



THE LAW SOCIETY  
OF NEW SOUTH WALES

## FIDELITY AUTHORITY STATEMENT

The Legal Profession Uniform Law Application Act 2014 (Application Act) provides that claims on the Legal Practitioners Fidelity Fund (Fidelity Fund) are determined by the Law Society Council as the fidelity authority. As authorised by the Application Act, that function has been delegated to the Fidelity Fund Management Committee (Committee).

The Legal Profession Uniform Law (NSW) requires that claims against the Fidelity Fund received on or after 1 July 2015 are determined independently, at arm's length from the legal profession.

These requirements are performed by the members of the Committee acting judicially, approaching their duties with an independent mind, having regard only to the legislative requirements, and reaching the same determination as would an independent person who is not a member of the legal profession and having no financial interest in the Fidelity Fund.

However, to ensure that the Committee maintains the requisite independence and arm's length decision-making, the Council appointed a former judge as the Fidelity Fund Presiding Administrator (Presiding Administrator) to make recommendations regarding the determination of claims.

The Committee presents the results of its investigations regarding claims to the Presiding Administrator. The Presiding Administrator considers the results of the Committee's investigations and makes recommendations to the Committee about:-

- determining whether a claim should be wholly or partly allowed, disallowed or settled, or to reduce the amount to be paid;
- specifying the amount payable where a claim is wholly or partly allowed;
- ordering the payment of interest; and
- ordering payment of a claimant's legal costs.

The Committee then considers the Presiding Administrator's recommendations and its own investigations before determining a claim.