L.N. 218 of 1999

SOLICITORS (PROFESSIONAL INDEMNITY)

(AMENDMENT) RULES 1999

(Made by the Council of The Law Society of Hong Kong under sections 73 and 73A of the Legal Practitioners Ordinance (Cap. 159) with the prior approval of the Chief Justice)

1. Interpretation

Rule 2 of the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg.) is amended---

- (a) in the definition of "Company", by repealing "(公司)" and substituting "(彌償公司)";
- (b) in the definition of "申索委員會", by repealing "公司" and substituting "彌償公司";
- (c) in the definition of "有關連訟費", by repealing "公司" and substituting "彌償公司";
- (d) in the definition of "委員會律師", by repealing "公司" and substituting "彌償公司";
- (e) in the definition of "專業彌償計劃", by repealing "公司" and substituting " 彌償公司".
- 2. Management and administration of the fund Rule 5 is amended by repealing "公司" and substituting "彌償公司".
- 3. Production of documents and information Rule 8(1) and (2) is amended by repealing "公司" wherever it appears and substituting "彌償公司".
- 4. Receipt

Rule 9 is amended by repealing "公司" and substituting "彌償公司".

5. Entitlement to Indemnity

Rule 10(1) is amended by repealing "公司" and substituting "彌償公司".

6. Provision of Indemnity

Rule 11(2) is amended by repealing "公司" and substituting "彌償公司".

- 7. Indemnity exclusively from the fund Rule 12(2) is amended by repealing "公司" and substituting "彌償公司".
- 8. Disputes

Rule 13 is amended by repealing "公司" and substituting "彌償公司".

9. Continued maintenance and

release of the fund

Rule 14(1) is amended by repealing "公司" wherever it appears and substituting "彌償公司".

10. Failure to make payment

Rule 15 is amended by repealing "公司" wherever it appears and substituting "彌償公司".

11. Payment of amounts not

covered by scheme

Rule 16 is amended by repealing "公司" wherever it appears and substituting "彌償公司".

12. Details reported to the Council

Rule 18(2)(b) is amended by repealing "公司" and substituting "彌償公司".

13. Contributions to fund

Schedule 1 is amended, in paragraph 2(1)(a), (b), (c) and (d) (except "上海 豐銀行有限公司"), (2), (4), (5)(a), (6)(a) and (b)(i) and (7)(a), by repealing "公司" wherever it appears and substituting "彌償公司".

14. Management and administration of fund

Schedule 2 is amended, in paragraphs 1, 2(b), (c), (d), (e) and (f), 3 and 4, by repealing "公司" wherever it appears and substituting "彌償公司".

15. Exclusions and conditions

Schedule 3 is amended---

- (a) in paragraph 1---
- (i) in subparagraph (1), in the proviso, by repealing "公司" wherever it appears and substituting "彌償公司";
 - (ii) in subparagraph (2)---
- (A) by repealing "公司" where it first appears and substituting "彌償公司";
- (B) in sub-subparagraph (c)---
- (I) in sub-sub-subparagraph (iiia), by repealing "公司" and substituting "彌 償公司";
- (II) in sub-sub-subparagraph (vi), by repealing "但公司" and substituting "但确償公司":
 - (III) by adding---
- "(xi) which arises directly or indirectly from or is in any way connected with the fact that any Computer Equipment is not Year 2000 Compliant or any cost or expense incurred in preventing or remedying the same (except insofar as the Computer Equipment in question is not owned or operated by the indemnified or a company, the principal business of which is the provision of services ancillary to the indemnified's business of practising as a solicitor and such claim arises solely from advice which the indemnified has given to his clients in the course of his business of practising as a solicitor);";
- (C) in sub-subparagraph (e), by repealing "公司" wherever it appears and substituting

"彌償公司";

- (iii) by adding---
- "(3) In subparagraph (2)(c)(xi) (notwithstanding anything to the contrary in these rules)---
- (a) "Computer Equipment" (電腦設備) includes but is not limited to any or any combination or part of data, computer hardware, firmware, operating system, application, software, computer chip including microprocessor chip or embedded control logic which is integrated or incorporated into another product or component, and any equipment, system, medium or device for processing, transmitting, storing or retrieving data, irrespective of by whom it is owned or operated;
- (b) "Year 2000 Compliant" (符合 2000 年數位標準) means that neither the performance nor functionality of any Computer Equipment is affected by any date or dates prior to, during or after Year 2000 and, in particular but without limitation, that---
 - (i) no value for current date will cause any interruption or error in operation;
- (ii) date based functionality must behave consistently for dates prior to, during and after Year 2000;
- (iii) in all interfaces and data storage, the century in any date must be specified either explicitly or

by unambiguous algorithms or inferencing rules; and

- (iv) Year 2000 must be recognized as a leap year.
- (4) The Company may at its discretion, having regard to all or any of the circumstances of any claim made against any indemnified as may seem relevant to the Company, waive the exclusion set out in subparagraph (2)(c)(xi) in respect of such claim (other than any claim arising from obligations attaching to that indemnified as a result of acting as a director or officer of any company, the principal business of which is not the provision of services ancillary to the indemnified's business of practising as a solicitor) in the event that that indemnified has completed and submitted to the Company before 30 September 1999 a questionnaire in a form to be determined by the Company to the satisfaction of the Company.";
- (b) in paragraphs 3(1)(b), 5, 7, 8(1)(a) and (b), (2) to (7) and (10)(a) and 9, by repealing "公司" wherever it appears and substituting "彌償公司".

Approved this 6th day of August 1999.

Andrew LI

Chief Justice

Made this 10th day of August 1999.

Shing Hing IP Herbert H. K. TSOI

Junius K. Y. HO Lester G. HUANG

Frederick K. C. KAN Anson K. C. KAN

Vincent W. S. LIANG Peter C. L. LO Paul N. MONK John Y. C. PANG Peter K. P. SIT William H. C. TSUI Roderick B. WOO

Explanatory Note

The purpose of these Rules is to enable the Hong Kong Solicitors Indemnity Fund Limited to retain discretion in each individual case as to whether or not to pay out on a claim involving a Year 2000 issue.