



Our mission:

To be an innovative provider of insurance products and services that enhance the viability and competitive position of the legal profession.

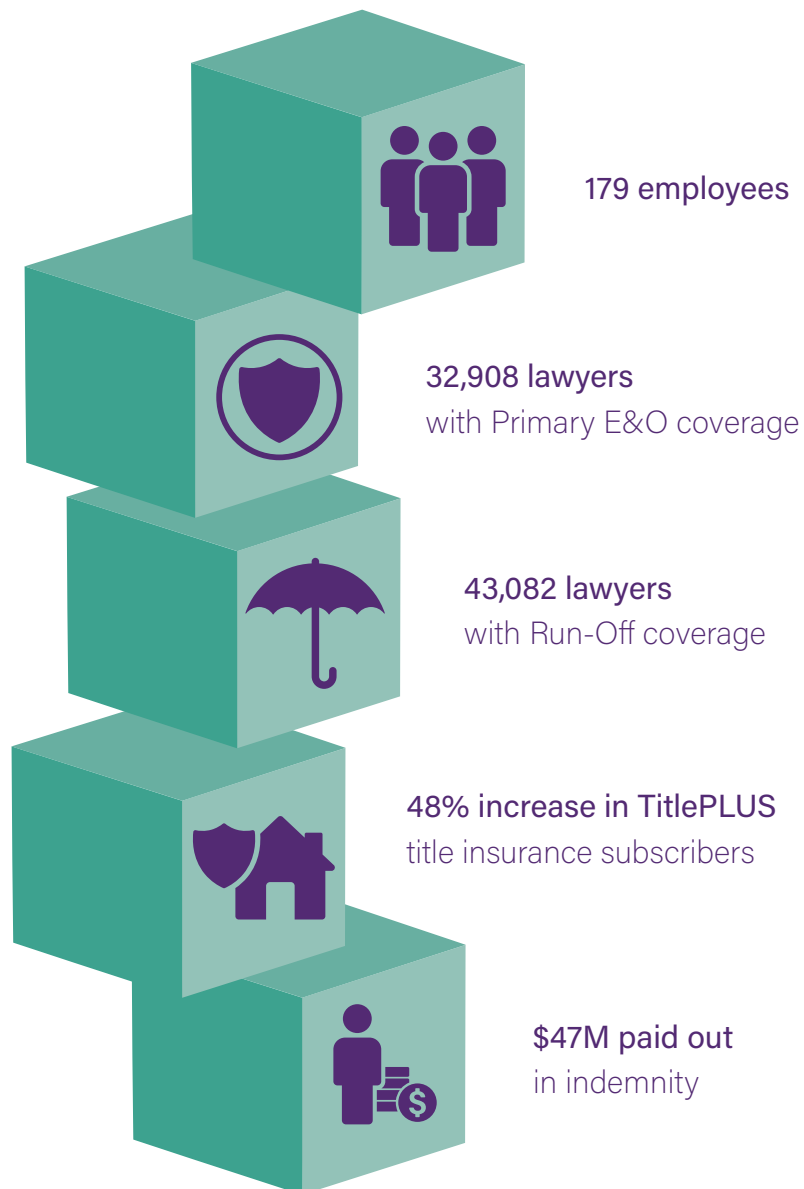
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WHO WE ARE

LAWPRO is committed to empowering legal professionals to practise with confidence and providing peace of mind to those we serve.

We safeguard the viability and integrity of the legal profession, by providing comprehensive professional liability and title insurance, expert risk knowledge, and responsive solutions that foster public trust.



Our products and services



Primary insurance coverage program

All lawyers in private practice in Ontario purchase Primary Professional Liability insurance with a \$1 million per claim, \$2 million annual aggregate limit from LAWPRO. We also provide no cost Run-off insurance to lawyers who have left private practice.



Excess insurance program

LAWPRO's Excess Insurance offers limits up to \$19 million above the Primary Policy. Over 1,700 firms representing more than 4,200 lawyers are currently insured with LAWPRO's Excess program. It is designed to meet the needs of small and medium sized firms of fewer than 50 lawyers.



TitlePLUS title insurance

The TitlePLUS program is the only wholly Canadian-owned title insurer and the only one that automatically offers coverage for errors and omissions by the lawyer at no extra charge in most cases. It is designed to cover issues that a lawyer could have uncovered doing searches (saving homeowners the cost of those searches) as well as the lawyer's own legal services on the transaction and future risks like fraud or encroachments. Title insurance moves the risk associated with title to the title insurer, away from the homebuyer, the lending institution, or the lawyer. This program is built around lawyers being central to real estate transactions and keeping prices and coverages competitive.



PracticePRO program

PracticePRO is LAWPRO's risk management program, developed to help lawyers practise successfully and minimize the risk of claims. Free resources include:

- LAWPRO Magazine: articles about the law, insurance, and current hot topics in the legal profession
- Tips and insights into practice issues including real-time warnings on active frauds targeting lawyers
- Continuing Professional Development programs, precedents, checklists, and videos to help lawyers succeed in their day-to-day business
- Claims fact sheets that describe common scenarios that lead to claims and practical steps that can be taken to lessen the risk of a claim



Mark Surchin
Chair

MESSAGE FROM THE CHAIR

Lawyers in Ontario in 2025 encountered what could be described as an unpredictable environment including transformational changes in technology, political upheaval and social unrest. When the environment in which we work becomes less predictable, insurance tends to become even more valuable.

LAWPRO works to keep premiums as low as possible but its mandate requires that it meet the costs of claims and keep capital on hand to prepare for unknowable risks as required by our regulator. One of the best ways LAWPRO provides a haven for Ontario lawyers is through its financial stability.

This stability is tested regularly and can be seen in the Financial Statements in this Report and is confirmed by our regulators and independent analysts. A.M. Best, a leading global credit rating agency specializing in the insurance industry, reaffirmed the company's Financial Strength Rating of "A" with a "Stable" Outlook.

The year-end Minimum Capital Test result, which is an objective measure of an insurance company's solvency, of 249% demonstrates that LAWPRO maintains sufficient assets to meet its present and future obligations. This assurance is gratifying in light of the constant market, credit, and operational risks that the company faces.

LAWPRO insures more lawyers each year and has maintained the same base premium as in 2024. Premiums are set based on an analysis of trends and do not react to one-year observations. Our open claims count was the highest ever – 5,473 claims – with 3,940 new claims reported in 2025. The number of claims and costs have risen steadily over the last three years as the company has watched to see if this increase is a trend or just the usual variation. It now appears to be an ongoing trend which may lead to the need for a premium increase.

Litigation and real estate continued to be the areas with the highest number of claims. Inadequate investigation claims continue to grow steadily. This cause of claims typically relates to lawyers who have not uncovered all the facts or developed a sufficient understanding of a client's circumstances and this in turn may reflect the increasing pace of society and client expectations.

I would like to take a moment to acknowledge the role of TitlePLUS. As the only wholly owned Canadian title insurer, the program's importance to the Ontario real estate bar was particularly highlighted this year. The vital role of real estate lawyers in the application of accurate and fair transactions continues to be supported by TitlePLUS title insurance. TitlePLUS saw premium growth of over 10% in 2025 despite a challenging real estate environment.

The Law Society of Ontario and its members are well served by efficient and accountable insurance programs such as LAWPRO's.



Dan Pinnington
President & CEO

MESSAGE FROM THE PRESIDENT & CEO

Specializing in insurance for the legal profession means LAWPRO has a deep understanding of claims trends and is able to recognize and respond to emerging risks including sophisticated mortgage frauds, cybercrime, new technologies and the evolving nature of legal work.

While LAWPRO maintains an intimate understanding of the role of and challenges faced by Ontario lawyers, we can also focus on broader insurance industry issues including solvency and effective claims management.

Our team of claims professionals are ready to help insureds in some of their most stressful moments. 2025 saw a new high in open claims but LAWPRO was able to shorten the life cycle and close claims more quickly. LAWPRO collaborates with outside counsel and continues to nurture connections with key stakeholders, associations, and educational institutions.

Our technology transformation is moving forward steadily, and each year sees additions and refinements. Keeping up with customer and employee technology expectations is an ongoing pursuit that all companies face.

The benefits of technology are part of our everyday life, but the threats of technology in the wrong hands are also evident each day. Fraud-related claims are growing significantly in frequency and cost. We see many types of frauds, including wire transfers, identify theft and fake cheques. Most of the frauds we see start with social engineering, often via phishing or a phone call. It is everyone's responsibility to take steps to learn how they may be targeted and to implement as many safety measures as are affordable and feasible. I encourage everyone to take the time to regularly update themselves and their staff about cybersecurity and anti-fraud techniques. We have resources available at practicepro.ca/fraud and we will continue to issue alerts and offer continuing professional development sessions to help keep you informed.

Before paying out funds in any matter, lawyers should verify that instructions sent by email are legitimate, through direct phone or in-person contact with the party providing the instructions. Do not rely solely on email communication within your firm to confirm the secondary verification. Be wary of banks phoning you out of the blue and make your own inquiries by independent means before providing any login information.

Our accomplishments in 2025 serve the Bar in a variety of ways:

- 3,823 claims files closed – an all time high
- 71 live risk prevention presentations to associations, lawyers, and law schools
- 4 full-day LAWPRO Roadshows across the province
- New TitlePLUS Market Value Endorsement offering
- 36,681 calls handled by our Customer Service Department

I want to thank LAWPRO employees, our Board of Directors, external counsel, and members of the Ontario Bar for their continued support of LAWPRO as an independent insurance company that offers comprehensive professional liability insurance in a financially responsible and accountable way while keeping the cost as low as possible.



PREPAREDNESS ABOVE ALL

Most professional problems don't begin dramatically. They start small: a missed detail, an unclear instruction, a process that breaks under pressure, a tool that introduces unintended risk, or changes in law and practice that are difficult to keep pace with. In that environment, lawyers need a professional liability insurer they can rely on.

LAWPRO serves that role for the profession. LAWPRO focuses on being ready to meet challenges through responsive customer service and claims handling, disciplined financial management, and close attention to how risk evolves in practice.

In 2025, LAWPRO monitored claim trends, economic factors, and shifts in the legal landscape to help the E&O Program adjust as necessary and continue to offer reliable protection for its insureds.

Protecting insureds amid rising complexity and E&O costs

Our claims experience in 2025 reflects rising claim volumes and a profession operating within an increasingly demanding, evolving, and costly risk environment. The increases in 2025 continue a steady trend of higher claim numbers and costs. Despite these pressures, the claims team achieved record file closures, strong litigation outcomes, and the rigorous defence of matters lacking merit. The following analysis examines key claims trends in 2025, including a breakdown of costs, practice area, and cause of loss.

Growth in claims and costs

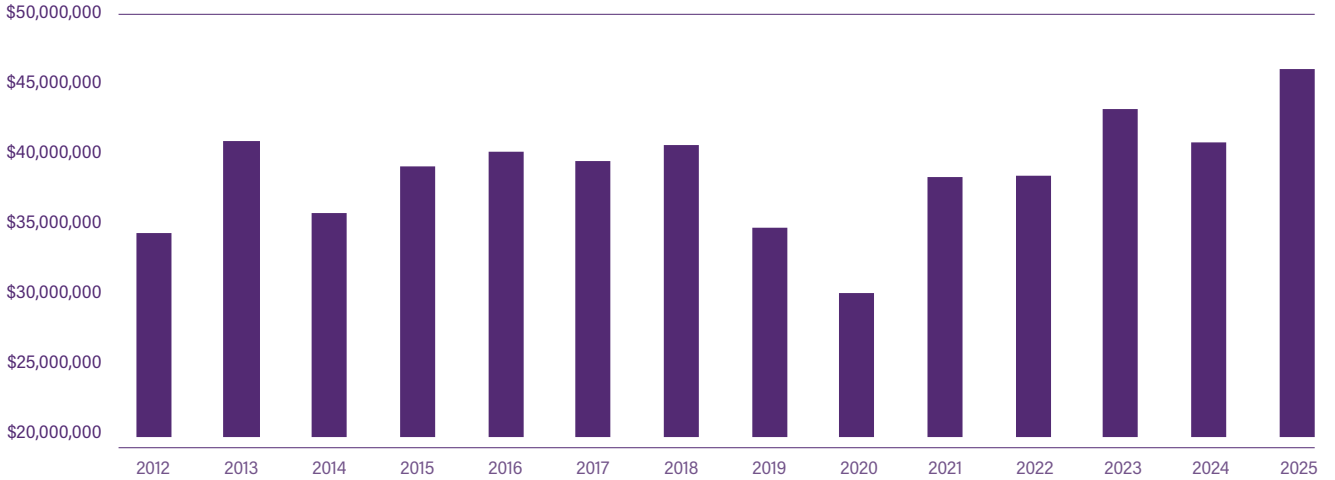
A total of 3,940 claims were reported in 2025, an increase of just over 5% from the prior year. The number of claims has been on a steady upward trend over the last three years. Higher claim volumes resulted from continued claims activity in high-risk practice areas, the resumption of administrative dismissals following the lifting of pandemic-era pauses, and growth in complex and costly litigation and estates work. Growth in the number of practicing lawyers also increased overall claim volumes. As the volume of newly reported claims continued to climb, the number of open files increased by 4.1% in 2025.

Claims costs rose in 2025, with increases in both indemnity payments and legal fees and expenses. Total program costs increased by 8% to \$102.6 million, compared to \$95.4 million in the prior year. The increase in indemnity costs reflects larger settlement

amounts, while higher legal fees were driven by more complex and longer-running litigation matters, including files that proceeded to trial, as well as an intentional effort to move files toward resolution.

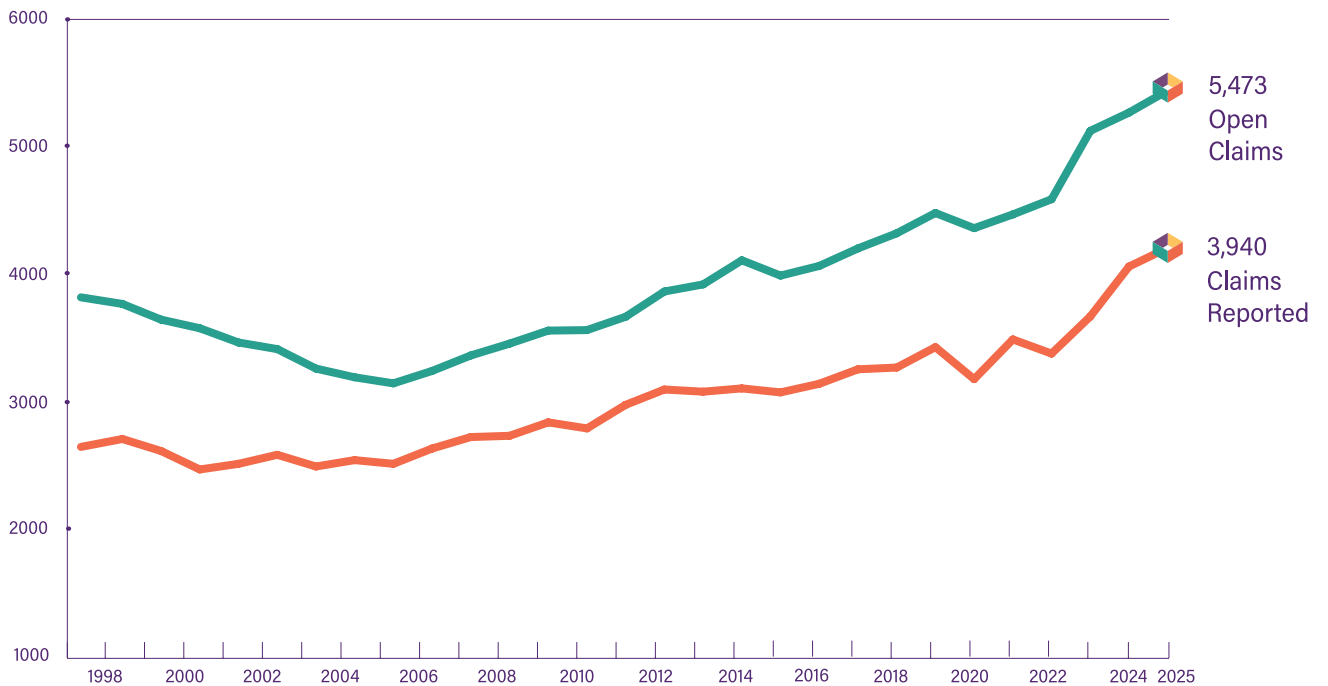
At the same time, the Claims team achieved a record-high closure rate, closing 3,823 files, an increase of 4% over the prior year. This outcome reflects the combined impact of staffing planning made in recent years, continued improvements and adaptability to the policy administration and claims management platform, and a dedicated and concentrated effort by the Claims team.

Indemnity payments by year



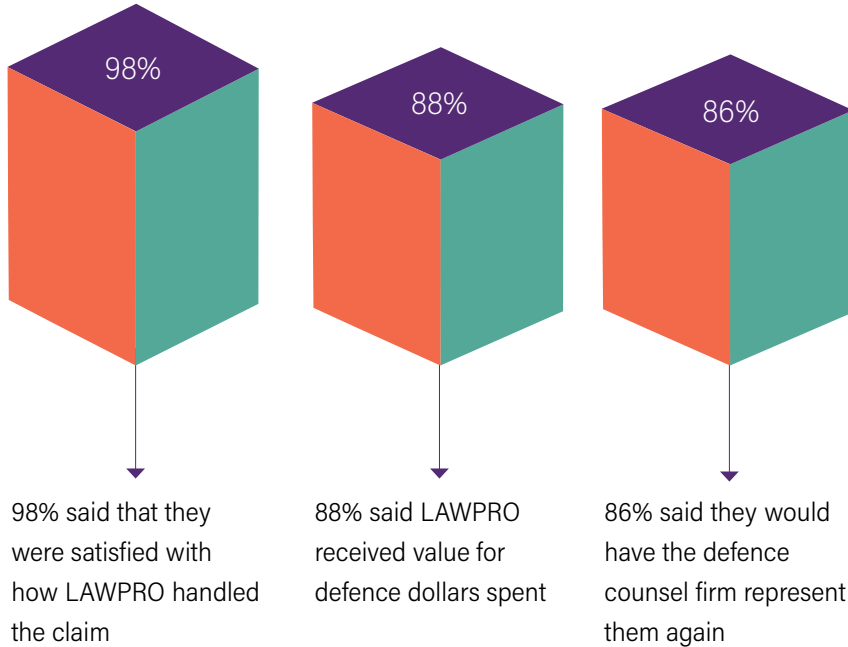
Number of claims reported and open claims

Total number of open claims at December 2025



Survey results showed that 98% of respondents reported satisfaction with the claims professionals who handled their matters.

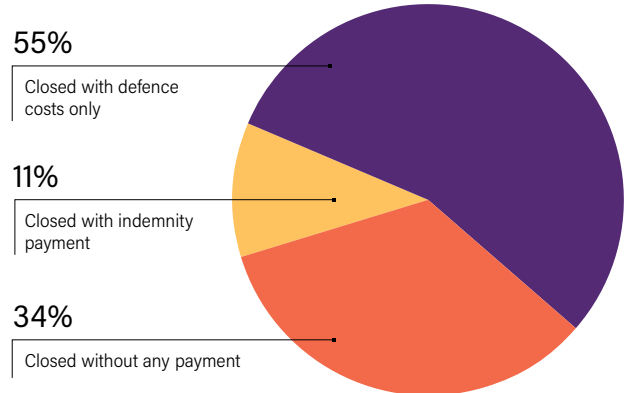
The annual survey of LAWPRO E&O insureds with a closed claim indicated the following



Despite higher indemnity payments overall (\$41.3M in 2024 to \$46.6M in 2025), the majority of claims continued to resolve without indemnity payments. About 89% of closed claims had no indemnity paid, with over a third closing without any payment.

LAWPRO continued to defend insureds vigorously against claims lacking merit, achieving strong results in matters that proceeded to trial or were resolved through summary judgment.

Claims by outcome



Trial results

Trial wins: 14 of 14

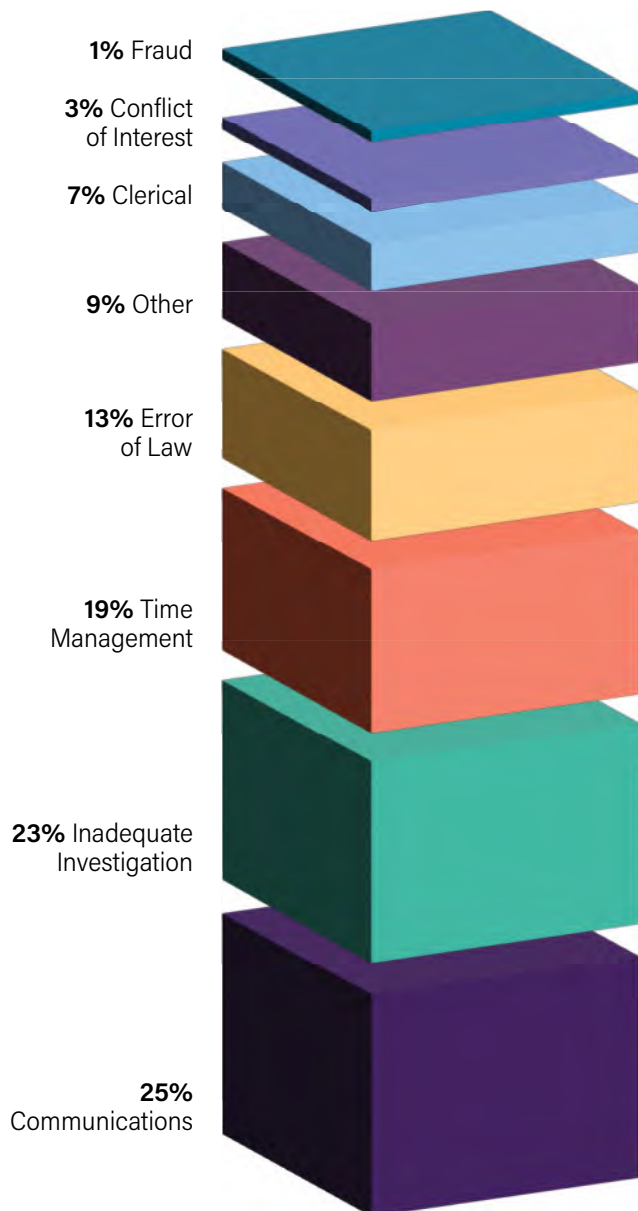
Summary judgment motion wins: 9 of 14

Summary judgment appeals wins: 1 of 1

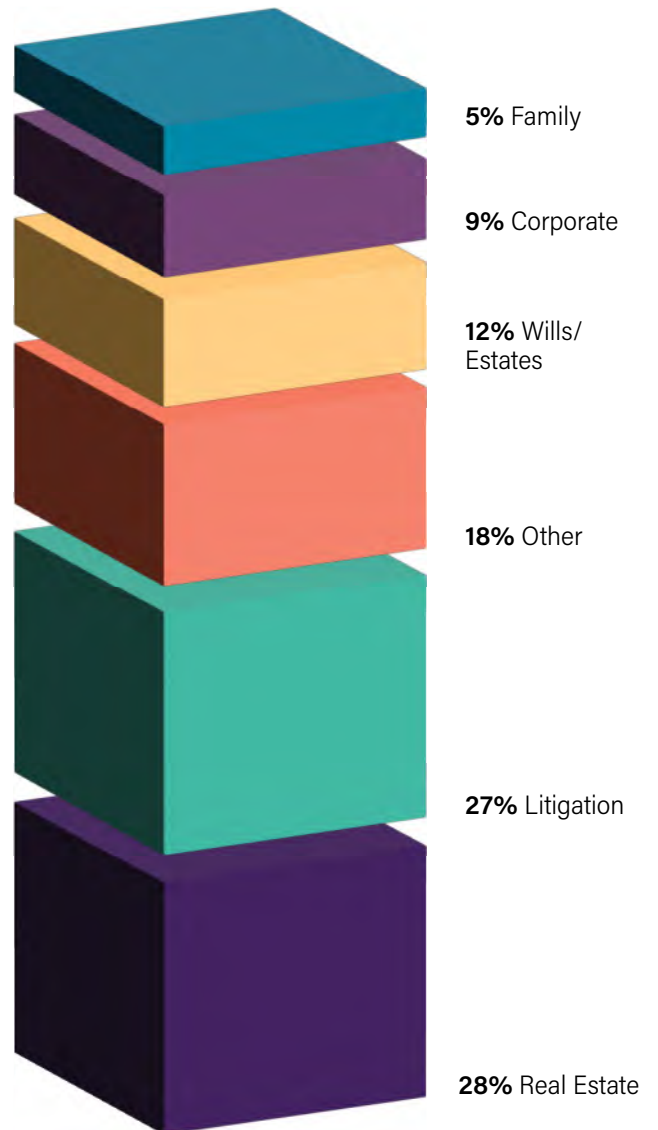
Let's dig deeper: Claims trends by area of law and cause of loss

The distribution of claims by area of law in 2025 remained largely consistent with historical patterns. Real estate and litigation continued to account for the largest share of reported claims, together representing approximately half of all new matters. Across practice areas, claims continued to be driven primarily by practice management-related issues — often described as “human” errors — with inadequate investigation and communication failures as the leading causes of loss.

Reported claims count by cause of loss



Reported claims costs by area of law



Practice areas: real estate, litigation, and the runner up

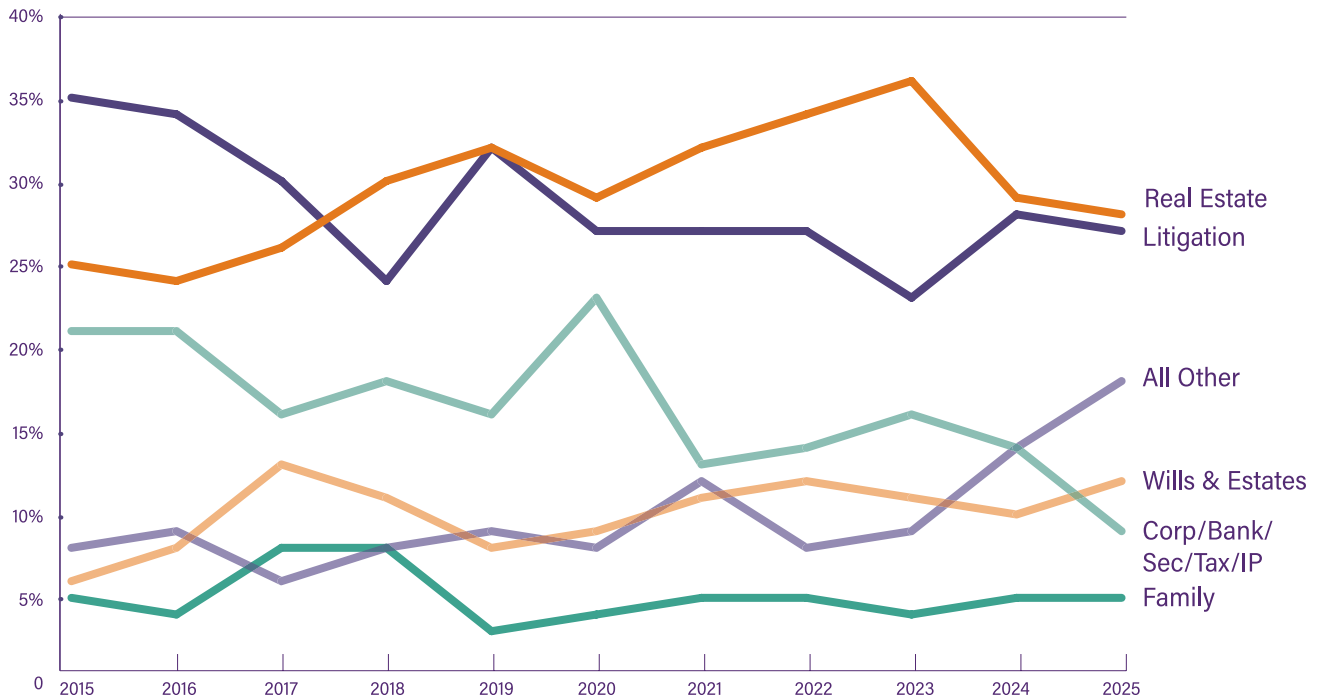
Real estate claims declined slightly in 2025 compared to 2024, reflecting reduced market activity. Nonetheless, real estate remains a leading source of claims, most commonly arising from communication breakdowns and failures to conduct adequate investigation.

Litigation claims increased year over year, in part due to the resumption of administrative dismissals for delay following the lifting of pandemic-related holds in May 2024. As courts returned to more stringent enforcement of procedural timelines, missed deadlines and related issues became a more prominent source of claims, with impacts continuing in 2025.

Wills and Estates related claims are a growing area of concern as the Ontario's population ages and the number of deaths increase. Increasing estate values, beneficiary disputes, and greater complexity remain key contributing factors to wills and estate claims. There has also been an uptick in family law claims arising out of estate proceedings where the lawyer previously acted in connection with domestic contracts or other family law matters.

Building on trends observed in prior years, 2025 saw an uptick in claims reported in labour and employment, criminal, and construction law, with more gradual increases in immigration and administrative law. Taken all together, they are reflected as "All Other" in the graph below.

Distribution of claims by area of practice



Cause of loss

Analysis by cause of loss confirmed that inadequate investigation and communication errors remained the primary drivers of claims activity in 2025. These causes are closely associated with high-volume practice areas such as real estate and wills & estates, where matters often involve multiple parties, tight deadlines, and significant client reliance on legal advice and follow-through. Inadequate investigation typically reflects failures to fully identify or assess relevant facts, while communication errors often stem from unclear advice, unmanaged expectations, or poor documentation of communications and work completed.

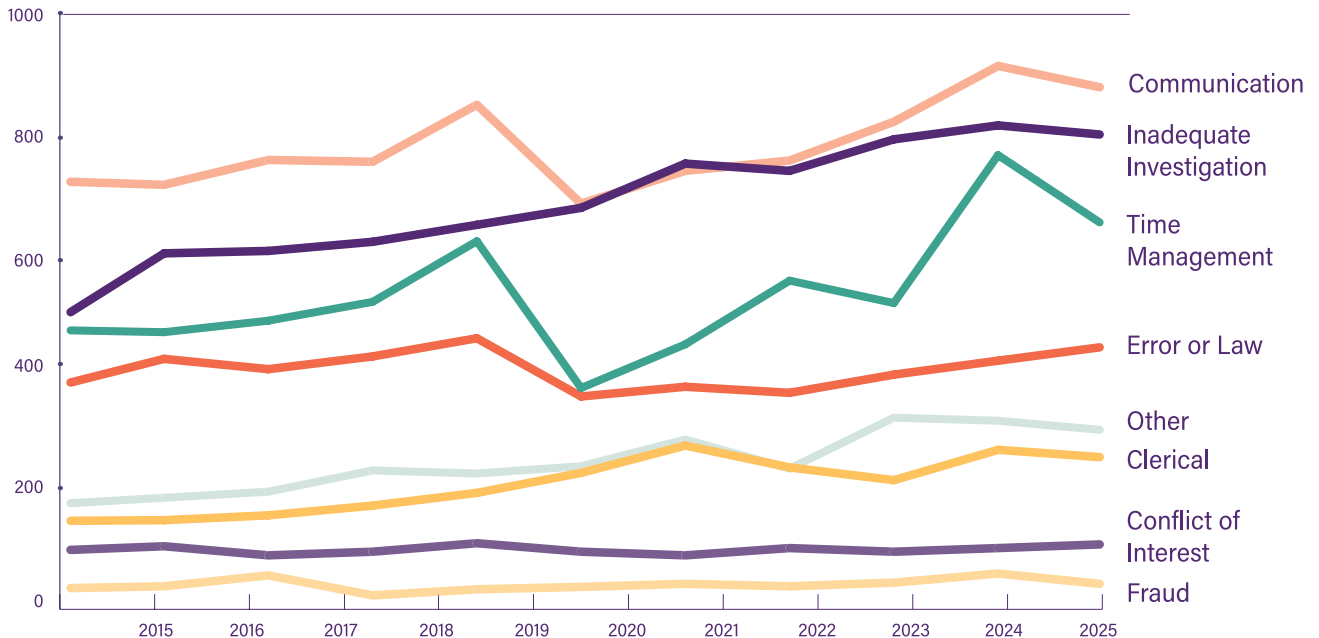
Time management errors continued to be a significant contributor to claims, particularly in litigation practices. Stricter enforcement of procedural timelines after the pandemic, rising caseloads, shifting court processes, changes in legal representation, and more complex files all raise the risk of missed deadlines.

Error of law also increased in 2025, reflecting not only the growing complexity of legal matters but also the increasing difficulty of keeping pace with legislative changes, evolving case law, and shifting procedural requirements.

The chart below shows the number of fraud related claims as low but the cost is high, especially in certain practice areas such as real estate. Sophisticated schemes targeting lawyers and their clients persist, often resulting in losses in hundreds of thousands of dollars.

LAWPRO continues to monitor these trends closely to guide policy development, claims handling strategies, and develop practical risk management and education to support the profession.

Claims causes by count



For more information about common errors by area of law visit practicepro.ca/factsheets

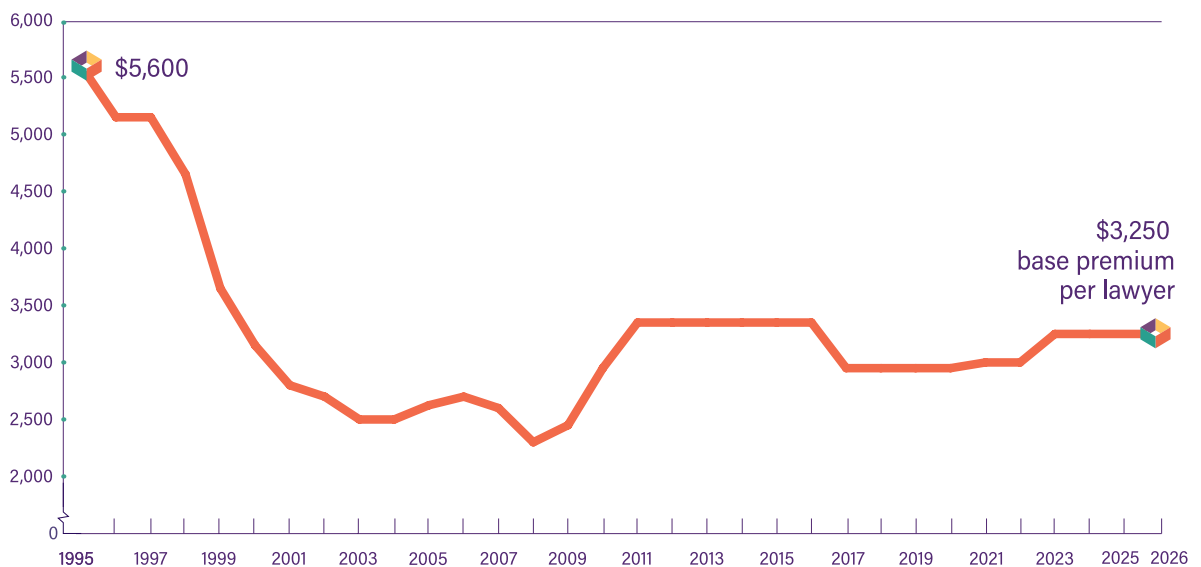
Supporting and covering insureds

In 2025, LAWPRO delivered consistent customer service and robust underwriting, successfully adapting to changing conditions. LAWPRO maintained premium stability and steady financial performance amid volatile economic conditions while continuing to offer meaningful discounts, run-off protection, and optional coverage enhancements to lawyers. The Underwriting and Customer Service team supported insureds with their inquiries and maintained a steady response rate.

Premium

LAWPRO's mandatory insurance premium continues to stand out. The base premium remained at \$3,250 per lawyer in 2025, unchanged for nearly a decade and lower than it was in 2016, when the premium stood at \$3,350. This long-term consistency is particularly notable at a time when costs have risen sharply across many industries and claims costs continue to trend upward. When adjusted for inflation, the base premium charged when LAWPRO was established in 1995 would exceed \$11,600 today.

Base premium since inception



Discounts and options

The E&O Program includes a range of discounts and optional coverages designed to reflect how lawyers practice and how their needs change over time.

Discounts are available for new lawyers starting their careers, lawyers practicing part-time, and those working in restricted areas of practice. Such discounts help to align premiums more closely with actual risk. Lawyers who complete approved risk-management activities may also qualify for a Risk Management Credit, which provides up to \$100 premium reduction in recognition of steps taken to reduce exposure and promote good practice habits.

Option	Number of Insureds
New Lawyer Discount 20 to 50% base premium discount for those called in the last one to four years	4,267
Part-Time Practice Discount 50% base premium discount for eligible lawyers	2,492
Restricted Area of Practice Option Discount 50% base premium discount for immigration/criminal law practitioners	1,928
Innocent Party Buy-Up Increase in Innocent Party sublimits up to as much as \$1 million per claim/aggregate	4,578
Run-Off Buy-Up Increase limits for past services from \$250,000 per claim/aggregate to as much as \$1 million per claim/\$2 million aggregate	1,375
Real Estate Practice Coverage Option Required for all lawyers practising real estate law in Ontario	9,709
Intellectual Property Business Coverage Expanded coverage for patent and trademark agents that satisfies the insurance requirements set by the College of Patent and Trademark Agents (CPATA)	42

For lawyers retiring, taking extended leaves, or moving out of private practice, run-off coverage of \$250,000 is available at no cost to protect against claims arising from past work, providing peace of mind after active practice ends. Lawyers may also purchase additional coverage to address the risk profile of their past practice.

Excess insurance

LAWPRO's optional Excess insurance provides an additional layer of protection with insurance limits up to \$19 million over the mandatory primary policy limit of \$1 million. The program is designed primarily for small and mid-sized firms and sole practitioners, offering approximately 1700 law firms an accessible way to increase protection with a familiar professional insurer.

In 2025, the Excess program continued to demonstrate financial stability and modest year-over-year revenue growth. Adapting to changes in the profession, including an increase in sole practitioners retiring, the program placed greater emphasis on supporting insureds seeking higher excess limits to address the evolving risk profiles of their practices.

Title insurance – TitlePLUS

TitlePLUS is LAWPRO's title insurance program and is the only wholly Canadian-owned title insurer in Canada. TitlePLUS includes legal services coverage for errors or omissions made by the lawyer for the entire transaction (excluding Quebec and Existing Owner policies), ensuring the LAWPRO E&O Policy remains unaffected.

In 2025, TitlePLUS successfully implemented significant mandatory anti-money laundering changes arising from new FINTRAC reporting obligations applicable to all title insurers. Required updates to documents, systems, and processes were implemented seamlessly, enabling TitlePLUS to continue issuing policies efficiently despite across-the-board changes to real estate practice workflows.

Delivering committed support

LAWPRO's Underwriting & Customer Service (UCS) team is the primary point of contact for lawyers seeking support with their insurance coverage throughout the year and during the annual renewal process. The team is responsible for policy drafting, maintaining accurate policy records, processing applications and changes, underwriting optional coverages, supporting premium collection, and answering questions about coverage, billing, program requirements, and access to My LAWPRO portal.

In 2025, the team supported approximately 33,000 insured lawyers and handled more than 36,000 calls, most commonly related to coverage and billing matters. During renewal, the team assisted lawyers and firms with filings and access issues to help ensure coverage is confirmed and policy documents are issued, resulting in a successful renewal process to kick start 2026.



REPAIRS

When LAWPRO is quickly alerted to potential claims, we can often rectify the problem and prevent losses and further lawsuits from arising. Our counsel know how to best address issues such as limitation periods, actions that have been struck from the trial list, breach of court-ordered timetables, and other repairable matters.

Here are some examples of cases where LAWPRO successfully repaired potential losses in 2025.

1. Arguing the right limitation period

Q: If a claim against an estate is restricted to an interest in real property, does the 2-year limitation period under the *Trustee Act* apply or does the 10-year limitation period under the *Real Property and Limitations Act* (RPLA) apply?

A: The 10-year limitation period under the RPLA applies.

The dispute in this case is whether the husband held a 50% beneficial interest in a residential property formerly owned by his late wife. The estate trustees/children of the wife's estate disagreed with the husband and said 100% of the property formed part of the estate. The husband's claim was commenced more than two years after his wife's death. The estate trustees brought a motion to dismiss the husband's action, on the basis that the claim was statute-barred under the 2-year limitation period in the *Trustee Act*.

LAWPRO assisted the insured lawyer in successfully arguing that the 10-year limitation period under the *RPLA* applied in this case, not the 2-year limitation period under the *Trustee Act*. The court agreed and the estate trustees' motion was dismissed.

The estate trustees relied on a recent decision of the Ontario Court of Appeal, *Ingram v. Kulynch*, that stands for the proposition that a claim against an estate, for constructive or resulting trust, as against all estate assets, is subject to a 2-year limitation period under the *Trustee Act*.

The court distinguished the *Ingram* decision where the equitable trust claim in that case was not just with respect to real property, but with respect to **all estate assets**. The husband was only claiming an interest in real property, and so the 10-year limitation period under the *RPLA* applied.

The estate trustees have appealed the decision.

2. Offer and acceptance - not that simple

In this family law case, the issue was whether an offer to settle made by the wife, was open for acceptance by the husband and if so, whether there was a binding agreement after the husband purported to accept her offer. The court found that the wife's offer was not open for acceptance because under the common law rules, the husband's counteroffer extinguished his ability to accept her offer. Here's what happened.

A married couple separated. The insured lawyer represented the wife and made an offer to settle on behalf of the wife. The husband made a counteroffer which was not accepted. A year later, the husband attempted to accept the wife's initial offer which had not been explicitly withdrawn. The wife said her offer was not open for acceptance. The husband insisted that he accepted the wife's initial offer and brought a motion for summary judgment and for a declaration that there was a binding settlement.

The parties and the court agreed that although Rule 18 of the *Family Law Rules* (FLR) governs offers to settle in family law matters, the wife's offer was not compliant with the formal requirements of Rule 18, and so the FLR did not apply to her offer. Since the FLR didn't apply, the husband took the position that Rule 49 of the *Rules of Civil Procedure* (RCP) applied to the wife's offer. He argued that since she did not accept his counteroffer, and she did not explicitly withdraw her offer, her offer was open for him to accept. The wife relied on the common law principle that making a counteroffer prevents the counter-offering party from returning to accept an earlier offer.

LAWPRO stepped in, acted as agent for the wife, and opposed the husband's motion for a declaration that there was a binding settlement.

The court rejected the argument that Rule 49 of the RCP automatically applies simply because Rule 18 of the FLR does not apply. Unless the court deems it appropriate to engage Rule 49 of the RCP, if Rule 18 of the FLR does not apply, the common law principles apply. The wife's initial offer to settle was not available for acceptance. The court dismissed the husband's motion and awarded costs to the wife.

3. Whose delay is it, anyway?

The insured lawyer represented the plaintiff with respect to an accident between a motor vehicle and a bicycle. The action was commenced on October 24, 2013, and proceeded in a timely manner. The plaintiff set the action down for trial on December 14, 2017. The insured lawyer received the Certification Form in February 2018 but failed to complete and file it until April 2019. Unbeknownst to the insured lawyer, the action was struck from the trial list on December 21, 2018.

The defendants' lawyer discovered the action was struck from the list in April 2019 but did not disclose this to the insured lawyer until June 2021. The plaintiff immediately brought a motion to restore the action. The defendants eventually brought a cross-motion in 2023 for an order dismissing the action for delay.

LAWPRO successfully argued the motions on behalf of the insured lawyer. The court granted the motion to restore the action to the trial list and dismissed the defendants' motion to strike the action for delay, awarding costs to the plaintiff.

The court found that the insured lawyer was responsible for the initial 14 months of the delay from February 2018 (when the Certification Form was received) to April 2019 (when the insured lawyer completed and filed the Certification Form). The remainder of the delay after April 2019 was the responsibility of the defendants and the court. In particular, the miscommunication and mishandling of filed material on behalf of the court, and the defendants' failure to disclose to the plaintiff that the action had been struck, the changing position of the defendants throughout the motion, and the defendants' delay in corresponding with the plaintiff, all contributed to the majority of the delay. The court concluded that "it was the defendants and the court who were responsible for about 75% of the relevant delay" after February 2018. The court also found that the defendants had not suffered prejudice from the delay and awarded costs in favour of the plaintiff.

4. The status of missed deadlines

Consent timetable deadlines were missed. Opposing counsel is not agreeing to amend the timetable. The action is at risk of being dismissed by the court for delay. A status hearing is requested. Sound familiar? LAWPRO will often step in to assist the insured lawyer to ensure the matter does not go down the wrong path during the status hearing or lead to a claim.

The insured lawyer commenced a medical malpractice action on behalf of the Estate and other family members of a deceased woman. The claim was issued on January 21, 2016. Pleadings closed, discoveries were completed, expert reports were served in 2022. On June 6, 2022, the court ordered a timetable, on consent, for the remaining steps to be completed, which included mediation by January 31, 2023, and the action set down for trial by February 15, 2023.

The insured lawyer moved firms in July 2022 and there were delays moving the action forward as a result. In June 2023, well after the January and February 2023 court ordered dates, the insured lawyer attempted to schedule the mediation. In July 2023 the defendants responded that they were not agreeable to proceeding with mediation and declared that the “action is at an end.” The plaintiffs continued, and served their reply expert report in August 2023, 10 months after the deadline.

In April 2024, the plaintiffs served a Notice of Change of Lawyer as the insured lawyer became ill and could no longer act for the plaintiffs. The plaintiff’s new lawyer tried to discuss the timetable and mediation with defence counsel, but the defendants counsel responded that the action had been at an end for more than a year, there was no existing timetable to adjust, and no “live” dispute to mediate. As a result, the plaintiffs scheduled a motion for a status hearing.

LAWPRO stepped in and successfully argued the status hearing motion on behalf of the plaintiffs. The court found that the action progressed reasonably from the time pleadings closed (March 2017) to the consent timetable order (June 2022). The remainder of the delay was adequately explained, and the plaintiffs had no intention of abandoning the action. The court also found that this was not a case where there had been multiple breaches of court orders. Interestingly, the defendants argued that a dismissal of the action would not leave the plaintiffs without a remedy, because the plaintiffs would have a cause of action against their former lawyer. The court did not agree that was a relevant consideration.

The court found that the plaintiffs provided an acceptable explanation for the delay and ordered that the action proceed.

5. Disclosing settlements

The insured lawyer acted as co-counsel to the plaintiffs in a proposed class proceeding.

The plaintiffs settled the action with one of the named defendants and brought a motion in part, to approve the settlement, which is a requirement pursuant to the *Class Proceedings Act* (CPA).

The non-settling defendant opposed the motion to approve the settlement and brought its own motion to stay the entire action, taking the position that the settlement was not disclosed to it in a timely manner, and as a result, changed the adversarial landscape. The non-settling defendant relied on the rule of disclosure established in *Handley Estate v. DTE Industries Limited* (Handley Estate), that requires immediate disclosure of any agreement between or amongst parties to a lawsuit that changes the landscape of the litigation.

LAWPRO stepped in and successfully argued the motion to settle and the motion to stay on behalf of the plaintiffs.

The court found that the Handley Estate rule of disclosure (protecting non-settling defendants from prejudice caused by secret settlements in conventional multi-party litigation) does not apply to settlements in class actions because the CPA already provides significant statutory protection to non-settling parties. In addition, the non-settling defendant was advised that discussions were taking place and was also kept apprised of the status of those discussions. The court found that despite the fact the Handley Estate rule was not applicable to this case, there was no untimely disclosure or non-disclosure to the non-settling defendant in any event.

The court approved the settlement agreement and dismissed the motion to stay.

The non-settling defendant has appealed the decision.

Small fixes now prevent big problems later

Immediately notifying LAWPRO of potential errors or omissions means steps can be taken to resolve the situation before it develops into a malpractice claim. If you make an error or believe you could be accused of making an error down the road, don't try to resolve the problem on your own. A call to LAWPRO means we can provide expedient and experienced advice and assistance.



DEFENCES

Despite attempts to resolve claims without litigation, sometimes court is inevitable. Every year, LAWPRO steps in to defend licensees from unwarranted lawsuits and accusations.

Here are some examples of defences successfully advanced by LAWPRO in 2025 on behalf of insureds.

WILLS & ESTATES LAW

When time may or may not be on your side

Case #1

The insured lawyer prepared a Will for the testator who died shortly thereafter. The estate trustee and beneficiaries became aware of a potential drafting error in the Will. Despite this, the estate trustee applied for and obtained a Certificate of Appointment of Estate Trustee with a Will (CAETW), on notice to the beneficiaries, and no one filed notice of objection. After the CAETW was granted, one of the testator's sons started an action on behalf of the testator's grandchildren, against the insured lawyer claiming that as a result of the insured lawyer's negligent drafting, the grandchildren were deprived of gifts the testator intended for them to receive.

LAWPRO assisted in bringing a successful summary judgment motion to dismiss the action against the insured lawyer. The issue for the court was whether the plaintiffs could pursue a negligence action against the insured lawyer after the CAETW was granted. The court found that the application for a CAETW is not just a procedural step in estate administration. When the court grants a CAETW, the court affirms that the testator knew and approved the contents of the Will, and that the Will is valid in all respects.

The negligence action was found to constitute an impermissible collateral attack (and therefore an abuse of process) because it effectively sought to undermine the probate grant by asserting that the Will did not reflect the testator's intentions. The court emphasized that the appropriate procedural course was to raise the drafting error during the probate process, by objecting to the application and seeking a rectification of the Will, rather than pursuing a post-probate negligence action.

The court dismissed the action against the insured lawyer and awarded costs.

The decision was appealed, and LAWPRO was also successful in arguing against the appeal. The Court of Appeal upheld the motion Judge's decision to dismiss the action against the insured lawyer.

The Court of Appeal stated that the negligence action against the insured lawyer was an abuse of process since the error in the Will could have been rectified during the process of obtaining the CAETW. The Appellate court also clarified that not all negligence actions are barred once a CAETW has been granted, however "where a solicitor makes a drafting error that could be rectified in the certificate process, and the party harmed by that error takes no steps to have the will rectified, then the doctrine of abuse of process may prevent the harmed party from subsequently bringing an action against the solicitor for damages.."

The appeal was dismissed with costs payable.

Case #2

The insured lawyer drafted a Will for the testator which was signed in 1991. The testator died in 2018. In 2020, beneficiaries commenced actions against the insured lawyer alleging that as a result of the insured lawyer's negligent drafting, the beneficiaries received less than the testator intended. The insured lawyer argued the 15-year ultimate limitation period pursuant to the *Limitation Act, 2002* applied from when the Will was drafted and as a result, the beneficiaries' actions were statute-barred. The beneficiaries argued the limitation period only started to run in 2018 when the testator died, because that is when they discovered the problem.

The court focused on the language of the statute. The issue was whether "the day on which the act or omission on which the claim is based" is the day the insured lawyer negligently drafted the Will in 1991 or if it is the day the Will came into force when the testator died in 2018.

The beneficiaries' claims were based on the negligent Will drafting that took place in 1991, not an act or omission that occurred in 2018. The court concluded that the limitation period therefore expired on January 1, 2019, which is 15 years after the ultimate limitation period came into force on January 1, 2004.

LAWPRO defended the insured lawyer and successfully brought a motion to dismiss the negligence actions as being statute-barred pursuant to the 15-year ultimate limitation period.

The court rejected the beneficiaries' position that the limitation period should commence when the testator died, and acknowledged that applying the ultimate limitation period means "that in any case where a testator survives for 15 years after signing a negligently drawn will, the beneficiaries will lose their ability to sue the drafting lawyer for negligence even before they have the right to do so."

The court said that it cannot create exceptions to the ultimate limitation period, and any unintended consequences should be addressed by the Legislature.

FAMILY LAW

Similar to life, in litigation, there are no guarantees

Litigation can be a risk. One party is usually disappointed with the outcome. This can often lead to unsuccessful litigants subsequently suing their lawyer, claiming the lawyer was somehow negligent in their advice or recommendations during the litigation.

In this family law matter, the client retained the insured lawyers to bring a motion to change an existing consent parenting order. The client wanted more access to his children because his employment had changed, which

allowed him more time to parent. The change in employment was considered a material change that could warrant success on a motion to change. During the course of the motion, settlement offers were made but not accepted.

The court found that the client's oral testimony contradicted his affidavit evidence and concluded there was no material change to warrant a change to the parenting order. The client was unhappy with the outcome of the hearing and sued the insured lawyers alleging they failed to properly investigate the facts, they failed to warn about the weakness of the case and potential cost consequences and failed to ensure the client fully understood the legal advice. Additionally, the client claimed the insured lawyers breached their fiduciary duty.

LAWPRO represented the insured lawyers, and after a 9-day trial, secured a dismissal of the claim, and a finding that the insured lawyers were not negligent and there was no breach of fiduciary duty.

The court found that the client was informed of and knowingly undertook the risks involved in bringing the motion. The court made the point that "the lawyer is not an insurer of success," clarifying that the issue is whether there was a breach of the standard of care owed to the client, rather than if the motion to change should have succeeded. The court found that the insured lawyers did not breach the standard of care or fiduciary duty and found no causation.

This case affirms that the client must establish that any negligence by the insured lawyers' (breach of the standard of care) caused the client's injury. Here, even if the court had found the insured lawyers negligent (which was not the case), most of the damages claimed by the client were not compensable because they were not caused by any of the alleged failings of the insured lawyers. It was clear to the court that the client was intent on proceeding with the motion to change, regardless of the advice of the insured lawyers.

REAL ESTATE LAW

Have funds, will close

Clients will often blame their lawyers when a real estate transaction fails: the lawyer allegedly didn't take certain steps, didn't provide certain information, or misled the client, all leading to a negligence claim against the solicitor. This is one reason it is important to document your work and make sure to retain a fulsome file that can be relied upon down the road.

The plaintiffs retained the insured lawyer to act on the purchase of a residential property. The purchase did not close, and the plaintiffs lost the opportunity to buy the house. The plaintiffs sued the vendor for specific performance. The court found that the transaction did not close because the plaintiffs did not have the funds to close on time and the plaintiffs' action was dismissed. The plaintiffs then sued the insured lawyer claiming that the failed transaction was a result of his negligence and that the insured lawyer was responsible for the plaintiffs' failure to deliver closing funds to the insured lawyer.

After a 19-day trial and effective work challenging the plaintiffs' credibility, LAWPRO successfully defended the insured lawyer, resulting in the plaintiffs' negligence claim for failing to close the real estate purchase being dismissed.

The court concluded that the transaction failed because the plaintiffs could not obtain financing in time due to an issue with the property, the plaintiffs withheld key information from the insured lawyer regarding the status of their funds, and that the insured lawyer "worked to close the deal and took all steps required by him to ready the matter for closing."

The court commented that although the file was not well documented, it accepted the insured lawyer's version of events and found that the plaintiff's evidence was inconsistent and not reliable. The plaintiffs also retained a very qualified standard of care expert, but the court found that the expert was neither impartial nor independent and could not be relied upon.

The plaintiffs claimed \$4,852,457 in damages, however the court stated that even if the plaintiffs were successful, their damages would be limited to \$1,400.

The court determined the insured lawyer was not negligent and did not breach his fiduciary or statutory duty. The negligence action was dismissed. The plaintiffs have appealed.

PERSONAL INJURY LAW

Causation and mitigation for the win

Sometimes lawyers do make mistakes. LAWPRO is careful when assessing a matter and determining the best strategy, including whether a defence is available under the circumstances, and where there is a defence, LAWPRO will defend.

The plaintiff was driving her minivan with a trailer attached and was injured when the trailer started to sway and hit the sides of her minivan. The plaintiff retained the insured lawyer to represent her in her tort claim as well as her claims for accident benefits payable pursuant to the *Statutory Accident Benefits Schedule* (SABS). The plaintiff settled her SABS claims for \$25,000 at a mediation in 2014. That same year she retained new counsel to pursue her tort claim against the manufacturer of the trailer hitch. Her symptoms worsened and by 2016 she had stopped working. In 2020 the plaintiff settled her tort claim for over \$1.5 million. The plaintiff brought a negligence action against the insured lawyer for recommending an improvident settlement (settling the action before her prognosis was clearer) of her claims for SABS. She argued that because she became much worse after the settlement, she likely could have settled her SABS claims for a much higher amount.

LAWPRO defended the action and successfully argued that the plaintiff failed to prove causation and mitigate her damages.

While the court found that the insured lawyer's advice fell below the standard of care, the plaintiff failed to prove that the insured lawyer's negligence caused her any damages. The court found that the plaintiff provided no evidence as to what she would have done differently if she had been properly advised by the insured lawyer. The evidence showed that she was experiencing financial difficulty and she was eager to resolve the matter. She also did not take any steps to set aside the settlement when she retained new counsel and had an opportunity to do so. The plaintiff did not establish that the insured lawyer's negligence caused any loss of enhanced benefits. She also failed to establish that but for the insured lawyer's negligence she would have received a better recovery of SABS claims with no corresponding reduction from the tort settlement.

The court also held that the plaintiff cannot sue the insured lawyer and claim negligence without taking any steps to mitigate her damages. The plaintiff cannot recover losses she could have reasonably avoided. The plaintiff failed to mitigate her damages by not attempting to set aside the settlement both before and after retaining new counsel. The plaintiff's inaction broke the chain of causation and caused her losses.



CARING ABOUT OUR COMMUNITY

Corporate Social Responsibility

Corporate Social Responsibility at LAWPRO is informed by a spirit of community and accountability, while acknowledging that we are governed and profoundly shaped by our unique role as the provider of the primary professional liability insurance program for all lawyers in Ontario.

Supporting our future legal community

LAWPRO's efforts and activities to support law students included 13 presentations at law schools, LPP programs and colleges.

In its fourteenth year, LAWPRO sponsored the annual Caron Wishart Memorial Scholarship at the University of Toronto Faculty of Law. The Caron Wishart Memorial Scholarship was created in memory of Caron Wishart, LAWPRO's first Vice President, Claims who passed away in 2010. Caron had a 26-year career, transitioning from working as a claim examiner in the Law Society of Upper Canada's E&O department and when LPIC (as LAWPRO was formerly known) became a full-fledged insurance company in 1995. The fully endowed scholarship, managed by the University of Toronto, was funded by donations from LAWPRO, Caron's family members, and members and organizations of the legal profession.

In 2025, LAWPRO held a Women's Networking event and hosted Repair Counsel to help develop relationships and build community with new and established counsel. Both events received positive feedback from attendees, who appreciated the opportunity to connect in person.

Providing a healthy and rewarding workplace

LAWPRO continued its Equity, Diversity and Inclusion journey and partnership with the Canadian Centre for Diversity and Inclusion ("CCDI"). Various free CCDI webinars were made available to employees. The EDI Advisory Group regularly posted awareness days/months and provided additional resources.

Giving back to the Canadian community

LAWPRO continued to encourage employees to take a paid day to volunteer at an eligible charity of their choice. Other initiatives included participating in Partners for Life (Canadian Blood Services), TCS Toronto Waterfront Marathon Charity Challenge, and Holiday Helpers

To strengthen our community, LAWPRO staff nominate and elect five charities to support each year through employee payroll deductions and special events. In 2025, \$34,980 was raised for the following five charities: Food4Kids, Fanconi Canada, Daily Bread Food Bank, Pregnancy, Infant, and Child Loss Support Centre, and Terry Fox Foundation. LAWPRO employees are proud to support charities that are doing critical work to build a more just and equitable future.



“Where claims happen, why claims happen, and the steps that can be taken to avoid them”

The PracticePRO program provides risk management, claims prevention and law practice management information to Ontario lawyers. Its resources, precedents, and checklists are intended to help Ontario lawyers take proactive steps to avoid legal malpractice claims and grow successful and thriving law practices.

Email:
practicepro@lawpro.ca

On demand CPD:
practicepro.ca/cpd

Visit us:
practicepro.ca

Find it all free at practicepro.ca

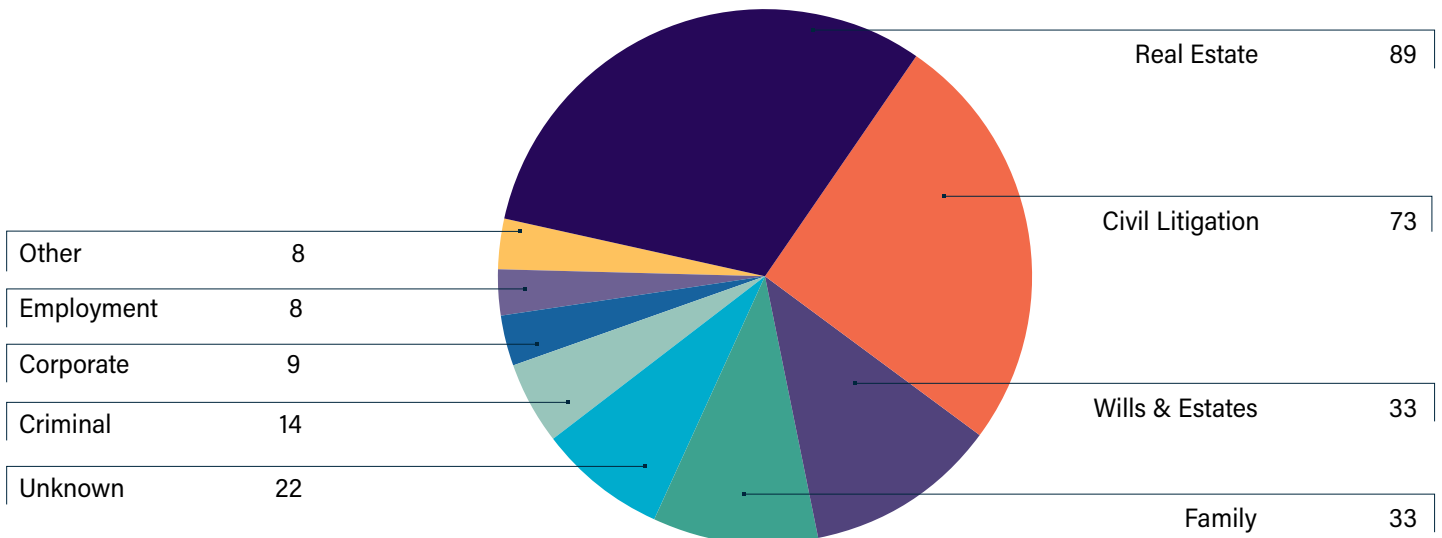
In 2025, LAWPRO continued to strengthen its role as a proactive partner in the legal profession by addressing emerging risks, encouraging claims prevention strategies, and promoting lawyer wellness.

In 2025 PracticePRO answered more risk management questions than ever before

PracticePRO received almost 500 inquiries in 2025. These inquiries typically pertain to requests for resources, guidance on legal issues, fraud concerns, and potential or actual claims where the lawyer seeks advice before engaging in the claims process.

The complexity of inquiries received by PracticePRO ranges from straightforward to nuanced. PracticePRO responds within a few days but most often much sooner.

PracticePRO inquiries by area of law





PracticePRO CPD programming in 2025, live and on-demand

PracticePRO added four new CPD events to its growing collection of free, online CPD programming. Each program qualifies for the LAWPRO risk management credit and Law Society professionalism hours.

Conflicts, Undertakings, and File Management: What You Need to Know: common claims and consequences from conflicts of interest and solicitor's undertakings, as well as file management best practices, from retainers to closing, including file retention

Family Law in 2025: Managing Risk and Building Your Professional Network: tips for avoiding the repudiation of settlements and contracts, making the most of in-person and online networking opportunities, effective client screening, and safely giving independent legal advice

The Virtual Legal Practice: From Client Intake to Resolution When Nobody Is in the Same Room: virtual meeting best practices, ID verification issues, virtual dispute resolution, examinations for discovery, and addressing undue influence and capacity concerns

Real Estate in Practice – Liability Risks in Ordinary Transactions, Legislative Changes, and Cybercrime: legislative changes around anti-money laundering, cybercrime threats, non-arm's length title transfers, and transactions involving separating couples



The LAWPRO Roadshow

2025 saw the launch of in-person LAWPRO Roadshow CPD events, bringing LAWPRO speakers to locations all over Ontario. The events provide lawyers the opportunity to gather with their local colleagues and hear the latest from LAWPRO on risk and practice management, cybercrime and the latest claims trends LAWPRO is seeing. Roadshows were held in London, Thunder Bay, Markham and Mississauga with more planned for 2026.



LAWPRO Magazine "Emotional Contagion"

This issue of LAWPRO Magazine was focused on the importance of civility and professionalism, and how both can reduce the risk of claims. Topics included how to keep things civil between opposing sides in a matter, improving the professional services your firm can offer, communications tips for dealing with clients, and a Q&A about marketing adapted from a recent LAWPRO CPD program.

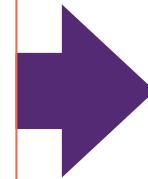
By focusing on education, outreach, and innovation, PracticePRO aims to assist legal professionals in preventing claims, adopting technology responsibly, and supporting well-being.

WONDERING WHO TO CONTACT WHEN YOU HAVE A QUESTION?



You should submit notice of a claim if you...

1. Received a demand for money or services (including in a pleading) in relation to alleged inadequate professional services;
2. Received an allegation (including in a pleading) of inadequate professional services;
3. Are aware of circumstances that could lead to either 1. or 2.;
4. Have been asked to give evidence about file handling and/or have been asked or ordered to produce a file in circumstances that could potentially lead to a claim

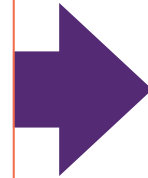


Provide notice of a claim at lawpro.ca/claims



You should email practicepro@lawpro.ca if you...

1. Are facing a situation that doesn't fit into one of the categories above;
2. Have an unusual practice situation that raises a claims risk;
3. Suspect you may be dealing with a fraud;
4. Are seeking general guidance on preventing a claim;
5. Have a question or comment about an article or resource from LAWPRO or PracticePRO;



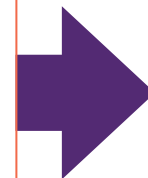
Email practicepro@lawpro.ca with as much detail as you can and a contact number where you can be reached



You should contact Customer Service if you...

Have a question about your LAWPRO Policy and coverage, such as:

1. Applying for coverage
2. Leaving private practice
3. Paying premiums
4. Paying transaction levies
5. Changing firms
6. Changing practice area
7. Excess, run-off or innocent party coverage



Check lawpro.ca/faqs or contact Customer Service at service@lawpro.ca or call 416-598-5899



REPORT ON



Proudly the only 100% Canadian and bar owned title insurer

A Canadian owned lawyer-centric model

TitlePLUS is the only wholly Canadian-owned title insurer. Our mandate is grounded in supporting the legal profession, protecting the integrity of the lawyer-client relationship, and keeping legal work where it belongs — with lawyers.

TitlePLUS doesn't compete with lawyers

Unlike other title insurers, TitlePLUS does not sell title insurance through lender channels. We don't bypass the lawyer or attempt to handle legal work on our own. We exist to enhance your practice, not replace it. We remain the only all Canadian title insurer committed to providing coverage exclusively through lawyers and notaries.

Legal Services Coverage

TitlePLUS automatically includes unparalleled Legal Services Coverage for most lawyer-prepared transactions.

Legal Service Coverage helps protect your clients against any negligent errors and omissions of the lawyers completing the transaction - at no extra charge.

The TitlePLUS Market Value Endorsement is now available at the time of purchase

Your clients want to know that their TitlePLUS policy will cover them up to the market value of their property should that value rise in the future. The TitlePLUS Market Value Endorsement ensures this enhanced protection.

This addition to the policy provides coverage tied to the home's market value when a claim is made. If a covered risk arises, compensation is calculated using the property's current market value, up to 10 million. This coverage applies to natural market appreciation and does not extend to gains resulting from homeowner renovations.

For only 10% of base premium of the owner policy, or a minimum \$50, you can give your clients even more protection than ever.

TitlePLUS is built in Canada, run in Canada, and dedicated to the needs of Canadian real estate lawyers. With no foreign ownership and no lender outsourcing, we keep Canadian lawyers fully involved in every transaction. Our Canadian roots shape our approach, ensuring our products and services reflect the values and integrity Canadians expect.

When you buy a TitlePLUS policy for your clients, you are not only supporting the Canadian economy, but you are buying a 100% wholly Canadian-owned title insurance policy.

Free real estate focused CPD from TitlePLUS

These on-demand programs are eligible for 1.5 hours of professionalism, and for LAWPRO's \$50 Risk Management Credit.

Real Estate in Practice – Liability Risks in Ordinary Transactions, Legislative Changes, and Cybercrime (2025)

This program explores emerging risks and evolving responsibilities in real estate practice. Through practical examples, participants will learn about legislative changes around anti-money laundering, cybercrime threats, non-arm's length title transfers, and transactions involving separating couples. The session will provide risk management strategies to help lawyers protect their clients and reduce exposure to claims.

Real Estate Due Diligence: NOSIs, Easements, Covenants, Fraud, and Common Electronic Registration Issues

Stay ahead in your real estate practice with this refresher on title searching, fraud, and electronic registrations. This program covers critical updates to Notices of Security Interests (NOSIs) and their impact on due diligence requirements. You will also receive practical tips from TitlePLUS on avoiding current fraud threats and common title issues involving registered easements and restrictive covenants. Finally, you'll gain insights directly from Ontario's Director of Titles on avoiding returns for correction and correcting common registration errors.

What does it mean to be backed by LAWPRO?

- One complete title insurance policy helping to keep claims out of the LAWPRO E&O portfolio is better for all lawyers practicing in Ontario

FINANCIAL STATEMENTS

Lawyers' Professional Indemnity Company



Years ended December 31, 2025 and 2024

Management Discussion and Analysis

The following Management Discussion and Analysis provides a review of the activities, results of operations and financial condition of Lawyers' Professional Indemnity Company ("LAWPRO" or the "Company") for the year ended December 31, 2025, in comparison with the year ended December 31, 2024. These comments should be read in conjunction with the corresponding audited financial statements, including the accompanying notes. Unless otherwise denoted, all amounts are expressed in Canadian dollars and have been primarily derived from the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Financial highlights

Statement of profit or loss

LAWPRO generated a loss after tax of \$1.8 million, a decline of \$34.0 million over 2024. The Company's insurance service result decreased by \$28.4 million over 2024 driven by an increase in insurance service expenses and net expenses from reinsurance contracts held. The Company generated investment income of \$40.1 million compared to \$63.3 million in 2024. The unfavourable change was driven by a decline of \$23.3 million in net unrealized gains year-over-year with stable interest and dividend income, net realized gains, and investment expenses.

Insurance Revenue

Insurance revenue increased by \$2.3 million to \$128.6 million, due to the increase of premium volume and rise of insured count.

Gross written premiums (non-GAAP measure) rose \$2.8 million or 2.1% from 2024 results. The mandatory errors and omissions ("E&O") insurance program grew by 1.5%, optional excess E&O program by 2.8%, and TitlePLUS by 10.4%.

Insurance Service Expenses

Insurance service expenses under IFRS 17 commingles claims-related handling costs, policy administration and underwriting expenses, in addition to a significant portion of general expenses. Insurance service expenses increased by \$25.9 million to \$136.2 million in 2025. The change is mainly driven by the following increases: incurred claims of \$19.0 million, salaries and benefits of \$2.5 million, and onerous contracts of \$3.8 million that require immediate recognition of losses. Costs are allocated to insurance service expenses based on relevant drivers such as time spent acquiring and fulfilling insurance contracts, claims volumes, and the inherent nature of the expense itself.

Net Expenses from Reinsurance Contracts Held

Net expenses from reinsurance contracts held increased by \$4.7 million to \$6.0 million primarily driven by the recovery from the Excess E&O program that occurred in 2024, that was ultimately not repeated in 2025. The scope of the reinsurance treaties in place and retention limits remain consistent with the prior year.

Investment income

Investments generated \$40.1 million income in 2025 compared to a \$63.3 million income in 2024. There is significant volatility in investment income year-over-year as all investments are recorded at fair value through profit and loss.

Interest and dividend income was \$23.6 million in 2025, compared to \$23.4 million in 2024, representing an increase of \$0.2 million. Net realized gains was \$6.0 million in 2025 compared to \$6.1 million gain in 2024, representing a decrease of \$0.1 million. Change in unrealized gains was \$12.1 million in 2025 compared to change in unrealized gains of \$35.4 million in 2024, representing a decrease of \$25.3 million.

Insurance Finance Income/(Expense)

In 2025, there was insurance finance expense of \$21.7 million compared to \$28.0 million in 2024. The insurance finance expense in 2025 was directly impacted by the reduction in the Bank of Canada overnight rate. Discounting assumptions were revised to align to the current interest rate environment. Insurance finance expenses decline when interest rates are reduced, as lower discount rates applied to insurance liabilities result in lower unwinding of discount and interest accretion over the period.

Reinsurance Finance Income/(Expense)

In 2025, there was reinsurance finance income of \$1.5 million compared to income of \$1.6 million in 2024. The \$0.1 million reduction mirrors the year-over-year change in insurance finance income but is less pronounced for reinsurance.

Other Expenses

Other expenses increased by 4.6% to \$9.0 million in 2025 due to rising operational costs that are not attributable to the fulfilment of insurance contracts. Under IFRS 17, LAWPRO's expenses are split between insurance and non-insurance related costs on approximately 80%/20% basis, with the former residing within insurance service expenses and the latter within other expenses. Higher other expenses in 2025 are mainly due to rising salaries and benefits expenses.

Statement of financial position

The Company ended 2025 with equity of \$331.3 million, down \$1.6 million from last year. The decrease represents \$1.8 million loss in combination with \$0.2 million other comprehensive income for the remeasurement of the defined benefit plan.

Investments

As of December 31, 2025, the market value of the Company's investment portfolio was \$696.9 million, compared to \$721.7 million in 2024, representing a decrease of \$24.8 million. Investment assets, inclusive of cash and cash equivalents and investment income due and accrued, decreased by \$14.6 million to \$744.3 million as of December 31, 2025. This reflects lower valuations on both the equity and fixed income portfolios due to market performance and declining interest rates. This also reflects a \$58 million transfer out of the investment portfolio to support operating cash requirements during challenging accounts receivable collections.

The investment portfolio is managed in accordance with the investment policy approved by the Company's Board of Directors in diversified, high-quality assets. A portion of the investment portfolio, which is composed of primarily fixed income securities, is invested in a manner that is expected to substantially match in maturity to the payment of claims liabilities in future years. The portion of the Company's investment portfolio which is considered surplus to the requirements of settling claims liabilities is managed separately and includes fixed income securities and equity investments in publicly traded companies via pooled funds, the values of which are more subject to market volatility.

Insurance Contract Liabilities

The insurance contract liabilities represent the amount required to satisfy all the Company's obligations to claimants prior to reinsurance recoveries. The balance as of December 31, 2025 was \$474.0 million, an increase of \$13.3 million from 2024 of \$460.7 million. This is due to the \$9.3 million increase in the present value of future cash flows in the liability for incurred claims ("LIC"), in addition to the \$4.0 million increase in the liability for remaining coverage ("LRC"), excluding loss component.

Minimum Capital Test ("MCT")

The Company's MCT of 249% as at December 31, 2025, remains strong. The MCT ratio is calculated by dividing the total capital available by the minimum total capital required. The Company monitors its MCT ratio on an ongoing basis to ensure it maintains sufficient capital to support its ongoing operations and protect against unexpected losses. As at the reporting date, the Company's MCT ratio remained above the internal minimum target of 170% and the preferred range of 210% to 240% reflecting a healthy capital position driven by prudent capital management practices and a robust balance sheet.

Report on LAWPRO operations

LAWPRO is an insurance company with three product lines: a mandatory E&O insurance program, as required by the Law Society of Ontario for all lawyers in private practice in Ontario; an optional excess E&O insurance program that enables Ontario law firms to increase their insurance coverage limit to a maximum of \$19 million per claim/\$19 million in the aggregate above the \$1 million per claim/\$2 million aggregate levels provided by the mandatory E&O program; and an optional TitlePLUS title insurance product that real estate practitioners across Canada can make available to their clients. Through its PracticePRO initiative, LAWPRO educates lawyers on where and why malpractice claims occur and provides tools and resources to reduce their claims exposure.

Management Statement on Responsibility for Financial Information

The preparation of the annual financial statements, Management's Discussion and Analysis and all other information in the Company's Annual Report is the responsibility of the Company's management, and the annual financial statements have been approved by the Board of Directors.

The financial statements have been prepared in accordance with International Financial Reporting Standards. Financial statements, by their very nature, include amounts and disclosures based on estimates and judgements. Where alternative methods or interpretations exist, management has chosen those it deems most appropriate in the circumstances, including appropriate consideration to relevance and materiality. Actual results in the future may differ materially from management's current assessment given the inherent variability of future events and circumstances. Financial information appearing elsewhere in the Company's Annual Report is consistent with the financial statements.

Management maintains the necessary system of internal controls over financial reporting to meet its responsibility for the reliability of the financial statements. These controls are designed to provide management with reasonable assurance that the financial records are reliable for preparing financial statements and other financial information, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

The Board of Directors is responsible to ensure that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out its responsibility primarily through its audit committee, which is independent of management. The audit committee reviews the financial statements and recommends them to the Board for approval. The audit committee also reviews and monitors the Company's system of internal controls over financial reporting in the context of reports made by management or the external auditor.

Role of the Auditor

The external auditor, PricewaterhouseCoopers LLP, has been appointed by the shareholder. Its responsibility is to conduct an independent and objective audit of the financial statements in accordance with Canadian generally accepted auditing standards and to report thereon to the Company's shareholder. In carrying out its audit, the auditor considers the work of the appointed actuary and his report on the policy liabilities of the Company. The external auditor has full and unrestricted access to the audit committee and the Board of Directors to discuss audit, financial reporting and related findings. The auditor's report outlines the scope of its audit and its opinion.

Role of the Appointed Actuary

The actuary is appointed by the Board of Directors of the Company. With respect to the preparation of these financial statements, the appointed actuary is required to carry out a valuation of the policy liabilities and to report thereon to the Company's shareholder. The valuation is carried out in accordance with accepted actuarial practice and regulatory requirements. The scope of the valuation encompasses the policy liabilities as well as any other matter specified in any direction that may be made by the regulators. The policy liabilities consist of a provision for unpaid claims and adjustment expenses on the expired portion of policies, a provision for future obligations on the unexpired portion of policies, and other policy liabilities that may be applicable to the specific circumstances of the Company.

In performing the valuation of the policy liabilities, which are by their very nature inherently variable, the appointed actuary makes assumptions as to the future rates of claims severity, inflation, reinsurance recoveries, expenses and other matters, taking into consideration the circumstances of the Company and the nature of the insurance coverage being offered. The valuation is necessarily based on estimates; consequently, the final values may vary significantly from those estimates. The appointed actuary also makes use of management information provided by the Company, and uses the work of the auditor with respect to the verification of the underlying data used in the valuation.

Toronto, Ontario
February 24, 2026

Dan Pinnington
Daniel E. Pinnington
President & CEO

Krista Franklin
Krista Franklin
Chief Financial Officer



Independent auditor's report

To the Shareholder of Lawyers' Professional Indemnity Company

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Lawyers' Professional Indemnity Company (the Company) as at December 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at December 31, 2025;
- the statement of profit or loss for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2500
Toronto, Ontario, Canada M5J 0B2
T.: +1 416 863 1133, F.: +1 416 365 8215
Fax to mail: ca_toronto_18_york_fax@pwc.com

PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information obtained prior to the date of this auditor's report comprises the Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario

February 24, 2026

Appointed Actuary's Report

ECKLER

I have valued the policy liabilities of the Lawyers' Professional Indemnity Company for its financial statements prepared in accordance with International Financial Reporting Standards for the year end 31 December 2025.

In my opinion, the amount of the policy liabilities is appropriate for this purpose. The valuation conforms to accepted actuarial practice in Canada and the financial statements fairly present the results of the valuation.



Louis-Christian Dupuis, FCAS, FCIA

Eckler Ltd.
1801 McGill College Avenue, Suite 1460
Montréal, Québec, H3A 2N4

18 February 2026

Statement of Financial Position

Amounts stated in thousands of Canadian dollars

AS AT DECEMBER 31	2025	2024
Assets		
Cash and cash equivalents	\$ 43,453	33,402
Investment income accrued	3,881	3,755
Investments (note 5)	696,943	721,704
Reinsurance contract assets (note 12)	33,521	36,094
Current tax asset	14,696	-
Fixed, intangible & right of use assets (note 7, 8)	8,796	10,840
Deferred tax asset (note 15)	2,272	369
Other assets (note 9)	15,070	7,217
Total assets	\$ 818,632	813,381
Liabilities		
Insurance contract liabilities (note 11)	473,997	460,652
Lease liabilities (note 10)	8,024	8,515
Expenses due and accrued	4,748	3,130
Other taxes due and accrued	591	576
Current tax liability	-	7,592
Total liabilities	\$ 487,360	480,465
Equity		
Capital stock (note 17)	5,000	5,000
Contributed surplus (note 17)	30,645	30,645
Retained earnings	295,627	297,271
Total equity	\$ 331,272	332,916
Total liabilities and equity	\$ 818,632	813,381

The accompanying notes are an integral part of the financial statements.

On behalf of the Board

Mark Surchin

Mark Surchin
Chair of the Board

Daniel E. Pinnington

Daniel E. Pinnington
President & CEO

Statement of Profit or Loss

Amounts stated in thousands of Canadian dollars

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Insurance revenue (note 11)	\$ 128,596	126,301
Insurance service expenses (note 11, 16)	(136,209)	(110,298)
Net expenses from reinsurance contracts held (note 12)	(6,040)	(1,282)
Insurance service result	\$ (13,653)	14,721
Investment income (note 5, 6)	40,096	63,323
Insurance finance expense (note 11)	(21,677)	(28,028)
Reinsurance finance income (note 12)	1,453	1,626
Net investment result	19,872	36,921
Net insurance and investment result	6,219	51,642
Other expenses (note 16)	(9,008)	(8,611)
Profit (loss) before tax	(2,789)	43,031
Income tax expense (recovery) (note 15)	979	(10,873)
Profit (loss) after tax	\$ (1,810)	32,158

The accompanying notes are an integral part of the financial statements.

Statement of Comprehensive Income

Amounts stated in thousands of Canadian dollars

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Profit (loss) after tax	\$ (1,810)	32,158
Other comprehensive income, net of income tax:		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit plan, net of income tax expense (recovery) of \$60 [2024: (\$97)] (note 14)	166	269
Other comprehensive income (loss)	166	269
Total comprehensive income (loss)	\$ (1,644)	32,427

Statement of Changes in Equity

Amounts stated in thousands of Canadian dollars

	Capital stock	Contributed surplus	Retained earnings	AOCI*	Total Equity
Balance at December 31, 2023	\$ 5,000	30,645	264,844	-	300,489
Profit after tax	-	-	32,158	269	32,427
Other comprehensive income (loss)	-	-	269	(269)	-
Balance at December 31, 2024	\$ 5,000	30,645	297,271	-	332,916
Profit (loss) after tax	-	-	(1,810)	166	(1,644)
Other comprehensive income (loss)	-	-	166	(166)	-
Balance at December 31, 2025	\$ 5,000	30,645	295,627	-	331,272

*Accumulated other comprehensive income

The accompanying notes are an integral part of the financial statements.

Statement of Cash Flows

Amounts stated in thousands of Canadian dollars

FOR THE YEARS ENDED DECEMBER 31

Operating Activities

	2025	2024
Profit (loss) after tax	\$ (1,810)	32,158
Items not affecting cash:		
Amortization of fixed and right of use assets	1,400	1,349
Amortization of intangible assets	1,258	1,095
Realized gains on investments	(5,245)	(5,105)
Amortization of premiums and discounts on bonds	(532)	(1,658)
Changes in unrealized gains on investments	(12,090)	(35,434)
Remeasurements of defined benefit plans	166	269
	(16,853)	(7,326)
Changes in non-cash working capital balances:		
Investment income due and accrued	(126)	46
Reinsurance contract assets	2,573	(5,845)
Other assets	(7,853)	1,964
Current tax asset (liability)	(22,288)	9,213
Insurance contract liabilities	13,345	1,179
Expenses due and accrued	1,618	(289)
Other taxes due and accrued	15	576
Deferred tax asset	(1,903)	(1,234)
Total cash outflow from operating activities	\$ (31,472)	(1,717)

Investing Activities

Addition of capital assets	(444)	(567)
Addition of intangible assets	(170)	(277)
Purchases of investments	(283,805)	(321,463)
Proceeds from sales and maturities of investments	326,433	316,376
Total cash inflow (outflow) from investing activities	\$ 42,014	(5,931)

Financing Activities

Payment of lease liabilities	(491)	(472)
Total cash outflow from financing activities	(491)	(472)

Net change in cash and cash equivalents during the year	10,051	(8,120)
Cash and cash equivalents, beginning of year	33,402	41,522
Cash and cash equivalents, end of year	\$ 43,453	33,402

Cash and cash equivalents at end of year consists of:

Cash	6,042	3,555
Cash equivalents	37,411	29,847
	\$ 43,453	33,402

Supplemental disclosure of cash flow information:

Income taxes paid (operating activity)	\$ 23,271	2,992
Interest received (investing activity)	20,235	19,412
Interest paid (financing activity)	328	347
Dividends received (investing activity)	2,662	2,392

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

1. NATURE OF OPERATIONS

Lawyers' Professional Indemnity Company (the "Company") is an insurance company, incorporated on March 14, 1990, under the *Corporations Act* (Ontario) and licensed to provide lawyers professional liability insurance in Ontario and title insurance in all provinces and territories in Canada. The Company is a wholly owned subsidiary of the Law Society of Ontario (the "Law Society"), which is the governing body for lawyers and paralegals in Ontario. The Company's registered office is located at 250 Yonge Street, Toronto, Ontario, Canada.

2. MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared under the *Insurance Act* (Ontario) and related regulations which require that, except as otherwise specified by the Company's primary insurance regulator, the Financial Services Regulatory Authority of Ontario ("FSRA"), the financial statements of the Company are to be prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These financial statements have been prepared in accordance with IFRS Accounting Standards issued and effective on or before December 31, 2025. Accounting requirements of FSRA do not represent exceptions to IFRS Accounting Standards. These financial statements were authorized for issuance by the Company's Board of Directors on February 24, 2026.

2.2 Preparation and presentation of financial statements

a) Basis of presentation

The Company presents its Statement of Financial Position in order of liquidity with certain balances composed of both current and non-current amounts as applicable. Assets expected to be realized, and liabilities expected to be settled within the Company's normal operating cycle of one year are typically considered to be current. The current and non-current portions of such balances are disclosed, where applicable, throughout the notes to the consolidated financial statements.

b) Use of estimates and judgments made by management

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and changes in estimates are recorded in the reporting period in which they are determined. Key estimates are discussed in the following accounting policies and applicable notes.

Key areas where management has made difficult, complex, or subjective judgments in the process of applying the Company's accounting policies, often as a result of matters that are inherently uncertain, include:

- Insurance contract liabilities Note 11
- Reinsurance contract assets Note 12
- Employee benefits Note 14

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

Pursuant to IFRS 9, all recognized financial assets are required to be subsequently measured at amortized cost or fair value. Specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest (“SPPI”) on the principal outstanding, are generally measured at amortized cost. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are SPPI on the principal amount outstanding, are measured at Fair Value Through Other Comprehensive Income (“FVOCI”). All other debt securities, as well as equity securities, are measured at fair value through profit or loss (“FVTPL”). At initial recognition, an entity may make an irrevocable election to present in OCI subsequent changes in the fair value of an investment in an equity instrument that is within the scope of IFRS 9, and that is not held for trading. Amounts presented in OCI are never recycled to profit or loss. In addition, under the fair value option, entities may elect for amortized cost or FVOCI debt securities to be classified as FVTPL if certain criteria are met.

With regards to debt securities measured at amortized cost or FVOCI, IFRS 9 requires an expected credit loss model for determining impairment. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before impairment losses are recognized. Under IFRS 9, impairment is not considered for equity securities.

Based on the company’s overall investment objective of preserving capital and maximizing the return, the company’s entire investment portfolio is classified as FVTPL.

The following table summarizes classification and measurement impacts under IFRS 9.

	Measurement
Cash and cash equivalents	FVTPL
Bonds	FVTPL
Preferred shares	FVTPL
Equities	FVTPL
Receivables and payables	Amortized cost

b. i) Classification

Based on the company’s overall investment objective of preserving capital and maximizing returns, the company’s entire investment portfolio is designated under FVTPL including cash and cash equivalents. Cash and cash equivalents consist of cash on deposit and short-term investments with original maturities of three months or less.

b. ii) Measurement

The Company’s financial assets and liabilities are measured on the statement of financial position at fair value on initial recognition and are subsequently measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company considers the characteristics of the asset or liability that market participants would likely consider when pricing the asset or liability at the measurement date. The Company accounts for the purchase and sale of financial assets using trade date accounting. Realized gains or losses on disposition are determined on an average cost basis. Investment income includes:

- Realized gains and losses and changes in unrealized gains and losses;
- Dividend income on common and preferred shares (as of the ex-dividend date);
- Net interest income, including amortization of premiums and the accretion of discounts; and
- Changes in fair value resulting from changes to foreign exchange rates.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

The valuation process includes utilizing market driven fair value measurements from active markets where available, considering other observable and unobservable inputs and employing valuation techniques which make use of current market data. Considerable judgement may be required in interpreting market data used to develop the estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that would be realized in a current market exchange.

The Company utilizes a fair value hierarchy to categorize the inputs used in valuation techniques to measure fair value, which prioritizes these inputs into three broad levels. The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. The three levels of the fair value hierarchy are:

Level 1 - Quoted market prices in active markets

Fair value is based on quoted market prices in active markets for identical assets or liabilities.

Level 2 – Modelled with significant observable market inputs

Fair value is based on observable inputs other than Level 1 prices, such as quoted market prices for similar, but not identical, assets or liabilities in active markets, quoted market prices for identical assets or liabilities in markets that are not active, and other inputs that are observable, such as interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment spreads, credit risks, and default rates.

Level 3 – Modelled with significant unobservable market inputs

Fair value is based on unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the business unit considers that market participants would use in pricing the asset or liability. Where estimates are used, these are based on a combination of independent third-party evidence and internally developed models, calibrated to market observable data where possible.

c) Leases

The Company is a lessee under various leases relating to premises and equipment. For all leases, except for leases which are short term or low value, a right-of-use asset and a lease liability are recognized on the statement of financial position. Right-of-use assets are initially measured at cost, which comprises the amount of the initial measurement of the lease liability. Right-of-use assets are subsequently measured at amortized cost and depreciated on a straight-line basis over the lease term. Lease liabilities are measured at the present value of future payments, using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured to reflect any lease modifications or reassessments.

d) Fixed assets and Right of Use Assets

Fixed Assets and Right of Use Assets are recorded in the statement of financial position on a net basis (cost less accumulated amortization). Amortization is charged to profit and loss on a straight-line basis over the estimated useful lives of the assets as follows:

- Furniture and fixtures 5 years
- Computer equipment 3 years
- Computer software 1 to 3 years
- Leasehold improvements Term of lease
- Right of use assets Term of lease

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

An item of fixed assets and right of use assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the disposal or retirement of an item of fixed assets and right of use assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized immediately in profit or loss.

e) Intangible Assets

Intangible assets with finite useful lives that are acquired separately or internally developed are carried at cost, less any applicable accumulated amortization. Once an acquired intangible asset is available for use, amortization is recognized on a straight-line basis over its estimated useful life. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying cost of the asset, are recognized in profit and loss when the asset is derecognized.

f) Impairment

At the end of each reporting period, the Company reviews the carrying amount of its fixed assets and right of use assets, intangible assets and other non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss. If an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of impairment loss is recognized immediately in profit or loss.

g) Foreign currency translation

The Canadian dollar is the functional and presentation currency of the Company. Transactions in foreign currencies are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities are translated at current rates of exchange, with all translation differences recognized in investment income in the current period. If a gain or loss on a non-monetary asset and liability is recognized in profit or loss, any exchange component of that gain or loss is also recognized in profit or loss.

h) Insurance contract issued and reinsurance contracts held

IFRS 17 replaced IFRS 4 Insurance Contracts effective January 1, 2023. The adoption of IFRS 17 did not change the classification of the Company's insurance contracts.

IFRS 17 provides a General Measurement Model ("GMM") for the recognition of long-duration contracts, as well as a simplified model which is the Premium Allocation Approach ("PAA") for short-duration contracts. The standard requires a company to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

contracts. Additionally, IFRS 17 requires a company to recognize profits as it delivers insurance services. The main features of IFRS17 applicable to the company are as follows:

- The concept of portfolio and groups of contracts. A portfolio includes contracts covering similar risks and managed together as a single pool. A group of contracts within a portfolio, will define the unit of account for measurement purposes.
- For presentation in the statement of financial position, the Company aggregates insurance contracts issued, and reinsurance contracts held, respectively and presents separately: 1) portfolios of insurance contracts issued that are liabilities; and 2) portfolios of reinsurance contracts held that are assets.
- Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Company expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows.
- Income and expenses from reinsurance contracts other than reinsurance finance income and expenses are now presented within net expenses from reinsurance contracts held.
- Insurance finance income and expenses are presented separately from insurance revenue and insurance service expenses in the Statement of Profit or Loss.
- Extensive disclosures to provide information on the recognized amounts from insurance contracts and the nature and extent of risks arising from these contracts.

IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Net expenses from reinsurance contracts held
- Insurance finance income/(expense)
- Reinsurance finance income/(expense)

IFRS 17 applies to annual periods beginning on or after January 1, 2023, and is applied retrospectively as of January 1, 2022, to each group of insurance contracts. On transition, for title insurance (that gets measured under the GMM model) the Company applied a fair value approach for years 2021 and prior because full retrospective approach was considered impracticable as the information required had not been collected with sufficient granularity and was unavailable because of system migrations or data retention requirements. For all other lines, which are measured under the PAA approach, the company transitioned applying the full retrospective approach.

h) i) Scope and separating components

Under IFRS 17, the Company is required to determine if contracts are in scope of this standard and if non-insurance components exist. The Company issues insurance contracts (direct business) and holds reinsurance contracts (ceded business). The Company's insurance policies do not include any components that require separation.

h) ii) Level of aggregation

Insurance and reinsurance contracts are aggregated into portfolios and groups for measurement purposes. Portfolios comprise contracts with similar risks which are managed together. Portfolios are further divided into groups based on expected profitability at inception. This requires an entity to divide portfolios of insurance contracts into a) a group of contracts that are onerous at initial recognition, if any; b) a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any; and c) a group of the remaining contracts in the portfolio, if any. The IFRS 17 portfolios align to the Company's insurance coverage types, and reinsurance coverage types. Aside from transitional elections, IFRS 17 also requires that no group may contain contracts issued more than one year apart (i.e., annual cohort). The Company will measure the insurance contract liability using annual cohorts.

Portfolios of insurance contract liabilities and portfolios of reinsurance contract assets are presented separately in the statement of financial position.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

h) iii) Recognition and derecognition

The Company recognises groups of insurance contracts that it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts.
- The date when the first payment from a policyholder in the group is due, or when the first payment is received if there is no due date.
- For a group of onerous contracts, as soon as facts and circumstances indicate that the group is onerous.

For PAA insurance contracts, if a group of insurance contracts (e.g., fund year) is onerous, the Loss Component (“LC”) is recognized in advance of the coverage period effective January 1st (i.e., the fourth quarter of the year preceding the fund year coverage period). For GMM insurance contracts, if a group of insurance contracts is onerous, the LC would be recognized when the contract is issued.

The Company recognizes a group of reinsurance contracts held at the earlier of a) the beginning of the coverage period of the group of reinsurance contracts held; and b) the date that the Company recognizes an onerous group of underlying insurance contracts, if the Company entered into the related reinsurance contract held at or before that date.

Notwithstanding the preceding paragraph, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date that any underlying insurance contract is initially recognized, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

The Company derecognizes its reinsurance contracts when the underlying insurance contract is extinguished, or the entity is no longer at risk and is therefore no longer required to transfer any economic resources to satisfy the insurance contract.

h) iv) Contract boundary

Contract boundary is used to determine which cash flows should be considered in the measurement of an insurance contract. Cash flows that are not in the boundary of an insurance contract relate to future insurance contracts. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the period in which the policyholder is obliged to pay premiums, or the entity has a substantive obligation to provide the policyholder with insurance coverage or other services.

If an entity has the practical ability to reassess the risk presented by a policyholder (or a portfolio of insurance contracts) and has the right to reprice without any constraints the risks, or terminate the contract, then the cash flows after the reassessment date will be outside of the contract boundary.

The Company has the following contract boundaries for its group of contracts:

- Mandatory professional liability insurance (“Mandatory E&O”) – 12 months
- Excess professional liability insurance (“Excess E&O”) – 12 months
- Title insurance (“TitlePLUS”) – 20 years
- Quota share reinsurance for Excess E&O – 12 months
- Clash reinsurance for Mandatory E&O and TitlePLUS – 12 months

h) v) Fulfilment cash flow

Fulfilment cash flows (“FCF”) comprise unbiased and probability-weighted estimates of future cash flows. The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation. The estimates of future cash flows are also adjusted by risk adjustments to account for non-financial risks.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

Risk of the Company's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows reflect the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer. The Company estimates certain FCF at the portfolio level and then allocates such estimates to groups of contracts.

The Company uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

h) vi) Onerous contracts and loss component

If there is a net outflow of FCF within a group of contracts at initial recognition, then the corresponding group is considered to be onerous.

For any group that is determined to be onerous, the Company has established a LC within the Liability for Remaining Coverage ("LRC"). A LC represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). For contracts measured under the PAA, the LC is released in insurance service expense as the underlying contract is recognized. For contracts measured under the GMM, the LC is released based on a systematic allocation of the subsequent changes relating to future service in the FCF. The LC is also updated for subsequent changes relating to future service in estimates of the FCF and the Risk Adjustment ("RA"). The systematic allocation of subsequent changes to the LC results in the total amounts allocated to the LC being equal to zero by the end of the coverage period of a group of contracts.

h) vii) Loss recovery component

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company recognizes income and establishes a loss recovery component within the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

h) viii) Discount rate

The Company has chosen a bottom-up approach to estimate the discount rate curve at the valuation date, whereby the Government of Canada risk-free yield curve plus an illiquidity premium is used. The illiquidity premium reflects the characteristics of the Company's insurance contract liabilities.

For the Company's Contractual Service Margin ("CSM"), the locked-in discount rate curve is selected based on the date of initial recognition of the group of insurance contracts and is applied at the group level. Note that under the PAA, a locked-in discount rate curve is only used if a group of insurance contracts is onerous. Otherwise, under the PAA, the LRC are undiscounted.

Under GMM, all expected FCF are discounted whereas under PAA only the LC within LRC, and the entire LIC are discounted.

h) ix) Risk adjustment

IFRS 17 requires a RA in the measurement of insurance liabilities to reflect the non-financial risks associated with the uncertainty about the amount and timing of the cash flows. The RA includes the benefit of diversification and excludes the impact of financial risks.

The Company has chosen RA factors based on confidence levels for the group of contracts measured under PAA method and is using the margin method for the group of contracts measured under GMM. These RA factors will be applied to the present value of future loss cashflows.

The Company has elected to disaggregate the impacts related to RA within the Statement of Profit and Loss under the Insurance Service Expenses and Insurance Finance Expenses.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

h) x) Initial recognition

The GMM measures a group of insurance contracts at initial recognition as the total of the FCF and CSM. The CSM represents the unearned profit the Company will recognize as it provides insurance services.

When estimating FCF, the Company includes all cash flows that are within the contract boundary and includes insurance acquisition cash flows which are allocated pro-rata to profit or loss over the period of the contract in a systemic and rational way.

The PAA measures a group of insurance contracts at initial recognition as the total of premiums received (if any).

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on to the same basis as insurance contracts that it issues to which the reinsurance covers.

The Company's expectations of fulfilment cashflows are based on providing sufficient working capital for operations. The cash flow forecasts consider the probability of the Company experiencing a period of sustained surplus beyond working capital requirements. When such surplus may benefit insured members, a liability for FCF attributable to current or future insured members will be recognized and measured within insurance contract liabilities.

h) xi) Subsequent recognition

For contracts measured using the GMM, the CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognized because it relates to future service to be provided. The CSM at the end of the reporting period represents the carrying amount at the beginning of the period adjusted, as follows:

- Effect of any new contracts added to the group;
- Interest accreted on the carrying amount of the CSM during the period;
- Changes in FCF related to future service, except to the extent that:
 - Such increases in the FCF exceed the carrying amount of the CSM, giving rise to a loss, or
 - Such decreases in the FCF are allocated to the LC of the LRC;
- The amount recognized as insurance revenue based on services provided in the period.

For contracts measured using the PAA, the LRC at the end of each reporting period is the LRC at the beginning of the period, adjusted for:

- Premiums received in the period;
- Minus the amount of insurance revenue for service provided.

The estimates of the expected future cash flows are required for the initial and subsequent measurement of the LIC. The LIC is recorded when claims are incurred and comprises discounted estimates of cash flows plus a risk adjustment for non-financial risks; it has no CSM. The subsequent measurement of the expected cash flows of the LIC are updated at each reporting period.

h) xii) Insurance revenue

Insurance revenue reflects the consideration to which the insurer is entitled in exchange for the services provided on an earned basis. Insurance revenue excludes any investment components.

Insurance revenue under the PAA is the amount of premiums received allocated to the period. The allocation of premiums received to each period of coverage is based on the passage of time as this does not differ significantly from the timing of expected incurred losses during the coverage period.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

Under the GMM, insurance revenue comprises amounts relating to changes in the LRC as follows:

- Expected Insurance service expenses incurred during the period;
- Change in RA for non-financial risk for service provided in the period;
- CSM recognized in profit or loss because of the transfer of services in the period; and
- An allocation of acquisition cash flows.

Insurance policies written under the Mandatory E&O and Excess E&O insurance programs are effective on a calendar year basis. Revenue recognition for the Mandatory E&O and Excess E&O insurance programs are earned over the term of coverage of the underlying insurance policies, which is generally one year. Revenue recognition for title insurance premiums will be spread over the contract boundary period of 20 years.

h) xiii) Insurance service expenses

Insurance service expenses represent the costs an insurer incurs to fulfil the obligations of its insurance contracts. These, at a minimum, comprise the following:

- Incurred claims and other incurred insurance service expenses that are directly attributable to a group of contracts;
- Amortization of insurance acquisition cash flows directly attributable to a portfolio of contracts, for GMM;
- Expensing as incurred the insurance acquisition cash flows directly attributable to a portfolio of contracts, for PAA;
- Changes that relate to past service (i.e., relating to LIC);
- Losses on onerous contracts and reversals.

Insurance service expenses related to group of contracts exclude any investment components. Similar to the requirement for revenue, these amounts get identified and are excluded from the related claims expense.

The Company recognizes the directly attributable acquisition costs for TitlePLUS as a component of both revenue and expense over the contract boundary period of 20 years or less, and expenses the insurance acquisition costs as incurred for Mandatory E&O and Excess E&O.

For contracts measured under the GMM, amortization of insurance acquisition cash flows is based on the undiscounted coverage units used to recognize insurance revenue. For contracts measured under the PAA, insurance acquisition cash flows are expensed as incurred.

h) xiv) Insurance finance income and expense

Insurance finance income or expense represent the effects of, and changes in, the carrying amount of a group of insurance contracts relating to the time value of money and financial risks. This includes:

- The effect of discounting and changes to discount rates; and
- The effect of financial risk and changes in financial risk.

The Company has elected to present all impacts related to the discount rate and financial risk within the Statement of Profit and Loss.

h) xv) Net expenses from reinsurance contracts held

Net expenses from reinsurance contracts held is comprised of the amounts that are expected to be recovered from reinsurers, as well as an allocation of the reinsurance premiums ceded, based on passage of time, in conjunction with the expiry of the respective insurance policy to which the reinsurance contract relates to.

The Company treats reinsurance cash flows that are contingent on claims of the underlying contracts as part of the amounts recoverable from reinsurers and includes ceded commissions not contingent on claims as a reduction of the premiums ceded to reinsurers.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

h) xvi) Insurance contract liabilities

The Insurance contract liabilities include the fulfilment cashflows of all estimated costs of projected final settlements of insurance claims incurred on or before the date of the statement of financial position. These estimates include the full amount of all expected expenses, including related investigation, settlement and adjustment expenses, net of any anticipated salvage and subrogation recoveries. The professional liability insurance policy requires insureds to pay deductibles to the maximum extent of \$25,000 on each individual claim, subject to double the amount for claims involving a conflict of interest, and an additional \$10,000 for certain claims involving an administrative dismissal. Expected deductible recoveries on paid and unpaid claims are recognized net of any required provision for uncollectible accounts at the same time as the related insurance contract liability.

The Insurance contract liabilities are separated into two components, LRC and LIC. It takes into consideration the time value of money using discount rates based on the risk-free yield curve and the illiquidity premium. A RA is then added to the discounted liabilities, to represent the compensation an insurer requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risks in order to generate the fulfilment cash flows.

These estimates of insurance contract liabilities are subject to uncertainty and are the unbiased probability weighted expected cashflows of all possible outcomes. All provisions are periodically reviewed and evaluated in light of emerging claims experience and changing circumstances. The resulting changes in estimates of the ultimate liability are reported as changes that relate to past service in the LIC for both PAA and GMM and changes that relate to future service in LRC for GMM in the reporting period in which they are determined.

Insurance contract liabilities are classified as non-current, except for the LRC for contracts measured under the PAA, any claims expected to be settled within the next 12 months and the related attributable portion of RA and CSM. See note 20 for a breakdown of the expected settlement of claims.

i) Income taxes

The tax expense for the year is comprised of current and deferred taxes. Tax is usually recognized as an expense or income in the statement of profit or loss except when it relates to an item included in OCI, in which case tax is recognized in OCI.

The current tax expense (recovery) is based on taxable income (loss) for the year under local tax regulations and the enacted or substantively enacted tax rate for the year for each taxable entity and any adjustment to tax payable in respect of previous years.

Deferred income tax assets are generally recognized for all deductible temporary income tax differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax assets also include tax losses not deductible in the current year. Deferred income tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets and liabilities are determined based on the enacted or substantively enacted tax laws and rates that are anticipated to apply in the period of realization. The measurement of deferred tax assets and liabilities utilizes the liability method, reflecting the tax consequences that would follow from the way the Company expects to recover or settle the carrying amount of the related assets and liabilities. The carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and there is a legally enforceable right to offset current tax assets with current tax liabilities.

j) Employee benefits

The Company maintains a defined contribution pension plan (“DCPP”) for its employees. It also maintains a supplemental designated executive plan (“SDEP”), for certain designated employees, which provides benefits in addition to the benefits provided by the Company’s DCPP. Employee benefits is presented under other assets on the Statement of Financial Position.

DCPP expenses are recognized in the reporting period in which services are rendered.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

The benefit obligation for the SDEP is determined using the projected unit credit method. Actuarial valuations are carried out at the end of each annual reporting period using management's assumptions on items such as discount rates, expected asset performance, salary growth and retirement ages of employees. The discount rate is determined based on the market yields of high quality, mid-duration corporate fixed income securities. The SDEP remeasurements comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest cost), is reflected immediately in the statement of profit or loss and other comprehensive income with a charge or credit recognized in OCI in the period in which they occur. Remeasurements recognized in OCI are transferred immediately to retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows: service cost (including current service, past service cost, as well as gains or losses on curtailments and settlements), net interest expense or income, and remeasurements. The Company presents the first two components of defined benefit cost as directly attributable expenses ("DAE") and other expenses in the statement of profit or loss. The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's SDEP. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

3. ADOPTION OF NEW AND AMENDED ACCOUNTING STANDARDS

There are no significant changes in the current year that were applicable to the Company. The adoption of IAS 21, The Effects of Changes in Foreign Exchange Rates, had no impact on the Company's financial statements as the Company does not have foreign currency transactions or operations.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET APPLIED

a) IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures

IASB amended IFRS 9 and IFRS 7, effective for years beginning on or after January 1, 2026, with earlier application permitted, to:

- clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system.
- clarify and add further guidance for assessing whether a financial asset meets the SPPI criterion.
- add new disclosures for certain instruments with contractual terms that can change cash flows such as instruments with features linked to the achievement of environment, social and governance ("ESG") targets; and
- update the disclosures for equity instruments designated at FVOCI.

The amendments introduce an accounting policy election permitting the derecognition of certain financial liabilities settled through electronic funds transfer ("EFT") prior to settlement, whereby specific criteria are met. The Company has assessed the amendments and qualifies for the election related to EFT payments, which it intends to apply upon adoption. The amendments are required to be applied retrospectively, with comparative information restated where required. The Company does not expect adoption to have a material impact on the financial statements; however, the amendments may affect the timing of derecognition of certain financial liabilities as well as related cash balances.

b) IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 is the new standard on financial statement presentation and disclosure with a focus on updates to the statement of profit or loss. IFRS 18 will replace IAS 1 Presentation of Financial Statements and retains many of the existing principles in IAS 1. Effective for years beginning on or after January 1, 2027, with earlier application permitted. Retrospective application is required.

The Company is currently assessing the impact of IFRS 18 adoption and expects some impact which is yet to be quantified.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

5. INVESTMENTS

a) Summary

The tables below provide details of the carrying value and fair value of the Company's investments, classified by investment type:

AS AT DECEMBER 31	2025			2024		
	Fair value	Carrying value	Net unrealized gain (loss)	Fair value	Carrying value	Net unrealized gain (loss)
Classified as FVTPL						
Fixed income securities	\$ 537,350	534,959	2,391	568,791	567,987	804
Common equities (pooled funds)	159,088	93,148	65,940	152,508	96,971	55,537
Preferred equities	505	615	(110)	405	613	(208)
Total	\$ 696,943	628,722	68,221	721,704	665,571	56,133

b) Maturity profile of fixed income securities

The maturity profile of fixed income securities by type of issuer is as follows:

AS AT DECEMBER 31	2025			
	Within 1 year	1 to 5 years	Over 5 years	Total
Canadian federal government	\$ 1,493	13,714	47,063	62,270
Canadian provincial and municipal governments	13,632	99,591	149,346	262,569
Mortgage backed securities	-	12,445	1,271	13,716
Corporate debt	15,753	109,382	73,660	198,795
Total fixed income securities	\$ 30,878	235,132	271,340	537,350
<i>Percentage of total</i>	6%	44%	50%	100%

AS AT DECEMBER 31	2024			
	Within 1 year	1 to 5 years	Over 5 years	Total
Canadian federal government	\$ 942	24,573	47,143	72,658
Canadian provincial and municipal governments	12,120	108,665	141,980	262,765
Mortgage backed securities	-	4,389	1,306	5,695
Corporate debt	33,859	139,835	53,979	227,673
Total fixed income securities	\$ 46,921	277,462	244,408	568,791
<i>Percentage of total</i>	8%	49%	43%	100%

The weighted average duration of fixed income securities as at December 31, 2025, is 4.53 years (December 31, 2024: 4.20 years). The effective yield on fixed income securities as at December 31, 2025, is 3.70% (December 31, 2024: 3.49%).

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

c) Investment income

Investment income arising from investments classified as FVTPL are recorded in net income.

FOR THE YEARS ENDED DECEMBER 31	2025	2024
	Classified as FVTPL	Classified as FVTPL
Interest and dividends	\$ 23,566	23,421
Net realized gains	6,021	6,051
Change in net unrealized gains	12,095	35,434
	41,682	64,906
Less: Investment expenses	(1,586)	(1,583)
Investment income	\$ 40,096	63,323

d) Net investment result

The investment portfolio is invested with the primary objective of matching the invested asset cash flows with the expected future payments of the insurance contract liabilities. The investments are managed to provide liquidity and address cash flow needs as claims are settled and preserve capital while achieving an appropriate return consistent with the objectives of the Company. Insurance and reinsurance finance income represent unwinding of discount of insurance and reinsurance contract liabilities and effects of financial risks. They are components of net investment results.

The table below presents an analysis of net investment results recognised in profit or loss in the period:

AS AT DECEMBER 31	2025	2024
Investment income	\$ 40,096	63,323
Insurance finance expense		
Interest accreted	(17,754)	(19,725)
Effect of financial risk and changes in financial risk	(3,923)	(8,303)
Total insurance finance income expense	(21,677)	(28,028)
Reinsurance finance income		
Interest accreted	1,207	1,169
Effect of financial risk and changes in financial risk	246	457
Total reinsurance finance income	1,453	1,626
Net investment result	\$ 19,872	36,921

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

6. FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS

The following tables present the Company's financial assets measured at fair value and classified by the fair value hierarchy.

AS AT DECEMBER 31	2025			Total
	Level 1	Level 2	Level 3	
Financial assets measured at fair value				
Cash and cash equivalents	\$ 43,453	-	-	43,453
Fixed income securities	314,922	222,428	-	537,350
Common equities (pooled funds)	159,088	-	-	159,088
Preferred equities	-	505	-	505
	\$ 517,463	222,933	-	740,396

AS AT DECEMBER 31	2024			Total
	Level 1	Level 2	Level 3	
Financial assets measured at fair value				
Cash and cash equivalents	\$ 33,402	-	-	33,402
Fixed income securities	327,695	241,096	-	568,791
Common equities (pooled funds)	152,508	-	-	152,508
Preferred equities	-	405	-	405
	\$ 513,605	241,501	-	755,106

There were no transfers between any levels during the year ended December 31, 2025 (2024: none).

7. FIXED ASSETS AND RIGHT OF USE ASSETS

During the years ending December 31, details of the movement in the carrying values by class of fixed assets and right of use assets are as follows:

	Furniture and fixtures	Computer equipment	Computer software	Leasehold improvements	Right-of-use assets	Total
January 1, 2024	\$ 45	686	728	331	8,174	9,964
Additions	-	63	504	-	-	567
Amortization	(17)	(348)	(343)	(75)	(566)	(1,349)
December 31, 2024	\$ 28	401	889	256	7,608	9,182
Additions	-	238	206	-	-	444
Amortization	(13)	(268)	(476)	(76)	(567)	(1,400)
December 31, 2025	\$ 15	371	619	180	7,041	8,226

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

Details of the cost and accumulated amortization of fixed assets and right of use assets are as follows:

AS AT DECEMBER 31	2025			2024		
	Cost	Accumulated amortization	Carrying value	Cost	Accumulated amortization	Carrying value
Furniture and fixtures	\$ 2,267	(2,252)	15	2,267	(2,239)	28
Computer equipment*	1,458	(1,087)	371	1,500	(1,099)	401
Computer software*	1,667	(1,048)	619	1,595	(706)	889
Leasehold improvements	4,403	(4,223)	180	4,403	(4,147)	256
Right of use assets	11,065	(4,024)	7,041	11,065	(3,457)	7,608
Total	\$ 20,860	(12,634)	8,226	20,830	(11,648)	9,182

* During 2025, \$280 of computer equipment and \$134 of computer software cost and accumulated amortization was written off because they were no longer in use and were already fully amortized.

The Company has a lease agreement for premises at 250 Yonge Street, commencing June 1, 2018, and expiring on May 31, 2028. The Company has an option to extend the lease period for two additional terms of five years each under the current general terms and conditions. The above capitalized amount considers 10 years of extension.

8. INTANGIBLE ASSET

The Company's intangible asset consists of an internally developed platform for the TitlePLUS product. The Company started capitalization of development costs related to the platform on January 1, 2019, with amortization beginning on June 1, 2020. During the years ending December 31, details of the movement in the carrying values are as follows:

AS AT DECEMBER 31	2025	2024
Cost		
Balance, beginning of year	\$ 4,444	4,167
Additions	170	277
Balance, end of year	4,614	4,444
Accumulated amortization and impairment		
Balance, beginning of year	(2,786)	(1,691)
Amortization expense	(1,258)	(1,095)
Balance, end of year	(4,044)	(2,786)
Carrying amount	\$ 570	1,658

There were no disposals or asset impairments during 2025 or 2024.

9. OTHER ASSETS

The Company's other assets consist of the followings:

AS AT DECEMBER 31	2025	2024
Prepaid expenses	\$ 858	717
Deductible receivable	367	551
Net defined benefit pension asset	4,957	4,815
Other receivables	8,888	1,134
	\$ 15,070	7,217

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

10. LEASE LIABILITIES

Lease liabilities are comprised of the following:

AS AT DECEMBER 31	2025	2024
Expected to be settled in less than one year	\$ 511	491
Expected to be settled in more than one year	7,513	8,024
Total	\$ 8,024	8,515

11. INSURANCE CONTRACT LIABILITIES

a) Roll Forward of insurance contract balances

The roll-forward of the liability for insurance contracts issued, showing the LRC and the LIC is disclosed in the table below:

FOR THE YEAR ENDED DECEMBER 31, 2025	LIABILITY FOR REMAINING COVERAGE		LIABILITY FOR INCURRED CLAIM			Total
	Excluding loss component	Loss component	Contracts under GMM	Present value of future cash flows	Risk adjustment	
Insurance contract liabilities, beginning of period	\$ (4,516)	7,417	5,614	426,545	25,592	460,652
Insurance revenue	(128,596)	-	-	-	-	(128,596)
Incurring claims and other insurance service expense	-	(7,566)	4,519	137,301	6,166	140,420
Amortization of insurance acquisition cash flows	3,664	-	-	-	-	3,664
Losses and reversals on onerous contracts	-	11,191	-	-	-	11,191
Prior-year development	-	-	(714)	(11,549)	(6,803)	(19,066)
Insurance service expense	3,664	3,625	3,805	125,752	(637)	136,209
Insurance service result from insurance contracts	(124,932)	3,625	3,805	125,752	(637)	7,613
Insurance finance expense	706	375	121	19,316	1,159	21,677
Total changes in profit & loss	(124,226)	4,000	3,926	145,068	522	29,290
Cash flows						
Premium received	131,966	-	-	-	-	131,966
Claims and other insurance service expense paid	-	-	(3,873)	(136,361)	-	(140,234)
Insurance acquisition cash flows	(7,677)	-	-	-	-	(7,677)
Total cash flows	124,289	-	(3,873)	(136,361)	-	(15,945)
Insurance contract liabilities, end of period	\$ (4,453)	11,417	5,667	435,252	26,114	473,997

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

FOR THE YEAR ENDED DECEMBER 31, 2024	LIABILITY FOR REMAINING COVERAGE			LIABILITY FOR INCURRED CLAIM		
	Excluding loss component	Loss component	Contracts under GMM	Present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities, beginning of period	\$ (492)	3,831	6,749	423,947	25,437	459,473
Insurance revenue	(126,301)	-	-	-	-	(126,301)
Incurred claims and other insurance service expense	-	(4,124)	3,589	125,259	5,658	130,382
Amortization of insurance acquisition cash flows	2,987	-	-	-	-	2,987
Losses and reversals on onerous contracts	-	7,382	-	-	-	7,382
Prior-year development	-	-	2,184	(25,620)	(7,017)	(30,453)
Insurance service expense	2,987	3,258	5,773	99,639	(1,359)	110,298
Insurance service result from insurance contracts	(123,314)	3,259	5,773	99,639	(1,359)	(16,003)
Insurance finance expense	727	327	215	25,245	1,514	28,028
Total changes in profit & loss	(122,587)	3,585	5,988	124,884	155	12,025
Cash flows						
Premium received	125,609	-	-	-	-	125,609
Claims and other insurance service expense paid	-	-	(7,123)	(122,286)	-	(129,404)
Insurance acquisition cash flows	(7,046)	-	-	-	-	(7,046)
Total cash flows	118,563	-	(7,123)	(122,287)	-	(10,846)
Insurance contract liabilities, end of period	\$ (4,516)	7,417	5,614	426,545	25,592	460,652

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

b) Roll-forward of insurance contract balances by component

The roll-forward of the liability for insurance contracts issued measured under the GMM showing estimates of each component is disclosed in the table below:

FOR THE YEAR ENDED DECEMBER 31, 2025	Present value of future cash flows	Risk adjustment	Contractual service margin		Total
			Contracts using the fair value approach	Other contracts	
Insurance contract liabilities, beginning of period	\$ 17,944	2,141	734	14	20,833
<i>Changes that relate to past services:</i>					
Adjustments to liabilities for incurred claims	1,308	137	-	-	1,445
Total changes that relate to past services	1,308	137	-	-	1,445
<i>Changes that relate to current services:</i>					
Contractual service margin recognised in net income for the services provided	-	-	(320)	(4)	(324)
Change in risk adjustment for non-financial risk expired	-	(361)	-	-	(361)
Experience adjustments	(2,263)	(378)	-	-	(2,641)
Total changes that relate to current services	(2,263)	(739)	(320)	(4)	(3,326)
<i>Changes that relate to future services:</i>					
Changes in estimates that adjust the contractual service margin	(931)	(116)	1,035	13	1
Contracts initially recognized in the period	3,027	589	-	-	3,616
Changes in estimates that result in losses and reversal of losses on onerous contracts	402	52	-	-	454
Total changes that relate to future services	2,498	525	1,035	13	4,071
Insurance service result from insurance contracts	1,543	(77)	715	9	2,190
Insurance finance expense/(income)	1,061	130	9	-	1,200
Total changes in profit & loss	2,604	53	724	9	3,390
Cash flows:					
Premiums received for insurance contracts	9,375	-	-	-	9,375
Claims, benefits and other expenses paid	(3,873)	-	-	-	(3,873)
Insurance acquisition cash flows	(7,677)	-	-	-	(7,677)
Total cash flows	(2,175)	-	-	-	(2,175)
Insurance contract liabilities, end of period	\$ 18,373	2,194	1,458	23	22,048

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

FOR THE YEAR ENDED DECEMBER 31, 2024	Present value of future cash flows	Risk adjustment	Contractual service margin		Total
			Contracts using the fair value approach	Other contracts	
Insurance contract liabilities, beginning of period	\$ 18,236	2,157	576	114	21,083
<i>Changes that relate to past services:</i>					
Adjustments to liabilities for incurred claims	1,351	142	-	-	1,493
Total changes that relate to past services	1,351	142	-	-	1,493
<i>Changes that relate to current services:</i>					
Contractual service margin recognised in net income for the services provided	-	-	(155)	(2)	(157)
Change in risk adjustment for non-financial risk expired	-	(368)	-	-	(368)
Experience adjustments	196	(446)	-	-	(250)
Total changes that relate to current services	196	(814)	(155)	(2)	(775)
<i>Changes that relate to future services:</i>					
Changes in estimates that adjust the contractual service margin	(183)	(23)	305	(98)	1
Contracts initially recognized in the period	2,575	500	-	-	3,075
Changes in estimates that result in losses and reversal of losses on onerous contracts	27	42	-	-	69
Total changes that relate to future services	2,419	519	305	(98)	3,145
Insurance service result from insurance contracts	3,966	(153)	150	(100)	3,863
Insurance finance expense/(income)	1,123	137	8	-	1,268
Total changes in profit & loss	5,089	(16)	158	(100)	5,131
Cash flows:					
Premiums received for insurance contracts	8,787	-	-	-	8,787
Claims, benefits and other expenses paid	(7,123)	-	-	-	(7,123)
Insurance acquisition cash flows	(7,045)	-	-	-	(7,045)
Total cash flows	(5,381)	-	-	-	(5,381)
Insurance contract liabilities, end of period	\$ 17,944	2,141	734	14	20,833

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

c) Contractual service margin

The Company expects to recognise the CSM in profit or loss for existing GMM contracts within twenty years, which represents the longest coverage period for the contracts in force issued by the Company.

The following table sets out the timeline of when the CSM is expected to be in profit and loss:

		2025						
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total	
Insurance contracts issued	\$ 299	251	209	174	143	405	1,481	

		2024						
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total	
Insurance contracts issued	\$ 144	122	102	86	71	223	748	

d) Analysis of Insurance Revenue recognized

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Insurance Revenue		
CSM recognized for services provided	\$ 323	157
Change in risk adjustment for non-financial risk for risk expired	290	274
Expected insurance service expenses incurred:		
Claims	1,569	1,500
Expenses	752	689
Total expected insurance service expenses incurred	2,321	2,189
Recovery of insurance acquisition cash flows	3,664	2,987
Total revenue from contracts not measured under PAA	6,598	5,607
Contracts measured the under PAA		
Expected premium receipts allocation under the PAA	121,998	120,694
Total revenue from contracts measured under PAA	121,998	120,694
Total insurance revenue	\$ 128,596	126,301

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

e) Liability for incurred claims

The determination of the LIC is a complex process based on known facts, interpretations, and judgment, and is influenced by a variety of factors. These factors include the Company's own experience with similar cases and historical trends involving claim payment patterns, loss payments, pending levels of insurance contract liabilities, product mix and concentration, claims severity and claim frequency patterns.

Other factors include the continually evolving and changing regulatory and legal environment, actuarial studies, professional experience and expertise of the Company's claim departments' personnel and independent adjusters retained to handle individual claims, the quality of the data used for projection purposes, existing claims management practices including claims handling and settlement practices, the effect of inflationary trends on future claims settlement costs, liquid risk-free yield curve, illiquidity premium, court decisions and economic conditions. In addition, time can be a critical part of the provision determination, since the longer the span between the incidence of a loss and the settlement of the claim, the more potential for variation in the ultimate settlement amount. Accordingly, short-tailed claims, such as property claims, tend to be more reasonably predictable than long-tailed claims, such as professional liability and title claims.

The process of establishing the provision relies on the judgment and opinions of experts, on historical precedents and trends, on prevailing legal, economic, social and regulatory trends and on expectations as to future developments. The provision reflects expectations of the ultimate cost of resolution and administration of claims based on an assessment of facts and circumstances then known, together with a review of historical settlement patterns, estimates of trends in claims severity and frequency, legal theories of liability and other factors.

Consequently, the measurement of the ultimate settlement costs of claims to date that underlies the insurance contract liabilities, and any related recoveries for reinsurance and deductibles, involves estimates and measurement uncertainty. The amounts are based on estimates of future trends in claim severity and other factors which could vary as claims are settled. Variability can be caused by several factors including the emergence of additional information on claims, changes in judicial interpretation, significant changes in severity or frequency of claims from historical trends, and inclusion of exposures not contemplated at the time of policy inception. Ultimate costs incurred could vary from current estimates. Although it is not possible to measure the degree of variability inherent in such estimates, management believes that the methods of estimation that have been used will produce reasonable results given the current information.

The best estimates of claims payments and adjustment expenses are determined based on one or more of the following actuarial methods: the chain ladder method, the paid frequency and severity method, the expected loss ratio method, and the Bornhuetter-Ferguson method. Considerations in the choice of methods to estimate ultimate claims include, among other factors, the line of business, the number of years of experience and the relative maturity of the experience, and as such, reflect methods for lines of business with long settlement patterns and which are subject to the occurrence of large claims.

Each method involves tracking claims data either by "accident year", which is the year in which such claims are made for the Company's professional liability policies, or by "policy year", the year in which such policies were written for its title policies. Claims paid and reported, gross and net of reinsurance recoveries and net of salvage and subrogation, are tracked by lines of business, accident/policy years and development periods in a format known as claims development triangles.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

A description of each of these methods is as follows:

i. Chain ladder method

The distinguishing characteristic of this form of development method is that ultimate claims for each policy year are projected from recorded values assuming the future claim development is similar to the prior years' development.

ii. Paid Frequency and Severity ("PFS") method

The PFS method assumes that, for each identified homogenous claims type group, claims count reported to date will develop to ultimate in a similar manner to historical patterns and settle at predictable average severity amounts. This method involves applying the developed estimated ultimate claims count to selected estimated ultimate average claim severities.

iii. Expected Loss Ratio ("ELR") method

Using the expected loss ratio method, ultimate claims projections are based upon a priori measures of the anticipated claims. An expected loss ratio is applied to the measure of exposure to determine estimated ultimate claims for each year. This method is commonly used in lines of business with a limited experience history.

iv. Bornhuetter-Ferguson ("BF") method

The BF method applied to reported loss data relies on the assumption that remaining unreported losses are a function of total expected losses rather than a function of currently reported losses. The BF method is most useful when the actual reported losses do not provide a good indicator of future losses (e.g. for immature and/or unstable accident years).

Claims data includes external claims adjustment expenses, and for a portion of the portfolio includes internal claims adjustment expenses. A provision for internal claims costs has been derived by an approach that is based on the number of expected future claims transactions by lines of business.

An evaluation of the adequacy of insurance contract liabilities is completed at the end of each quarter. This evaluation includes a re-estimation of the insurance contract liabilities compared to the liability that was originally established. As adjustments to estimated insurance contract liabilities become necessary, they are reflected in current operations.

e) i) Discount rate

The insurance contract liabilities are discounted using a risk-free rate that is derived by the bottom-up approach based on the Government of Canada zero-coupon bond rates as at the valuation date, and an illiquidity premium that is derived by the top-down approach based on a linear regression of the yield to maturity of the reference portfolio that is comprised of corporate and municipal bonds as at the reference portfolio date. The reference portfolio date for December 31, 2025, was very close to the valuation date, as the illiquidity premium was based at November 30, 2025, while the risk-free rate was based at December 24, 2025. For comparison, the reference portfolio date for December 31, 2024, was also close to the valuation date, where the illiquidity premium was based at November 30, 2024, and the risk-free rate was based at December 24, 2024. The reinsurance contract assets estimate and claims recoverable from other insurers are discounted in a manner consistent with the method used to establish the related liability. The discount rates are defined up to 30 years from the valuation date, more than sufficient for all expected future cash flows projected.

The FCF are initially discounted applying the discount rate determined at initial recognition of a group of contracts. This discount rate is applied in the calculation of the CSM and referred to as the "locked-in" discount rate.

The "locked-in" discount rate also applies for accreting the unwind of the discount on the CSM of a group of contracts when applying the GMM. In addition, changes in FCF related to future service of the insurance contracts (such as arising from premium related experience adjustments, changes in estimates in FCF related to future periods) are recorded using current rates, but the impact on CSM is recorded applying the "locked-in" rate. This creates a mismatch that is included in insurance finance income or expense.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

Illiquid Discount Rates are as follows:

AS AT DECEMBER 31	2025						2024					
	1 year	3 years	5 years	10 years	20 years	30 years	1 year	3 years	5 years	10 years	20 years	30 years
Yield %	2.67%	3.09%	3.41%	4.05%	4.54%	4.66%	3.53%	3.50%	3.65%	4.07%	4.34%	4.35%

e) ii) Risk Adjustment

The Company has estimated the risk adjustment factors for the Mandatory E&O and Excess E&O portfolios and the reinsurance portfolios based on the Confidence Level Method. In the Confidence Level Method (also referred to as “quantile”), the compensation that the entity requires for bearing the uncertainty is reflected in the RA calculations in the form of a target confidence level selected by the entity, resulting in a required additional provision such that the probability that the present value of future cash flows would exceed the total booked amount would be equal to one minus the target confidence level.

Based on the results of the Mandatory E&O reserve variability analysis as at December 31, 2025, distributions for LIC and LRC were determined, RA factors were calculated at the 80% confidence level.

The Company has estimated the RA factors for the TitlePLUS portfolio based on the Margin Method. The risk adjustment factors were selected by adapting the margins for adverse development (MfADs) that were used under IFRS 4 and repeated under IFRS 17. The qualitative risk characteristics underlying the selected RA factors reflect the following considerations:

- Current claims development MfAD considerations (i.e., reflecting the current CIA guidance);
- RA factors for TitlePLUS based on the Margin approach;
- IFRS 17 qualitative principles for consideration when estimating the liability for RA; and
- Judgment to align with the 80% confidence level selected by the Company.

Considering the volume of TitlePLUS business relative to Mandatory E&O, the RA for TitlePLUS would have no material impact on the confidence level of the total RA for the Company. Therefore, the confidence level of the total RA for the Company will be the same as the confidence level of the RA for Mandatory E&O portfolios (i.e., 80% confidence level).

The primary assumption inherent in this approach is that historical claims development can be used to generate the full range of potential outcomes.

The company also incorporates qualitative judgmental factors not included in the historical data.

f) Liability for remaining coverage under the GMM

In determining the estimated future cash flows, the company considers the full range of possible outcomes, each scenario is probability-weighted and discounted using current assumptions.

The Company includes all cash flows that are within the contract boundary and incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing, and uncertainty of those future cash flows.

g) Coverage units

The Company’s CSM from the GMM portfolio is released to insurance revenue by the pattern of coverage units released, which quantifies the amount of insurance service provided in any given period. For TitlePLUS business, data is not readily available to directly assess the number of title insurance contracts in force (exposure) at any given point in time. Therefore, the Ontario house sales data and mortgage loans discharge data were used as a surrogate to estimate the contract boundary of the Company’s TitlePLUS business and the exposure unit underlying the Company’s TitlePLUS insurance contracts over time.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

h) Changes in methodologies or basis of selection of assumptions

The methods used to compute the insurance contract liabilities are largely unchanged from those used in the previous actuarial valuation. Most of the assumptions employed in the actuarial valuation process were determined in a similar manner to those used in the previous valuations. All assumptions were selected after considering the experience that emerged in the preceding year.

12. REINSURANCE CONTRACT ASSETS

The Company's reinsurance program consists of 1) 80% quota share cession on its Excess E&O policies (2024: 80%); and 2) \$10 million in excess of \$5 million per occurrence (2024: \$10 million in excess of \$5 million per occurrence) clash reinsurance arrangement which provides protection for single events that bring about multiple claims on Mandatory E&O and/or TitlePLUS with an additional \$20 million in excess of \$15 million per occurrence (2024: \$20 million in excess of \$15 million per occurrence). Reinsurance does not relieve the Company of its primary liability as the originating insurer. If a reinsurer is unable to meet obligations assumed under reinsurance agreements, the Company is liable for such amounts. Reinsurance treaties typically renew annually, and the terms and conditions are reviewed by management and reported to the Company's Board of Directors. Reinsurance agreements are negotiated with reinsurance companies that have an independent credit rating of "A-" or better and that the Company considers creditworthy. Based on current information on the financial health of the reinsurers, the company has recognized non-performance risk for reinsurers in the 0.05% to 1.56% range based on the timing of the expected future cashflows. The highest factor of 1.56% for the cashflows that are 15 years and beyond in the future reflects the highest level of uncertainty based on the average credit score of the Company's reinsurers.

a) Roll forward of reinsurance contract balances

The roll forward of the asset for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims is disclosed in the table below:

FOR THE YEAR ENDED DECEMBER 31, 2025	ASSET FOR REMAINING COVERAGE		ASSET FOR INCURRED CLAIMS		Total
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment	
Reinsurance contract assets, beginning of period	\$ (828)	-	34,851	2,071	36,094
Allocation of reinsurance premiums	(5,999)	-	-	-	(5,999)
Amounts recoverable for incurred claims and other expenses	-	-	2,989	177	3,166
Loss recoveries and reversals on onerous contracts	-	-	-	-	-
Prior-year development	-	-	-	-	-
Adjustments to assets for incurred claims	-	-	(2,785)	(422)	(3,207)
Amounts recoverable from reinsurers	-	-	204	(245)	(41)
Net expense from reinsurance contracts	(5,999)	-	204	(245)	(6,040)
Reinsurance finance income/(expense)	-	-	1,370	83	1,453
Total changes in profit & loss	(5,999)	-	1,574	(162)	(4,587)
Cash flows					
Premium paid	6,262	-	-	-	6,262
Amounts received	-	-	(4,248)	-	(4,248)
Total cash flows	6,262	-	(4,248)	-	2,014
Reinsurance contract assets, end of period	\$ (565)	-	32,177	1,909	33,521

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

FOR THE YEAR ENDED DECEMBER 31, 2024	ASSET FOR REMAINING COVERAGE		ASSET FOR INCURRED CLAIMS		Total
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment	
Reinsurance contract assets, beginning of period	\$ (770)	-	29,271	1,747	30,248
Allocation of reinsurance premiums	(5,640)	-	-	-	(5,640)
Amounts recoverable for incurred claims and other expenses	-	-	3,025	170	3,195
Loss recoveries and reversals on onerous contracts	-	-	-	-	-
Prior-year development	-	-	-	-	-
Adjustments to assets for incurred claims	-	-	1,101	62	1,163
Amounts recoverable from reinsurers	-	-	4,126	232	4,358
Net expense from reinsurance contracts	(5,640)	-	4,126	232	(1,282)
Reinsurance finance income/(expense)	-	-	1,534	92	1,626
Total changes in profit & loss	(5,640)	-	5,660	324	344
Cash flows					
Premium paid	5,582	-	-	-	5,582
Amounts received	-	-	(80)	-	(80)
Total cash flows	5,582	-	(80)	-	5,502
Reinsurance contract assets, end of period	\$ (828)	-	34,851	2,071	36,094

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

13. RELATED PARTY TRANSACTIONS

Pursuant to a service agreement effective January 1, 1995, and as amended effective September 30, 2009, the Company administers the Errors and Omissions Insurance Fund (the "Fund") of the Law Society and provides all services directly related to the operations and general administration of the Fund in consideration for the Law Society insuring its Mandatory E&O insurance program with the Company.

The insurance policy under the Mandatory E&O insurance program of the Law Society is written by the Company and is effective on a calendar year basis. The insurance policy is renewed effective January 1 each year subject to the Law Society's acceptance of the terms of renewal submitted by the Company. The annual policy limits for each of the years effective January 1, 1995, to December 31, 2025, are \$1 million per claim and \$2 million in aggregate per member. Under the insurance policy that was in force between July 1, 1990, and December 31, 1994, the Company was responsible for claims in excess of the Law Society and member deductibles. The insurance contract liabilities is net of amounts relating to policies for years prior to 1995 that are payable by the Law Society.

For the year ended December 31, 2025, \$115,018 of the insurance revenue was related to Mandatory E&O insurance coverage provided to the Law Society and its members (2024: \$113,894). Insurance contract liabilities relating to Mandatory E&O coverage was \$411,592 as at December 31, 2025 (2024: \$397,104). As at December 31, 2025, the Company had a balance due from the Law Society of \$15,114 (2024: \$9,049 due from Law Society). Out of this due from the Law Society balance, \$7,313 (2024: \$1,049) relates to non-insurance. The balance due from Law Society is due on demand and bears no interest.

The Law Society offers a wellness program to their members. The Company shares a portion of this cost to make the program available to their insureds. The amounts expensed are included in operating expenses under professional fees.

The total compensation to Officers and Directors of the Company, being those having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly, is as follows:

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Short-term compensation and benefits	\$ 3,799	3,843
Post employment benefits	408	369
	\$ 4,207	4,212

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

14. EMPLOYEE BENEFITS

The Company has a Defined Contribution Pension Plan which is available to all its employees upon meeting the eligibility requirements. Both in 2024 and 2025, each employee was required to contribute a minimum of 4% of their annual salary and may voluntarily contribute up to an additional 4%, up to a combined maximum employee contribution of 8%. Under the plan, the Company matches all employee contributions. In 2025, the Company made payments of \$1,534 (2024: \$1,405) and recorded pension expense of \$1,567 (2024: \$1,438).

The Company also has a Supplemental Designated Executive Plan for certain designated employees which provides pension benefits on a final salary or fixed schedule basis, depending on certain criteria. Measurements and funding requirements of this plan are based on valuations prepared by an external actuary. For reporting purposes, the plan is measured using the projected unit credit method, which involves calculating the actuarial present value of the past service liability to members including an allowance for their projected future earnings. Funding requirements for the plan are determined using the solvency method, which utilizes the estimated cost of securing each member's benefits with an insurance company or alternative buy-out provider as at the valuation date. The valuation methods are based on a number of assumptions, which vary according to economic conditions, including prevailing market interest rates, and changes in these assumptions can significantly affect the measurement of the pension obligations.

Funding for the SDEP commenced in 2005, with no contributions made in 2025 (2024: nil) and recorded \$83 pension expense in 2025 (2024: \$62 pension income). Funding requirements are reviewed annually with an actuarial valuation for funding purposes effective as at December 31. As the Company's SDEP qualifies as a Retirement Compensation Arrangement ("RCA") pursuant to the *Income Tax Act*, half of any required annual contribution to the plan is remitted to the Canada Revenue Agency, held in a refundable tax account and refunded in prescribed amounts as actual benefit payments are made to the participants. The most recent actuarial valuation for funding purposes was performed effective December 31, 2025. Management's preliminary estimate is that there are no required contributions to the plan during the year ending December 31, 2025.

The assets of both pension plans are held separately from those of the Company in funds under the control of a trustee.

The SDEP exposes the Company to risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality mid-duration corporate bond yields; if the return on plan assets is below this rate, it will create a plan deficit. Currently the plan has a relatively balanced investment in equity and fixed income securities. Due to the long-term nature of the plan liabilities, the Company considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities to leverage the return generated by the fund.
Interest rate risk	A decrease in the market interest rate will increase the plan obligation; however, this will be partially offset by an increase in the return of the plan's fixed income securities.
Longevity risk	The present value of the defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's obligation.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's obligation.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

The following represents the assets and liabilities associated with pension benefits:

<i>SDEP obligation</i>		
AS AT DECEMBER 31	2025	2024
Accrued benefit obligation		
Balance, as at January 1	\$ 8,450	8,237
Current service cost	307	271
Interest cost	382	373
Remeasurement (gains) losses:		
Actuarial gains - financial assumptions	(135)	-
Actuarial losses - experience adjustments	10	6
Benefits paid	(437)	(437)
Balance, as at December 31	\$ 8,577	8,450

<i>SDEP assets</i>		
AS AT DECEMBER 31	2025	2024
Plan assets		
Fair value, as at January 1	\$ 13,265	12,747
Interest income on plan assets	607	582
Return on plan assets interest	100	373
Benefits paid	(437)	(437)
Balance, as at December 31	\$ 13,534	13,265

The SDEP assets arise primarily from employer contributions that are originally allocated between fixed income securities, investments in the units of a balanced equity pooled fund, and a real estate pooled fund. The fair values of the above equity and fixed income securities are derived based on quoted market prices in active markets. The plan assets contain the following financial instrument allocation:

AS AT DECEMBER 31	2025	2024
Cash & cash equivalents	37.4%	36.4%
Fixed income securities	10.8%	10.3%
Real Estate	10.8%	10.3%
Equity securities	1.2%	1.5%
Refundable-tax account	39.8%	41.5%
Balance, as at December 31	100.0%	100.0%

Reconciliation of funded surplus of the benefit plans to the amounts recorded in other assets in the financial statements is as follows:

AS AT DECEMBER 31	2025	2024
Fair value of plan assets	\$ 13,534	13,265
Accrued benefit obligation	(8,577)	(8,450)
Balance, as at December 31	\$ 4,957	4,815

The accrued benefit asset is included in other assets in the statement of financial position.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

SDEP Expense AS AT DECEMBER 31	2025	2024
Current service cost	\$ 307	271
Net interest (income) expense	(224)	(209)
Remeasurement on the net defined benefit liability:		
Actuarial (gain) loss due to liability experience	10	6
Actuarial (gain) loss due to liability assumption changes	(135)	-
Actuarial (gain) loss arising during the year	(125)	6
Return on plan assets (greater) less than discount rate	(100)	(372)
Deferred tax expense	59	97
Components of defined benefit costs recognized in OCI	\$ (166)	(269)

The significant assumptions used by the Company for year-end measurement purposes are as follows:

AS AT DECEMBER 31	2025	2024
Discount rate	4.80%	4.65%
Rate of compensation increase	3.50%	3.50%
Mortality	CPM 2014 Priv mortality table with generations mortality improvements following scale MI-2017; pension size adjustment factors of 0.83 for males and 0.88 for females	CPM 2014 Priv mortality table with generations mortality improvements following scale MI-2017; pension size adjustment factors of 0.83 for males and 0.88 for females

The sensitivity of the key assumption, namely discount rate, assuming all other assumptions remain constant, is as follows: as at December 31, 2025, if the discount rate was 1.0% higher/(lower) the defined benefit obligation would decrease by \$818 (increase by \$970). Note that the sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one or other changes as some of the assumptions may be correlated.

The expected maturity profile of the SDEP obligation as at December 31, 2025, is as follows:

FOR THE YEARS ENDED DECEMBER 31	2025	2026	2027	2028	2029	Post 2029
Expected benefit payments	\$ 437	435	555	673	668	3,256

The SDEP obligation by participant category is as follows:

AS AT DECEMBER 31	2025	2024
Active participants	\$ 2,823	2,479
Pensioners	5,754	5,971
Total	\$ 8,577	8,450

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

15. INCOME TAXES

a) Income tax expense recognized in comprehensive income

The total income tax expense recognized in comprehensive income is comprised as follows:

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Current income tax		
Current period	\$ 1,045	12,636
Prior year adjustments	(61)	(432)
Total current income tax expense	984	12,204
Deferred income tax		
Origination and reversal of temporary differences	(732)	(100)
IFRS 17 transitional adjustment	(1,231)	(1,231)
Total deferred income tax recovery	(1,963)	(1,331)
Total income tax expense (recovery)	\$ (979)	10,873

Deferred income tax recovery recognized in comprehensive income represents movements on the following items:

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Unused tax losses	\$ -	-
IFRS 17 transitional adjustment	(1,231)	(1,231)
Pensions	(22)	3
Investments	(29)	(41)
Insurance contract liabilities and reinsurance contract assets	(340)	44
Fixed, intangible, and other assets	(341)	(106)
Total deferred income tax recovery	\$ (1,963)	(1,331)

b) Income tax reconciliation

The following is a reconciliation of income taxes, calculated at the statutory income tax rate, to the income tax provision included in comprehensive income.

FOR THE YEARS ENDED DECEMBER 31	2025		2024	
Profit or loss before income taxes	\$ (2,789)		43,031	
Income tax (expense) recovery	979		(10,873)	
Profit or loss after income taxes	(1,810)		32,158	
Statutory income tax	(739)	26.5%	11,403	26.5%
Investments	(285)	10.2%	(305)	-0.7%
Other non-deductible items	45	-1.6%	(225)	-0.5%
Income tax expense (recovery)	\$ (979)	35.1%	10,873	25.3%

The statutory rate applicable to the Company at December 31, 2025, is the same as at December 31, 2024.

During the year, the Company made income tax payments of \$23,637 (2024: \$3,484) and received income tax refunds of \$366 (2024: \$492) from the various taxing authorities.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

c) Net deferred income tax asset

The Company's net deferred income tax asset is the result of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The sources of these temporary differences and the tax effects are as follows:

AS AT DECEMBER 31	2025	2024
Deferred tax assets		
Insurance contract liabilities	\$ 6,541	6,243
Fixed & intangible assets & other	348	337
	6,889	6,580
Deferred income tax liabilities		
IFRS 17 transitional adjustment	(2,463)	(3,694)
Pension	(1,254)	(1,179)
Fixed & intangible assets & pension	(444)	(811)
Reinsurance contract assets	(447)	(489)
Investments	(9)	(38)
	(4,617)	(6,211)
Total net deferred tax assets	\$ 2,272	369
Deferred tax assets		
Within one year	1,155	1,122
Greater than one year	5,734	5,458
	6,889	6,580
Deferred tax liabilities		
Within one year	(1,688)	(1,786)
Greater than one year	(2,929)	(4,425)
	(4,617)	(6,211)
Total net deferred tax assets	\$ 2,272	369

The Company believes that, based on available information, it is probable that the deferred income tax assets will be realized through a combination of future reversals of temporary differences and taxable income.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

16. OPERATING EXPENSES

The following table summarizes the Company's operating expenses by nature:

FOR THE YEARS ENDED DECEMBER 31	2025	2024
Claims	\$ 91,676	72,657
Salaries and employee benefits	29,603	27,137
Losses on onerous insurance contracts	11,191	7,382
Other expenses	3,933	3,488
Professional Fees	3,914	3,925
Information systems	3,327	2,809
Amortization of fixed and right of use assets	1,400	1,349
Occupancy expenses	1,263	1,233
Amortization of intangible assets	1,258	1,095
Directors remuneration	920	1,107
Other finance costs	326	345
Legal fees	130	123
Defined benefit pension plan expense	83	62
Subtotal	149,024	122,712
Amortization of insurance acquisition cash flows	3,664	2,987
Amounts attributed to insurance acquisition cash flows	(7,395)	(6,790)
Total	\$ 145,293	118,909
Represented by:		
Insurance service expenses	\$ 136,209	110,298
Other expenses	9,084	8,611
Total	\$ 145,293	118,909

Included in salaries and benefits are the employer contributions to employee DCP of \$1,534 (2024: \$1,405).

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

17. CAPITAL STOCK AND CONTRIBUTED SURPLUS

Capital stock of the Company represents:

- 30,000 Common Shares of par value of \$100 each – authorized, issued and paid.
- 20,000 6% non-cumulative, redeemable, non-voting Preferred Shares of par value of \$100 each – authorized, issued and paid.
- The Preferred Shares meet the definition of equity in accordance with the criteria outlined in IAS 32 “*Financial Instruments: Presentation*”.

Contributed surplus represents additional capitalization funding provided by the Law Society.

18. STATUTORY INSURANCE INFORMATION

The Company does not hold any security for the assets for incurred claims from unregistered reinsurers (2024: nil).

19. CAPITAL MANAGEMENT

Capital is comprised of the Company’s equity. As at December 31, 2025, the Company’s equity was \$331,272 (December 31, 2024: \$332,916). The Company’s objectives when managing capital are to maintain financial strength and protect its claims paying abilities, to maintain creditworthiness. In conjunction with the Company’s Board of Directors and its Audit Committee, management develops the capital strategy and oversees the capital management processes of the Company. Capital is managed using both regulatory capital measures and internal metrics.

FSRA, the Company’s primary insurance regulator, along with other provincial insurance regulators, regulate the capital required in the Company using two key measures. These metrics are the Minimum Capital Test (“MCT”) and the Financial Condition Testing (“FCT”). FSRA mandates the MCT guideline which sets out 100% as the minimum and 150% as the supervisory target for property and casualty insurance companies. To ensure that it attains its objectives, the Company has established an internal target of 170% (2024: 170%). The Company has set a preferred operating range of 210% to 240% (2024: 210% to 240%). During the year ended December 31, 2025, the Company complied with the provincial regulators’ guidelines and as at December 31, 2025, the Company has a MCT ratio of 249% (December 31, 2024: 258%). Annually, the Company’s Appointed Actuary prepares a FCT on the MCT to ensure that the Company has adequate capital to withstand significant adverse event scenarios. These scenarios are reviewed each year to ensure appropriate risks are included in the testing process. The Appointed Actuary must present both an annual report and the FCT report to management and the Audit Committee. The FCT report prepared during the year indicated that the Company’s capital position is satisfactory. In addition, the target, actual and forecasted capital position of the Company is subject to ongoing monitoring by management using stress and scenario analysis to ensure its adequacy.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

20. RISK MANAGEMENT

The adoption of IFRS 17 and IFRS 9 has not changed the company's approach to risk management. The most significant identified risks to the Company which arise from holding financial instruments and insurance contract liabilities include insurance risk, credit risk, liquidity risk, and market risk. The market risk exposure of the Company is primarily related to changes in interest rates and adverse movement in equity prices.

The Company employs an enterprise-wide risk management framework which establishes practices for risk management and includes policies and processes to identify, assess, manage and monitor risks and risk tolerance limits. It provides governance and supervision of risk management activities across the Company's business units, promoting the discipline and consistency applied to the practice of risk management.

The Company's risk framework is designed to minimize risks that could materially adversely affect the value or stature of the Company, to contribute to stable and sustainable returns, to identify risks that the Company can manage in order to increase earnings, and to provide transparency of the Company's risks through internal and external reporting. The Company's risk philosophy involves undertaking risks for appropriate return and accepting those risks that meet its objectives. The Company's risk management program is aligned with its long-term vision, and its culture supports an effective risk management program. The key components of the risk culture include acting with fairness, appreciating the impact of risk on all major stakeholders, embedding risk management into day-to-day business activities, fostering full and transparent communications, cooperation, and aligning of objectives and incentives. The Company's risk management activities are monitored by its Risk Committee and Board of Directors.

The risk exposure measures expressed below primarily include the sensitivity of the Company's profit or loss to the movement of various economic factors. These risk exposures include the sensitivity due to specific changes in market prices and interest rate levels projected using internal models as at a specific date and are measured relative to a starting level reflecting the Company's assets and liabilities at that date and the actuarial factors, investment returns and investment activity the Company assumes in the future. The risk exposures measure the impact of changing one factor at a time and assume that all other factors remain unchanged. Actual results can differ materially from these estimates for a variety of reasons including the interaction among these factors when more than one changes, changes in actuarial and investment return and future investment activity assumptions, actual experience differing from the assumptions, changes in business mix, effective tax rates, and other market factors and general limitations of the Company's internal models.

a) Insurance risk

Insurance risk is the risk of loss due to actual experience differing from the experience assumed when a product was designed and priced with respect to claims, policyholder behaviour and expenses. The Company has identified pricing risk, concentration of risk and reserving risk as its most significant sources of insurance risks. The Company's underwriting objective is to develop business within its target market on a prudent and diversified basis and to achieve profitable operating results.

Pricing risk

Pricing risk arises when actual claims experience differs from the assumptions included in pricing calculations. Historically, the underwriting results of the property and casualty industry have fluctuated significantly due to the cyclicity of the insurance market. The market cycle is affected by the frequency and severity of claims, levels of capacity and demand, general economic conditions, and price competition.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

The Company focuses on profitable underwriting using a combination of experienced underwriting staff, pricing models and price adequacy monitoring tools. The Company prices its products by considering numerous factors including claims frequency and severity trends, product line expense ratios, special risk factors associated with the product line, and the investment income earned on premiums held until the payment of claims and expenses. The Company's pricing is designed to ensure an appropriate return while also providing long-term rate stability. These factors are reviewed and adjusted periodically to ensure they reflect the current environment.

Concentration of risk

A concentration of risk represents the exposure to increased losses associated with an inadequate diversification of policy coverage. The Company has a reinsurance program to limit its exposure to catastrophic losses from any one event or set of events. The Company has approximately 99% of its business in Ontario (2024: 99%) and 93% in professional liability (2024: 93%), and consequently is exposed to trends, inflation, judicial changes and regulatory changes affecting these segments.

Reserving risk

Reserving risk arises because actual claims experience can differ adversely from the assumptions included in setting reserves, in large part due to the length of time between the occurrence of a loss, the reporting of the loss to the insurer and the ultimate resolution of the claim. Claims provisions reflect expectations of the ultimate cost of resolution and administration of claims based on an assessment of facts and circumstances then known, a review of historical settlement patterns, estimates of trends in claims severity and frequency, legal theories of liability and other factors. Reserve changes associated with claims of prior periods are recognized in the current period, which could have a significant impact on current year profit or loss. To mitigate this risk, the Company utilizes information systems to maintain claims data integrity, and the claims provision valuations are prepared by an internal actuary and reviewed by management on a quarterly basis and reviewed by the external Appointed Actuary at mid-year and year-end.

Sensitivity analyses

Risks associated with property and casualty insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Company considers that the LIC recognized in the statement of financial position is adequate. However, actual experience will differ from the expected outcome. Among the Company's lines of business, the professional liability line of business has the largest LIC and Asset for Incurred Claims ("AIC"). Reported claims count development factors and average claim severity selections are the most critical of the assumptions used. The following table provides the estimated changes to LIC and AIC if the estimate of unreported claims was 20% higher or if the average claim severity selections were 1% higher. Other changes in assumptions are less material.

AS AT DECEMBER 31	2025			2024		
	LIC	AIC	Net Equity	LIC	AIC	Net Equity
Unreported claims +20%	\$ 2,050	-	(1,507)	2,074	-	(1,525)
Average claim severities +1%	\$ 1,221	-	(898)	1,320	-	(970)

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

The following tables summarize the estimates of cumulative LIC and AIC for each successive policy year at each reporting date, together with cumulative claim payments and claims ceded to date.

LIABILITY FOR INCURRED CLAIMS AS AT DECEMBER 31, 2025

		POLICY YEAR										
	All Prior Years	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Liability of Incurred Claims												
At end of Policy year	\$	112,369	111,489	107,713	110,804	94,735	104,753	112,946	109,898	113,694	123,672	
One Year Later		105,749	99,581	92,395	103,636	91,154	104,738	109,830	107,101	116,648	-	
Two Years Later		97,942	96,368	94,427	105,566	90,997	94,344	99,158	107,610	-	-	
Three Years Later		96,397	95,215	94,082	101,398	91,504	86,778	99,563	-	-	-	
Four Years Later		94,511	92,909	94,981	102,980	92,333	83,160	-	-	-	-	
Five Years Later		95,132	93,336	93,772	102,410	90,343	-	-	-	-	-	
Six Years Later		94,524	94,361	93,765	101,910	-	-	-	-	-	-	
Seven Years Later		95,965	93,352	95,177	-	-	-	-	-	-	-	
Eight Years Later		96,969	88,660	-	-	-	-	-	-	-	-	
Nine Years Later		97,085	-	-	-	-	-	-	-	-	-	
Cumulative Claims Paid												
At end of Policy year		(7,299)	(6,969)	(8,043)	(8,233)	(7,632)	(9,712)	(10,885)	(9,129)	(11,456)	(13,344)	
One Year Later		(21,104)	(22,535)	(21,020)	(25,783)	(21,182)	(22,773)	(29,744)	(29,410)	(32,897)	-	
Two Years Later		(35,102)	(33,687)	(32,348)	(41,616)	(31,751)	(38,251)	(43,360)	(46,179)	-	-	
Three Years Later		(45,204)	(41,954)	(43,269)	(53,060)	(41,466)	(48,196)	(52,612)	-	-	-	
Four Years Later		(55,156)	(51,263)	(51,596)	(61,528)	(48,823)	(54,442)	-	-	-	-	
Five Years Later		(61,265)	(58,983)	(59,510)	(73,026)	(57,385)	-	-	-	-	-	
Six Years Later		(66,154)	(64,825)	(66,236)	(79,049)	-	-	-	-	-	-	
Seven Years Later		(71,898)	(68,628)	(70,534)	-	-	-	-	-	-	-	
Eight Years Later		(77,771)	(75,370)	-	-	-	-	-	-	-	-	
Nine Years Later		(83,749)	-	-	-	-	-	-	-	-	-	
		97,085	88,660	95,177	101,910	90,343	83,160	99,563	107,610	116,648	123,672	
Estimate of Ultimate Claims		(83,749)	(75,370)	(70,534)	(79,049)	(57,385)	(54,442)	(52,612)	(46,179)	(32,897)	(13,343)	
Cumulative Claims Paid	\$ 31,875	13,336	13,290	24,643	22,861	32,958	28,718	46,951	61,431	83,751	110,329	470,143
Undiscounted LIC												
Provision for DAE												31,302
Effect of Discounting												(34,411)
Present Value recognized for LIC												467,033

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

ASSETS FOR INCURRED CLAIMS AS AT DECEMBER 31, 2025

POLICY YEAR

	All Prior Years	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Asset of Incurred Claims												
At end of Policy year	\$	4,347	4,261	4,349	4,342	4,299	4,354	3,615	3,664	3,334	3,425	
One Year Later		4,347	4,261	4,350	4,342	4,299	3,133	4,989	3,707	3,127	-	
Two Years Later		4,347	4,260	4,350	4,343	2,882	2,928	4,067	3,744	-	-	
Three Years Later		4,347	4,261	4,350	2,888	2,678	3,802	3,843	-	-	-	
Four Years Later		4,347	4,261	2,504	2,683	2,474	3,596	-	-	-	-	
Five Years Later		4,347	4,050	2,298	2,747	2,270	-	-	-	-	-	
Six Years Later		4,083	3,848	3,126	2,523	-	-	-	-	-	-	
Seven Years Later		3,877	4,096	2,920	-	-	-	-	-	-	-	
Eight Years Later		4,121	3,894	-	-	-	-	-	-	-	-	
Nine Years Later		4,349	-	-	-	-	-	-	-	-	-	
Cumulative Claims Paid												
At end of Policy year		-	-	-	-	-	-	-	-	-	-	
One Year Later		-	-	-	-	-	(8)	-	-	-	-	
Two Years Later		(100)	-	-	(169)	-	(10)	-	(534)	-	-	
Three Years Later		(99)	-	-	(183)	-	(10)	-	-	-	-	
Four Years Later		(1,202)	-	-	(184)	-	(10)	-	-	-	-	
Five Years Later		(1,126)	-	-	(230)	-	-	-	-	-	-	
Six Years Later		(1,098)	-	-	(254)	-	-	-	-	-	-	
Seven Years Later		(1,104)	-	-	-	-	-	-	-	-	-	
Eight Years Later		(1,145)	(1,800)	-	-	-	-	-	-	-	-	
Nine Years Later		(1,884)	-	-	-	-	-	-	-	-	-	
		4,349	3,894	2,920	2,523	2,270	3,596	3,843	3,744	3,127	3,425	
Estimate of Undiscounted Claims		(1,884)	(1,800)	-	(254)	-	(10)	-	(534)	-	-	-
Cumulative Claims Paid	\$	6,997	2,465	2,094	2,920	2,270	3,586	3,843	3,210	3,127	3,425	36,206
		-										-
Effect of Discounting												(2,120)
Present Value recognized for AIC												34,086

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

b) Credit risk

Credit risk is the risk of loss due to the inability or unwillingness of a borrower or counterparty to fulfil its payment obligation to the Company. Credit risks arise from cash and cash equivalents, investments in fixed income securities and preferred shares, and balances due from insureds and reinsurers.

Management monitors credit risk and any mitigating controls. The Company has established a credit review process where the credit quality of all exposures is continually monitored so that appropriate prompt action can be taken when there is a change which may have material impact.

Governance processes around investments include oversight by the Board of Directors' Investment Committee. The oversight includes reviews of the Company's third-party investment advisor and investment managers, investment performance, and adherence to the Company's investment policy. The Company's investment policy statement is reviewed at least on an annual basis and addresses various matters including investment objectives, risks and management. Guidelines and limits have been established in respect of asset classes, issuers of securities and the nature of securities to address matters such as quality and concentration of risks.

There is no significant credit risk arising from insurance contracts.

With respect to credit risk arising from balances due from reinsurers, the Company's exposure is measured to reflect both current exposure and potential future exposure to ceded liabilities. Reinsurance and insurance counterparties must also meet minimum risk rating criteria. The Company's Board of Directors has approved a reinsurance policy, which is monitored by the Company's Audit Committee.

The following table provides a credit risk exposure of the Company's applicable investment assets and reinsurance contract assets.

AS AT DECEMBER 31	2025					Carrying value
	AAA	AA	A	BBB	Not rated	
Cash and cash equivalents	\$ 37,411	-	5,226	-	816	43,453
Fixed income securities	78,304	180,749	180,264	98,033	-	537,350
Investment income due and accrued	286	860	1,466	1,148	121	3,881
Reinsurance contract assets	-	-	23,567	9,954	-	33,521
Total	\$ 116,001	181,609	210,523	109,135	937	618,205

AS AT DECEMBER 31	2024					Carrying value
	AAA	AA	A	BBB	Not rated	
Cash and cash equivalents	\$ 29,848	-	3,258	-	296	33,402
Fixed income securities	82,798	185,365	220,719	79,909	-	568,791
Investment income due and accrued	248	857	1,708	799	143	3,755
Reinsurance contract assets	-	-	25,404	10,690	-	36,094
Total	\$ 112,894	186,222	251,089	91,398	439	642,042

Fixed income securities are rated using a composite of Moody's, Standard & Poor, and Dominion Bond Rating Service, and reinsurance contract assets are rated using A.M. Best.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

c) Liquidity risk

Liquidity risk is the risk that the Company will not have enough funds available to meet all expected and unexpected cash outflow commitments as they fall due. Under stressed conditions, unexpected cash demands could arise primarily from a significant increase in the level of claim payment demands.

To manage its cash flow requirements, the Company has arranged diversified funding sources and maintains a significant portion of its invested assets in highly liquid securities such as cash and cash equivalents and government bonds (see note 5b). In addition, the Company has established counterparty exposure limits that aim to ensure that exposures are not so large that they may impact the ability to liquidate investments at their market value.

Insurance contract liabilities account for the majority of the Company's liquidity risk. A significant portion of the investment portfolio is invested with the primary objective of matching the investment asset cash flows with the expected future payments on these insurance contract liabilities. Operationally, total investments are managed to provide liquidity and address cash flow needs as claims are settled and preserve capital while maximizing return consistent with the objectives of the Company.

The following tables summarize the maturities of the assets and contractual obligations by contractual maturity or expected cash flow dates (the actual repricing dates may differ from contractual maturity because certain securities and debentures have the right to call or prepay obligations with or without call or prepayment penalties).

AS AT DECEMBER 31	2025				Total
	Less than 1 year	1 to 5 years	Over 5 years	No fixed maturity	
Assets					
Cash and cash equivalents	\$ 43,453	-	-	-	43,453
Investments	30,878	235,133	271,339	159,593	696,943
Investment income due and accrued	3,881	-	-	-	3,881
Reinsurance contract assets	8,274	17,208	8,039	-	33,521
Other assets	10,159	-	-	4,911	15,070
Total assets	\$ 96,645	252,341	279,378	164,504	792,868
Liabilities					
Lease liabilities	819	3,275	6,071	-	10,165
Expenses due and accrued	4,748	-	-	-	4,748
Total liabilities	\$ 5,567	3,275	6,071	-	14,913

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

AS AT DECEMBER 31	2024					Total
	Less than 1 year	1 to 5 years	Over 5 years	No fixed maturity		
Assets						
Cash and cash equivalents	\$ 33,402	-	-	-	-	33,402
Investments	46,921	277,462	244,408	152,913	-	721,704
Investment income due and accrued	3,755	-	-	-	-	3,755
Reinsurance contract assets	8,474	17,969	9,651	-	-	36,094
Other assets	2,401	-	-	4,816	-	7,217
Total assets	\$ 94,953	295,431	254,059	157,729	-	802,172
Liabilities						
Lease liabilities	819	3,274	6,890	-	-	10,983
Expenses due and accrued	3,130	-	-	-	-	3,130
Total liabilities	\$ 3,949	3,274	6,890	-	-	14,113

The following table summarises the maturity profile of portfolios of insurance contract liabilities of the Company based on the estimates of the undiscounted future cash flows expected to be paid out in the periods presented.

AS AT DECEMBER 31	2025						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Insurance contract liabilities	\$ 100,893	78,214	62,450	51,470	43,154	147,771	483,952

AS AT DECEMBER 31	2024						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	
Insurance contract liabilities	\$ 98,118	76,399	61,916	52,127	44,549	140,175	473,284

d) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rate, foreign exchange rates, and equity prices. Due to the nature of the Company's business, invested assets and insurance liabilities as well as revenues and expenses are impacted by movements in capital markets, interest rates, and to a lesser extent, foreign currency exchange rates. Accordingly, the Company considers these risks together in managing its asset and liability positions and ensuring that risks are properly addressed. These risks are referred to collectively as market price and interest rate risk – the risk of loss resulting from movements in market price, interest rate, credit spreads and foreign currency rates.

Interest rate risk is the potential for financial loss arising from changes in interest rates. The Company is exposed to interest rate price risk on monetary financial assets and liabilities that have a fixed interest rate and is exposed to interest rate cash flow risk on monetary financial assets and liabilities with floating interest rates that are reset as market rates change.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

For financial assets and supporting actuarial liabilities, the Company is exposed to interest rate risk when the cash flows from assets and the policy obligations they support are significantly mismatched, as this may result in the need to either sell assets to meet policy payments and expenses or reinvest excess asset cash flows under unfavourable interest environments.

The following table presents an analysis of how a possible change in interest rates may impact the balances of investment assets and insurance contract liabilities, as well as the net impact on profit or loss and equity. The Company's other financial assets and liabilities are not significantly sensitive to interest rates.

AS AT DECEMBER 31	IMPACT OF 1% INCREASE IN INTEREST RATES ON INVESTMENTS		IMPACT OF 1% DECREASE IN INTEREST RATES ON INVESTMENTS	
	Profit (loss)	Equity	Profit (loss)	Equity
	2025	\$ (23,511)	(17,281)	25,047
2024	\$ (22,927)	(16,851)	24,517	18,020

AS AT DECEMBER 31	IMPACT OF 1% INCREASE IN INTEREST RATES ON INSURANCE CONTRACT LIABILITIES		IMPACT OF 1% DECREASE IN INTEREST RATES ON INSURANCE CONTRACT LIABILITIES	
	Profit (loss)	Equity	Profit (loss)	Equity
	2025	\$ 14,957	10,993	(16,078)
2024	\$ 14,288	10,502	(15,340)	(11,275)

Market risk and interest rate risk is managed through established policies and standards of practice that limit market risk and interest rate risk exposure. Company-wide market risk and interest rate risk limits are established, and actual positions are monitored against limits. Target asset mixes, term profiles, and risk limits are updated regularly and communicated to portfolio managers. Actual asset positions are periodically rebalanced to within established limits.

Equity price risk is the risk that the fair values of equities decrease as the result of changes in the levels of equity indices and the value of individual equity securities. The following chart provides the estimated changes to the Company's after-tax profit/(loss), assuming all other variables held constant, after an immediate 10% shock to equity prices as at December 31.

AS AT DECEMBER 31	Impact on after-tax profit (loss)		
		2025	2024
Equity prices +10%	\$	11,693	11,209
-10%	\$	(11,693)	(11,209)

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates, in particular when an asset and liability mismatch exist in a different currency than the currency in which they are measured. As the Company does not hold significant liabilities in foreign currencies, limited currency risk is borne by the Company. The table below details the effect of a 10% movement of Canadian dollar against other currencies as at December 31, with all other variables held constant.

Notes to Financial Statements

For the year ended December 31, 2025 (amounts stated in thousands of Canadian dollars)

AS AT DECEMBER 31	Effect on profit (loss) before taxes			
	2025		2024	
	10%	-10%	10%	-10%
Currencies				
US Dollar	\$ 5,948	(5,948)	\$ 6,238	(6,238)
Taiwan Dollar	952	(952)	785	(785)
Other	2,460	(2,460)	2,408	(2,408)
	\$ 9,360	(9,360)	\$ 9,431	(9,431)

The Company also manages concentration risk. Concentration risk arises when several counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political and other conditions. The Company is exposed to concentration of credit risk where exposure to a single debtor or a group of related debtors that have similar credit risk characteristics or in the same geographic region exists. To minimize concentrations of credit risk, the Company applies specific policies on maintaining a diversified portfolio. Identified risk concentrations are managed accordingly.

The following tables summarize the carrying amounts of financial assets by geographical location of the issuer, as at:

AS AT DECEMBER 31	2025					
	Cash and cash equivalents	Fixed income securities	Equities	Investment income due and accrued	Total	% of total
Canada	\$ 43,427	517,000	66,484	3,681	630,592	84.7%
USA	11	18,335	59,054	117	77,517	10.4%
Taiwan	-	-	9,523	-	9,523	1.3%
United Kingdom	-	-	7,754	-	7,754	1.0%
Others	15	2,015	16,778	83	18,891	2.5%
Total	\$ 43,453	537,350	159,593	3,881	744,277	100.0%

AS AT DECEMBER 31	2024					
	Cash and cash equivalents	Fixed income securities	Equities	Investment income due and accrued	Total	% of total
Canada	\$ 33,106	535,780	58,846	3,534	631,266	83.2%
USA	4	33,011	62,217	163	95,395	12.6%
Switzerland	-	-	7,849	-	7,849	1.0%
United Kingdom	-	-	6,321	-	6,321	0.8%
Others	292	-	17,680	58	18,030	2.4%
Total	\$ 33,402	568,791	152,913	3,755	758,861	100.0%

Board of Directors

As at December 31, 2025



Mark Surchin
Chair of the Board



Anne-Marie Vanier
Vice Chair of the Board



Daniel E. Pinnington
President & CEO, LAWPRO



Susan M. Armstrong,
FCPA FCA



Clare A. Brunetta
Principal, Clare A. Brunetta



Rebecca Durcan



Susan Forbes, KC



Heather L. Hansen, C.S.



Rita Hoff
President, R. Hoff Financial
Management Ltd.



Priya Bhatia
Interim CEO, Law Society of Ontario



Binah Nathan



David R. Oliver
President and CEO, BRJO
Investments Ltd.



Robert Adourian
Devry Smith Frank LLP



Mark D. Tamminga



Chris Kresic

FCA denotes Fellow
Chartered Accountant

FCPA denotes Fellow Chartered
Professional Accountant

Management

As at December 31, 2025



Daniel E. Pinnington
President & CEO



Stephen R. Freedman
Executive Vice President and
General Counsel



Krista Franklin
Chief Financial Officer



Domenic Bellacicco
Vice President, Claims



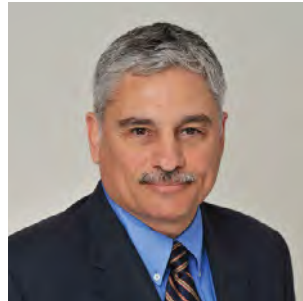
Victoria Crewe-Nelson
Vice President, Underwriting &
Customer Service and Secretary



Naomi Dummett
Director of Communications



Mark Huttram
Vice President, TitlePLUS



Ray Leclair
Vice President Public Affairs



Mike Seto
Chief Information Officer



Karen Wood
Vice President, Human Resources
& Administration

Board Committees

EXECUTIVE COMMITTEE¹
Mark Surchin, Chair of Board
Anne-Marie Vanier,
Vice Chair of Board
Susan Armstrong
Daniel E. Pinnington (A), CEO

AUDIT COMMITTEE²
Susan Armstrong *
Priya Bhatia (A)
Binah Nathan
David R. Oliver
Mark Tamminga
Heather Hansen

CONDUCT REVIEW COMMITTEE²
Binah Nathan *
Sue Armstrong
David R. Oliver

INVESTMENT COMMITTEE
Rita Hoff*
Binah Nathan
David R. Oliver
Chris Kresic

GOVERNANCE COMMITTEE
Clare A. Brunetta*
Susan Forbes
Rita Hoff
Robert Adourian

RISK COMMITTEE
Robert Adourian
Clare A. Brunetta
Susan Forbes
Sue Armstrong
Rita Hoff
Rebecca Durcan
Mark D. Tamminga*

* Committee Chair
(A) Affiliated Director within meaning
of Ontario *Insurance Act*

N.B. The Chair and Vice-Chair of LAWPRO are
ex-officio members of all committees, by resolution
of the Board.

¹ The Prudent Portfolio Governance Policy
provides that a quorum of Executive Committee
requires at least one member of the Committee
who is not affiliated with LAWPRO.

² The Audit and Conduct Review Committees
must have at least three director-members and a
majority must be non-affiliated directors. Officers
or employees of LAWPRO cannot be members of
the Committees.

Corporate Governance

The Board of Directors, either directly or through its committees, bears responsibility for the stewardship of the Company. To discharge that responsibility, the Board supervises the management of the business and the affairs of the Company, including the oversight or monitoring of all significant aspects of the operation, so that the Company effectively and efficiently fulfills its mission, vision and values.

The Company's corporate governance framework, processes, structures and information are designed to strengthen the ability of the Board to oversee management, and to enhance long-term policyholder value. Every director has a duty to guide the Company's affairs in a manner that achieves the Company's objectives.

The corporate governance processes and mandate are derived, in part, from the Ontario *Insurance Act* and regulatory "best practices," and are expressed in the Company's corporate governance framework.

Board Independence

Demonstrable evidence of independence is at the heart of effective governance. Independence is normally a matter of a board demonstrating its ability to act independently of management when appropriate. Currently, only the chief executive officers of LAWPRO and the Law Society of Ontario are "affiliated" to the Company within the meaning of applicable legislation. A minority of directors are Benchers or employees of the Law Society of Ontario.

Board Composition

Annually, the Board reviews its composition to determine whether or not the Board is optimally structured to ensure the achievement of the corporate strategy and business plan. Also important is a regular assessment of the skills, experience and independence of those on the Board.

Board Responsibilities

The basic oversight responsibilities of the Board are described in its corporate governance framework, and include:

- **Corporate performance oversight:** The Board ensures that corporate management continuously and effectively strives to meet the two opposing goals of minimizing premiums and achieving a satisfactory financial result, taking account of risk.
- **Appointment of CEO and related human resources issues:** The Board appoints the CEO and approves the CEO's objectives, assesses their performance and determines compensation of the CEO. As well, the Board approves key appointments reporting to the CEO, reviews key executive performance and approves compensation policy and succession plans.

- **Strategic direction and policy:** The Board reviews and approves management's proposed strategic direction and policy matters, and ensures that policies on key issues, including exposure to various risks, are in place, are appropriate and are reviewed to ensure compliance with same.
- **Budgeting and planning:** The Board approves the Company's proposed budgets and other performance goals, reviews performance against goals and recommends corrective actions.
- **Risk Management:** The Board monitors all categories of risk affecting the Company's operations, approves risk management strategies and assesses risk management performance, including the Company's audit universe and its Own Risk and Solvency Assessment (ORSA).
- **Regulatory compliance and financial monitoring:** Through an independent audit committee, the Board requires and monitors regulatory compliance, appoints the auditor, oversees the audit process and reviews and approves financial reports. The Board also ensures that financial systems produce accurate and timely information, and that appropriate controls are in place.
- **Ensuring its own effectiveness:** The Board establishes committee structures that assist the effective operations of the Board, and enable a review and assessment of the Board's own performance.
- **Setting an appropriate cultural tone:** Through its support for the corporation's vision, mission and values and corporate social responsibility statement and its adherence to the Code of Business Conduct, the Board promotes a culture of integrity, exemplary business conduct, and due regard for the fair treatment of customers while acting in a commercially reasonable manner.

Board Committees

The members of the Board are assisted in fulfilling the responsibilities explained above through the following committees:

Audit committee

The audit committee assists the Board in monitoring:

- the integrity of the Company's financial reporting process;
- the financial and solvency risks that the Company is exposed to;
- the controls for managing those risks, including the internal audit function; and
- the independence and performance of the Company's external auditor and actuary.

Conduct review committee

The conduct review committee oversees the Company's compliance with the related party provisions under Ontario insurance legislation.

Executive committee

The executive committee has the authority of the Board, subject to the limitations of law and those set forth in the Company's bylaws, to consider urgent matters that require action prior to the next Board meeting. Actions taken by the executive committee are reported to the full Board at the next meeting.

Governance committee

The governance committee:

- assists the Board in its oversight role with respect to: a) the development of the Company's corporate governance policies, practices and processes; and b) the effectiveness of the Board and its committees;
- identifies individuals qualified and suitable to become Board members and recommends the director nominees to each annual meeting of the shareholder;
- assists the Board in its oversight role with respect to: a) the Company's human resources strategy, policies and programs; and b) all matters relating to proper utilization of human resources within the Company, with special focus on management succession, development and compensation;
- oversees procedures for resolving conflicts of interest; and
- assists the Board in liaising with the shareholder.

Investment committee

The investment committee:

- assists the Board and management in managing the invested assets of the Company;
- develops and monitors investment policies and guidelines;
- provides recommendations to the Board in connection with the hiring of external investment managers; and
- meets with and monitors the performance of external investment managers.

Risk committee

The risk committee assists the Board in monitoring all risks (other than financial and solvency risks) to which the Company is subject and overseeing the development and implementation of appropriate risk management policies and programs.



Risk management
practicepro.ca



Additional professional
liability insurance
lawpro.ca/excess



Title insurance
titleplus.ca



[AvoidAClaim.com](https://www.avoidaclaim.com)



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