





# Bulletin

No. A-04/08
Property & Casualty
– Auto

# FSCO Oversight of SABS Representatives Ends May 1, 2008

**To the attention of all insurance companies licensed to transact automobile insurance in Ontario and all health care providers**

The purpose of this Bulletin is to highlight the regulation changes filed by the Ontario Government with respect to individuals who are not lawyers and who provide representation to claimants under the Statutory Accident Benefit Schedule (SABS representatives). The amending regulations end the Financial Services Commission of Ontario's (FSCO) oversight of SABS representatives effective May 1, 2008.

With the passage of the *Access to Justice Act, 2006,* paralegals in Ontario will be regulated by the Law Society of Upper Canada (Law Society). The regulation of paralegals by the Law Society includes the activities of SABS representatives. This Bulletin follows Bulletin No. A-02/07, Property and Casualty – Auto, (issued on May 11, 2007), which provided advance notice and information regarding these planned changes.

## Paralegal Representation of SABS Claimants

On or after May 1, 2008, only individuals who are licensed to provide legal services or who are exempt from licensing requirements under the Law Society By-Laws, can represent claimants in the dispute resolution process at FSCO.

SABS representatives who have not applied for a paralegal licence with the Law Society, or do not meet the licensing requirements of the Law Society, must complete all work on existing SABS claims or transfer ongoing SABS claims to a lawyer or paralegal in good standing with the Law Society prior to May 1, 2008.

Unlicensed individuals who continue to represent claimants on and after May 1, 2008, may be in contravention of the *Law Society Act*.

**Supervised Staff at Law Firms**

On or after May 1, 2008, supervised staff at law firms also will require a licence from the Law Society to represent claimants in the dispute resolution process at FSCO.

## FSCO Dispute Resolution Forms

FSCO's dispute resolution forms will be amended to require paralegals to provide their Law Society licence number, as currently required for lawyers. These forms will be available on FSCO's website at www.fsco.gov.on.ca.

## Proceedings and Complaints

FSCO will continue complaint and enforcement proceedings against SABS representatives for compliance issues that arose prior to May 1, 2008. All other complaints regarding the conduct or actions of licensed paralegals or unlicensed persons providing legal services should be directed to the Law Society.

## Regulation Changes

The following amending regulations eliminate filing requirements and FSCO's oversight of SABS representatives under the *Insurance Act*. These provisions are addressed in various forms by the Law Society under its By-Laws, including the Paralegal Rules of Conduct and processes for licensing and complaint resolution.

1. Ontario Regulation 62/08 (amending Ontario Regulation 664 - Automobile Insurance)

   With this amendment, SABS representatives will no longer be required to file a declaration with FSCO, confirming they have met the requirements of the Insurance Act, and agree to adhere to the Code of Conduct issued by the Superintendent of Financial Services. The requirements included carrying errors and omissions liability insurance, disclosing conflicts of interest to claimants and insurers, and refraining from representing catastrophically impaired claimants. This amendment will apply to all individuals acting as SABS representatives on or after May 1, 2008.

2. Ontario Regulation 61/08 (amending Ontario Regulation 7/00 – Unfair and Deceptive Acts or Practices)

   With this amendment, certain acts and omissions prescribed as "unfair and deceptive acts or practices" applicable to SABS representatives will be deleted from Ontario Regulation 7/00. This amendment will apply to all individuals acting as SABS representatives on or after May 1, 2008.

## Copies of Regulation Changes

The regulation changes, which were filed on March 26, 2008, can be downloaded from the Ontario e-laws website at www.e-laws.gov.on.ca.

## Law Society Information / Contact

Information regarding paralegal regulation is available on the Law Society's website at www.lsuc.on.ca. Individuals also can send any questions they may have to the Law Society via e-mail at: lawsociety@lsuc.on.ca, or call 1-800-668-7380 or 416-947-3315.

Bob Christie
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