Legal Practitioners
Indemnity Insurance
Fund NPC
Est 1993 by Legal Practitioners' Fidelity Fund

THE LEGAL PRACTITIONERS INDEMNITY INSURANCE FUND NPC

(Registration number 93/003588/08)

PROFESSIONAL INDEMNITY INSURANCE POLICY

1 JULY 2026 TO 30 JUNE 2027

Preamble

The **Legal Practitioners' Fidelity Fund,** as permitted by the **Act,** has contracted with the **Insurer** to provide professional indemnity insurance to the **Insured** against liability which may arise out of the **Insured's** professional conduct as a **Practitioner.**

Definitions:

I Act:

The Legal Practice Act 28 of 2014.

II Annual Amount of Cover:

The total available amount of cover for the **Insurance Year** for the aggregate of payments made for all **Claims**, **Approved Costs** and **Claimants' Costs** in respect of any **Legal Practice** as set out in Schedule A.

III Approved Costs:

Legal and other costs incurred by the **Insured** with the **Insurer's** prior written consent (which will be in the **Insurer's** sole discretion) in attempting to prevent a **Claim** or limit the amount of a potential **Claim.**

IV Legal Practitioners' Fidelity Fund:

As referred to in Section 53 of the **Act.**

V Bridging Finance:

The provision of short-term finance to a party to a **Conveyancing Transaction** before it has been registered in the Deeds Registry, or to a party to litigation for purposes related to that litigation.

VI Claim:

A written or oral demand for payment of **Compensation** from the **Insured,** which arises out of the **Insured's** provision of **Legal Services.** For the purposes of this policy, a demand is any written or oral communication or any legal document that either makes a demand for, or intimates or implies an intention to demand, payment of **Compensation** from an **Insured.**

VII **Claimant's Costs:**

The legal costs the **Insured** is obliged to pay to a claimant by order of a court, arbitrator, or by an agreement approved by the **Insurer.**

VIII **Compensation:**

Loss for which the **Insured** is liable arising out of the **Insured's** provision of **Legal Services. Compensation** includes a liability for capital, interest, and **Claimant's Costs.**

IX **Conveyancing Transaction:**

A transaction which:

a) involves the transfer of legal title to, or the registration of a real right in immovable property from, one or more legal entities or natural persons to another; and/or
b) involves the registration or cancellation of any mortgage bond or real right over immovable property; and/or
c) is required to be registered in any Deeds Registry in the Republic of South Africa, in terms of any relevant legislation.

X **Cybercrime:**

Any offence that is facilitated by or involves the use, interception or interference with electronic communications, information systems, computer data storage mediums or computer systems, including but not limited to interception of or interference with data as described in the Cybercrimes Act 19 of 2020 or any successor thereto.

XI **Defence Costs:**

The reasonable costs incurred by the **Insured**, with the **Insurer's** prior written consent, investigating and/or defending a **Claim** against the **Insured** in question.

XII **Dishonest:**

Shall bear its ordinary meaning.

XIII Employee:

A person who is or was employed or engaged by Legal **Practice** to assist in providing **Legal Services.** (This includes in-house legal consultants, associates, professional assistants, candidate legal practitioners, paralegals and clerical staff, but does not include an independent contractor who is not a **Practitioner).**

XIV Excess:

The first amount (or deductible) payable by the **Insured** in respect of each and every **Claim** (including **Claimant's Costs)** as set out in schedule B.

XV Fidelity Fund Certificate:

A certificate provided for in terms of section 84 of the **Act,** read with Rules 3, 47, 48 and 49 of the South African Legal Practice Council Rules made under the authority of section 95(1) of the **Act.**

XVI Innocent Principal:

Each current or former **Principal** who:

a) may be liable for the debts and liabilities of the **Legal Practice**; and
b) did not personally commit or participate in committing the **Dishonest,** fraudulent, or other criminal act, and had no knowledge or awareness of such act.

XVII Insured:

The persons or entities referred to in clauses 5 and 6 of this policy.

XVIII Insurer:

The Legal Practitioners Indemnity Insurance Fund NPC, Reg. No. 93/003588/08.

XIX Insurance Year:

The period covered by the policy runs from 1 July of the first year to 30

June of the following year.

XX Insurer's Costs

Costs incurred by the **Insurer** in exercising its rights in accordance with clause 31 in dealing with or contesting a **Claim** or in attempting to prevent or limit the amount of a potential **Claim**.

XXI Legal Practice:

The person or entity listed in clause 5 of this policy.

XXII Legal Services:

Subject to the provisions and exclusions of this policy, work done, or advice given in the ordinary course of carrying on the business of a **Legal Practice** in the Republic of South Africa in accordance with the provisions of section 33 of the **Act**.

XXIII Practitioner:

Any attorney, advocate referred to in section 34(2)(b) of the **Act**, notary or conveyancer as defined in the **Act** who is the **Insured**.

XXIV Prescription Alert:

The computerised back-up diary system that the **Insurer** makes available to the legal profession.

XXV Principal:

An advocate referred in section 34(2)(b) of the **Act**, sole **Practitioner**, partner or director of a **Legal Practice**, or any person who is publicly held out to be a partner or director of a **Legal Practice**.

XXVI Risk Management Questionnaire:

A self-assessment questionnaire which can be downloaded from or completed on the **Insurer's** website (www.lpiif.co.za) and which must be completed annually by the advocate referred to in section

34(2)(b) of the **Act**, sole **Practitioner**, senior partner, director, or designated risk manager of the **Insured** as referred to in clause 5. The annual completion of the **Risk Management Questionnaire** is prescribed by this policy (see clause 23) and the South African Legal Practice Council Rules made under the **Act**.

XXVII Road Accident Fund Claim:

A claim for compensation for losses in respect of bodily injury or death caused by, arising from or in any way connected with the driving of a motor vehicle (as defined in the Road Accident Fund Act 56 of 1996 or any predecessor or successor of that Act) in the Republic of South Africa.

XXVIII Senior Practitioner:

A senior counsel practising as an advocate in accordance with section 34(2)(a)(i) of the **Act**, with experience in professional indemnity insurance law.

XXIX Trading Debt:

A debt incurred as a result of the undertaking of the **Insured's business** or trade (trading debts are not compensatory in nature, and this policy deals only with claims for **Compensation**). This exclusion includes (but is not limited to) the following:

a) a refund of any fee or disbursement charged by the **Insured** to a client;

b) **Compensation** or other forms of damages which are calculated by reference to any fee or disbursement charged by the **Insured** to a client or incurred by the **Insured**;

c) payment of costs relating to a dispute about fees or disbursements charged by the **Insured** to a client; and/or

d) any labour dispute or act of an administrative nature in the **Insured's** practice.

What cover is provided by this policy?

1. On the basis set out in this policy and subject to the provisions and exclusions thereof, the Insurer agrees to indemnify the **Insured** against professional legal liability to pay **Compensation** to any third party:
   a) that arises out of the provision of **Legal Services** by the **Insured**; and
   b) where the **Claim** is first made against the **Insured** during the current **Insurance Year**.

2. The **Insurer** agrees to indemnify the **Insured** for **Claimants' Costs** and **Defence Costs** on the basis set out in this policy.

3. The **Insurer** agrees to indemnify the **Insured** for **Approved Costs** in connection with any **Claim** referred to in clause 1.

4. As set out in clause 38, the **Insurer** will not indemnify the **Insured** in the current **Insurance Year** if the circumstance giving rise to the **Claim** has previously been notified to the **Insurer** by the **Insured** in an earlier **Insurance Year**.

Who is insured?

5. Provided that each **Principal** had a **Fidelity Fund Certificate** at the time of the circumstance, act, error, or omission giving rise to the Claim, the **Insurer** insures all **Legal Practices** providing **Legal Services** in the form of either:
   a) a sole **Practitioner**;
   b) a partnership of **Practitioners**;
   c) an incorporated **Legal Practice** as referred to in section 34(7) of the **Act**; or
   d) an advocate referred to in section 34(2)(b) of the **Act**. For purposes

of this policy, an advocate referred to in section 34(2)(b) of the **Act** will be regarded as a sole **Practitioner**.

6. The following are included in the cover provided to the **Legal Practice**, subject to the **Annual Amount of Cover** applicable to the **Legal Practice**:

a) a **Principal** of Legal **Practice** providing **Legal Services**, provided that the Principal had a **Fidelity Fund Certificate** at the time of the circumstance, act, error or omission giving rise to the Claim;

b) a previous **Principal** of a **Legal Practice** providing Legal Services, provided that that **Principal** had a **Fidelity Fund Certificate** at the time of the circumstance, act, error or omission giving rise to the Claim;

c) an **Employee** of a **Legal Practice** providing **Legal Services** at the time of the circumstance, act, error, or omission giving rise to the Claim;

d) the estates of the people referred to in clauses 6(a), 6(b) and 6(c).

Amount of cover

7. The Annual Amount of Cover, as set out in Schedule A, is calculated by reference to the number of **Principals** that made up the **Legal Practice** on the date of the circumstance, act, error, or omission giving rise to the Claim.

A change during the course of an **Insurance Year** in the composition of a **Legal Practice** which is a partnership will not constitute a new **Legal Practice** for purposes of this policy and would not entitle that **Legal Practice** to more than one limit of indemnity in respect of that **Insurance Year**.

8. Schedule A sets out the maximum **Annual Amount of Cover** that the **Insurer** provides per **Legal Practice**. This amount includes payment of

Compensation, **Approved Costs** and Claimants' Costs.

9. Cover for **Approved Costs** is limited to 25% of the **Annual Amount of Cover** or such other amount that the **Insurer** may allow in its sole discretion.

10. The **Insured** must pay the **Excess** in respect of each Claim, directly to the claimant or the claimant's legal representatives, immediately it becomes due and payable. Where two or more Claims are made simultaneously, each **Claim** will attract its own **Excess** and, to the extent that one or more Claims arise from the same circumstance, act, error or omission, the **Insured** must pay the **Excess** in respect of each such Claim;

11. Excess is calculated by reference to the number of **Principals** that made up the **Legal Practice** on the date of the circumstance, act, error, or omission giving rise to the Claim, and the type of matter giving rise to the **Claim**, as set out in Schedule B.

12. The **Excess** set out in column A of Schedule B applies:
   a) in the case of a **Claim** arising out of the prescription of a **Road Accident Fund Claim**. This **Excess** increases by an additional 20% if **Prescription Alert** has not been used and complied with by the **Insured**, by timeous lodgement and service of summons in accordance with the reminders sent by **Prescription Alert**;
   b) in the case of a **Claim** arising from a **Conveyancing Transaction**.

13.

13.1 In the case of a **Claim** where clause 20 applies, the **Excess** increases by an additional 20%.

13.2 The **Excess** set out in column B of Schedule B applies to all other types of Claims.

14. No **Excess** applies to **Approved Costs** or **Defence Costs**.

The maximum Annual Amount of Cover

15. Schedule A sets out the maximum **Annual Amount of Cover** that the **Insurer** provides per **Legal Practice**. This amount includes payment of **Compensation**, **Approved Costs** and **Claimants' Costs**.

What is excluded from cover?

16. This policy does not cover any liability for **Compensation**:

a) arising out of or in connection with the **Insured's Trading Debts** or those of any **Legal Practice** or business managed by or carried on by the **Insured**;

b) arising from or in connection with misappropriation or unauthorised borrowing by the **Insured** or **Employee** or agent of the **Insured** or of the **Insured's** predecessors in practice, of any money or other property belonging to a client or third party and/or as referred to in section 55 of the **Act**;

c) which is insured or could more appropriately have been insured under any other valid and collectible insurance policy available to the **Insured**, covering a loss arising out of the normal course and conduct of the business, or where the risk has been guaranteed by a person or entity, either in general or in respect of a particular transaction, to the extent to which it is covered by the guarantee. This includes but is not limited to Misappropriation of Trust Funds, Personal Injury, Commercial and **Cybercrime** insurance policies;

d) arising from or in terms of any judgment or order(s) obtained in the first instance other than in a court of competent jurisdiction within the Republic of South Africa;

e) arising from or in connection with the provision of investment advice or the administration of any funds or taking of any deposits as contemplated in:

(i) the Banks Act 94 of 1990;

(ii) the Financial Advisory and Intermediary Services Act 37 of 2002;

(iii) the Agricultural Credit Act 28 of 1996;

(iv) any law administered by the Financial Sector Conduct Authority and/or the South African Reserve Bank and any regulations issued thereunder; or

(v) the Medical Schemes Act 131 of 1998 as amended or replaced.

For purposes of this clause, investment advice means any recommendation, guidance or proposal of a financial nature furnished to any client or group of clients:

(aa) in respect of the purchase of any financial product; or

(bb) in respect of the investment in any financial product; or

(cc) to engage any financial service provider;

(f) arising where the **Insured** is instructed to invest money on behalf of any person, except for an instruction to invest the funds in an interest-bearing account in terms of sections 56(6)(a) or 86(4) of the **Act,** provided such investment is done pending the conclusion or implementation of a particular matter or transaction which is already in existence or about to come into existence at the time the investment is made.

This exclusion does not apply (subject to the other provisions of this policy) to funds which the **Insured** is authorised to invest in his or her capacity as executor, trustee, curator or in any similar representative capacity, provided that the **Insured's** doing so constituted the provision of **Legal Services;**

(g) arising from or in connection with any fine or penalty, or punitive or exemplary damages awarded against the **Insured,** or from an order against the **Insured** to pay costs *de bonis propriis,* or where a costs order against the **Insured** is unrelated to the **Insured's**

being held liable for the payment of **Compensation;**

(h) arising out of or in connection with any work done on behalf of an entity defined in the Housing Act 107 of 1997 or its representative, with respect to the National Housing Programme provided for in the Housing Act;

(i) directly or indirectly arising from, or in connection with, or as a consequence of, the provision of **Bridging Finance.** This exclusion does not apply where the **Bridging Finance** has been provided in connection with a **Conveyancing Transaction** for the payment of:

(i) transfer duty and costs or either thereof;

(ii) municipal or other rates and taxes relating to the immovable property which is to be transferred; or

(iii) levies payable to a body corporate or homeowners' association relating to the immovable property which is to be transferred;

j) arising out of or in connection with the **Insured** having given an unqualified undertaking legally binding his or her practice, in matters where the fulfilment of that undertaking is dependent on the act or omission of a third party;

k) arising out of or in connection with a breach of contract unless such breach is a breach of professional duty by the **Insured;**

l) arising out of or in connection with the **Insured** acting or having acted as a business rescue practitioner as defined in section 128(1)(d) of the Companies Act 71 of 2008;

m) arising out of or in connection with the **Insured acting** as a provisional liquidator or liquidator or a trustee of an insolvent estate, or as a *curator bonis;*

n) arising out of or in connection with the receipt or payment of funds, whether into or from the **Legal Practice's** trust account or otherwise, where:

(i) that receipt or payment of funds is unrelated to the successful completion of a direct instruction to the **Insured** to provide specific **Legal Services** other than the receipt or payment itself; or

(ii) the **Insured** acts merely as a conduit for the transfer of funds from the **Legal Practice's** trust or other account to the payee, and provides no **Legal Services** beyond acting as such conduit;

o) arising out of a defamation **Claim** that is brought against the **Insured;**

p) arising out of **Cybercrime.** Losses arising out of **Cybercrime** include payments made into an incorrect and/or fraudulent bank account where either the **Insured** or any other party has been induced to make the payment into the incorrect bank account and has failed to verify the authenticity of such bank account.

For purposes of this clause, "verify" means that the **Insured** must have a face-to-face meeting with the client and/or other intended recipient of the funds. The client (or other intended recipient of the funds, as the case may be) must provide the **Insured** with an original signed and duly commissioned affidavit confirming the instruction to change their banking details and attaching an original stamped document from the bank confirming ownership of the account;

q) arising out of a **Claim** against the **Insured** by an entity in which the **Insured** and/or related or interrelated persons* has/have a material interest and/or hold/s a position of influence or control**.
*as defined in section 2(1) of the Companies Act 71 of 2008
**as defined in section 2(2) of the Companies Act 71 of 2008

For the purposes of this paragraph, "material interest" means an interest of at least ten (10) percent in the entity;

r) arising out of or in connection with a **Claim** resulting from:
   (i) War, invasion, act of foreign enemy, hostilities, or warlike operations (whether war is declared or not) civil war, mutiny, insurrection, rebellion, revolution, military, or usurped power;
   (ii) Any action taken in controlling, preventing, suppressing or in any way relating to the excluded situations in (i) above including, but not limited to, confiscation, nationalisation, damage to or destruction of property by or under the control of any

Government or Public or Local Authority;

(iii) Any act of terrorism regardless of any other cause contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, terrorism includes an act of violence or any act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any Government or to put the public or any section of the public in fear;

s) arising out of or in connection with any **Claim** resulting from:

(i) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;

(ii) nuclear material, nuclear fission or fusion, nuclear radiation;

(iii) nuclear explosives or any nuclear weapon;

(iv) nuclear waste in whatever form;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purpose of this exclusion only, combustion includes any self-sustaining process of nuclear fission or fusion;

t) arising out of or resulting from the hazardous nature of asbestos in whatever form or quantity;

u) arising out of or resulting from **Legal Services carried** out in violation of the **Act;** and/or

v) arising out of or resulting from work done or advice given on the law applicable in jurisdictions other than the Republic of South Africa, unless provided by a person admitted to practice in the applicable jurisdiction.

Fraudulent applications for indemnity

17. The **Insurer** will reject a fraudulent application for indemnity.

Claims arising out of dishonesty or fraud.

18. Any **Insured** will not be indemnified for a **Claim** that arises:

a) directly or indirectly from any **Dishonest,** fraudulent, or other criminal act or omission by that **Insured;**

b) directly or indirectly from any **Dishonest,** fraudulent, or other criminal act or omission by another party where that **Insured** was knowingly connected with, or colluded with, or condoned, or acquiesced in, or was party to, that dishonesty, fraud or other criminal act or omission.

Subject to clauses 16, 19 and 20, this exclusion does not apply to an **Innocent Principal.**

19. In the event of a **Claim** to which clause 18 applies, the **Insurer** will have the discretion not to make any payment before the **Innocent Principal** has taken all reasonable action to:

a) institute criminal proceedings against the alleged **Dishonest** party and has presented proof thereof to the **Insurer;** and/or

b) sue for and obtain reimbursement from any such alleged **Dishonest** party or its, her or his estate or legal representatives.

Any benefits due to the alleged **Dishonest** party held by the **Legal Practice** must be deducted from the **Legal Practice's loss** to the extent allowed by law.

20. Where the **Dishonest** conduct includes:

a) the witnessing (or purported witnessing) of the signing or execution of a document without seeing the actual signing or execution; or

b) the making of a representation (including, but not limited to, a representation by way of a certificate, acknowledgement, or other document) which was known at the time it was made to be false;

The **Excess** payable by the **Innocent Insured** will be increased by an additional 20%.

21. If the **Insurer** makes a payment of any nature under the policy in connection with a **Claim** and it later emerges that it wholly or partly arose from a **Dishonest,** fraudulent, or other criminal act or omission of the **Insured,** the **Insurer will** have the right to recover full repayment from that **Insured** and any party knowingly connected with that Dishonest, fraudulent or criminal act or omission.

The Insured's rights and duties

22. The **Insured** must:

a) notify the **Insurer** in writing as soon as practicable of any circumstance, act, error, or omission that may give rise to a **Claim;** and

b) notify the **Insurer** in writing as soon as practicable of any **Claim,** but by no later than one (1) week after receipt thereof, in such notification enclosing a copy of the written communication or legal document or, in the event of an oral **Claim,** conveying the detail of the oral demand.

23. Once the **Insured** has notified the **Insurer** in accordance with clause 22 above, the **Insurer** will require the **Insured** to provide a completed **Risk Management Questionnaire** and to complete a claim form providing all information reasonably required by the **Insurer** in respect of the **Claim.**

The **Insured** will not be entitled to indemnity unless the claim form and **Risk Management Questionnaire** have been completed by the **Insured** to the **Insurer's** reasonable satisfaction and have been returned to the **Insurer.**

24. The **Insured:**

24.1 shall not cede or assign any rights in terms of this policy;

24.2 agrees not to, without the **Insurer's** prior written consent:

a) admit or deny liability for a **Claim;**

b) settle a **Claim;**

c) incur any costs or expenses in connection with a **Claim** unless the sum of the **Claim** and **Claimant's Costs** falls within the **Insured's Excess;**

failing which, the **Insurer will** be entitled to reject the **Claim but** will have sole discretion to agree to provide indemnity, wholly or partly.

25. The **Insured** agrees to give the **Insurer** and any of its appointed agents:

25.1 all information and documents that may be reasonably required, at the **Insured's** own expense;

25.2 assistance and cooperation, which includes, but not limited to, preparing, service and filing of notices and pleadings by the **Insured** as specifically instructed by the **Insurer** at the **Insurer's** expense, which expenses must be agreed to in writing.

26. The Insured **also** gives the Insurer **or** its appointed agents the right of reasonable access to the **Insured's** premises, staff, and records for purposes of inspecting or reviewing them in the conduct of an investigation of any **Claim** where the **Insurer** believes such review or inspection is necessary.

27. Notwithstanding anything else contained in this policy, should the **Insured** fail or refuse to provide information, documents, assistance, or cooperation in terms of this policy to the **Insurer** or its appointed agents and remain in breach for a period of ten (10) working days after receipt of written notice to remedy such breach (from the **Insurer** or its appointed agents), the **Insurer** has the right to:

a) withdraw indemnity; and/or

b) report the **Insured's** conduct to the regulator; and/or

c) recover all payments and expenses incurred by it.

For the purposes of this paragraph, written notice will be sent to the address last provided to the **Insurer** by the **Insured** and will be deemed to have been received five (5) working days after electronic transmission or posting by registered mail.

28. By complying with the obligation to disclose all documents and information required by the **Insurer** and its legal representatives, the **Insured** does not waive any claim of legal professional privilege or confidentiality.

29. Written notification of any new **Claim** must be given to:

Legal Practitioners Indemnity Insurance Fund NPC
1256 Heuwel Avenue
Centurion
0127

PO Box12189
Die Hoewes
0163

Docex24
Centurion
Email: claims@lpiif.co.za Tel: +27(0)12 622 3900

The consequence of the Insured breaching any terms of this policy

30. Where a breach of, or non-compliance with any term of this policy by the **Insured** has resulted in material prejudice to the handling or settlement of any **Claim** against the **Insured**, the **Insured** will reimburse the **Insurer** the difference between the sum payable by the

Insurer in respect of that **Claim** and the sum which would in the sole opinion of the **Insurer** have been payable in the absence of such prejudice. It is a condition precedent of the **Insurer's** right to obtain reimbursement, that the **Insurer** has fully indemnified the **Insured** in terms of this policy.

The Insurer's rights and duties

31. The **Insured** agrees that:

a) The **Insurer** has full discretion in the conduct of the **Claim** against the **Insured** including, but not limited to, its investigation, defence, settlement or appeal in the name of the **Insured**; and

b) The **Insurer** has the right to appoint its own legal representative(s) or service providers to act in the conduct and the investigation of the **Claim**.

32. The **Insurer** agrees that it will not settle any **Claim** against any **Insured** without prior consultation with that **Insured.** However, if the **Insured** does not accept the **Insurer's** recommendation for settlement:

a) the **Insurer** will not be obliged to cover further **Claimant's Costs**, **Defence Costs,** or **Insurer's Costs** beyond the date of the **Insurer's** recommendation to the **Insured**; and

b) the **Insurer's** obligation to indemnify the **Insured** will be limited to the amount of its recommendation for settlement or the **Insured's** available **Annual Amount of Cover** (whichever is the lesser amount).

33. If the amount of any **Claim** exceeds the **Insured's** available **Annual Amount of Cover** the **Insurer** may, in its sole discretion, hold or pay over such amount or any lesser amount for which the **Claim** can be settled. The **Insurer** will thereafter be under no further liability in respect of such a **Claim,** except for the payment of **Approved Costs or Defence Costs** incurred prior to the date on which the **Insurer** notifies the **Insured** of its

decision.

34. Where the **Insurer** indemnifies the **Insured** in relation to only part of any **Claim,** the **Insurer** will be responsible for only the portion of the **Approved Costs, Defence Costs** and **Insurer's Costs** that reflects an amount attributable to the matters so indemnified. The **Insurer** reserves the right to determine the proportion in its absolute discretion.

35. In the event of the **Insured's** material non-disclosure or misrepresentation in respect of the application for indemnity, the **Insurer** reserves the right to report the **Insured's** conduct to the regulator and to recover any amounts that it may have incurred as a result of the **Insured's** conduct.

36. If the **Insurer** makes payment under this policy, it will not require the **Insured's** consent to take over the **Insured's** right to recover (whether in the **Insurer's** name or the name of the **Insured**) any amounts paid by the **Insurer.**

37. All recoveries made in respect of any **Claim** under this policy will be applied (after deduction of the costs, fees and expenses incurred in obtaining such recovery) in the following order of priority:
    a) the **Insured** will first be reimbursed for the amount by which its liability in respect of such **Claim** exceeded the **Annual Amount of Cover** provided by this policy;
    b) the **Insurer** will then be reimbursed for the amount of its liability under this policy in respect of such **Claim;**
    c) any remaining amount will be applied toward the **Excess** paid by the **Insured** in respect of such **Claim.**

38. If the **Insured** gives notice during an **Insurance Year** of any circumstance, act, error or omission (or a related series of acts, errors or omissions) which may give rise to a **Claim or Claims,** then any **Claim or Claims** in respect of that/those circumstance/s, act/s, error/s or omission/s

subsequently made against the **Insured,** will for the purposes of this policy be considered to fall within one **Insurance Year,** being the **Insurance Year** of the first notice.

39. This policy does not give third parties any rights against the **Insurer**.

How the parties will resolve disputes

40. Subject to the provisions of this policy, any dispute or disagreement between the **Insured** and the **Insurer** as to any right to indemnity in terms of this policy, or as to the amount thereof or any other matter arising out of or in connection with this policy, must be dealt with in the following manner:

a) written submissions by the **Insured** must be referred to the **Insurer's** internal complaints/dispute team at disputes@lpiif.co.za or to the address set out in clause 29 of this policy within thirty (30) days of receipt of the written communication from the **Insurer** which has given rise to the dispute;

b) should the dispute not have been resolved within thirty (30) days from the date of receipt by the **Insurer** of the submission referred to in clause 40(a) above, then the parties must agree on an independent **Senior Practitioner** to whom the dispute can be referred for a determination. Failing such an agreement between the parties, the choice of the **Senior Practitioner** must be referred to as the Chairperson of the Legal Practice Council, whose decision will be binding on the parties.

c) the parties must make written submissions to the **Senior Practitioner** referred to in clause 40(b) above.

d) the costs incurred in so referring the matter and making submissions, and the costs of the **Senior Practitioner,** will be borne by the unsuccessful party.

e) the determination of the **Senior Practitioner** will be binding upon the parties unless the unsuccessful party notifies the successful party in writing within thirty (30) days of the date of the delivery of the determination by the **Senior Practitioner** that such unsuccessful party does not accept the determination.

The procedures outlined in sub-clauses (a) to (c) must be completed, the **Senior Practitioner** must have made a determination communicated to the parties, and the unsuccessful party must have furnished timeous notification of non-acceptance of the determination, before any formal legal action may be taken by either of the parties other than an action for enforcement of the determination by the successful party in the absence of timeous notification in terms of clause 40(e) above.

The running of prescription in terms of the Prescription Act 69 of 1969 will be interrupted during the period between the date of the written submission as per clause 40(a) above and the expiry of thirty (30) days from the date of the communication of the **Senior Practitioner's award** to the parties, both dates included, and the **Insurer** undertakes accordingly.

SCHEDULE A

Period ofInsurance: 1 July 2026 to 30 June 2027 (both days inclusive)

No of Principals	Annual Amount of Cover for Insurance Year
1	R1 562 500
2	R1 562 500
3	R1 562 500
4	R1 562 500
5	R1 562 500
6	R1 562 500
7	R1 640 625
8	R1 875 000
9	R2 109 375
10	R2 343 750
11	R2 578 125
12	R2 812 500
13	R3 046 875
14and above	R3 125 000

SCHEDULE B

Period of Insurance: 1 July 2026 to 30 June 2027 (both days inclusive)

No of **Principals**	**Column A** **Excess** for prescribed RAF* and Conveyancing **Claims****	Column B **Excess** for all other **Claims****
1	R35 000	R20 000
2	R63 000	R36 000
3	R84 000	R48 000
4	R105 000	R60 000
5	R126 000	R72 000
6	R147 000	R84 000
7	R168 000	R96 000
8	R189 000	R108 000
9	R210 000	R120 000
10	R231 000	R132 000
11	R252 000	R144 000
12	R273 000	R156 000
13	R294 000	R168 000
14and above	R315 000	R180 000

*The applicable **Excess** will be increased by an additional 20% if **Prescription Alert** is not used and complied with.

The applicable **Excess will be increased by an additional 20% if clause 20 of this policy applies.