



**LEGAL
PRACTITIONERS
FIDELITY FUND**
SOUTH AFRICA

MEDIA STATEMENT FOR IMMEDIATE RELEASE

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SIU AND LEGAL PRACTITIONERS FIDELITY FUND SIGN MOU TO ENHANCE COLLABORATION AGAINST FRAUD AND MALADMINISTRATION

The Special Investigating Unit (SIU) and the Legal Practitioners Fidelity Fund (LPFF) signed a Memorandum of Understanding (MoU) on Thursday morning aimed at bolstering cooperation in investigating fraud, corruption, and maladministration in the legal profession and related sectors.

The partnership is established under the framework provided by Chapter 3 of the Constitution of the Republic of South Africa, promoting cooperative governance among distinctive, interdependent, and interrelated state institutions.

The MoU formalises a structured mechanism for information sharing, collaboration in investigations, capacity-building initiatives, and joint efforts to ensure accountability within the legal sector. It also aims to enhance public confidence in the integrity and ethical standards of legal practice in South Africa.

The SIU has the principal mandate to investigate serious malpractice or maladministration relating to state institutions, state assets, and public money, as well as initiate civil litigation to recover losses incurred by the state.

The LPFF serves as a fidelity guarantee fund, safeguarding the public against financial losses resulting from legal practitioners' theft of trust funds.

This MoU is not the start of our relationship but rather a formalisation of an already productive partnership. The collaboration began under Proclamation R74 of 2022, gazetted on 22 July 2022, which authorises the SIU to investigate allegations of impropriety relating to the National and Provincial Departments of Health. Covering

matters from January 2013 to 22 July 2022 and related issues, this investigation led to several impactful referrals to the LPFF.

Notably, the joint efforts have prevented potential financial losses exceeding R3 billion—precisely R3,113,520,895.15—and resulted in 45 referrals to the LPFF, involving approximately R279.5 million. These cases highlighted non-compliance by legal practitioners, particularly concerning trust accounts and proper fund disbursement, exposing potential misappropriation and prompting further criminal referrals to the National Prosecuting Authority.

Recently, LPFF's recent publication in March 2025 of a comprehensive list detailing legal practitioners disbarred or found guilty of misconduct between 2018 and 2025. This initiative significantly enhances transparency and accountability, clearly illustrating severe violations, including fraud, theft of trust funds, and other unethical practices within the profession.

This MoU now serves as a strategic platform to deepen cooperation, improve information-sharing, coordinate investigative efforts, and promote integrity and justice. It further formalises our mutual responsibilities, prioritises joint cases, and ensures regular communication on developments and outcomes, ultimately strengthening the collective fight against fraud, corruption, maladministration, and malpractice to enhance public service delivery.

Advocate Andy Mothibi, Head of the SIU, highlighted that the MoU represents a significant step in strengthening the mechanisms to combat fraud and corruption.

"We look forward to deepening our collaboration with the LPFF and turning the commitments of this MoU into tangible results. Together, we are better equipped to protect public interests, uphold the rule of law, and promote good governance," said Adv Mothibi.

The CEO of LPFF, Mr Motlatsi Barnabas Molefe, welcomed the collaboration, stating, "Our partnership with the SIU demonstrates our commitment to protecting public resources and maintaining trust in the legal profession. By sharing resources and expertise, we can collectively respond more effectively to threats of fraud and unethical practices. Where

we fall short, the SIU will help us have teeth to bite. More importantly, to recover funds that are stolen from the public,”

Both parties are optimistic that this collaboration will address current challenges while proactively mitigating potential risks, thereby enhancing accountability and transparency within the legal system.

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