

COMBINED INSURANCE POLICY FOR LEGAL PRACTITIONERS

genoa
Underwriting Managers

Authorised Financial Services Provider • FSP Number 38225

We do ordinary things, *extra-ordinarily* well



A licensed non-life insurer and
authorised financial services provider [FSP no: 2092]

6.22

PROFESSIONAL INDEMNITY

Genoa Underwriting Managers, **on behalf of Safire Insurance Company Limited**, offers a claims made basis Top-Up Professional Indemnity Insurance Policy to our legal practitioner clients.

All Legal Practitioners enjoy an annual amount of indemnity with the LPIIF according to the number of principals in the firm.

The Professional Indemnity Policy of the LPIIF grants cover to the Insured in respect of defined risks and up to the limit as defined therein and is referred to as the "Master Policy".

The cover provided under the LPIIF PI Master Policy may not be sufficient for the Insured's needs hence additional cover needs to be bought.

Our rates are highly competitive and we offer several extensions to the PI policy which cover the following:

- Claims preparation costs
- Correspondent legal practitioners
- Cyber Liability Extension
- Defamation Extension
- Defence costs to appear before a statutory body
- Investment Advice Extension
- Liability following employee dishonesty
- Loss of documents
- LPIIF Excess Infill
- Outside directors and officers

MISAPPROPRIATION OF TRUST FUNDS

In addition to providing Top Up Professional Indemnity cover to the Master Policy, Genoa offers additional sections of cover which the LPIIF don't offer, which operate independently and from the ground up.

Misappropriation of Trust Fund cover protects the practice from theft/ misappropriation of trust fund monies, by directors or employees who hold a valid contract of employment.

This cover is offered on a:

Blanket Basis;
Named Person; or
Named Positions Basis.

It is important to note: The LPIIF does not cover a legal practice against the Misappropriation of Trust Funds and instead the directors would remain personally liable.

One of the most common misconceptions held by practitioners, is that they enjoy indemnity through the Legal Practitioners' Fidelity Fund for their/their staff's misappropriation of trust money, this is incorrect.

The Legal Practitioners Fidelity Fund provides protection to members of the public and not to the practitioners. It is seen as a fund of last resort which means that it expects the claimant to exhaust all available remedies in an attempt to recover the stolen funds from the practitioner/ firm before approaching the Fund.

Practitioners with trust accounts must therefore carefully consider the risks of failing to buy cover for misappropriation of trust money

FIDELITY GUARANTEE

Fidelity Guarantee covers the loss of money or property sustained by the business/practice as a direct result of fraud, dishonesty or theft by an employee in the course of employment.

This cover is offered on a:

Blanket Basis;
Named Person; or
Named Positions Basis.

THIRD-PARTY IMPERSONATION FRAUD

Two options are available:

- 1) **Genoa/Safire offering** which covers the insured employee, as stated in the Schedule, for loss of trust funds up to a maximum of R5,000,000. There is no cover if no verification policy is in place.
- 2) **C3 offering** which covers the Insured against the loss of money (business and trust funds) subject to the insured having a verification process in place. Limits of indemnity of between R100 000 and R25 000 000 can be selected and the policy will not respond to losses equal to or less than R10 000.

If the C3 offering is selected:

- 1) This is a standalone insurance cover and a separate limit of indemnity and policy wording will be applicable to this section.
- 2) Cover is underwritten by **Commercial Crime Concepts**, a Juristic Representative of **Lombard Insurance Company Ltd (FSP 1596)**.

Premium collection and policy administration will however be attended to by Genoa, on behalf of **Safire Insurance Company Ltd (FSP 2092)**

PLEASE NOTE

The above is meant to be a summary of the cover and at all times the terms and conditions contained in the Policy Wording and Schedule of Cover will take preference should a conflict arise. Terms and Conditions apply.