

Explanatory memorandum

Amendments to 2018/19 solicitor's costs inclusive excess policy wording

Policy wordings are reviewed each year and consultation over any changes takes place with the Law Institute of Victoria before policy wordings are finalised by LPLC and approved by the Victorian Legal Services Board.

This memorandum explains amendments made to the solicitor's costs inclusive policy excess wording and the solicitor's run-off policy for 2018/19.

Admissions of liability and settlement

Amendments have been made to clauses 23 and 24 to modify the dispute procedure when LPLC and an insured firm disagree whether a claim should be settled. The clauses now establish a procedure for expert determination by senior counsel as to whether the claim has reasonable prospects of success and, if so, what steps should be taken to resolve it, having due regard to the interests of both the insured and LPLC.

Unincorporated legal practices

Clauses 18.21 and 27.17 have been amended to reflect recognition by the Uniform Law of unincorporated legal practices (bodies described under the preceding legislation as multi-disciplinary partnerships).

Solicitor's run-off policy

LPLC's annual master policy for run-off liabilities provides free run-off cover to solicitors who have previously ceased to practice or who cease to practice during the policy year (whether through death, retirement, or otherwise) where immediately prior to such cessation of legal practice they were insured by LPLC.

The wording of this policy has been reviewed and simplified. Most of the changes reflect the alteration to the manner proposed for excesses to be calculated as explained earlier in this memorandum.

Where can you view the full policy wordings?

Copies of the full policy wordings can be viewed and downloaded from LPLC's website www.lplc.com.au

Legal Practitioners' Liability Committee

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