

RISKALERT

SPECIAL POLICY EDITION – JULY 2013 NO 3/2013

IN THIS EDITION

RISK MANAGER'S COLUMN

- Staff News 1
 - Changes to the Scheme Policy 2
 - CLAIMS TRENDS as at 31 March 2013 2
- Ann Bertelsmann gives some tips on avoiding claims in the claims problem areas.*

**THE ATTORNEYS FIDELITY FUND
PROFESSIONAL INDEMNITY
INSURANCE SCHEME POLICY
1 JULY 2013 TO 30 JUNE 2014 4**

RAF MATTERS

- Adjusted figure for statutory limit for loss of earnings as at 30 April 2013 8
- Amendments to the Road Accident Fund Regulations (in GG 36452 of 15 May 2013 Government Notice 347) 8

AIIF: Ann Bertelsmann, Risk Manager, Aon, Risk Solutions, The Place, 1 Sandton Drive, Sandton • PO Box 1847, Parklands, Johannesburg 2121 • Docex 34, Randburg • Tel: 011 944 7966 / 8127 Fax: 011 944 8065 • Website: www.aiif.co.za

Prescription Alert, 2nd Floor, Waalburg Building, 28 Wale Street, Cape Town 8001 • PO Box 3062, Cape Town, 8000, South Africa, Docex 149 • Tel: (021) 422 2830 • Fax: (021) 422 2990 E-mail: info@aiif.co.za • Website: www.aiif.co.za

Attorneys Fidelity Fund, 5th Floor, Waalburg Building, 28 Wale Street, Cape Town 8001 • PO Box 3062, Cape Town, 8000, South Africa, Docex 154 • Tel: (021) 424 5351 • Fax: (021) 423 4819 E-mail: attorneys@fidfund.co.za • Website: www.fidfund.co.za

DISCLAIMER

Please note that the Risk Alert Bulletin is intended to provide general information to practising attorneys and its contents are not intended as legal advice.



**Attorneys
Fidelity Fund**
South Africa

Your Champion in the Legal Profession Since 1941

RISK MANAGER'S COLUMN

AIIF STAFF NEWS

It is my great pleasure to introduce three new staff members who have joined our Attorneys Insurance Indemnity Fund (AIIF) team!

Sipho Mbelle – Managing Director Designate (below left)

Sipho has a BSc from the University of Fort Hare and a Master's degree in Business Leadership from UNISA. He has also completed additional courses with the Harvard and Kellogg Business Schools and is currently studying towards a PHD degree in Entrepreneurship.

Sipho has held operational and executive roles in various companies and industries; his experience covers areas such as operations, information systems, supply chain, marketing and sales. The main industries he has worked in are FMCG, telecommunications and financial services. His noteworthy achievements include setting up business and operational structures in Africa, business re-engineering and strategy development and implementation for both local and multinational companies.

Before joining the AIIF, Sipho has occupied several senior executive

roles such as Sales and Marketing Director, Chief Operating Officer and Chief Executive Officer. He is married with three children and is a keen reader and golfer.

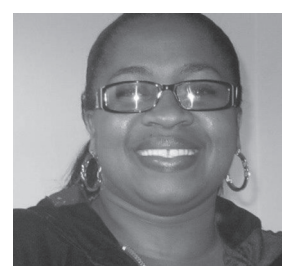
Herman Serfontein – Legal Adviser (below centre)

Herman completed his LLB degree at the North West University in 2006. He moved to Pretoria where he commenced and completed his articles at Stone Attorneys, and continued to practice as a professional assistant after he was admitted as an attorney in the High Court.

In 2010 he joined Hardam & Associates in Centurion as a professional assistant. His fields of expertise include civil litigation, personal injury claims as well as insurance law. Herman is married, a keen traveler and enjoys spending time in the outdoors.

Nonzwakazi Pretty Cuba – Data Capturer, Prescription Alert Unit (below right)

Nonzwakazi matriculated at False Bay College in 2008. Since then she worked as a receptionist, before being appointed on a six-month contract with the AIIF. She has now been appointed as a permanent member of staff.



RISK MANAGER'S COLUMN continued...

CHANGES TO THE POLICY FOR THE 2013/2014 YEAR

For a few years now, we have been warning the conveyancing profession of the possibility of an increase in the deductibles for **claims arising out of conveyancing matters**. These deductibles have now been increased in line with those for prescribed RAF/MVA matters.

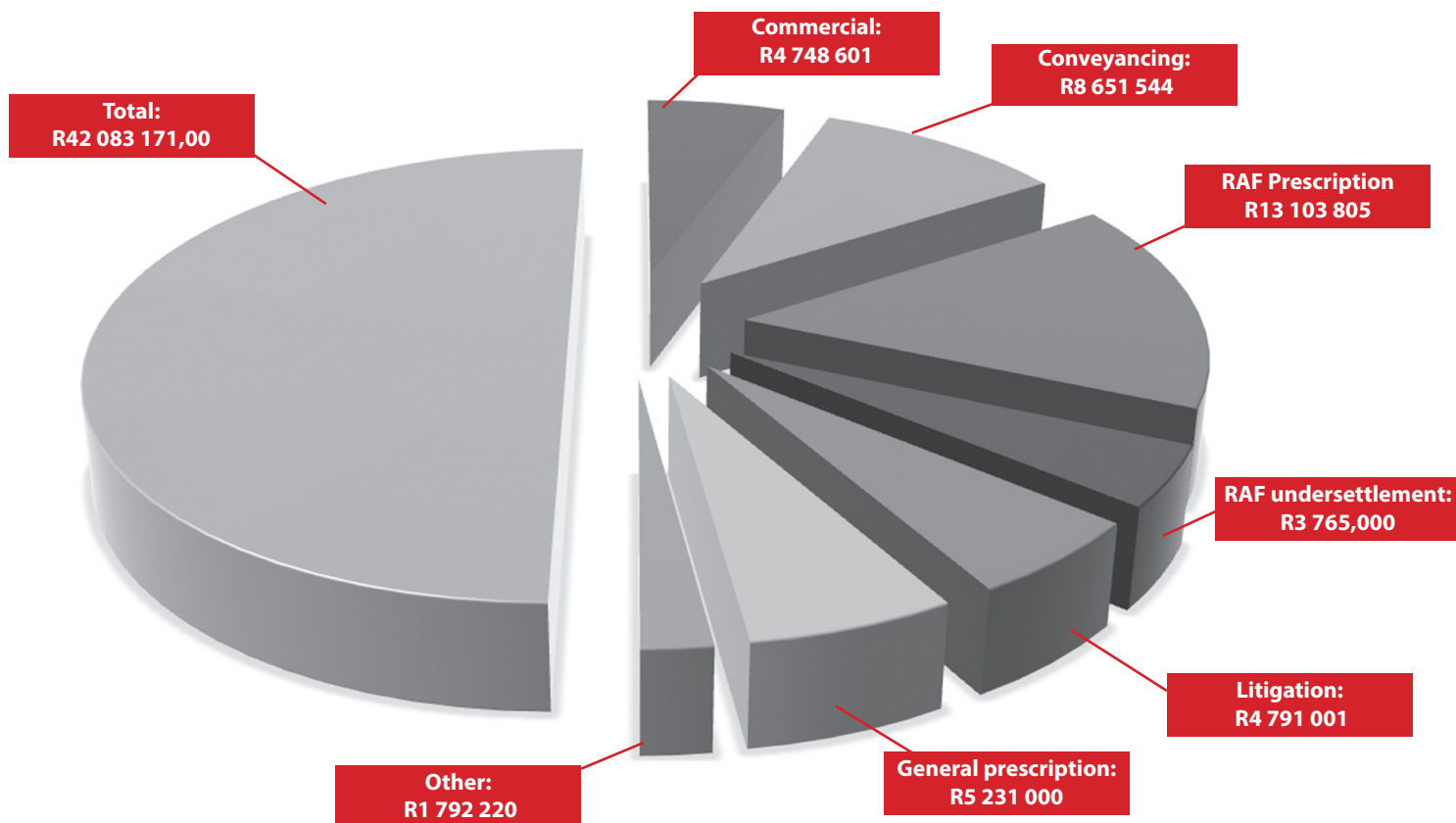
The increase in deductibles can be attributed to the rising numbers of claims arising from –

- the unauthorised payment of trust money;

- an ongoing failure by conveyancers to supervise paralegal staff; and
- conveyancers' failure to put in place checks and balances to ensure that documents are accurate and correct procedures are followed (eg FICA).

There are no other substantive changes to the policy for the coming year.

CLAIMS TRENDS



TOTAL INCURRED VALUES OF CLAIMS BY CLAIM TYPE FOR THE 2012 INSURANCE YEAR AS AT 31 MARCH 2013 (Q1, 2 AND 3)

One can see from the pie graph that claims arising out of conveyancing and prescribed RAF/MVA matters represent the bulk of the total number and value of claims for the 2012 year so far.

Claims arising out of **prescribed RAF matters** are presently the **highest in both number and value**.

Claims arising out of the prescription of non-RAF matters have also risen sharply and represent the third largest portion of the claims pie.

RISK MANAGER'S COLUMN continued...

SOME TIPS FOR THE PREVENTION OF THESE CLAIMS

(These tips may seem trite, but failure to observe them has led to many of the claims on our books)

PRESCRIBED RAF MATTERS
Ensure that your firm is registered with PRESCRIPTION ALERT. (Contact Lucia Snyman at (021) 422 2830)
Ensure that all your individual matters are registered with PRESCRIPTION ALERT.
Ensure that you notify PRESCRIPTION ALERT of developments eg lodgement of claim.
Obtain a copy of the Risk Management Kit offered by PRESCRIPTION ALERT (It contains some suggestions that may assist you in avoiding prescription of your RAF claims).
Ensure that you have your own effective diary and filing systems in place.
Make sure the correct accident and prescription dates appear on the front cover of your file (Prescription dates for lodgement, RAF 4 issues and service of summons should be noted).
Remember that 'hit and run' matters have a 2 year prescription period.
Remember that the 2 year period applies to minors and people with other disabilities that would usually interrupt prescription.
Conduct regular file audits in your offices.
Look out for "war stories" and tips about RAF claims in future Risk Alert Bulletins.
Ensure that you keep abreast of developments in the field (judgments and legislation).
Don't leave it to the last minute to obtain important documents and reports and don't leave it to your client! {see <i>Mlenzana v Goodrick & Franklin Inc</i> (2012) JOL29026(FSB)}
Ensure that unqualified staff is properly supervised.
Don't be lulled into thinking that settlement with the RAF is imminent – don't take your "eye off the ball" and so forget to serve summons timeously.
Don't take on new matters that are close to prescription.
Make sure you have comprehensive contact details for client – for obtaining instructions.
When moving offices, ensure that all files are accounted for.

CONVEYANCING MATTERS
Ensure that unqualified staff is properly supervised.
Beware of scams and warn your staff of these.
Ensure you have Minimum Operating Standards (MOS)/ Standard Operating Procedures (SOP) in place for your conveyancing department.
Ensure you have workable checks and balances in place to ensure that all procedures i.t.o your MOS/SOP are observed.
Conduct regular file audits.
Ensure that FICA is properly applied without exception.
It is the conveyancer's responsibility to check all documents thoroughly and ensure 100% accuracy {see <i>Margalit v Standard bank of SA Ltd</i> 883/2011 [2012] ZASCA 208}.
Always do Deeds Office searches and take note of the relevant information when drafting documents.
No payments should be made from trust without the express written permission of the depositor.
The originals of all important documents should be checked and copies certified by the conveyancer.
Avoid unnecessary delays.
Do not pay out the deposit or purchase price before transfer, unless there is adequate security in place and you have written permission from the purchaser.
Do not agree to pay unsecured creditors on behalf of your client.
Do not accept instructions to change banking details unless you have satisfied yourself 100% that the instruction comes from the correct (and authorised) party.
Know and take note of the applicable laws eg the Matrimonial Property Act.
Avoid conflicts of interest.
Ensure that your support staff understands the firm's legal and ethical obligations.
Parties and/or witnesses must sign documents in your presence.
Read the article "Red Flag Areas in Conveyancing Practice".

GENERAL PRESCRIPTION MATTERS
Please read the Risk Alert Bulletin 4/2012 and 5/2012 (August and November) in which you will find a Prescription Table and tips on avoiding prescription. Back copies of the Bulletin can be found on our website www.aiif.co.za .

Ann Bertelsmann, Risk Manager
Ann.bertelsmann@aon.co.za



THE ATTORNEYS FIDELITY FUND PROFESSIONAL INDEMNITY INSURANCE SCHEME 1 JULY 2013 TO 30 JUNE 2014

PROFESSIONAL INDEMNITY INSURANCE

In consideration of the **Attorneys Fidelity Fund**, for and on behalf of every insured (as defined in this Policy), having paid or agreed to pay the insurer named in the schedule the premium stated in the Master Policy:

The insurer agrees to provide an indemnity in the manner and to the extent stipulated subject to the terms contained in this policy and the schedules hereto.

1. INDEMNITY

- 1.1 the indemnity granted in this policy is in respect of:
 - 1.1.1 the insured's legal liability:
 - to any third party;
 - arising out of the conduct of the profession by the insured; and
 - which is the subject of a claim first made on the insured during the period of insurance, irrespective of when or where such liability arose.
- 1.2 approved costs in connection with any claim under 1.1.
- 1.3 approved costs of investigating and of being represented at any professional or judicial inquiry into any event or occurrence that may have given rise to or may reasonably be expected to give rise to a claim under 1.1.

2. DEFINITIONS

- 2.1 "the Act" - the Attorneys Act No. 53 of 1979 (as amended);
- 2.2 "the Attorneys Fidelity Fund" - the Attorneys Fidelity Fund referred to in Section 25 of the Act;
- 2.3 "practitioner" - any attorney notary or conveyancer as further defined in the Act;
 - 2.3.1 "senior practitioner" - a practitioner of not less than 15 years standing in the profession;
- 2.4 "approved costs" - all legal and similar costs and expenses which the insured may incur with the insurer's written consent which shall not be unreasonably withheld;
- 2.5 "the insured" -
 - 2.5.1 (a) every individual practitioner and
 - (b) every firm, partnership or incorporated prac-

tice consisting of one or more practitioners who, on the date on which the claim is made:

2.5.1.1 is practising as such in the Republic of South Africa, and

2.5.1.2 is in possession of or would have been obliged to apply for a current Fidelity Fund Certificate in terms of Section 42 of the Act;

2.5.2 any former sole practitioner and any former principal, partner, director or consultant of the firm, partnership or incorporated practice referred to in 2.5.1, who is no longer a practising practitioner when the claim is made against him provided that the claim arises out of the conduct of the profession by such person or such firm, partnership or incorporated practice at a time when he was:

2.5.2.1 practising as such in the Republic of South Africa and

2.5.2.2 in possession of or obliged to apply for a current Fidelity Fund Certificate in terms of Section 42 of the Act;

2.5.3 in the event of the death, incapacity, insolvency or dissolution of any person or entity referred to in 2.5.1, 2.5.2 and 7, his or her estate, legal representative, heir or successor in title in respect of any claim arising out of the conduct of the profession;

2.6 "partner or director" includes any person who is

2.6.1 *de facto* a partner or director of the insured or

2.6.2 who is publicly held out to be a partner or director of the insured;

2.7. "conduct of the profession" - the activities of the insured acting as a practitioner and such activities which are legitimately conducted as part of a legal practice. In the event of a dispute as to whether a particular act or activity is conducted as aforesaid the matter shall be referred to the president of the statutory law society having jurisdiction over the insured whose decision shall be binding on the parties to this policy;

2.8. "conveyancing transaction" - a transaction which :

- involves the transfer of legal title to immovable property from a legal or natural person to another;
- involves the registration of any mortgage bond

over immovable property;

- is required to be registered in any Deeds Registry in the Republic of South Africa, in terms of any relevant legislation;

- 2.9. “bridging finance” – the provision of short term finance to a party to a conveyancing transaction prior to the registration of the conveyancing transaction in the Deeds Registry;

3. LIMIT OF INDEMNITY

- 3.1 The liability of the insurer in respect of all claims and claimants’ costs and expenses and approved costs shall not exceed the limit of indemnity specified in Schedule A, 8.4.1.
- 3.2 All claims arising out of one act or omission or out of the dishonesty of any one person or any number of persons together or in collusion shall be deemed to arise out of one event or occurrence.

4. THE DEDUCTIBLE

The insured shall be responsible for the first amount of any claim and claimant’s costs and expenses arising out of one event or occurrence, but not exceeding the deductibles specified in Schedule A 8.5.1. The deductibles shall only apply in respect of claims for breach of professional duty, but shall not be applied to approved costs.

5. EXCEPTIONS

- 5.1 Unless specifically stated to the contrary this policy does not cover any loss, destruction or damage whatsoever or any legal liability of whatever nature:

5.1.1 directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons materials or by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Combustion shall include any self-sustaining process of nuclear fission.

5.1.2 which is insured or would but for the existence of this policy be insured by any other policy or policies or guarantees except in respect of any excess beyond the amount which would be payable under such policy or policies or guarantees had this insurance not been effected.

5.1.3 arising from any event or occurrence, which has been notified under any insurance in force prior to the inception of this policy.

5.1.4 arising out of or in connection with any trading losses or trading liabilities incurred by the insured or by any practice or business managed by or carried on by the insured. This exception includes (but is not limited to) the following:

(i) a refund of any fee or disbursement charged by the insured to a client;

(ii) damages or compensation or payment calculated by reference to any fee or disbursement charged by the insured to a client;

(iii) payment of costs relating to a dispute about fees or disbursements charged by the insured to a client.

For the purposes of this paragraph 5.1.4, ‘disbursement’ does not include any amount paid to counsel or an expert.

5.1.5 arising from theft by any principal, partner, director, professional assistant, associate, candidate attorney, employee, “in-house” consultant or agent of the insured or of the insured’s predecessors in practice of any money or other property referred to in Section 26 of the Act.

5.1.6 arising from or in terms of any judgment delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa.

5.1.7 arising out of or in connection with the provision of investment advice or the administration of any funds in contravention of the Banks Act 94 of 1990 (as amended), or as a liquidator in terms of the Agricultural Credit Act No.28 of 1996 (as amended)

5.1.8 arising out of or in consequence of an instruction to the insured to invest money on behalf of any person other than an instruction to pay money into an account contemplated in Section 78 2(A) of the Act, if such payment is for the purpose of investing such money in such account on a temporary or interim basis only, pending the conclusion or implementation of a particular matter or transaction which is already in existence or about to come in to existence at the time the investment is made. This exclusion does not apply to money which the insured is authorised to invest in his or her capacity as executor, trustee or curator or in any other similar capacity.

5.1.9 arising out of or in connection with any fine or penalty or punitive, exemplary or like damages levied or awarded against the insured or any order made against the insured to pay costs *de bonis propriis* in circumstances where the insured is acting in the capacity as attorney for one of the parties before the court which makes such order.

5.1.10 arising out of or in connection with any work done on behalf of an entity defined in the Housing Act 107 of 1997 or its representative, with respect to the National Housing Programme provided for in the Housing Act 1997.

5.1.11 arising (whether directly or indirectly) out of, in connection with or as a consequence of the provision of bridging finance in respect of a conveyancing transaction where the insured is acting or it is intended that he should act as conveyancing attorney. This exclusion does not apply where bridging

RISKALERT

ing finance has been provided for the payment of:

- transfer duty and costs;
- municipal or other rates and taxes relating to the immovable property which is to be transferred;
- levies payable to the body corporate or homeowners association relating to the immovable property which is to be transferred.

- 5.2 Unless specifically stated to the contrary this policy also does not cover:

5.2.1 any person who was in any way and at any time dishonest in relation to or in connection with any claim under this policy.

5.2.2 costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the Republic of South Africa.

5.2.3 loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom;

5.2.3.1 any legal liability of whatsoever nature;

5.2.3.2 any consequential loss;

directly or indirectly caused by or contributed to or consisting of or arising from the incapacity or failure of any computer

i. to treat any date before, during or after the year 2000 as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date; or

ii. to capture, save, retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date.

A computer includes any computer, data processing equipment, micro-chip, integrated circuit or similar device or any computer software tools operating system or any computer hardware or peripherals and the information or data stored in or on any of the above, whether the property of the insured or not.

6. CONDITIONS

- 6.1 The insured shall give immediate written notice to the insurer of any claim or intimation of a claim.

6.1.1 Once the insured has notified the insurer in terms of this clause the insurer may submit to the insured a claim form requiring the insured to provide all further information reasonably required by the insurer in respect of the claim or intimation of a claim. The insured shall not be entitled to the indemnity afforded by this policy until the insurer's claim form has been properly completed by

the insured and returned to the insurer, unless the insurer has expressly waived such requirement in writing.

6.1.2 The insurer may also require the insured to complete a risk management self-assessment questionnaire. The insured shall not be entitled to the indemnity afforded by this policy until the insurer's questionnaire has been properly completed by the insured and returned to the insurer, unless the insurer has expressly waived such requirement in writing.

6.1.3 Every letter, claim, summons or process received by the insured, which evidences a claim or an intention to claim, shall be forwarded to the insurer immediately.

6.1.4 If the insured gives notice of any event or occurrence of which the insured becomes aware during the period of insurance which may give rise to a claim, then any claim in respect of that event or occurrence which is subsequently notified against the insured after the expiry of the period of insurance shall for the purpose of this policy be treated as having been made during the period of insurance.

- 6.2 The insurer waives any right of subrogation against any partner or director of the insured, unless such person has committed a dishonest or criminal act in relation to matters, which are the subject of a claim under this policy.

- 6.3 In the event of a claim arising out of any dishonest act or omission of any partner, director or employee of the insured, the insured shall take all possible action to sue for and obtain reimbursement from any such person or from the estate or legal representatives of such person and any monies which but for such dishonesty would be due to such person from the insured or any monies of such person held by the insured, shall to the extent allowable by law be deducted from the insured's loss.

- 6.4 Any dispute or disagreement between the insured and the insurer as to any right to indemnity in terms of this policy or as to any matter arising out of or in connection with this policy, shall be referred for a final decision to a senior counsel or senior practitioner agreed upon between the insured and the insurer or failing such agreement, nominated by the president of the statutory law society having jurisdiction over the insured and the costs incurred in so referring the matter shall be borne by the unsuccessful party.

- 6.5. Subject to the exceptions, the deductible and 6.1, 6.7.2 and 6.9 hereof, the insurer shall not seek to avoid, repudiate or rescind this insurance upon any ground whatsoever, including in particular non-disclosure or misrepresentation;

6.5.1 Where the breach of or non-compliance with any term of this policy by the insured other than 6.1, 6.7.1 and 6.9 has resulted in substantial prej-

udice to the handling or settlement of any claim against the insured, the insured shall reimburse to the insurer the difference between the sum payable by the insurer in respect of that claim and the sum which would have been payable in the absence of such prejudice. Provided always that it shall be a condition precedent of the right of the insurer to seek reimbursement that they shall have fully indemnified the insured in accordance with the terms of this policy.

6.6 The insured shall not without the written consent of the insurer repudiate liability, negotiate or make any admission, offer, promise or payment in connection with any claim and the insurer shall be entitled, if it so desires, to take over the conduct in the name of the insured of the defence of any claim or to prosecute in the name of the insured at its own expense and for its own benefit any claim for indemnity or damages or otherwise against any person and shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

6.7 The insured shall render at his or her own cost such assistance as the insurer may reasonably require and shall arrange to be available at his or her own cost for such interviews as may reasonably be required by the insurer or the legal advisers of the insurer.

6.7.1 Notwithstanding anything else contained in this policy, should the insured fail or refuse to provide assistance or to attend interviews stipulated in 6.7 and remain in breach of such clause for the period of ten (10) days after receiving written notice from the insurer to remedy such breach, all benefits afforded by this policy may be withdrawn by the insurer.

6.8 Unless otherwise expressly stated nothing contained in this policy shall give any rights against the insurer to any person other than the insured.

6.9 If any claim by the insured be in any respect fraudulent or any fraudulent means or devices be used by the insured or anyone acting on his or her behalf with his or her knowledge or authority to obtain benefits in respect of that claim all benefit under this policy shall be forfeited.

6.10 Whenever this policy provides for notice to be given to the insurer, such notice shall be given to:

Aon Professional Risks
PO Box 1874
Parklands, 2121
Docex 34 Randburg
Telephone No: (011) 944 7966/8127
Fax No: (011) 944 8065/086 6392893

6.11 The insurer may in its sole discretion, in the case of any claim for indemnity, pay to the insured or to the claimant, the limit of indemnity (but deducting in such case any sum or sums already paid as indemnity) or any lesser sum for which the claim or claims arising from such claim for indemnity

can be settled and the insurer shall thereafter be under no further liability in respect of such claims for indemnity, except for the payment of costs and expenses of litigation incurred prior to the date of payment of such limit of indemnity or such lesser sum.

6.12 If the insured reasonably so requires he or she shall not be obliged to contest or prosecute any legal proceedings unless a senior counsel or senior practitioner shall advise that there are reasonable grounds for contesting or prosecuting such proceedings, such senior counsel to be agreed upon between the insured and the insurer or failing such agreement, nominated by the president of the statutory law society having jurisdiction over the insured and the costs incurred in so referring the matter shall be borne by the unsuccessful party.

6.13 All recoveries made in respect of any claim under this policy shall be applied (after deduction of the costs, fees and expenses incurred in obtaining such recovery) in the following order of priority:

i) the insured shall first be reimbursed for the amount by which its liability in respect of such claim exceeded the amount of indemnity provided by this policy or any other policy;

ii) the insurers shall then be reimbursed for the amount of their liability under this policy in respect of such claim;

iii) any remaining amount shall be applied towards the amount of the deductible borne by the insured in respect of such claim.

7. SPECIAL EXTENSIONS

7.1 Indemnity under this policy shall be extended to any candidate attorney, professional assistant, associate or other person employed by the insured in an employer/employee relationship in the conduct of the profession by the insured, and such person shall be deemed to be an insured for the purposes of indemnity in terms of this policy subject to the terms, limits and conditions thereof.

8. SCHEDULE A

Insurer: Attorneys Insurance Indemnity Fund
(Non-profit company)
(Reg. No. 93/03588/08)

8.1 Master Policy: No. AIIF/MP/06/13

8.2 Period of Insurance: 1 July 2013 - 30 June 2014 (both days inclusive)

8.3 Situation risk: World-wide (subject to exceptions 5.1.6 and 5.2.2)

8.4 Limit of Indemnity:

8.4.1 The limit of indemnity in respect of 1.1 and 1.2 is determined by the number of partners or directors of the firm, partnership or incorporated

RISKALERT

practice referred to in 2.5.1 (b) on the date on which the event or occurrence occurred which gives rise to a claim against the insured in accordance with the following schedule:

No. of partners/directors	Limit of indemnity per period of insurance
1 (Sole practitioner)	R1 562 500
2	R1 562 500
3	R1 562 500
4	R1 562 500
5	R1 562 500
6	R1 562 500
7	R1 640 625
8	R1 875 000
9	R2 109 375
10	R2 343 750
11	R2 578 125
12	R2 812 500
13	R3 046 875
14 and above	R3 125 000

8.4.2 Approved costs as set out in 1.3 cannot exceed 25% of the limit of indemnity specified in clause 8.4.1. above.

8.5 The deductible:

8.5.1 The deductible is determined by the number of partners or directors of the firm, partnership or incorporated practice referred to in 2.5.1(b) on the date on which the event or occurrence which gives rise to a claim against the insured and the type of matter which

gave rise to the claim in accordance with the following schedule:

No. of partners/directors	Column A Prescribed RAF & Conveyancing claims Deductible	Column B Other claims Deductible
1 (Sole practitioner)	R35 000	R20 000
2	R63 000	R36 000
3	R84 000	R48 000
4	R105 000	R60 000
5	R126 000	R72 000
6	R147 000	R84 000
7	R168 000	R96 000
8	R189 000	R108 000
9	R210 000	R120 000
10	R231 000	R132 000
11	R252 000	R144 000
12	R273 000	R156 000
13	R294 000	R168 000
14 and above	R315 000	R180 000

8.5.2 In the case of a claim for loss or damage in respect of bodily injury or death caused by, arising from or in any way connected with the driving of a motor vehicle (being a motor vehicle as defined in the Road Accident Fund Act 56 of 1996 or any predecessor or successor of the aforementioned Act) at any place within the Republic of South Africa, which has become prescribed in the hands of the insured, the deductible set out in 8.5.1 (Column A) will apply. Provided that if **Prescription Alert** a computerised diary system available to the insured has not been utilised or adhered to by the insured, the deductible as specified in 8.5.1 (Column A) will be increased by an additional 15%.

8.5.3 If a claim arises for reasons other than those set out in 8.5.2 the deductible set out in 8.5.1 (Column B) will apply.

RAF MATTERS

ROAD ACCIDENT FUND ACT 56 OF 1996: Adjustment of statutory limit in respect of claims for loss of income and loss of support has increased to R 207 528 (Two Hundred and Seven Thousand Five Hundred and Twenty Eight Rand) with effect from 30 April 2013

The Road Accident Fund Regulations have been amended by GG 36452 of 15 May 2013
Government Notice No 347.

The amended Road Accident Fund Regulations, 2008, now provide:

- For a definition of "complications".

- For a list of injuries that may not be regarded as serious.
- For a liability cap of **R 2 650.00** (excl VAT) in respect of Serious Injury Assessment costs.
- That a request for assistance to have the injury assessed must be in **writing** and must be determined, **within 60 days**.
- That a serious injury report must be assessed, accepted/rejected or the third party must be referred for a further assessment, **within 90 days**.
- That the Registrar must refer disputes to the Appeal Tribunal, **within 60 days**.
- For assistance to third parties to obtain a statutory medical report.

Ann Bertelsmann, Risk Manager
Ann.bertelsmann@aon.co.za