

# AU YEUNG, LO & CHUNG,

Solicitors

LC Paper No. CB(2)2129/03-04(03)

Agents for Trade Marks & Patents

## 歐陽盧鍾律師行

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Our Ref. : Office

Date : 15<sup>th</sup> April 2004

Your Ref. :

Please reply to : Mr. Au Yeung

Mrs. Percy Ma  
Clerk  
Administration of Justice  
and Legal Services  
Legislative Council  
Jackson Road  
Hong Kong.

Dear Madam,

Re : Solicitors Professional Indemnity Scheme

We understand that there will be a meeting of Legco members to discuss the above scheme on 26<sup>th</sup> April 2004. In the circumstances, we would be grateful if you could kindly bring this letter to the attention of the said members so that they can be aware of the following facts :-

1. All solicitors in Hong Kong qualified to practice law are not to act as insurers of last resort for each other and for unlimited amounts. This fact was acknowledged by the President of the Law Society in a recorded open forum.
2. However, under the above scheme, and because the insurance company has gone into liquidation, solicitors have been forced to act as insurers of the last resort and as at to-day's date, solicitors are forced to pay the shortfall of \$416.8 million.
3. All solicitors are required to take out insurance cover before they can practise in order to protect the public's interest. They have amply complied with this by paying huge premiums to the insurance company.
4. There is no other profession in Hong Kong whereby its members have to act as insurers of last resort for each other and for unlimited amounts.
5. This unfair and unjust state of affairs cannot be allowed to continue because by forcing members to pay the shortfall it would endanger their means of livelihood and drive some (who are conscientious and competent in their work) out of the solicitors' profession altogether.

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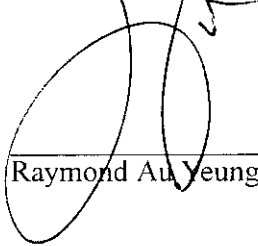
**AU YEUNG, LO & CHUNG,**

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We would strongly urge the Legco members to consider the above and take urgent steps to stop solicitors acting as insurers of last resort for each other. Once this has been achieved, any future scheme would be readily acceptable to the members of the profession.

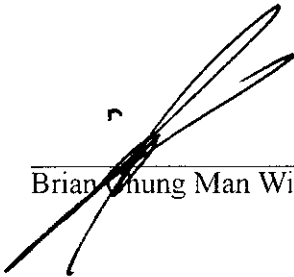
Yours faithfully,



Raymond Au Yeung Pui Wai



Wilkie Lo Wai Kei



Brian Chung Man Wing