



## Delivering Lawyer and Paralegal Services through Registered Charities and Not-for-Profit Corporations

### *A Guide for Registered Charities and Not-For-Profit Corporations Registering with the Law Society Under Part VI of By-Law 7, Services Delivered by Lawyers and Paralegals Through Civil Society Organizations*

#### Introduction

##### **About this Guide**

This guide has been developed to assist registered charities and not-for-profit corporations (“charities and NFPCs”) in understanding how they can register with the Law Society to employ lawyers and paralegals to deliver their professional services through their organizations to the public.

This guide applies to the following charities and NFPCs which may register with the Law Society:

- ✓ Registered charities under the *Income Tax Act* (Canada)
- ✓ Not-for-profit corporations incorporated under the laws of Ontario, and
- ✓ Not-for-profit corporations permitted under the laws of Ontario to operate in Ontario, including:
  - (i) Federally incorporated not-for-profit corporations and not-for-profit corporations incorporated in other Canadian provinces or territories, which have filed an Initial Return/Notice of Change (Form 2) with the Ministry of Government and Consumer Services and
  - (ii) Not-for-profit corporations incorporated outside of Canada which have obtained a licence from Ontario’s Ministry of Government and Consumer Services to carry on business in Ontario

This guide introduces the basic principles for delivering lawyer and paralegal services through charities and the NFPCs, and describes the professional standards lawyers and paralegals must adhere to when serving clients as an employee of a charity or NFPC.

#### Why Offer Lawyer and/or Paralegal Services to Clients

##### **Client Wellbeing**

Clients of charities and NFPCs often have multiple, interconnected issues, including legal issues. Addressing legal issues as early and proactively as possible can help prevent cascading problems.

Like many Ontarians, clients of charities and NFPCs may not perceive that their issues may be or have associated legal problems. They may not seek legal assistance for their legal problem for a variety of reasons. They may think that obtaining legal advice would be too expensive, or that they are not eligible for services through Legal Aid Ontario. Clients of charities and NFPCs may face additional barriers to accessing lawyer and paralegal services, such as mobility, geographical, cultural or linguistic factors.

Many charities and NFPCs already play vital roles helping clients navigate their legal issues. For example, many charities and NFPCs provide clients with legal information, and refer clients to Legal Aid Ontario and to lawyers and paralegals for legal advice and/or representation where necessary.

To make lawyer and paralegal services more accessible, the Law Society has approved a registration system enabling lawyers and paralegals to provide their professional services to the public as employees

of charities and NFPCs. The goal is to provide new inclusive entry points for those requiring lawyer and paralegal services who otherwise might not have access to them.

### **Benefits of Delivery of Lawyer and Paralegal Services through Charities and NFPCs**

There are many potential benefits to the delivery of lawyer and paralegal services through charities and NFPCs, including the following:

For clients:

- ✓ Quicker and more direct access to free lawyer and paralegal services
- ✓ Professional services delivered by trained, licensed, insured lawyers and/or paralegals
- ✓ Earlier identification and potential resolution of legal issues
- ✓ Reduced client stress and enhanced client outcomes and empowerment

For charities and NFPCs:

- ✓ Enhanced organizational capacity to identify and address client legal issues
- ✓ Enhanced client service by having a lawyer or paralegal potentially on-site to address legal issues
- ✓ Enhanced ability to provide holistic services to clients

### **How It Works**

#### **Charity and NFPC Registration with the Law Society**

Charities and NFPCs seeking to employ lawyers or paralegals to deliver services directly to their clients must register with the Law Society.

- ✓ Registration is simple and easy
- ✓ In order to register, the organization will need to complete and submit the attached Registration Form
- ✓ By registering, the organization does not become regulated by the Law Society; however, it is required to comply with the terms of registration set out in the Registration Form
- ✓ The Law Society will regulate the lawyer or paralegal providing services through the charity or NFPC

Under this initiative, lawyers and paralegals employed by charities and NFPCs may provide free lawyer and paralegal services to clients of the organization.

Registered charities and NFPCs are prohibited from referring clients to outside lawyers or paralegals in exchange for donations, payments or other consideration. Similarly, lawyers and paralegals employed by charities and NFPCs cannot accept referral fees with respect to the services provided through the charity or NFPC.

Registered charities and NFPCs will be required to file a short report with the Law Society on an annual basis.

If the Law Society requirements are not met, charities and NFPCs may be de-registered, which will be made public.

## **Providing Free Lawyer and Paralegal Services to Clients of Charities and NFPCs**

The lawyer or paralegal employed by the charity or NFPC will provide lawyer or paralegal services directly to clients of the organization. Some details relating to the provision of legal services are set out below.

### *Free Lawyer and Paralegal Services*

Lawyer and paralegal services are to be provided by a lawyer or paralegal at no cost to the client. Clients should not be asked to pay for lawyer and paralegal services by way of fees for services, or through indirect fees for services, such as requiring the payment of a membership fee which would enable the client to access such services.

### *Disbursements*

Clients may be asked to contribute towards the payment of disbursements incurred in the provision of services by lawyers or paralegals. Disbursements are expenses paid to third parties related to representing the client. They may include, for example, court filing fees, photocopying costs, court reporting services and the cost of hiring an expert.

Where a charity or NFPC intends to seek repayment for disbursements incurred in providing lawyers and paralegal services to a client, there should be a clear policy in place and the disbursement costs should be communicated to the client at the outset of the lawyer or paralegal/client relationship.

### *Legal Aid Services*

Lawyer and paralegal services provided through charities and NFPCs should generally complement existing Legal Aid services.

## **Lawyers and Paralegals Working in Charities and NFPCs**

Lawyers and paralegals employed by a charity or NFPC are regulated by the Law Society of Ontario.

They must notify the Law Society of their membership status, pay the Law Society annual membership fee and carry professional liability insurance.

- Lawyers employed by the charity or NFPC providing services to clients of the organization are required to obtain professional liability insurance through LAWPRO. They may be eligible for a significantly reduced insurance rate pursuant to LAWPRO's "Designated Agency" program. For more information about eligibility and rates, please contact LAWPRO by calling 416-598-5800 or 1-800-410-1013.
- Paralegals must carry professional liability insurance which meets the Law Society's requirements. Paralegal professional liability insurance is available through insurance brokers. For more information about paralegal insurance, see <https://lso.ca/becoming-licensed/paralegal-licensing-process/paralegal-licensing>.

Since the lawyer or paralegal is providing its services to clients of the charity or NFPC, the lawyer or paralegal must:

- ✓ Have full control over the delivery of the services
- ✓ Protect confidentiality and privilege
- ✓ Maintain all professional obligations, such as independence, competence, integrity, candour, avoidance of conflicts of interest and service to the public good through professional client relationships and fulfilling responsibilities to the administration of justice

It is the responsibility of the lawyer or paralegal to make sure that these and all other professional obligations are maintained.

### **Delivering Lawyer and Paralegal Services with Other Services**

At times, clients of a charity or NFPC may receive social, health or other services which are complemented by the provision of lawyer and paralegal services. When lawyer and paralegal services are delivered together with other services, the lawyer or paralegal must take particular care to protect client confidentiality and privilege. The lawyer or paralegal must also make sure that the client understands what information may be shared with other service providers, and that the client consents to the disclosure of such information.

### **What Services Can be Provided by Lawyers and Paralegals**

Lawyers are licensed to provide legal advice with respect to all Ontario laws.

Paralegals are licensed to provide legal advice on specific Ontario laws in connection with certain types of proceedings or the subject matter of those proceedings, and can represent someone:

- ✓ In Small Claims Court
- ✓ In the Ontario Court of Justice under the *Provincial Offences Act*
- ✓ On a summary conviction offence where the maximum penalty does not exceed six months' imprisonment and/or a \$5,000 fine
- ✓ Before administrative tribunals, including the Immigration and Refugee Board

### **Items for Charities and NFPCs to Consider**

In determining whether to seek to deliver lawyer and paralegal services, charities and NFPCs may wish to consider:

1. **Mandate:** Does the charity/NFPC's charitable or social objects/mandate permit the provision of professional services by lawyer and paralegal services directly to clients?
2. **Client protection:** What safeguards may be required to protect client confidentiality and privileged materials, and what information-sharing protocols exist or may need to be developed?
3. **Services to provide:** What types of lawyer and/or paralegal services would most benefit clients? What type of licensed professional would be best suited to deliver these services to client?
4. **Funding:** What sources of funding might be available to fund such an initiative? The Law Society regulates lawyers and paralegals, but is not a funding agency. Charities and NFPCs interested in providing services through lawyers and paralegals need to consider how to fund such initiatives and are encouraged to broadly consider potential sources of funding.

### **About the Law Society of Ontario**

The Law Society regulates Ontario lawyers and paralegals in the public interest and has a duty to facilitate access to justice. We ensure that lawyers and paralegals are licensed and insured and meet standards of learning, competence and professional conduct in order to help people address legal issues.

### **Questions**

If you have questions, please contact the Law Society's Complaints & Compliance department by calling 416-947-3315 and asking to be transferred, or by emailing [lsforms@lso.ca](mailto:lsforms@lso.ca).

Completed registration forms may be mailed to:

Law Society of Ontario  
Complaints & Compliance Department  
Osgoode Hall, 130 Queen Street West, Toronto, Ontario M5H 2N6