



Solicitors Act 1974

1974 CHAPTER 47

PART II

PROFESSIONAL PRACTICE, CONDUCT AND DISCIPLINE OF SOLICITORS AND CLERKS

Intervention in solicitor's practice, Compensation Fund and professional indemnity

37 Professional indemnity

- (1) The Council, with the concurrence of the Master of the Rolls, may make rules (in this Act referred to as " indemnity rules ") concerning indemnity against loss arising from claims in respect of any description of civil liability incurred—
 - (a) by a solicitor or former solicitor in connection with his practice or with any trust of which he is or formerly was a trustee;
 - (b) by an employee or former employee of a solicitor or former solicitor in connection with that solicitor's practice or with any trust of which that solicitor or the employee is or formerly was a trustee.
- (2) For the purpose of providing such indemnity, indemnity rules—
 - (a) may authorise or require the Society to establish and maintain a fund or funds ;
 - (b) may authorise or require the Society to take out and maintain insurance with authorised insurers ;
 - (c) may require solicitors or any specified class of solicitors to take out and maintain insurance with authorised insurers.
- (3) Without prejudice to the generality of subsections (1) and (2), indemnity rules—
 - (a) may specify the terms and conditions on which indemnity is to be available, and any circumstances in which the right to it is to be excluded or modified ;
 - (b) may provide for the management, administration and protection of any fund maintained by virtue of subsection (2)(a) and require solicitors or any class of solicitors to make payments to any such fund ;

Status: This is the original version (as it was originally enacted).

- (c) may require solicitors or any class of solicitors to make payments by way of premium on any insurance policy maintained by the Society by virtue of subsection (2)(b);
 - (d) may prescribe the conditions which an insurance policy must satisfy for the purposes of subsection (2)(c);
 - (e) may authorise the Society to determine the amount of any payments required by the rules, subject to such limits, or in accordance with such provisions, as may be prescribed by the rules ;
 - (f) may specify circumstances in which, where a solicitor for whom indemnity is provided has failed to comply with the rules, the Society or insurers may take proceedings against him in respect of sums paid by way of indemnity in connection with a matter in relation to which he has failed to comply;
 - (g) may specify circumstances in which solicitors are exempt from the rules;
 - (h) may empower the Council to take such steps as they consider necessary or expedient to ascertain whether or not the rules are being complied with ; and
 - (i) may contain incidental, procedural or supplementary provisions.
- (4) If any solicitor fails to comply with indemnity rules, any person may make a complaint in respect of that failure to the Tribunal.
- (5) The Society shall have power, without prejudice to any of its other powers, to carry into effect any arrangements which it considers necessary or expedient for the purpose of indemnity under this section.