



The Law Society

Solicitors' Indemnity (Amendment) Rule 2001

Rule made under section 37 of the Solicitors Act 1974 and section 9 of the Administration of Justice Act 1985 by the Council of the Law Society with the concurrence of the Master of the Rolls on 20th June 2001.

In the Annex to the Solicitors' Indemnity (Enactment) Rules 2000, after Rule 13.1 of the Solicitors' Indemnity Rules 2000 add the following:

- '13.2 Rule 13.1 shall apply in addition in respect of any Principal of a Previous Practice where:
- (a) that Previous Practice ceased on or before 31st August 2000; and
 - (b) a claim is made on or after 1st September 2000 against a "Successor Practice" (as defined in Appendix 1 to the Solicitors' Indemnity Insurance Rules 2000 (or any rules which may from time to time amend or replace the Solicitors' Indemnity Insurance Rules 2000) (the "**SIIR**")) to that Previous Practice (a "**Relevant Successor Practice**") in respect of any matter which would have given rise to an entitlement to that Principal to indemnity out of the Fund under the Solicitors' Indemnity Rules 1999 had the claim been notified to Solicitors Indemnity Fund Limited on 31st August 2000 (a "**Relevant Claim**"); and
 - (c) he or she has not at any time been a "*principal*" of the Relevant Successor Practice ("**principal**" having the meaning set out in Rule 3 of the SIIR); and
 - (d) at the time that the Relevant Claim is made he or she is not a "*principal*" in "*private practice*" ("**principal**" and "**private practice**" having the meanings set out in Rule 3 of the SIIR)
- (an "**Eligible Former Principal**").

- 13.3 In respect of any claim referred to in Rule 13.2 made by an Eligible Former Principal, the extent of the indemnity (if any) to be provided out of the Fund shall be limited to an amount equal to the lesser of:
- (a) the Due Proportion of the Deductible (excluding any Penalty Deductible) in respect of the Eligible Former Principal that would have been disregarded by Solicitors Indemnity Fund Limited in relation to the claim had it been made under the Solicitors' Indemnity Rules 1999; and
 - (b) such amount if any which the Relevant Successor Practice is entitled to and seeks to recover from the Eligible Former Principal in relation to the claim.
- 13.4 For the purposes of Rule 13.3, "**Due Proportion**", "**Deductible**" and "**Penalty Deductible**" shall have the meanings respectively given to them by the Solicitors' Indemnity Rules 1999.'