

立法會
Legislative Council

Ref : CB2/BC/2/09

LC Paper No. CB(2)2721/11-12
(These minutes have been seen
by the Administration)

Bills Committee on Legal Practitioners (Amendment) Bill 2010

Minutes of meeting
held on Monday, 21 May 2012, at 8:30 am
in Conference Room 3 of the Legislative Council Complex

Members present : Dr Hon Margaret NG (Chairman)
Hon Miriam LAU Kin-ye, GBS, JP
Hon Audrey EU Yuet-mee, SC, JP

Member absent : Hon Albert HO Chun-yan
Hon LAU Kong-wah, JP
Hon Ronny TONG Ka-wah, SC
Hon Paul TSE Wai-chun, JP

Public Officers attending : Ms Adeline WAN
Senior Assistant Solicitor General
Department of Justice

Ms Betty CHEUNG
Senior Assistant Law Draftsman
Department of Justice

Mr Christopher NG
Senior Government Counsel
Department of Justice

Ms Karmen KWOK
Senior Government Counsel
Department of Justice

Mr Bernard YUE
Government Counsel
Department of Justice

Attendance by invitation : The Law Society of Hong Kong

Mr Joseph LI
Chairman of the Working Party on LLPs

Mr David HIRSCH
Member of the Working Party on LLPs

Mr Allan LEUNG
Member of the Working Party on LLPs

Mr Amirali NASIR
Member of the Working Party on LLPs

Ms Heidi CHU
Secretary General

Clerk in attendance : Miss Mary SO
Chief Council Secretary (3) 3

Staff in attendance : Miss Winnie LO
Assistant Legal Adviser 7

Ms Maisie LAM
Senior Council Secretary (2) 5

Ms Sandy HAU
Legislative Assistant (2) 5

Action

I. Meeting with the Law Society of Hong Kong and the Administration

[LC Paper Nos. CB(2)2045/11-12(01) and (02), CB(2)1715/11-12(01), CB(2)1520/11-12(01) and (02), CB(2)1417/11-12(01), CB(2)1182/11-12(01), CB(2)1311/11-12(01), CB(2)1333/11-12(01), CB(2)1258/11-12(01) to (03), CB(3)812/09-10, CB(2)1852/10-11(01), CB(2)1914/10-11(01), CB(2)2056/10-11(01) and CB(2)1938/10-11(02)]

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The Bills Committee deliberated (index of proceedings attached at **Annex**).

2. At the invitation of the Chairman, Senior Assistant Solicitor General ("SASG") briefed members on the Administration's latest discussions with The Law Society of Hong Kong ("LS") on the detail arrangements for the implementation of the top up insurance requirements, details of which were set out in the Administration's paper (LC Paper No. CB(2)2045/11-12(01)). Specifically, SASG said that the requirements would be similar and consistent as between Hong Kong limited liability partnerships ("LLPs") and foreign LLPs; it would not alter or amend the requirements of the primary insurance; it would not be subject to any limit as to the amount of liability for claims in the aggregate or as to the number of claims made against the partnership in any particular period; and the minimum indemnity amount might be substituted by an amount that was not less than HK\$10 million.

3. On members' concern about the safeguards to be put in place to ensure compliance with the top up insurance requirements by LLPs, SASG advised that the Administration would move Committee Stage amendments ("CSAs") to stipulate that if an LLP failed to comply with the top up insurance requirements at the time of default, its partners would not be entitled to LLP protection, albeit the firms could continue to operate in the form of a general partnership. In addition, the Administration would introduce consequential amendments to the Solicitors' Practice Rules (Cap. 159 sub. leg. H) and the Foreign Lawyers Practice Rules (Cap. 159 sub. leg. R) to enable LS to monitor compliance with the top up insurance requirements by LLPs. In gist, a principal of an LLP had to, within 14 days after the commencement of the business (for LLPs which were Hong Kong firms) or the establishment of a place of business by the firm (for LLPs which were foreign firms), as the case might be, provide LS with evidence of compliance with the top up insurance requirements. The principal also had to notify LS in writing within 14 days of occurrence if at any time the requirements were not complied with.

Admin

4. The Chairman requested the Administration to provide a full set of the draft CSAs to be moved by the Administration for the consideration of the Bills Committee at the next meeting.

5. At the invitation of the Chairman, Mr Joseph LI of LS said that the latest consensus was that the top up insurance requirements proposed by the Administration was an acceptable way forward. Mr LI further said that subsequent to the last meeting of the Bills Committee on 17 April 2012, LS had issued a circular to members on the top up insurance proposal and no

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strong objection to the proposal had been received. However, a member had reservation about the premium rates.

6. The Chairman asked LS about the operation of the top up insurance. Mr Joseph LI advised that it would maintain a database to track the expiry dates of the top up insurance policies as notified by LLPs and send out renewal reminders to them.

LS

7. The Chairman requested LS to provide after the meeting a paper on the operational details of the professional indemnity scheme and the top up insurance.

II. Date of next meeting

8. The Chairman reminded members that the next meeting would be held on 28 May 2012 at 8:30 am to consider the draft CSAs proposed by the Administration.

9. Due to the lack of a quorum, the meeting ended at 9:00 am.

Council Business Division 2
Legislative Council Secretariat
30 August 2012

**Proceedings of the meeting of the
Bills Committee on Legal Practitioners (Amendment) Bill 2010
on Monday, 21 May 2012, at 8:30 am
in Conference Room 3 of the Legislative Council Complex**

Time marker	Speaker	Subject	Action required
000000 - 001328	Chairman	Opening remarks	
001329 - 001944	Admin	Briefing by the Administration on an update of its discussions with and the Law Society ("LS") on the top up insurance requirements (LC Paper No. CB(2)2045/11-12(01))	
001945 - 002609	Chairman Admin	Discussion on the safeguards to be put in place to ensure the compliance with the top up insurance requirements by LLPs The Administration was requested to provide a full set of the draft Committee Stage amendments to be moved by the Administration for the consideration of the Bills Committee at the next meeting	Admin (para. 4 of the minutes refers)
002610 - 002832	Chairman Ms Miriam LAU Ms Audrey EU LS	Briefing by LS on the response from its members to the circular it issued on 23 April 2012 seeking their views on the top up insurance proposal (LC Paper No. CB(2)2045/11-12(02))	
002833 - 003112	Chairman LS	LS's elaboration on the operation of the professional indemnity scheme and the top up insurance LS was requested to provide after the meeting a paper on the operational details of the two schemes	LS (para. 7 of the minutes refers)
003113 - 003333	Chairman Ms Audrey EU LS	The way forward	
003334 - 003441	Chairman	The Chairman ended the meeting due to a lack of a quorum	