

Release notes for SRA Handbook, Version17

[Index of release notes \[https://www.sra.org.uk/solicitors/handbook/welcome/release-notes2/\]](https://www.sra.org.uk/solicitors/handbook/welcome/release-notes2/)

12 August 2016

The seventeenth version of the Handbook is published on 12 August 2016, and all the changes in this version come into effect on that date.

The changes are outlined in these notes: please refer to the Handbook itself for full details. Except for two text corrections, the changes are confined to Appendix 1 (SRA minimum terms and conditions (MTC) of professional indemnity insurance) to the SRA Indemnity Insurance Rules 2013.

The Insurance Act 2015 and consequential changes to the minimum terms and conditions of professional indemnity insurance

The Insurance Act 2015 (the Insurance Act) comes into force on 12 August 2016 and makes changes to the law on non-disclosure and misrepresentation in relation, in particular, to non-consumer contracts including solicitors' professional indemnity insurance.

The MTC are amended with effect from 12 August 2016 to bring them into line with some aspects of the Insurance Act when it comes into force. Changes have been made to clause 4.1 (No avoidance or repudiation) and clause 7.2 (Reimbursement).

The changes replace references to "non-disclosure" with either "any breach of the duty to make a fair presentation of the risk", or "failure to make a fair presentation of the risk".

The effect of the amendments to clause 4.1 of the MTC is to make it clear that insurers cannot avoid or repudiate cover in the event that an insured is in breach of the new duty to make a fair presentation of the risk.

The effect of the amendments to clause 7.2 of the MTC is to limit the insurers' remedy for failure make a fair presentation of the risk to a right for reimbursement from the insured to the extent that it is just and equitable having regard to the prejudice caused to the insurer's interests.

Text corrections

Two text errors are corrected.

In the SRA Training Regulations 2014 - Qualification and Provider Regulations, the former text of Outcome 5 – “O(TR5) will have achieved an appropriate standard of written and spoken English” is corrected, in order to restore words which appeared in Version 13 of the Handbook but which had been inadvertently lost. The corrected version reads “O(TR5) will have achieved an appropriate standard of written and spoken English or Welsh”.

In the SRA Handbook Glossary 2012, in the definition of “regulated person” (iii), the former text “for the purposes of the SRA Cost of Investigations Regulations means the persons at paragraph (ii) (A) to (I) above...” is corrected to say “for the purposes of the SRA Cost of Investigations Regulations means the persons at paragraph (ii) (A) to (J) above...”.