



Regardless of your status, you must complete and file a Lawyer Annual Report for the calendar year ending December 31, 2018, by March 31, 2019.

Filing Requirements

All lawyers must report on the calendar year ending December 31, 2018, by March 31, 2019, regardless of their fiscal year end or status. Designating a Financial Filing Licensee to complete and file the firm's financial information (Section 4, Question 3) is an option.

Failure to complete or file the Lawyer Annual Report within 60 days of the March 31, 2019 deadline will result in a late filing fee and a summary order suspending your licence until such time as this report is filed and the late filing fee is paid. The late filing fee is \$200.

If a summary suspension order for default of filing remains outstanding for more than 12 months, an order may be made summarily revoking the lawyer's licence.

QUESTIONS?

If you require further information or assistance, please refer to the [contact directory](#) at the end of this Guide.

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1. What's New or Improved for 2018?

EXPLANATION	NEW or REMINDER
Equality, Diversity, and Inclusion (EDI)	
<p>The Challenges Faced by Racialized Licensees Working Group Final Report (“Working Together for Change: Strategies to Address Issues of Systemic Racism in the Legal Professions”) identified five strategies to address the systemic barriers faced by racialized lawyers and paralegals in the legal professions. Flowing from those strategies are thirteen recommendations, or actions to be taken, to address the issues faced by racialized licensees and other equality-seeking licensees. Convocation voted to approve the implementation of the strategies and recommendations in December 2016.</p>	REMINDER
<p>Since 2009, the Law Society has been collecting self-identification data from licensees, which has been used to report about the demographics of the legal professions in the aggregate. The Law Society will continue to provide these reports.</p> <p>In addition, beginning with data from the 2018 Annual Reports, the Law Society will also provide legal workplaces of at least 25 licensees in Ontario with the self-identification data of their legal workplace. The Law Society will provide the data to legal workplaces in a manner that preserves the privacy and confidentiality of individual licensees.</p> <p>This information will also be included in the Inclusion Index.</p>	NEW
<p>Each year, licensees are asked to declare that they abide by a Statement of Principles that acknowledges their obligation to promote equality, diversity and inclusion generally, and in their behaviour towards colleagues, employees, clients and the public.</p>	REMINDER
<p>Beginning in the 2018 Annual Report, licensees are asked to respond to voluntary inclusion questions about their legal workplaces(s). These questions will be asked every four years and a summary of the information gathered will be provided to legal workplaces of at least 25 licensees in Ontario. The Law Society will provide the data to legal workplaces in a manner that preserves the privacy and confidentiality of individual licensees.</p> <p>This information will also be included in the Inclusion Index.</p>	NEW
<p>Licensees are required to identify the size of their legal workplace. Beginning in the Annual Report 2018, if a licensee works in a legal workplace of at least 10 licensees, a licensee representative must be designated from their workplace to respond to a diversity and inclusion self-assessment once every two years.</p>	NEW
<p>Licensees who indicate that they work in a legal workplace of at least 10 licensees are required to answer questions relating to the legal workplace’s Human Rights/Diversity Policy.</p>	REMINDER
<p>In 2019, the Law Society will begin publishing an Inclusion Index for legal workplaces of at least 25 licensees. The Inclusion Index will reflect data from each legal workplace’s self-assessment, the demographic profile based on the self-identification data and the inclusion questions.</p> <p>The index will be updated once every four years.</p>	NEW
Referral Fees	
<p>Licensees who paid or received referral fees in 2018 must provide details such as how many times they paid or received referral fees, as well as the total amount of referral fees paid and the total amount of referral fees they received. Licensees are now required to acknowledge their awareness of</p>	NEW

EXPLANATION	NEW or REMINDER
the professional obligations with respect to referral fees as set out in the <i>Rules of Professional Conduct</i> .	
Referral Fees Journals	
The table of Firm Records (section 4, question 4) has been updated to require licensees, where applicable, to indicate deficiencies in their Referral Fees Journal.	NEW
Non-Mixed Trust Account Reporting	
<p>You are no longer required to provide financial institution contact and account information for your separate or non-mixed trust accounts (i.e. accounts in which you hold funds in trust or on account of one client). You will be, however, required to provide aggregate information regarding these accounts in Sections 3 & 4 of your Annual Report. Additionally, you are still required to immediately report the opening or closing of all non-mixed trust account using the Report on Opening or Closing a Trust Account form available at:</p> <p>https://lawsocietyontario.azureedge.net/media/iso/media/legacy/pdf/r/report-on-opening-or-closing-a-trust-account.pdf</p>	REMINDER
Form 1: Annual Report to the Law Foundation of Ontario	
<p>If you operate a mixed trust account you no longer have to file a Form 1: Annual Report to the Law Foundation of Ontario. Questions about mixed trust accounts have been incorporated into the Lawyer Annual Report.</p> <p>All lawyers or paralegals (or their designated financial filing licensee) who are responsible for client trust monies held in a mixed trust account at any time during the reporting year (2018) must submit details about their mixed trust account when completing Section 4, Question 6.</p> <p>Collecting mixed trust account information helps the Law Foundation of Ontario be confident that it receives the interest generated on all lawyers' and paralegals' mixed trust accounts. This revenue supports Legal Aid Ontario and many other activities that enhance excellence in the legal profession and improves access to justice for all Ontarians.</p>	REMINDER
Change of Information	
<p>If you need to update your contact or status information with the Law Society, you must report your changes through the Change of information portlet within the LSO Portal at https://portal.iso.ca. If you require assistance updating or making changes to your information, contact the Law Society's Resource Centre.</p>	REMINDER

2. Completing the Lawyer Annual Report

- Section 1 – Licensee Identification and Status**

The personalized information found within Section 1 of your Lawyer Annual Report reflects the information populated from the Law Society's records as at December 31, 2018. If you retroactively updated your year-end status information with the Law Society after January 1, 2019, the updated status information will not be reflected in this Section. If your status information has changed, you must still report the changes through the Change of Information portlet within the LSO Portal at <https://portal.iso.ca>.

NOTE: Refer to subsection 4(1) of By-Law 8 regarding the requirement to immediately notify the Law Society when there are any changes to your personal and business contact information.

Non-Mandatory Questions

Section 1 also contains questions that are not mandatory. These questions relate to the bench election privacy option, the provision of legal services in French, and other languages. While these questions are not mandatory, the information you provide will assist the Law Society to better serve lawyers.

- **Section 2 – Equality, Diversity and Inclusion (EDI)**

Please note, your answers to Section 2 will not appear in the PDF version of your annual report posted in the Portal.

For questions arising from Section 2 of the Annual Report or for further information or inquiries about the questions or the Law Society's initiatives to promote equality, diversity and inclusion in the professions, please contact the Equity department:

Telephone: 416-947-3315 Toll-free: 1-800-668-7380
Fax: 416-947-3983 Email: equity@lso.ca

Question 1 – Demographic Information (Self-Identification Questions)

All licensees must provide answers to the self-identification questions; however, should a licensee choose not to identify for any of the questions, they can select “I do not wish to answer.”

Question 2 – Statement of Principles

All licensees must declare that they abide by a Statement of Principles that acknowledges their obligation to promote equality, diversity and inclusion generally, and in their behaviour towards colleagues, employees, clients and the public.

Licensees who say “no” will be required to provide an explanation in order to submit their annual report and will receive a letter in their Portal account advising them of the Statement of Principles requirement and directing them to the resources available on the EDI website.

Question 3 – Legal Workplace Details

Legal workplace is defined as a place of work in Ontario where legal work is being done, such as providing legal advice, guidance or opinions.

Licensees who answer that they are in legal workplaces made up of 9 or fewer licensees will “Add Legal Workplace Details” and answer the relevant questions.

Licensees who answer that they are in more than one legal workplace made up of 9 or fewer licensees will only have to answer one set of questions based on their general feelings about the workplaces.

Licensees who answer that they are in legal workplaces made up of 10 or more licensees will “Add Legal Workplace Details” for each of the legal workplaces. They will answer the questions for each of the legal workplaces.

Licensees who answer that they are not in any legal workplaces do not need to answer any additional questions on this topic.

Question 4 – Legal Workplace

Licensees are asked in Question 4 a) to identify the size of their workplace.

Licensees in legal workplaces of nine (9) or fewer licensees are not required to select a legal workplace for Question 4 b). Licensees in legal workplaces with 10-24 licensees or 25 or more licensees must provide the name of the legal workplace. If the licensee's legal workplace is not in the list, the licensee must select “Other” and provide the name of the legal workplace.

Question 5 – Inclusion Survey

All licensees in all legal workplaces are encouraged to answer the inclusion survey. Should a licensee wish not to answer a question, they can select “I do not wish to answer.”

Question 6 – Equality, Diversity and Inclusion Self-Assessment

Licensees who are in a legal workplace of ten (10) or more licensees will complete Question 6 a). The licensee representative responsible for completing the equality, diversity and inclusion self-assessment for their legal workplace answers “yes” to Question 6 a) and will complete Questions 6 b), c), d), e), f) and g). Other licensees in the legal workplace who are not the licensee representative for the legal workplace answer “no” to Question 6 a) and then move on to Question 7.

Licensees who are in a legal workplace of ten (10) or more licensees but who are employed by a non-licensee must answer 6a). The licensee representative responsible for completing the equality, diversity and inclusion self-assessment for their legal workplace answers “yes” to Question 6 a) and will complete Questions 6 b), c), d), e), f) and g). Other licensees in the legal workplace who are not the licensee representative for the legal workplace answer “no” to Question 6 a) and then move on to Question 7.

Licensees who have identified that they are not in a legal workplace or who are in a legal workplace of nine (9) or fewer licensees will not complete Question 6.

Question 7 – Human Rights/Diversity Policy Declaration

Licensees who are in a legal workplace of ten (10) or more licensees will complete Question 7 a).

Licensees who have identified that they are employed by a licensee will move on to Question 7 b).

The licensee representative responsible for developing, implementing and maintaining the legal workplace’s Human Rights/Diversity Policy answers “yes” to Question 7 b) and then moves on to 7(c) to declare that the policy addresses fair recruitment, retention and advancement in the legal workplace. If the licensee representative answers “no” then they must answer 7(g) providing an explanation.

Other licensees in the legal workplace who are not the licensee representative for the legal workplace answer “no” to Question 7b) and then answer 7(d). Once the information of the Licensee Representative is entered in 7(d) the licensee moves on to Question 8.

All licensees in the legal workplace will receive a letter in their Portal account advising them of their obligations if there is no positive declaration by the licensee representative in 7(c) that the legal workplace has an appropriate Human Rights/Diversity Policy.

Licensees who are in a legal workplace of ten (10) or more licensees but who are employed by a non-licensee will complete Question 7(e).

If the licensee answers “no” to 7(e) then you must answer 7(f) indicating an obligation to have your own human rights diversity policy. If a licensee answers “no” then they must answer 7(g) providing an explanation.

Licensees who indicate “no” to both questions 7(e) and 7(f) will receive a letter in their Portal account advising them of their obligations to have at minimum their own Human Rights Diversity Policy.

Licensees who identify that they are not in a legal workplace or are in a legal workplace of nine (9) or fewer licensees will not have to answer Question 7.

Question 7, Part 1

The licensee representative responsible for developing, implementing and maintaining the legal workplace’s Human Rights/Diversity Policy answers “yes” to Question 7(b), and then moves on to c) to declare that the policy addresses fair recruitment, retention and advancement in the legal workplace. The Licensee Representative no longer needs to list the names of licensees for whom they are responding. If the licensee representative answers “no” to c), an explanation must be provided in (g) in order for the licensee representative to submit their annual report.

Other licensees in the legal workplace who are not the licensee representative for the legal workplace answer “no” to Question 7, Part 1 a) and then move on to e) to identify the licensee representative who is responsible for developing, implementing and maintain the legal workplace’s Human Rights/Diversity Policy. The name and Law Society Number of the licensee representative must be provided.

All licensees in the legal workplace will receive a letter in their Portal account advising them of their obligations if there is no positive declaration by the licensee representative that the legal workplace has an appropriate Human Rights/Diversity Policy.

Question 7, Part 2

Licensees who are employed in a legal workplace of ten (10) or more licensees but who are employed by a non-licensee do not designate a licensee who is responsible for developing, implementing and maintaining the legal workplace’s Human Rights/Diversity Policy.

Each licensee who is employed in a legal workplace of ten (10) or more licensees employed by a non-licensee will answer question 7e), which asks them to acknowledge that their employer has developed, implemented and maintains a Human Rights/Diversity Policy and that it addresses fair recruitment, retention and advancement in the legal workplace.

Licensees who answer “yes” to e) do not have to answer any further questions in this part.

Licensees who answer “no” to e) must answer f), which asks them to acknowledge their individual obligation to have a Human Rights/Diversity Policy that addresses fair recruitment, retention and advancement in the legal workplace.

Licensees who answer “yes” to f) do not have to answer any further questions in this part.

Licensees who answer “no” to f) must provide an explanation in g) in order to submit their annual report.

Licensees in a legal workplace of ten (10) or more licensees employed by a non-licensee will receive a letter in their Portal account advising them of their obligations if there is no positive declaration that the employer or the individual has an appropriate Human Rights/Diversity Policy.

- **Section 3 – Individual Practice Activities**

This section must be completed by all lawyers regardless of status.

Each question in Section 3 of the Lawyer Annual Report should be answered by lawyers as it relates to their individual practice activities. Using question 2a) as an example, if you have accepted a cheque from a client as a retainer and the cheque is deposited into your or the firm's trust account, you would answer "Yes", because as an individual, you have received trust funds in connection with the practice of law in Ontario even though the firm maintains the trust account and exercises the Designated Financial Filing Option in Section 4.

Question 1 – Cash Transactions

The *Rules of Professional Conduct* and By-Law 9 prohibit lawyers from accepting large amounts of cash (in any currency in the equivalent amount of \$7,500.00 CDN or more) from clients or third-parties, and implements record-keeping requirements with respect to the receipt of cash. Rule 3.2-7 also includes a commentary on lawyer’s responsibilities when their suspicions are raised about the legality of a transaction for which the lawyer receives instructions. Question 1 of Section 3 reflects these requirements. Regardless of jurisdiction of practise, lawyers are required to advise the Law Society if they have received cash and if the receipt was in compliance with By-Law 9.

Question 3 – Estates and Power(s) of Attorney

Convocation has identified the handling of estates and “private” mortgages as practice areas for the Spot Audit program to focus on. Questions in this section are designed to identify lawyers who handle estate and private mortgage funds. If you cannot easily determine the exact number of files and related amounts, use your best approximation to answer these questions. “Private” mortgage is not a defined term in By-Law 9 but is a short form for “a mortgage in which a lawyer acts for or receives funds from a lender that is not excepted under By-Law 9 subsection 24(2)”.

Question 6 – Private Mortgages

Section 24 of By-Law 9 requires lawyers to maintain specific records if they represent lenders on mortgage transactions that are not considered an exception by subsection 24(2) of the By-Law. If applicable, provide to the best of your knowledge, the approximate number and value of any of these mortgages advanced in the calendar year, where you acted for the lender, in question 6b) of Section 3.

- If you do not have the exact number of files or dollar values of estate and power of attorney files, use your best approximation.
- For assistance with record keeping and reporting requirements refer to *The Lawyer Bookkeeping Guide* available on our Resource Centre website at www.lso.ca.
- For Form 9D and a sample of a completed Form 9D, refer to *The Lawyer Bookkeeping Guide* available on our Resource Centre website at www.lso.ca.
- If you are an Ontario Lawyer who is practising outside of Ontario, you do not need to report on client monies or assets held unless these trust accounts were maintained in Ontario.
- Questions regarding Section 3 should be directed to the Practice Management Helpline at (416) 947-3315 or toll-free at 1-800-668-7380 Ext. 3315.

Question 7 – Client Identification and Verification Record Keeping Requirements

Part III of By-Law 7.1 outlines identification and verification record keeping requirements. You must retain a record of the information that you obtain when you identify a client or third party. When you are required to verify the identity of a client or a third party, you must also retain a record of the identifying information obtained and copies of every document used to verify the identity of a client or third party. This includes the documents you obtained directly and also includes attestations, agent agreements and copies of documents reviewed by an agent who has undertaken to verify the identity of an individual on your behalf. The records must be kept for the longer of six years following completion of the work for which you were retained, or the duration of your relationship with the client and for as long as it is necessary to provide service to the client [ss. 23(13) and (14) of By-Law 7.1].

Question 7a)

If you answer “YES” to question 7a), you have obtained or are exempt from obtaining identification information for every (each) client and any third party, in accordance with By-Law 7.1 Part III.

If you answer “NO” to question 7a), you have not obtained and are not exempt from obtaining identification information for every (each) client and any third party, in accordance with By-Law 7.1 Part III, and if so, an explanation will be required.

If you answer “N/A” to question 7a), this question does not apply to you because in 2018 you were not retained to provide professional services to clients and any third party in the course of the work you do.

Question 7b)

If you answer “YES” to question 7b), you engaged in or gave instructions in respect of the receiving, paying or transferring of funds and you obtained or are exempt from obtaining information to verify the identity of each client and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1 Part III.

If you answer “NO” to question 7b), you have not engaged in or given instructions in respect of the receiving, paying or transferring of funds and you obtained or are exempt from obtaining information to verify the identity of each client and additional identification information for a client that is an organization, and any third party, in accordance with By-Law 7.1 Part III, and if so, an explanation will be required.

If you answer “N/A” to question 7b), this question does not apply to you because in 2018 you did not engage in or give instructions in respect of paying or transferring of funds in the course of the work you do.

Question 9 – Membership in another Professional/Regulatory/Governing Body

Some lawyers/paralegals are members of, or licensed by, another regulator in addition to the Law Society. Examples would include membership in other law societies, or licensing by other regulators such as the Real Estate Council of Ontario or the Financial Services Commission of Ontario. You should include bodies inside and outside of Ontario, but only those in which you are currently a member. Please do not include membership in advocacy groups such as the Ontario Bar Association.

Question 11 – Self-Study

All lawyers, regardless of status, are required to report how many self-study hours they have completed in the previous calendar year.

Convocation approved, as one component of a competence model, a statement of minimum expectations and a requirement that lawyers provide the Law Society with information annually on the self-study they undertake. Through lawyers accurately reporting self-study activities, the Law Society can determine the profession's commitment to career-long learning and gather information about educational patterns and needs.

This section reflects the Law Society's focus on professional competence. **The annual minimum expectation is 50 hours of law related self-study.** It is mandatory that lawyers report in the appropriate section, the actual hours they spent in self-study programs in the reporting period, whether above or below the minimum expectation. Lawyers may provide additional comments related to the number of hours they spent during the reporting period in the comments area at the end of this section.

Self-study is defined as reading or reviewing material on one's own without some form of interaction with colleagues and/or instructors through live Q&A sessions, simultaneous discussion, real time chat or embedded learning prompts using print materials, electronic or otherwise (e.g. reading or conducting case specific research).

- **Section 4 – Financial Reporting**

Questions 1 - 3 – Trust & General Accounts

Lawyers and/or firms who operate Trust Accounts

If you answer “Yes” to question 1a) and “Yes” to question 2:

Report on all financial activity in Section 4; **OR**

If you answer “Yes” to question 1a) and “No” to question 2:

Complete the Designated Financial Filing option in question 3 by providing the name and the Law Society number of the firm's Designated Financial Filing Licensee.

NOTE: The Designated Financial Filing option is available to lawyers who are not responsible for filing trust information, and who as at December 31, 2018, were engaged in the private practice of law and practised exclusively as a partner, employee, associate or counsel of a law firm or a sole proprietorship. If an individual lawyer in the firm received, disbursed, or held client trust funds in 2018 that are not included in the Designated Financial Filing Licensee's report, the funds must be reported in Section 4 of the individual lawyer's report.

Sole practitioners who share facilities and practise in association with other sole practitioners or with a partnership may not share a trust account. Therefore, the Designated Financial Filing option is not available to these lawyers.

Lawyers who operate General (non-trust) Accounts only

Lawyers who answer “No” to question 1a) AND “Yes” to question 1b) are required to complete only question 4 of Section 4 to report deficiencies.

Question 3 - Designated Financial Filing Licensee

A licensee who is designated to file the financial information on behalf of his or her firm must complete all of Section 4. You must list the name and Law Society number of each licensee on whose behalf you are completing Section 4 in your personal Annual Report.

Question 4 – Firm Records

Books and records for your trust and/or general (non-trust) account(s) (mixed, separate, estates, power(s) of attorney and other interest generating investments)

This question confirms the existence and maintenance of books and records as required under By-Law 9. By the 25th day of each month, a trial balance of clients' trust ledger accounts at the preceding month end should be prepared, identifying each client and showing each client's trust ledger balance (the monthly client trust listing). The detailed trust bank account reconciliation should be prepared at the same date and compared to the corresponding month's client trust listing. The comparison should indicate that the total trust liabilities to clients (the monthly client trust listing total) are matched by the total trust funds on deposit (trust bank reconciliation).

If you answer "No" to question 4 you must complete the chart following the question by indicating which areas were deficient and provide details of those deficient records.

Question 4 – Chart Items 1 and 2

Trust Receipts Journal and Trust Disbursements Journal By-Law 9 subsections 18(1) and 18(2)

By-Law 9 subsections 18(1) and 18(2) require you to record in your trust receipts journal the purpose for which you received each receipt, and to record in your trust disbursements journal the purpose for which you disbursed each payment. These changes reflect the concurrent amendments to rules 3.2-7.1 and 3.2-7.2 of the *Rules of Professional Conduct*:

3.2-7.1 When retained by a client, a lawyer shall make reasonable efforts to ascertain the purpose and objectives of the retainer and to obtain information about the client necessary to fulfill this obligation.

3.2-7.2 A lawyer shall not use his or her trust account for purposes not related to the provision of legal services.

The Commentary includes the following advice:

To obtain information about the client and about the subject matter and objectives of the retainer, the lawyer may, for example, need to verify who are the legal or beneficial owners of property and business entities, verify who has the control of business entities, and clarify the nature and purpose of a complex or unusual transaction where the purpose is not clear. The lawyer should make a record of the results of these inquiries.

A client or another person may attempt to use a lawyer's trust account for improper purposes, such as hiding funds, money laundering or tax sheltering. These situations highlight the fact that when handling trust funds, it is important for a lawyer to be aware of his or her obligations under the *Rules of Professional Conduct* and the Law Society's By-Laws that regulate the handling of trust funds.

Question 4 – Chart Items 11 and 12 Form 9A and 9B

Electronic Trust Transfer (Form 9A)

By-Law 9 subsection 18(11) and By-Law 9 section 12 (Signed electronic trust transfer requisitions and signed printed confirmations of electronic transfer of trust funds)

By-Law 9 subsection 18(11) requires you to keep these records if you transfer funds from your trust account using on-line banking. By-Law 9 section 12 sets out the procedure for electronic trust transfers. A transfer is initiated by signing an electronic trust transfer requisition, subsection 12(2)4. The requisition must be in Form 9A, subsection 12(7). Once the transfer is complete you must print the bank confirmation, clause 12(5)(a), and compare it to the requisition, clause 12(5)(b), for accuracy. Add the client name, matter, and file number to the confirmation, clause 12(5)(c), and

sign and date the bank confirmation, clause 12(5)(d). Both forms are to be maintained as part of your accounting records.

Teranet Records (Form 9B)

By-Law 9 subsection 18(12) and By-Law 9 section 15 (Signed authorizations of withdrawals by Teranet and signed paper copies of confirmations of withdrawals by Teranet)

By-Law 9 subsection 18(12) and By-Law 9 section 15 requires you to keep these records if you authorize Teranet to electronically withdraw registration fees and Land Transfer Tax from a trust account. By-Law 9 section 15 sets out the procedure for authorizing Teranet to withdraw funds from your trust account. The authorization for Teranet to withdraw trust funds must be recorded in writing using Form 9B, subsection 15(6). Once you have completed the registration you must print the confirmation of withdrawal by Teranet, clause 15(7)(a), and compare it to the written record of the authorization, clause 15(7)(b), for accuracy. Ensure the client name and file number are on the confirmation, clause 15(7)(c), and sign and date the bank confirmation, clause 15(7)(d). Both forms are to be maintained as part of your accounting records.

NOTE: For further details, or for examples of completed Forms 9A and 9B, refer to The Lawyer Bookkeeping Guide available on our Resource Centre website at www.iso.ca or call the Law Society's Resource Centre at (416) 947-3315 or toll-free at 1-800-668-7380 Ext. 3315 and ask for a free copy.

Questions 5, 6 and 7 – Comparison of Trust Bank Reconciliations and Trust Listing of Client Liabilities as at December 31, 2018 and Reporting of Mixed Trust Accounts

You are required to provide the name, address, branch transit number(s) and account number(s) of the financial institution(s) where your trust account(s) is/are held within Question 6. All mixed trust accounts must be listed in Question 6.

If any type of trust bank account was maintained, including but not limited to the following: mixed trust bank accounts (combined trust monies for different clients); separate trust bank accounts (trust money for one client, including passbook accounts, guaranteed investment certificates (GICs), term deposits or other investments accruing interest for that one client); trust accounts registered in the name of a client (for estates where the lawyer has sole signing authority, including accounts where the lawyer is sole trustee, administrator or committee, and under power of attorney given by the client), complete the summary trust comparison as at December 31, 2018.

All monies held in trust must be reported. If your trust account is open but has a zero balance as at December 31, 2018, indicate the zero balance in the reconciliation. For assistance in completing this question, refer to the following example.

Our example is the firm of Smith and Smythe who have the following assets or trust accounts:

• Mixed trust account	\$	55,000.00
• Term deposit for client A and T-Bills for client B (written direction obtained)	\$	25,000.00
• Estate account for client C	\$	20,000.00
Total asset accounts	\$	100,000.00

Client liabilities including all mixed and separate accounts and investments are \$100,000.00.

Chart A (Trust Comparison)	How to Answer the Question	Example
5i) Add mixed trust bank account(s)	Include the total of the December 31, 2018, ending bank balance(s) for all mixed trust account(s).	\$55,000.00
5ii) Plus separate interest bearing trust account(s) and other interest or income generating investments	Include the total of the December 31, 2018, ending bank balance(s) for separate trust bank account(s) for individual clients including any passbook accounts, term deposits and GICs. Interest bearing account(s) or investments should be included in the monthly trust comparison record. Include the total of such investments as at December 31, 2018 (e.g. T-Bills). These other investments may not include more than one client's monies per investment; otherwise, they become mixed trust accounts, which are subject to the provisions of By-Law 9 and section 57 of the <i>Law Society Act</i> .	\$25,000.00
5iii) Plus estate and/or power of attorney account(s) and investments	Include the total of the December 31, 2018, ending bank balance(s) for separate estate account(s) where the lawyer is estate trustee, administrator, committee and/or has control of estate assets. This includes accounts over which the lawyer has an active power of attorney. If you provided an amount for estate account(s) in Section 3 question 3a v), and/or 3b) v), and/or 3c) iv), you should also include the amount(s) in this section or provide an explanation if it is not part of the firm's financial activities.	\$20,000.00
5iv) Equals total bank balance	Add i) through iii).	\$100,000.00
5v) Plus total outstanding deposits	Deposits which are received and deposited on the last day of the month or the next banking day, but did not appear on the December bank statement due to timing. The actual bank deposit date should be confirmed and recorded on the trust reconciliation.	\$0.00
5vi) Plus/minus total bank/posting errors	Overdrawn client ledger accounts, service charges to the trust bank account for the month and/or other bank/posting errors are the responsibility of the lawyer to replace/correct immediately following the monthly reconciliation. Other reconciling items, such as errors when writing cheques or making deposits are also the responsibility of the lawyer to replace/correct immediately following the monthly reconciliation so the errors do not carry over to another month.	\$0.00
5vii) Minus total outstanding cheques	Trust cheques written and issued, but which have not yet cleared the bank and do not appear on the bank statement.	\$0.00
5viii) Equals reconciled bank balance	Enter grand total after adjustments from v) to vii). If no adjustments, enter same figure from iv).	\$100,000.00
5ix) Minus total client trust liabilities	Total client trust liabilities are your month end list of all client trust ledger accounts (i.e. the December client trust listing total). The liabilities are not limited to monies in the mixed (pooled) trust account. They should include all other account balances, GICs, estate accounts, etc. Any monies held for clients should be included in your monthly trust listing. Enter the total balance from the firm's client trust list as at December 31, 2018 (this may or may not be the same figure as the reconciled bank balance).	\$100,000.00
5x) Equals difference between reconciled bank balance and total client trust liabilities	Any difference between the reconciled bank balance and the total client trust liabilities must be recorded and explained. Action should be taken to promptly correct differences and notes should be made on how and when differences were corrected. If there is a difference, provide an explanation within the dialogue box provided immediately beneath this question.	\$0.00

Question 7 - Answer all questions as at December 31, 2018

7a)i) Number of mixed trust bank accounts reported in 5i)

Include the total number of all trust bank accounts containing mixed (pooled) funds for different clients being held by the firm as at December 31, 2018.

7a)ii) Estimated value of estate assets held in a mixed trust account reported in 5i)

Include the value of estate assets for which you are the sole estate trustee or for which you controlled (i.e. had sole signing authority over) the estate assets, in a mixed trust account as reported in 5a). Provide the approximate amount of these estate funds.

7b) Number of separate interest bearing trust accounts or income generating trust accounts/investments reported in 5ii)

Include the total number of all separate interest bearing trust accounts being held for individual clients by the firm as at December 31, 2018.

7c) Number of separate estate and/or power of attorney accounts and investments reported in 5iii)

Include the total number of all separate estate and/or power of attorney accounts and investments being held by the firm as at December 31, 2018.

Question 8 – Overdrawn Accounts

If you had any overdrawn clients' trust ledger accounts of \$50.00 or more at any time throughout the calendar year, complete **ALL** parts of question 8a) through d). Details may be provided in the dialogue box at the end of this section if necessary. Action should be taken to promptly correct deficiencies of any amount whenever an overdrawn client trust ledger account occurs.

Question 9 – Outstanding Deposits

If you had any outstanding trust deposits that were not deposited by the end of the next banking day at any time throughout the calendar year, complete **ALL** parts of question 9a) through d). Details may be provided in the dialogue box at the end of this section if necessary. Action should be taken to promptly correct deficiencies of any amount.

Question 10 – Unchanged Client Trust Ledger Account Balances

Trust ledger accounts should be reviewed regularly so that they do not become inactive. Inactive accounts should be closed, if possible, by:

- paying the balances held for or on behalf of the clients;
- billing and transferring to the general (non-trust) account IF you are entitled to any of those amounts. Entitlement is only through completed legal work provided and billed to the client and not through attempting to trace a client with an inactive trust ledger account;
- discussing with the client the placement of any large balance held on their behalf in an interest bearing account;
- ensuring that any funds which appear to represent document registration fees are investigated and the documents are registered.

Question 11 – Unclaimed Client Trust Ledger Account Balances

Subsection 59.6(1) of the *Law Society Act* permits a lawyer who has held money in trust for or on account of a person for at least two years to apply for permission to transfer the money to the Law Society if:

1. the lawyer has been unable to locate the person entitled to the money despite having made reasonable efforts throughout a period of at least two years; or
2. the lawyer is unable to determine who is entitled to the money.

The application procedure for transferring the money to the Law Society is set out in By-Law 10. For more details on the Unclaimed Trust Fund Lawyer and Paralegal Application, visit the Law Society's website at: <https://lso.ca/public-resources/trustee-services-and-the-unclaimed-trust-fund>

- **Section 5 – Areas of Practice**

Questions 1, 2 and 3 – Areas of Practice and Details of Real Estate Practice

Complete this section if at any time during 2018 you were resident in Ontario and engaged in the practise of law, whether private practice or otherwise at the time. "Resident" as used in this section, has the same meaning given to it for the purposes of the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.).

If you were not resident in Ontario or not working in Ontario on more than an occasional basis in 2018, you should omit this section and proceed to Section 6. This will be applicable even if you were working in Ontario while resident elsewhere. Also, if you were resident in Ontario in 2018, but did not practise any Canadian law at the time, you should omit this section and proceed to Section 6. So, for example, if you were resident and practising in Canada but outside of Ontario throughout 2018, or you were resident and practising outside of Canada throughout 2018, you would omit this section and proceed to Section 6.

In responding to questions in this section, provide your best approximation of the time devoted to each area of practice in which you participated in 2018. The percentage of time should include the time spent by non-lawyer staff on your behalf and your docketed and undocketed time, combined.

Completing this section

1. If the categories of areas of law practice in questions 1 or 2 do not apply to you, complete the "other" field.
2. If your Canadian law practice in 2018 was limited to Ontario only:
 - Complete question 1;
 - Omit question 2; and
 - Complete question 3 concerning details of your real estate practice (if applicable).
3. If your Canadian law practice in 2018 was outside Ontario only:
 - Omit questions 1 and 3; and
 - Complete question 2
4. If your Canadian law practice in 2018 included the practice of law inside and outside Ontario:
 - Complete questions 1 and 2; and
 - Complete question 3 (if applicable).

In completing questions 1 and 2, note that the percentages in the columns for both questions must total 100%, since the percentages in question 1 are based only upon that part of your Canadian law practice most directly relating to Ontario, and the percentages in question 2 are based only upon that part of your Canadian law practice most directly relating to jurisdictions other than Ontario.

So, if while you were resident in 2018 you practised only Canadian tax law, with 80% of this most directly relating to Ontario and 20% most directly relating to Alberta, you would indicate "Tax Law" as being 100% in both questions 1 and 2, and then indicate the percentage of your total Canadian law practice most directly relating to Canadian jurisdictions other than Ontario as being 20% in question 2(c).

Determining Canadian Law Practice – Ontario / Other than Ontario

To determine which portion of your Canadian law practice in 2018 most directly related to your practice in Ontario and which portion related to your practice other than Ontario, consider the following in exercising your judgment:

- If you were practising federal law in a Canadian jurisdiction other than Ontario, this portion of your practice should be considered to be most directly related to your Canadian law practice other than Ontario;
- If you were conducting your practice in a Canadian jurisdiction other than Ontario, this portion of your practice should be considered to be most directly related to your Canadian law practice other than Ontario;

- If you were practising the law of a Canadian jurisdiction other than Ontario, this portion of your practice should be considered to be most directly related to your Canadian law practice other than Ontario;
- If you were representing your client in proceedings commenced in a jurisdiction other than Ontario, generally this portion of your practice should be considered to be most directly related to your Canadian law practice other than Ontario;
- If the subject matter of your legal work was located in or emanated from a Canadian jurisdiction other than Ontario, generally this portion of your practice should be considered to be most directly related to your Canadian law practice other than Ontario; and
- If your client was located in a Canadian jurisdiction other than Ontario, it may be that this portion of your practice should be considered to be most directly related to your Canadian law practice other than Ontario.

In considering aspects of your practice that were multi-jurisdictional in nature, you may wish to consider what segment of your practice related to one jurisdiction over another, and what portion of your practice might commonly have been performed by local counsel in the absence of the *National Mobility Agreement* or occasional practice rules. For more information on the *National Mobility Agreement* visit the Permanent Transfer under the NMA or TMA page on the LSO website.

Real Estate Declaration

Question 3 asks for details about your real estate practice, if applicable. The Real Estate Declaration must be completed if you acted on a real estate transaction in Ontario during the filing year.

The Real Estate Declaration is part of the Law Society's response to continuing reports of lawyers' involvement in mortgage fraud. All lawyers who acted on a real estate transaction in 2018 are required to acknowledge some of their key responsibilities relating to real estate practice. The Declaration refers to existing obligations in the *Rules of Professional Conduct* and Law Society By-Laws. You should review the Rules and By-Laws referenced in the Declaration prior to completing it.

NOTE: The information provided in Section 5 may be shared with LAWPRO (Lawyers' Professional Indemnity Company), who may rely on your responses for the purposes of Errors and Omission insurance.

Question 4 – Allocation of Practice

This section must be completed if you engaged in the practise of law in respect of Ontario (whether provincial or federal law) during 2018 but were NOT engaged in the private practise of law.

Complete this section regardless of where you were resident.

This includes:

- the practise of law for outside third parties on your employer's behalf. An example would be a lawyer employed by a trust company as an estates officer;
- the practise of law for outside third parties NOT on your employer's behalf. An example would be a lawyer employed as in-house counsel who may occasionally represent their own clients e.g. doing a real estate transaction for an outside party; and
- the practise of law directly for your employer. An example would be in-house counsel or government lawyer.

NOTE: Even if you practised law as mentioned above on a part-time basis, and this is all you did in 2018, you would answer it as 100%.

- **Section 6 – Certification and Submission**

All mandatory sections of the report must be completed prior to submission. A copy of your completed report will be published to the Documents portlet of your LSO Portal account within 24 hours of submission. If you uncover an error

or omission with your report following certification and submission, please contact the By-Law Administration Services department at bylawadmin@lso.ca or (416) 947-3315.

IMPORTANT: To avoid receipt of a letter indicating default in filing, **ensure that the form is submitted** once it is complete and reviewed for accuracy. **DO NOT** log out of your form, after it is complete, without submitting it through Section 6. Logging out without submitting your form will leave your form in a “not filed” status on the Law Society’s database.

3. Definitions

(a) Section 2 - Equity, Diversity and Inclusion (EDI)

Career advancement – Career advancement is the upward progression of a person’s career. This upward progression usually involves opportunities for additional professional development where that person is provided with the tools to expand their skill sets. Career advancement leads to new challenges and increased responsibilities.

Considers opportunities – The legal workplace values diverse ideas and opinions and creates processes and procedures - both formal and informal - to ensure those diverse views can be contributory.

Inclusion surveys – Through the collection and analysis of qualitative data, inclusion surveys are a tool to measure systemic change. Employees may be asked about subjects such as career advancement opportunities, feelings of belonging and experiences of discrimination. Inclusion surveys are used to establish benchmarks, identify concerns and implement strategies to promote diversity and an inclusive workplace culture.

Internal initiatives – Internal initiatives can be programs, workshops or events facilitated by the legal workplace for its employees. Regardless of whether the initiatives are implemented by the legal workplace or an external vendor, they are created from within the organization for the purpose of promoting an inclusive workplace culture.

Policies – A set of rules, principles and guidelines that delineate acceptable workplace behaviour in particular situations. For model policies on equity, diversity and inclusion issues, please visit the Law Society’s website at LSO.ca/EDI.

Reasonable accommodations – Employers must take steps to adjust their rules, policies or practices in order to allow for the full participation of employees or applicants who have needs based on grounds protected by the Ontario *Human Rights Code* unless doing so would amount to undue hardship. For more information and resources, please visit the Law Society’s website at LSO.ca/EDI.

Treated fairly and respectfully – All people in the workplace are treated with dignity regardless of their level of seniority or their personal characteristics. Treating people fairly does not involve always treating everyone in the same manner; at times, fairness requires recognition of people’s differences and different treatment.

Written plan – A written document that is available to all employees indicating the specific objectives of the organization with regards to equality, diversity and inclusion, outlines the organization’s goals, and indicates how progress will be measured.

(b) Section 3 (Individual Practice Activities), Section 4 (Financial Reporting), Section 5 (Areas of Practice)

Cash – By-Law 9 subsection 1(1): current coin within the meaning of the *Currency Act* (Canada), notes intended for circulation in Canada issued by the Bank of Canada pursuant to the *Bank of Canada Act* and current coin or bank notes of countries other than Canada.

Client Disbursements – These are out of pocket expenses of a lawyer or law firm made on behalf of a client: e.g. photocopies, faxes, postage, telephone charges, couriers, mileage and other travel expenses, fees for searches,

applications, registrations, filings, certificates, transcripts, witnesses, examinations, service of documents, medical and other experts' reports, fines, penalties, taxes, etc.

Control – A lawyer is considered in control of the estate assets when:

- i) the estate trustee has delegated the collection and distribution of the estate assets to the lawyer; **OR**
- ii) the lawyer, who is not an estate trustee but takes instructions from the estate trustee, has sole signing authority over the estate assets, including funds held in a mixed trust account.

****Exception** – A lawyer who acts on the sale of the deceased's real estate and transfers the net sale proceeds to the control of the estate trustee is not considered a lawyer in control of the estate assets.

Current – To record all transactions in the records required by sections 18, 19, and 20 of By-Law 9 on the day they occur.

Disburse – Disburse means to pay out, which requires signing authority on the trust account. It does not include signing trust cheque requisition forms. Note: A lawyer acting as an estate trustee or exercising a power of attorney for property also "disburses" funds from trust when he or she makes payments out of any financial asset managed by the lawyer in relation to the testator's estate or donor's property. See the definition of **Investments** in this Guide.

Employee – For the purpose of completing Section 4 – Financial Reporting, the term "employee" means employed in a practising status, for which professional liability coverage is required. Section 4 does not apply to a lawyer working at a law firm in a non-legal capacity (e.g. chief operating officer, continuing professional development coordinator, etc.).

Engaged in the Practice of Law – Lawyers practise law if they provide any legal advice respecting the laws of Ontario or Canada or deliver the professional services of a barrister and solicitor.

Estate Trustee – An estate trustee is a person who is legally entitled to represent an estate and deal with the estate assets either alone or with another person.

Estate Trustee and Power of Attorney for related persons – The By-Law 9 record keeping and money handling requirements for estates and the exercise of powers of attorney apply to all lawyers who have control of estate assets, whether as estate trustee, solicitor managing estate funds on behalf of an estate trustee, or exercising a power of attorney, regardless of whether the deceased or grantor is a related person of the lawyer.

General (non-trust) Account – This is whatever bank account you use to deposit payments from clients and pay the expenses of your practice. If this account is your personal account, you must ensure that you receive and maintain the monthly bank statements, cashed cheques, and detailed duplicate deposit slips for this account in your accounting records. You will be required to produce the bank statements, deposit slips, and cashed cheques for this account when a spot audit is authorized on your practice.

Hold – In the context of trust funds or trust property, this term means money or property that you or your firm have received at any time in the past, by any means that you have not yet disbursed or transferred to another person outside your firm. Note: A lawyer acting as an estate trustee or exercising a power of attorney for property also "holds" funds in trust when he or she manages any financial asset in relation to the testator's estate or donor's property. See the definition of **Investments** in this Guide.

Investments – Investments means financial assets held by a bank, trust company, insurance company, credit union, brokerage or finance company and includes GICs, term deposits, mutual funds, and brokerage accounts.

Maintain – To keep the records required by sections 18, 19, and 20 of By-Law 9, with all of the details set out in those sections, for the time periods required by sections 21 and 22 of By-Law 9.

Mixed Trust Account – A trust account holding, or intended to hold, trust funds for more than one client. Mixed trust accounts are subject to subsection 57(1) of the *Law Society Act* which requires any interest payable on a mixed trust account to be paid to the Law Foundation of Ontario.

Power of Attorney – Power of attorney refers to the actual use and exercise of authority pursuant to an active power of attorney, either alone or with another person, as opposed to the mere existence of authority pursuant to a power of attorney intended for future use. Questions on this form do not apply to a lawyer who exercises a similar authority when appointed as Guardian for Property by the Office of the Public Guardian and Trustee (OPGT) or the court.

Private Mortgage – A private mortgage is a mortgage or charge on land, securing a loan from a lender, in any transaction that is not one of the exceptions listed in By-Law 9 subsection 24(2). Note that loans through registered retirement savings plans (RRSPs) are private mortgages because RRSP funds belong to the plan holder and not to the financial institution.

Pro Bono Legal Services – Pro bono legal services means the provision of legal services to persons of limited means or to charitable or not-for-profit organizations without expectation of a fee from the client.

Receive – In the context of Trust Funds:

- i) a lawyer who has signing authority on a trust account "receives" trust funds if funds are deposited to the account by any means: cash, cheque, bank draft, postal order, credit card, debit card, direct deposit, electronic deposit, etc. regardless of who deposits the funds: the lawyer, employed or associate lawyer, staff, bookkeeper, client, agent, etc.
- ii) a lawyer who does not have signing authority on a trust account "receives" trust funds if he or she takes physical possession of the funds, i.e. cash, cheque, bank draft, postal order, etc. but not if he or she processes or facilitates electronic deposits by credit card, debit card, or direct deposit, etc.

A lawyer acting as an estate trustee or exercising a power of attorney for property also "receives" funds in trust when he or she undertakes management of any financial asset in relation to the testator's estate or donor's property. See the definition of **Investments** in this Guide.

Related Person/Corporation – Reference should be made to section 251 of the *Income Tax Act* (Canada). Simply put, related persons are deemed not to be dealing at arm's length. Additionally, even if persons are not related, the transaction can still be considered not at arm's length depending on the facts of the situation. Related persons include individuals connected by blood relationship, marriage or adoption. Persons are considered to be connected by blood relationship if one is the child or other descendant of the other or a sibling. Relationship by marriage has an expanded definition to include a person married to the other or to a person who is connected by blood relationship to the other.

*Lawyers are referred to section 251 of the *Income Tax Act* (Canada) for the definition of related corporations.

Separate Accounts and Investments – These are accounts at a financial institution including passbook accounts, current accounts, term deposits, GICs, etc., which hold trust funds for one client only. Any interest or service charges belong to the client. If the account holds funds for more than one client then the account is a mixed trust account and is subject to subsection 57(1) of the *Law Society Act*.

Trust Accounts – A trust account is a bank account at a chartered bank, provincial savings office, credit union or league to which the *Credit Unions and Caisse Populaires Act, 1994* applies, or a registered trust corporation that holds money received by a lawyer when the money:

- i) belongs in whole or in part to a client
- ii) is held on behalf of a client
- iii) is held on a client's direction or order
- iv) is advanced to a lawyer on account of fees for services not yet rendered
- v) is advanced to a lawyer on account of disbursements not yet made

Trust Funds – Trust funds include cash, cheques, drafts, money orders, credit card and debit card payments, and investments that you or your firm has received from or on behalf of a client.

Trust Property – Trust property includes any property that you can convert, on your own authority, to cash such as:

- mortgages, transfers or other instruments registered in your name in trust. **NOTE:** This includes mortgages, or other investment securities, held in trust by a corporation or other business entity controlled by you and/or your spouse.
- stocks, bonds or other securities in bearer form.
- jewellery, paintings, furs, collector's items or any variety of saleable valuables.

Unchanged Trust Funds – If there have been no receipts to, and no disbursements from, a client trust ledger account in the previous twelve months, excluding corrections, deposits of interest, and transfers between trust accounts, these are considered unchanged trust funds.

Unclaimed Trust Funds – Unclaimed trust funds are funds that have been held in trust for or on account of a person, by a lawyer, for a period of two years or more and cannot be disbursed because:

- i) the lawyer has been unable to locate the person entitled to the money, despite having made reasonable efforts;

OR

- ii) the lawyer is unable to determine who is entitled to the money.

4. FAQs

(a) Section 2 (Equity, Diversity and Inclusion)

Self-Assessment

What is the self-assessment requirement?

Every two years, a licensee representative of each legal workplace of at least 10 licensees in Ontario must complete equality, diversity and inclusion self-assessment questions for their legal workplace. The self-assessment questions are contained in the Lawyer Annual Report and the Paralegal Annual Report.

What is the purpose of a self-assessment?

To have legal workplaces engage in dialogue and reflection on the current state of diversity and inclusion within their workplace and to encourage legal workplaces to work proactively to advance diversity and inclusion.

What questions will the Law Society ask in the self-assessment?

The questions will explore the five themes outlined in the [Working Together for Change final report: Accelerating Culture Shift; Measuring Progress; Educating for Change; Implementing Supports; Leading by Example](#). A [preview of the self-assessment questions](#) is available on the Law Society website.

Who is required to fill out the self-assessment?

Each legal workplace of at least 10 licensees will designate a licensee representative to complete the self-assessment questions on behalf of the legal workplace.

Will my workplace licensee representative have to fill out the self-assessment questions every year?

The self-assessment will be included in the Annual Report every two years, beginning with the 2018 Annual Report.

I work in a legal workplace of less than 10 licensees; can my workplace still fill out the self-assessment?

No. Only workplaces of at least 10 licensees can fill out the self-assessment questions in the Lawyer Annual Report and the Paralegal Annual Report; however, the Law Society encourages legal workplaces to conduct their own self-assessments to assist with advancing diversity and inclusion in the workplace.

I am the licensee representative designated to fill out the self-assessment; where can I find it?

The self-assessment questions are contained in the Lawyer Annual Report and the Paralegal Annual Report.

A preview of the self-assessment is available on the Law Society's website; can I fill it out now and submit it to the Law Society?

No. The self-assessment questions must be answered in the 2018 Annual Report. You may consider engaging in some of the following activities in preparation: review the questions, gather any information you need to respond, engage in dialogue and reflection on the current state of diversity and inclusion within your workplace, review online resources to enhance diversity and inclusion in the workplace

What will the Law Society do with the results of the self-assessment?

The results of the self-assessment will be considered in the ranking provided in the inclusion index. See FAQs Inclusion Index.

Self-Identification Questions

Why is the Law Society asking me to provide my demographic information?

The Law Society is committed to promoting equality and diversity in the legal professions and to enhancing legal services provided by and for Indigenous, Francophone and equality-seeking communities. The answers to these questions will help the Law Society to better understand demographic trends, to develop programs and initiatives within the mandate of the Law Society and to promote equality and diversity in the professions.

Are the self-identification questions mandatory?

You must provide a response to each question in this section, but you may select "I do not wish to answer", if you do not wish to provide your self-identification data.

What will the Law Society do with this information?

In support of the goal of achieving greater equality, diversity and inclusion in the legal professions and to measure progress towards this goal, information collected from lawyers and paralegals in a legal workplace of 25 licensees or more will be shared with the workplace in a manner consistent with best practices for such disclosure that protects individual lawyers and paralegals. This will enable the workplace to compare the information collected about the workplace with the aggregate demographic information collected from the professions as a whole through these questions.

The Law Society will prepare a summary, which will include the demographic profile of each legal workplace of at least 25 licensees, and provide it confidentially to the legal workplace and to each lawyer and paralegal in the workplace. The results of the demographic questions will also be considered in the ranking provided in the inclusion index.

Will the Law Society continue to publish the yearly Statistical Snapshots of lawyers and paralegals in Ontario?

Yes. The Law Society has been publishing yearly "snapshots" since 2009 and will continue to do so. This information will be reported in the aggregate and provides an overview of the legal profession on a year to year basis. These reports provide important information about the legal professions.

I work in a legal workplace of less than 25 licensees; can my workplace request their demographic profile?

No. In order to maintain the confidentiality of licensees, the Law Society will not provide a demographic profile to legal workplaces with less than 25 licensees as of December 31, 2018. The Law Society will continue to publish yearly statistical snapshots of lawyers and paralegals as it has done since 2009.

I do not see my identity reflected in the potential answers to these questions; how did the Law Society come up with these categories?

The categories listed in the potential answers to these questions reflect those used by [Statistics Canada](#). This allows the Law Society to compare the data obtained from the professions with that of the province.

Inclusion Questions

Why is the Law Society asking me to answer inclusion questions?

The Law Society is committed to promoting equality and diversity in the legal professions and to enhancing legal services provided by and for Indigenous, Francophone and equality-seeking communities. The answers to these questions will help the Law Society to better understand demographic trends, to develop programs and initiatives within the mandate of the Law Society and to promote equality and diversity in the professions.

Are the inclusion questions mandatory?

You must provide a response to each question in this section, but you may select “I do not wish to answer”, if you do not wish to provide your self-identification data.

Will I have to fill out inclusion questions every year?

The inclusion questions will be included in the Annual Report every four years, beginning with the 2018 Annual Report.

What will the Law Society do with this information?

The Law Society will compile the results and in legal workplaces of 25 licensees or more a summary of the information gathered will be provided to the workplace. The results of the inclusion questions will also be considered in the ranking provided in the inclusion index.

I work in a legal workplace of less than 25 licensees; can my workplace request their inclusion information?

No. In order to maintain the confidentiality of licensees, the Law Society will not provide inclusion question results to legal workplaces with less than 25 licensees. The information will help the Law Society track trends over time, refine and development programs and initiatives to address the challenges faced by racialized licensees and other equality-seeking groups.

Inclusion Index

What is an inclusion index?

An inclusion index contains legal workplaces' assessments of their diversity and inclusion-related achievements and allows legal workplaces to demonstrate their performance and progress.

What is the purpose of an inclusion index?

The index is a valuable tool for legal workplaces and the Law Society to determine whether there is progress in the professions in the areas of diversity and inclusion. Legal workplaces could also use the index to attract prospective clients and to recruit talent.

What information will be included in the inclusion index?

The inclusion index will include, for legal workplaces of at least 25 licensees, the legal workplace's self-assessment information, demographic data obtained from the Annual Report and the information gathered from the inclusion questions in the Annual Report. The index will include scores and rankings based on the presence or lack thereof of equality-related policies and practices.

Will the inclusion index be available to the professions and the public?

Yes.

How often will the inclusion index be published?

The Law Society will begin publishing the inclusion index in 2019 and will update the index every four years.

My workplace has more than 10 licensees but less than 25 licensees. Why was my workplace required to fill in a self-assessment if the results will not be in the inclusion index?

The Law Society believes that it is important to have legal workplaces engage in dialogue and reflection on the current state of diversity and inclusion within their workplace. The information will help the Law Society track trends over time, refine and development programs and initiatives to address the challenges faced by racialized licensees and other equality-seeking groups.

**(b) Section 4 (Financial Reporting),
Section 5 (Areas of Practice)**

I practice exclusively in a jurisdiction outside of Ontario. Do I have to report my out of province trust and/or general (non-trust) account information to the Law Society?

No. Section 4 relates only to your trust and/or general (non-trust) accounts being maintained in Ontario. Any other information should be reported in the respective jurisdiction in which you are practising and/or where the accounts are maintained.

Do I need an accountant to complete the financial section of my report?

No. You are not obliged to retain a public accountant to complete the financial section of the Lawyer Annual Report. Your decision to seek the assistance of an employee (e.g. a bookkeeper or office administrator) or any other individual (e.g. an accountant) in no way lessens your accountability for the accuracy and integrity of the information provided. By-Law 8 does not require that an audit be performed. If you require assistance with the financial sections of your report, you may download The *Lawyer Bookkeeping Guide* available on our Resource Centre website at www.lso.ca or obtain your free copy by calling the Law Society Resource Centre at (416) 947-3315 or toll-free at 1-800-668-7380 Ext. 3315.

(c) Correcting an Error on your Annual Report

If I realize after I have filed the report that I have made a mistake, how can I retrieve my report to make the correction?

Once you have filed your report, you can no longer make changes to it. If you wish to correct an error on your form, write to By-Law Administration Services setting out your name and Law Society number, the section, the response you provided and how you wish this response to be corrected. The correction will be changed on the database and your letter will be filed to document the change.

5. Contact Information

Question about	Contact	Telephone number	Fax number	Email
Sections 1 to 6 <ul style="list-style-type: none"> • General Questions • Technical Questions 	By-Law Administration Services department	(416) 947-3315 or toll-free 1-800-668-7380 Ext. 3315	(416) 947-3408	bylawadmin@lso.ca
Section 2 <ul style="list-style-type: none"> • Equity, Diversity & Inclusion (EDI) 	Equity department	(416) 947-3315 or toll-free 1-800-668-7380 Ext. 3315	(416) 947-3983	equity@lso.ca
Sections 3 & 4 – Individual Practice Activities & Financial Reporting <ul style="list-style-type: none"> • Estate accounts, Mortgage Transactions and Accounting Issues • By-Laws and Rules of Professional Conduct 	Practice Management Helpline	(416) 947-3315 or toll-free 1-800-668-7380 Ext. 3315 Please read the definitions in the Guide for clarification before calling	No fax number.	practicehelpline@lso.ca
Section 5 <ul style="list-style-type: none"> • Areas of Practice & Allocation of Practice 	LAWPRO (Lawyer' Professional Indemnity Company)	(416) 598-5899 or toll-free 1-800-410-1013	(416) 599-8341	service@lawpro.ca
Unclaimed Trust Funds	Trustee Services department	(416) 947-3312	(416) 644-4880	unclaimedtrust@lso.ca

Toll-free numbers may not be available outside of Ontario.