

PRESS RELEASE – 23rd July 2010

Law Society announces transfer of SIF claims handling to Vision Underwriting Limited

The Law Society has today announced the transfer of the Solicitors Indemnity Fund (SIF) run-off claims handling function from Legal & Professional Claims Ltd (LPClaims) to Vision Underwriting Limited (Vision). Vision is a wholly-owned subsidiary of Liberty Mutual Insurance Europe Limited (LMIE) and a member company of Liberty Mutual Group.

This step secures an economic and viable long term solution for the handling of the run-off of SIF claims, a task which is expected to take another ten years to complete on an ever declining basis. Outsourcing claims handling creates cost efficiencies for the Solicitors Indemnity Fund and for the solicitors' profession which funds it. Under the arrangements, control of the SIF and its indemnity arrangements will remain firmly within the Law Society Group as at present.

Vision has also today announced its intention to offer solicitors' professional indemnity insurance. Vision intends to market to firms of up to 5 partners in size, both on a direct basis and through the internet.

The Law Society welcomes the arrival of Vision as bringing new capacity, competition and more choice into this market. Vision will be trading online under the title of Legal and Professional Insurance (www.LPinsure.co.uk).

The current LPClaims staff of eight, including the Chief Executive George Raubenheimer, will transfer to Vision.

Desmond Hudson, Chief Executive of the Law Society said:

“The Law Society has secured an excellent result for the profession, which secures the viability of the handling of SIF run-off claims at a reasonable cost and at a time when we are working hard to keep to a minimum the overheads on solicitors. I am delighted that we have been able to reach agreement with Vision Underwriting Limited and that I am also able to welcome the arrival of another insurer for solicitors.”

Paul Kurgo, LMIE's Managing Director Commercial Business UK and Ireland said:

"This is an exciting opportunity for Vision as it enters a sector of the solicitors market currently experiencing a growing concern about the availability of a competitive market place. I am also pleased that we have been able to secure a professional and highly experienced claims team that has been recognised for the quality of its management of solicitors claims, developed over many years. We aim to build upon this reputation with firms knowing that their claims are in the right hands".

George Raubenheimer, CEO LPClaims said:

"Solicitor firms of 1 to 5 partners will recognise the value, benefits and stability of combining the very best of SIF claims management with that of a large internationally recognised insurer. The profession will have comfort knowing that the run-off of the remainder of the SIF claims will continue to be dealt with professionally and to the highest standards."

Notes for editors

The commercial terms of the deal between the Law Society and Vision Underwriting Limited will remain confidential.

About Vision Underwriting Limited

Vision Underwriting Limited, a wholly owned member company of Liberty Mutual Group (LMG), is a Cheltenham-based specialist in professional indemnity, legal expenses, directors' and officers' liability, casualty and property insurance.

About Liberty Mutual Insurance Europe Limited (LMIE)

Liberty Mutual Insurance Europe (www.liueurope.com) is a wholly owned subsidiary of global insurer Liberty Mutual Group and trades under the Liberty International Underwriters (LIU) name.

About Liberty Mutual Group

Boston-based Liberty Mutual Group is a diversified global insurer and fifth largest property and casualty insurer in the U.S. based on 2008 direct written premium. The Company also ranks 71st on the Fortune 500 list of largest corporations in the U.S. based on 2009 revenue. As of December 31, 2009, Liberty Mutual Group had \$109.5 billion in consolidated assets, \$95.0 billion in consolidated liabilities, and \$31.1 billion in annual consolidated revenue.

Liberty Mutual Group offers a wide range of insurance products and services, including personal automobile, homeowners, workers compensation, commercial multiple peril, commercial automobile, general liability, global specialty, group disability, assumed reinsurance, fire, and surety.

Liberty Mutual Group (<http://www.libertymutualgroup.com>) employs over 45,000 people in more than 900 offices throughout the world.