provides practising members with the mandatory \$1 million errors and omissions coverage. Perhaps a lesser known coverage provided by the CLIA insurance policy is errors and omissions insurance for the Society and LIANS. This coverage extends to volunteers appointed by the Society to committees, council and executive, and to LIANS board and committees, to the extent that the volunteer is acting within the scope of their duties.

However, there is an important exception to this coverage. The CLIA insurance policy excludes coverage for Society volunteers who are appointed to **outside boards**. This is the result of policy exclusion 3.9 which excludes coverage for claims arising from activities as a director or officer of an enterprise other than the Society or LIANS. If a claim is made against a Society volunteer as a director or officer of an outside board, the CLIA policy will not provide a defence or pay indemnity.

The Society maintains a list of volunteer appointees. This list distinguishes between committees, boards, and outside bodies other than boards, and can be found at www.nsbs.ns.ca.

If you agree to sit on a board, whether volunteer or otherwise, you should ensure that the entity maintains directors and officers insurance. I suggest you obtain a copy of the insurance details during your orientation. If the board is not provided with D&O coverage, another option is to obtain your own D&O insurance. This can be purchased through the Canadian Bar Association. For more information go to the CBA web site at www.barinsurance.com.

For more information on managing exposure to directors and officers liability, refer to Deborah Gillis's article *Directing the Director*, available on the LIANS web site under Loss Prevention Resources at www.lians.ca.

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TIPS FROM THE RISK & PRACTICE MANAGEMENT ADVISOR

BY DEBORAH E. GILLIS, Q.C.

Risk and Practice Management Advisor

The Barristers' Library has a number of valuable resources for those of you interested in starting or building a law practice. A list of texts currently available from the library is posted on the LIANS website at www.lians.ca under Loss Prevention Resource.

“ Jay Foonberg's book is a practical guide for planning and growing your practice. ”

Of particular note is Jay Foonberg's *How to Start and Build a Law Practice*. The library has the fourth edition of this text, and a fifth edition has also been published. It has been ordered by the Barristers' Library and is also available from the American Bar Association [www.abanet.org/abastore/index.cfm] bookstore. Foonberg's book is a practical guide for planning and growing your practice and a great refresher resource for those who have been in practice for a number of years.

Topics covered include: getting started; preparing written business plans; advice on office technology; law office management; setting fees and invoicing; communications and client relations; recognizing and handling conflicts of interest; as well as tips on negotiations, and file organization.

This text includes a 500+ question checklist designed to help you monitor your practice and run a well-managed and profitable law firm.

While this is a valuable resource, be mindful that it is an American text. Do not implement the author's suggestions without referencing and considering rules and statutes applicable to our jurisdiction.

These include our *Legal Profession Act* and regulations, our Errors and Omissions policy, which can be accessed on the LIANS Website, as well as our *Legal Ethics and Professional Handbook*.

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