

## PRESS RELEASE

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## LAW SOCIETY SERIOUSLY CONCERNED AT REPORTS OF IRREGULARITIES RELATING TO PRESCRIBED DIRECT CLAIMS BY ROAD ACCIDENT VICTIMS

The Law Society of South Africa (LSSA) has noted with serious concern the media reports relating to the Road Accident Fund (RAF) dealings with road accident victims where the RAF has placed the victim in a position where his/her claim could prescribe in the hands of the Fund.

'The reports indicate the problems that can arise when an insurance company – which the RAF is – tries to represent both itself and the victim. It is inappropriate as it can lead to various undesirable outcomes such as prescription, under settlement of claims, delays and additional costs, none of which the RAF can afford and all of which prejudice road accident victims' say LSSA Co-Chairpersons Busani Mabunda and Richard Scott.

As regards the principle of the RAF using its panel attorneys to sue itself, there is a lacuna in that there is no provision in the Act or regulations for the RAF to condone or extend prescription, so the only way to interrupt prescription where claimants have claimed direct from the RAF and their claims have not been settled in time, is to issue and serve summons. 'We assume that the RAF has a mandate – actual or implied – from the claimant to ensure that their claims are processed without prescription setting in. However, in cases where it becomes clear that the claimant is not aware or has not given a mandate, then all the parties concerned must be held accountable,' say Mr Mabunda and Mr Scott.

They add: 'If fraud has been perpetrated on the claimants or the dependants of deceased breadwinners by the parties involved in the system, then this must be addressed through the appropriate channels, whether that be the appropriate disciplinary steps and/or criminal prosecutions.'

The public is best advised to consult an attorney when considering claiming from the RAF. Attorneys have a strict code of professional conduct through which they are held accountable by their relevant law society. 'The public is still better off using knowledgeable and skilled attorneys to institute claims against the RAF as the accountability of attorneys carries a greater standard of care and diligence towards their clients than the RAF,' say Mr Mabunda and Mr Scott.

## ISSUED ON BEHALF OF THE CO-CHAIRPERSONS OF THE LAW SOCIETY OF SOUTH AFRICA, BUSANI MABUNDA AND RICHARD SCOTT

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## Editor's note:

The Law Society of South Africa brings together its six constituent members – the Cape Law Society, the KwaZulu-Natal Law Society, the Law Society of the Free State, the Law Society of the Northern Provinces, the Black Lawyers Association and the National Association of Democratic Lawyers – in representing South Africa's 23 600 attorneys and 5 400 candidate attorneys.