



Jurisk!

Risk Management Quarterly

A quarterly publication of Professional Indemnity Insurance Committee, Malaysian Bar Council

Editorial

It is our pleasure to inform that 2007 was a productive year for the Malaysian Bar's PII Scheme:

- ❖ Positives in the 2007 PII Scheme were further improved; these improvements we spoke about at length in the September 2007 issue Editorial; full details of the 2008 PII Scheme Terms can be found online at the Malaysian Bar website under Bar Council Circular 188/2007.
- ❖ Calls by members for the setting up of a Self Insured Fund (SIF) were answered and the SIF Transition Project is moving forward with a target implementation date of 2010.
- ❖ Our Risk Management Programme continued its robust progress with the conception of new projects.

Amongst the PII Scheme's highlights for 2007 were the Broker Tender 2008, SIF Broker Tender, 2008 PII Scheme negotiations, and the 3rd Annual PII/RM Survey. In addition, the PII Committee spearheaded the **Getting Started!** Workshop series. The first session held on 17 August 2007 proved a success with 52 participants and 5 business solution providers participating. A second session is planned for 17 December 2007. **Getting Started!** will be an ongoing Project for 2008.

The Bar Council has appointed Echelon Asia (a Jardine Matheson Associate Company) as our SIF Broker. All efforts are presently being made to ensure that the requisite groundwork, reports, and proposed SIF structure is made ready in time for presentation to members at the 2007/08 AGM come March 2008. Based on our preliminary studies and the SIF Broker Presentations held on 21 September 2007, the PII Committee is quietly optimistic about the viability of a SIF and member support for the move to a SIF.

On the Risk Management front, we have revamped the risk management newsletter yet again. You will notice we are publishing under a new name, Jurisk! – this rebranding is in response to members' feedback and to further enhance our newsletter's image.

The Practice Review Project 2007 has been successfully conducted. In total, the PII & RM Department reviewed 21 firms around Peninsular Malaysia; the full report will be published in early 2008. The Practice Review exercise this year also saw the launch of iRIS, an online programme customised specifically to streamline the Practice Review exercise as well as ensure pertinent data collection.

You can read more about our Risk Management efforts under *RM Programme: 2007 Highlights* in this issue of Jurisk!. Also featured in this issue is a Conflict of Interest Checklist; a risk management article, '10 New Year Resolutions for the Busy Lawyer' and a write up on the joint workshop recently held by the PII Committee and our broker, Jardine Lloyd Thompson Sdn. Bhd. The Workshop, which saw participation from all the stakeholders of the PII Scheme including the Scheme's reinsurer, generated positive and useful ideas/suggestions. All of which have been duly noted in the PII Committee's 2008/09 *wish list* for the PII Scheme.

We would like to wish all members a very Happy New Year 2008, and may it prove to be a year of scaling new and greater heights for the Malaysian Bar. Look out for our next issue of Jurisk! in March 2008.

Ragunath Kesavan
Chairman, PII Committee



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10 New Year Resolutions for the Busy Lawyer

- 1 Buy a 2008 diary AND use it!**
Alternatively, learn to use the reminder in your PDA (personal digital assistant).
- 2 Learn something new about the latest technology and gadgets**
You need training in order to make the most of the latest technology. Make time for training to increase your efficiency. Identify something that you know you can automate in your practice and take the time to learn how to do it.
- 3 Attend at least one (1) Continuing Legal Education seminar in 2008**
Choose a subject that is complementary to your practice area.
- 4 Read the 12-page Jurisk! every quarterly**
It arrives at your doorstep every quarterly for **FREE!** There is a wealth of information about risk management, liability insurance and practice management which you can glean from this Quarterly.
- 5 Call the office and find out how your office calls are answered**
It's time you found out how your calls are screened and if potential clients are turned away unknowingly by less than desirable customer service!
- 6 Attend the Bar Council's Annual General Meeting**
Your presence is needed. Mark your diary, 15 March 2008. Enough said.
- 7 Participate in at least one Committee in your state bar**
Talk to at least one individual whom you do not know and find out what they do. Why? Because knowing lawyers outside your firm who practice in your practice area will make you a better lawyer. It will also make you feel less isolated.
- 8 Find out how much liability insurance you and your firm are insured for**
It'll help you decide whether to take on that multi-million ringgit brief.
- 9 Take on a Legal Aid case**
Legal Aid work is a great way to develop a new skill while helping those in need of legal services. Make sure to find a mentor to oversee your work on the project.
- 10 Remind yourself why you read law and continue to enjoy practicing everyday!**

*by Corrinne Wong, Risk Manager
PII Scheme, November 2007*

Risk Management Programme

Highlights 2007

Risk management plans for 2007 grew from the PII & RM Department's experiences in 2005 and 2006. Feedback from surveys and reviews allowed the Department to formulate better risk management tools required by members. These tools and solutions were effected better with the collection of statistics, feedback and active participation of the stakeholders of the PII scheme.

Visits to legal firms in 2006 gave greater opportunity for the PII & RM Department to appreciate the needs and concerns of sole proprietors, lawyers and partners alike. We also recognised and took cognisance of staffing and other human resource issues that were specific to legal firms.

With this information in hand, the 2007 programme was planned with a view to provide solutions, if not, alleviate the potential risks that arise from them.

1 PUBLICATION

RMQ

The Department's quarterly newsletter continued to be the main channel in providing lawyers with a better understanding of risk management. Articles featuring conveyancing related claims and practice tips were published. Business Contingency Plan for law firms, a rarely discussed topic in the legal profession also featured in the RMQ, helping lawyers and firms address "sudden-disasters" and emergencies. Not forgotten were cash flow and management related articles, aimed at sole proprietors, which gave some insight on how to

manage a small practice and its finances effectively.

In response to members' feedback, the RMQ was revamped to a compact 12-page read and rebranded Jurisk!

Brochure - Reinventing Your File Transfer System

This brochure was produced based on findings from claims statistics that showed many claims arose out of files that were "inherited" and/or transferred. Designed in a simple and easy to refer format, the brochure was distributed to lawyers whom the PII & RM Department visited and also enclosed in the Praxis, May/June 2007 issue. A total of 13,000 copies were printed.

Findings from claims statistics showed that many claims arose out of files that were "inherited" and/or transferred

Practice Alert

The PII & RM Department also initiated a risk management alert, Practice Alert, in circular format in March 2007. The purpose of the Practice Alert series is to aid and alert lawyers about areas of practice that have changed and which may affect legal firms/lawyers. The Department has issued two (2) Practice Alerts to date – one on employee embezzlement and the second one on deposit insurance.

Risk Management Calendar 2008

The use of a calendar format to create awareness in respect of PII and risk management has been a breakthrough effort for the Department since 2006.

In 2007, the project continued and was allocated a

bigger budget. The visual impact of a calendar is second to none; as such, the RM Calendar 2008 was published as a 12-month calendar using articles from back-issues of the RMQ. We view this publication as a tool that can be used by all, i.e. a constant reminder and easy reference for lawyers in respect of PII and risk management.

SEMINARS

PSDC, Risk Management session

The Ethics Series was revamped in July 2007. However, the Programme maintained Risk Management as part of the topics which pupils in chambers needed to prepare themselves for practice.

The elements of risk management and PII are the focal themes covered in the 45-minutes session. The general feedback obtained from pupils has been encouraging. Most feel the need to know more about risk management in relation to the specific areas of practice that they will be specialising in. In total, 1,100 pupils attended these sessions.

Risk Management for Practitioners

2007 saw the introduction of "Risk Management for Practitioners" Workshop. The PII & RM Department visited three (3) large firms (for four (4) sessions) and spent 2 ½ hours training both lawyers and staff alike about aspects of risk management that needed attention in their respective firms. They were also taken through the process of creating a risk management framework for the firm and practice area departments.

The PII & RM Department also conducted similar sessions in five (5) State Bars, i.e. Penang, Melaka, Johor, Kuala Lumpur, Kedah/ Perlis. There were approximately 200 participants in total who attended these sessions.

Getting Started! Workshop

A very well-received workshop, **Getting Started!** was developed for new practitioners/lawyers intending to start practice or join partnerships. This intensive 1-day workshop covered crucial information and aspects of starting a legal firm. Sessions were conducted by consultants and senior lawyers. Areas of concern included managing accounts, basic start-up information and managing both litigation and conveyancing practices respectively.

Participants not only garnered information from the lecture sessions but were also able to exchange information and networked amongst themselves. Participants came from all around Malaysia including Kuching, Sarawak and Alor Setar, Kedah. In all, two (2) sessions were organised – the first inaugural Workshop in July 2007 and the second in December 2007. Future plans for this Workshop would be to have it conducted every quarterly and eventually in each state.

“ The idea of online audits was suggested as a means of extending Practice Reviews to more firms ”

Bar Council Secretariat – PII & RM Refresher Training

Staff of the Bar Council (Bar Council Secretariat and the Disciplinary Board staff respectively) are also kept informed about changes in the PII Scheme annually. The refresher training course was held in March this year.

The aim is to ensure that awareness and training is extended not only to lawyers but also to Bar Council staff who deal with lawyers on a daily basis. The refresher training was also to keep Bar Council staff equally aware of core risk issues that affect lawyers and to practice risk management in the Bar Council's administrative processes.

Continued on page 10

Conflict of Interest – The Dreaded C

by Wong Li Chin and Shyamala Manoharan

The Scene	New client recommended by a fellow lawyer; client is an up and coming Corporation.
The Matter	Potential new client is aggrieved over a matter concerning MB Corporation and would like to sue them!
The Problem	MB Corporation's name sounds familiar but the lawyer can't quite put his finger on it.
Solution	After client leaves: <ol style="list-style-type: none"> Stand outside his door and yell to the office in general "Eh, anyone did work for MB Corporation before ah?", or Send out a mass email to all staff asking if anyone's ever done work for MB Corporation.

If there's no answer by the end of the day, the case is accepted because the 'conflict check' is done.

The problem of course is that, that is the day the partner who just finished a trial in which he represented MB Corporation, is off on his honeymoon sans blackberry and handphone... thus... silence from the office in general and no feedback on the email that was sent out.

Many lawyers believe that a conflict check can be upheld by a brief moment of thought – a quick sift through their memory and comparing their client's circumstances to that of the firm's other clients – at the time they are being retained for their services.¹

Why is This Bad?

- ♦ Loyalty and independence of judgement are essential to the effective representation of a client.
- ♦ Not only is it fundamental but it goes to the core of the lawyer/client relationship.
- ♦ A conflict of interest may make it impossible to exercise loyalty and good judgement in favour of your client.

What is a Conflict of Interest?

Rule of thumb is where you find yourself in a compromising situation that is likely to *negatively impact the advice* that you would otherwise give to a client. It can be described as a set of circumstances that is likely to adversely affect your:

- ♦ Judgement concerning a client; or
- ♦ Loyalty in respect and towards a client; or
- ♦ Ability to safeguard the interests of a client.

Examples of a Conflict of Interest Situation

- ♦ Acting for **more than one person** on a single matter;
- ♦ Acting for a client on a matter where the lawyer **has a personal interest** other than earning his professional fees;
- ♦ Acting for **one client against another client**;
- ♦ Acting for **one client against a former client**;
- ♦ **Declined 'clients'**. Before declining a client, you would have interviewed the potential client; whilst making the decision on whether to take on the brief, you may have received confidential information. This may create obligations of confidentiality on your part.

How Do You Manage A Conflict Of Interest Situation?

Step 1

Conduct a legal analysis (i.e. facts of your case against the rules of the profession) and discuss the conflict with your client. There are certain situations of conflict to which a client cannot consent.

Step 2

If it is one to which your client can consent, then you must disclose all necessary information to all of the parties affected by this conflict.

Step 3

The affected parties must now decide based on your disclosure if they are prepared to accept your representation. This is a form of “informed consent/waiver” and is valid if it is made voluntarily and knowingly. Their consent should be in writing alongside the disclosure you have made, on which that consent is given. This protects both parties.

Step 4

To assess your files at regular intervals throughout the representation to see if any situations of conflict has developed during the engagement.

Tools for Thought!

1 Ultimately, a conflict check is to ensure that your commitment to your client’s matter will not be distracted by your commitment to any other person. Further, avoidance of conflicts facilitates another core value of a law practice, i.e. the preservation of confidentiality.⁶

2 A conflicts management system should not be limited to mainly

identifying client-created conflicts that materialise *in the course* of your engagement.

If you or your firm are not intimately involved in the affairs of your client, those conflicts will be revealed only by constant diligence, including periodic contacts with your client to ask, “What’s new?”⁷

Want to start your very own Conflicts System? We’ll tell you how. Look out for **Jurisk! March 2008**

¹ Todd C. Scott, ‘Conflict-Checking Systems: Three Great (and Cheap) Ways to Effectively Manage Conflict Checking’, Volume 2, Number 2, February 2006.

² Ellen Yankiver Suni, ‘Conflicts of Interest’. GP Solo, Vol. 22, No. 7, October/November 2005.

³ *Ibid.*

⁴ Ellen Freedman, ‘Handling Conflicts of Interest’ GP Solo, Vol. 4, No. 2, May 2006.

⁵ Law Society of British Columbia’s Model Conflicts of Interest Checklist, http://www.lawsociety.bc.ca/practice_support/articles/checklist-conflicts.html

⁶ J. Anthony Vittal, ‘Conflict Management Using Technology to Navigate the Minefield’, Volume 17, Number 4, June 2000

⁷ *Ibid.*

Basic Questions To Ask Yourself If Your Firm Is Protected Against A Conflict Situation?

A System

- | | YES | NO |
|---|--------------------------|--------------------------|
| 1. Does your firm brief staff on the Conflicts Rules in the <i>Bar Council Rulings and Legal Profession (Practice and Etiquette) Rules 1978</i> ? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is there a designated partner in charge of conflicts check? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Does your firm have a system for discovering conflicts of interest? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Are all staff aware of this system? | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Is this system easily accessible to all staff? | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Are all new staff taken through this system as part of their induction process? | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Does the designated partner circulate information on new clients for lawyers to review and sign off on? | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Does the system require ALL staff to conduct a conflict check prior to their receiving confidential information from a potential client? | <input type="checkbox"/> | <input type="checkbox"/> |

Who is the Client?

- | | | |
|--|--------------------------|--------------------------|
| 9. Is the following basic conflict of interest information obtained before opening a file: | | |
| ♦ Exact identity of the client: Who is the client in the transaction? What role does (s)he have? | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Is the client an individual or an entity for which the individual works for? ² | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Is the client a party to a transaction, both parties, or the entity they are forming? ³ | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Do you require prospective clients to disclose any personal relationships they may have with any staff/lawyer in the firm? | <input type="checkbox"/> | <input type="checkbox"/> |

Your Firm's 'Peoples**'

* Anyone who comes into contact with your firm

- | | | |
|--|--------------------------|--------------------------|
| 11. Does your firm have a database of its 'peoples'? | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Does the database include the following information: | | |
| ♦ Client name | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Names of opposing parties | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Co-plaintiffs or co-defendants | <input type="checkbox"/> | <input type="checkbox"/> |

- | | YES | NO |
|---|--------------------------|--------------------------|
| ♦ Declined clients' names | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Subsidiaries/Affiliates or partners of client | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Aliases/Alternative Spelled Names/ Known Former Names | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Directors or officers of client | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Known relative of client and other parties | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Common law spouses of client and others | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Lawyers for any names in the database | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Identity of Witnesses | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Employees (Staff, Legal Assistants, Partners, etc) | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>*This information is especially important where new employees/partners are joining your firm from another firm</i> | | |
| ♦ Vendors/ Service Providers | <input type="checkbox"/> | <input type="checkbox"/> |

- | | | |
|--|--------------------------|--------------------------|
| 13. Does the database include a description of who the party is and what relationship or file the individual/entity has with your firm? ⁴ | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Is there one staff responsible for maintaining this database? Is there a backup staff in the event (s)he is unavailable? | <input type="checkbox"/> | <input type="checkbox"/> |

Dealing with Conflicts

- | | | |
|---|--------------------------|--------------------------|
| 15. If a potential conflict is found, do you either decline to take the case or notify the client of the potential conflict in writing? | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. If you are asked to represent two or more clients in the same matter, do you ask them to sign a waiver/consent letter? If so, have you considered whether this is a situation where the client can waive the Conflict? | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. If you are asked to represent two or more clients in a Conveyancing matter, do you check with your legal profession rules if you are allowed to do so in those circumstances? Do you obtain written waivers from the clients? | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Your firm's policy discourages | | |
| ♦ Signing on clients in matters where lawyers, their relative, or friend, has a financial interest. | <input type="checkbox"/> | <input type="checkbox"/> |
| ♦ Representing opposing parties in "friendly" litigation where there seems to be no opposing interest. ⁵ | <input type="checkbox"/> | <input type="checkbox"/> |

If you have answered 'No' to most of the questions above, your firm could be at risk of a conflict of interest problem. It does not however, necessarily translate into a serious problem, it simply means that it's time to evaluate your practice and procedures.

PII Training Workshop: Back to Basics

13 & 14 September 2007, Sheraton Imperial Hotel

As part of the PII Committee's continuous efforts to better our delivery of services to members, a PII Training Workshop was jointly held with the broker, Jardine Lloyd Thompson Sdn. Bhd. (JLT) on 13 and 14 September 2007 at the Sheraton Imperial Hotel, Kuala Lumpur.

The Workshop brought together the various stakeholders involved in the Malaysian Bar PII Scheme as well as staff responsible for the day-to-day administration of the Scheme:

- a) The PII Committee;
- b) The PII & RM Department;
- c) Bar Council Membership Department;
- d) Bar Council Complaints and Intervention Department;
- e) The Brokers, JLT;
- f) The Claims Managers, Echelon Claims Consultant Sdn. Bhd. (Echelon)

The Workshop's objectives were simple:

- ❖ Create a forum for the various stakeholders within the PII Scheme (including staff) to get to know each other,
- ❖ To facilitate knowledge and exposure of each team's role and work processes,
- ❖ Hone each teams' skills and knowledge of the PII Scheme,
- ❖ Ensure greater coordination and cooperation in the long term.

Highlights of the two-day Workshop include the Q&A sessions which generated very useful feedback and ideas, 'Understanding the PII Scheme' by our Scheme's Panel Solicitor, and Mr. Jonathan Miles' session. Mr. Miles provided participants with an underwriter's perception of PII Schemes – with a very positive commentary on the need for Schemes to begin focusing on forward looking risk

management initiatives as opposed to gauging Schemes based on the rear view mirror perspective via its claims history.

DAY ONE

The PII Committee Chairman, Mr. Ragunath Kesavan started off Day One with a 'getting to know each other' session for everyone present. He then provided a brief history of achievements and progress made in the past two (2) years with the appointment of JLT as broker.

Mr. Alex Low, CEO of JLT, in his session complimented the PII Committee for its focused efforts in improving the PII Scheme in the last three (3) years. He compared the evolution of our PI Scheme with that of other Schemes, e.g. Hong Kong, United Kingdom and Singapore, highlighting both the good and the bad. He then detailed the work in progress that is the Malaysian Bar PII Scheme, focusing on its problems and suggesting the myriad ways we could move forward.

The various stakeholders of the PII Scheme were introduced by Mr. Simon Chapman, JLT's Technical Advisor. Simon identified each stakeholder to the Scheme and summarily outlined their roles. All teams were also given an impromptu opportunity to elaborate on their roles, problems and plans for 2008.

Following a short tea break, participants then heard from Mr. Dennis Cheah, JLT's Compliance Officer. Mr. Cheah's to the point elucidation of the intricacies that occur behind the scenes of JLT's daily work and their zeal in ensuring efficiency provided participants a greater understanding of the broker's systems and processes in meeting the Malaysian Bar's needs.

“ PII Schemes need to begin focusing on forward looking risk management initiatives.. ”

- Mr. Jonathan Miles,
Swiss Re

The afternoon session of Day One began with a quick run through of the 2007 PII Scheme Master Policy, Certificate of Insurance, and Liability Policy by Mr. K Anantham, Skrine. Mr. Anantham's vast experience with the Malaysian Bar PII Scheme's history and terms proved a boon. Not only did he clearly summarise and explain the terms and conditions for all participants, he shared his thoughts on the Scheme's shortcomings and highlighted grey areas within the terms which he felt appropriate for the PII Committee to address. The session was very useful for both new and old staff as it served as (i) a refresher (ii) covered new ground in terms of knowledge and understanding of the Scheme's terms.

The last but one session of the day was led by Mr. C Balakrishnan, Manager of JLT e-Products. Mr. Bala gave a brief outline of the various systems that JLT had and how these systems are presently being fine-tuned to meet the Malaysian Bar PII Scheme's administrative and operational needs. He finished with JLT's vision of bringing together all these systems to provide all the requisite data required for the efficient running and development of the Scheme.

Day One ended with a fruitful Q&A session led by Mr. Ragunath wherein all participants were invited to share their thoughts on the day's sessions as well as voice out their problems be it in their work processes or when dealing with Malaysian Bar members.

DAY TWO

By Day Two, most participants had a better overview of the PII Scheme. We started with a one-hour session by Mr. Jonathan Miles; underwriter from Swiss Re. Mr. Miles presented 'Key Areas that Insurers Review in Underwriting the PII Scheme'. He further made a comparison between risk management and underwriting.

Following Mr. Miles' session, all participants were again invited to voice their problems and brainstorm

for solutions and follow-up action plans. Picking up from Day One's Q&A, this session allowed for a more in depth understanding of each stakeholder's roles and day-to-day problems. Amongst the matters discussed were the challenges faced by Echelon with claim files, dealing with member queries and streamlining work processes. The session proved useful as discussions were frank, which allowed for useful exchange of new ideas and means for resolving problems raised.

In concluding the session, Mr. Miles was of the opinion that to create awareness amongst members on the PII Scheme, there is a need to conduct induction classes regularly, e.g. every six (6) months and to create an e-learning model for members. And as a 'user friendly scheme', there should be clear guidelines for members on PII related matters. He also emphasised the need to establish a good complaints mechanism so as to provide better service to members. Mr. Ragunath agreed with these suggestions and requested that they be put into practice as soon as possible by JLT and the PII & RM Department.

Our last session was 'Neuro Linguistic Programming (NLP) - Improving Skills in Client-Servicing & Team Communication' by Mr. Roland Ong from Inspirit Solution. Mr.

Ong's session was an interactive one, involving all participants in different team building activities. Although the session was aimed at the serious business of enhancing team work and communication skills, Mr. Ong succeeded in making it both fun and educational.

Aptly titled 'Back to Basics', the PII Training Workshop was simply that: an introduction cum reinduction for all the stakeholders of the PII Scheme. In the two (2) days, participants were reintroduced to and reminded of the principles behind our PII Scheme, the work and challenges faced in the day-to-day running of the Scheme. The Workshop was an overall success, with all its objectives met and participants leaving with a common vision for the PII Scheme.

“ As a ‘user friendly scheme’, there should be clear guidelines for members on PII related matters ”

by Wong Li Chin, Risk Officer, PII Scheme

Continued from page 4

3 PRACTICE REVIEW/ FOLLOW UP REVIEW

A major milestone of this project involved a knowledge sharing exercise with Jardine Lloyd Thompson Sdn. Bhd.'s e-solutions subsidiary, JLT Interactive Pte Ltd based in Singapore. The idea of online audits was suggested as a means of extending Practice Reviews to more firms. The PII Committee was in agreement that this project would be more viable if made available online.

As such, the Practice Review 2007 was conducted concurrently with the implementation of an e-version of the Practice Review questionnaire. Visits to legal firms continued whilst the e-solutions team initiated work on incorporating the audit questionnaires onto a web-based platform. This year, the original number of firms to be visited was 30. However, due to staffing and logistic reasons, the PII & RM Department visited only 21 legal firms throughout Peninsular Malaysia. The PII & RM Department also visited four (4) firms for the Follow Up Review.

The outcome of the Practice Review was satisfactory whilst the information and results provided important details which can be used to formulate better risk management tools and provide statistics needed during PII negotiations and risk management planning.

The Follow Up Review was not well received, with most Practice Review firms from 2006, declining the PII & RM Department's offer to review their risk management efforts. However, the firms which accepted the invitation provided an encouraging response; most pro-actively took on and implemented the recommendations and advise of their 2006 Practice Review Report.

The PII & RM Department remains committed in continuing this project, as it is a pivotal platform to encourage legal firms to embrace risk management in their firms and initiate a change in approach from within these firms. We hope that with the online Review launched in the later part of 2008, more firms will view the project as a source of improving themselves and preventing potential claims.

4 ANNUAL SURVEY

This project is the PII & RM Department's monitoring and review aspect of our efforts todate. It allows the Department to obtain feedback and suggestions from lawyers and legal firms. Furthermore, the annual survey is the avenue for the PII & RM Department to gauge service levels and management of the PII Scheme in respect of the brokers, insurers and Third Party Administrator consultants.

‘ Ongoing RM projects prove that there is a **slow but sure realisation by lawyers** that risk management is needed in legal practice ,

CONCLUSION

The Malaysian Bar's Risk Management Programme is still in its infancy. However, its urgency and importance cannot be denied. The ongoing projects prove that there is a slow but sure realisation by lawyers that risk management is needed in legal

practice for a successful and claims free practice.

As such, 2008 will see a more concerted effort in creating greater acceptance and interest from lawyers. New projects will only be implemented on an ad-hoc basic. Existing platforms will be reviewed and improved to ensure that there will be continued sustenance of interest and change in the legal practice environment.

by Corrinne Wong, Risk Manager, PII Scheme

CALENDAR

of Events: 2007

January '07

9 Jan: *RMQ Dec '06*

17 Jan: **Bar Council CLE**
Ethics Lecture: RM Session

18 Jan: **Johor Bar CLE**
Ethics Lecture: RM Session

February '07

28 Feb: **Bar Council CLE**
Ethics Lecture: RM Session

March '07

2 Mar: **ISO 9001:2000 Certification Audit**
NOA External audit for PII & RM Department

26 Mar: **PII & RM**
PII 2007 & RM Briefing for Bar Council Secretariat Officers (Follow-up Session)

April '07

5 Apr: *RMQ Mar '07*

5 & 12 Apr: **RM Training @ KL Legal Firms:**
Risk Management for Practitioners

14 Apr: **Penang Bar CLE**
Ethics Lecture: RM Session

20 Apr: **Broker Tender 2008**
Open Tender for Broker Services for the MBC's PII Scheme 2008 Begins (Advertised in NST)

18 & 25 Apr: **RM-JLT Interactive**
RM iRIS Meeting

30 Apr: **RM Brochure**
Reinventing Your File Transfer System

30 Apr: **Broker Tender 2008**
Deadline to participate in Broker Tender

May '07

4 May: **PII Committee Meeting**

RM Training @ State Bars:
Risk Management for Practitioners

4 May : **KL Bar**

18 May : **Malacca Bar**

24 May : **Kedah/Perlis Bar**

25 May : **Penang Bar**

5 May: **RM Training @ Legal Firm**
Risk Management for Practitioners

9 May: **Bar Council CLE**
Ethics Lecture: RM Session

10 & 28 May: **RM-JLT Interactive**
RM iRIS Meeting

15 May: **Broker Tender 2008**
Deadline for Submission of Broker Tender Proposal

June '07

1 Jun: **PII Committee Meeting**

5 - 8 Jun: **LawAsia**
20th Biennial LawAsia Conference, Hong Kong

11 Jun: *RMQ Jun '07*

16 Jun: **RM Training @ Legal Firm**
Risk Management for Practitioners

26 Jun: **Follow-up Review 2007** (KL)

29 Jun: **RM - JLT Interactive**
RM iRIS Meeting

July '07

6 Jul: **PII Committee Meeting**

11 Jul: **Bar Council CLE**
Professional Standards Course

18 Jul: **Johor Bar CLE**
Professional Standards Course

19 Jul: **RM**
Legal Practice Review 2007 (Johor)

19 Jul: **RM Training @ Johor Bar**
Risk Management for Practitioners

20 Jul: **RM - JLT Interactive**
RM iRIS Meeting/Training

24 - 25 Jul ; 30 - 31 Jul:
Legal Practice Review 2007 (KL)

August '07

1 Aug: **RM**
Legal Practice Review 2007 (KL)

2 Aug: **RM - JLT Interactive**
RM iRIS Meeting

3 Aug: **PII Committee Meeting**

8 - 10 Aug: **RM**
Legal Practice Review & Follow-up Review 2007 (Seremban, Melaka & Kluang)

14 Aug: **PII & RM**
Survey 2007 Begins

15 Aug: **Bar Council CLE**
Professional Standards Course

17 Aug: **Getting Started!**
Workshop for lawyers setting up practice.

22 - 23 Aug: **RM**
Legal Practice Review 2007 (Penang)

24 & 30 Aug: **PII**
PII Committee Meeting

26 Aug: **RM**
RM Training @ Kelantan Bar

September '07

5 Sep: **Bar Council CLE**
Professional Standards Course

10 Sep: **PII Proposal Form 2008**
By Post/ Available online @
myPII.com.my

12 Sep: *RMQ Sep '07*

10 - 12 ; 18 - 20 ; 25 Sep:
Legal Practice Review 2007 (KL)

13 - 14 Sep: **JLT/PII Workshop**

17 Sep: **RM - JLT Interactive**
RM iRIS Meeting/Training

21 Sep: **Self Insured Fund Broker Presentation**

October '07

3 Oct: **Bar Council CLE**
Professional Standards Course

18 Oct: **RM - JLT Interactive & JLT Risk Solutions**
iRIS Meeting/ RM Planning

24 & 25 Oct: **RM - JLT Interactive**
RM iRIS Meeting/Training

29 - 31 Oct: **14th MLC**
50 Years of Independence

November '07

16 Nov: **PII Committee Meeting**

21 Nov: **Bar Council CLE**
Professional Standards Course

30 Nov: **PII & RM**
Survey 2007 Ends

December '07

12 Dec: **Bar Council CLE**
Professional Standards Course

14 Dec: **Penang Bar CLE**
Professional Standards Course

17 Dec: **Getting Started!**
Workshop for lawyers setting up practice.

17 Dec: **Practice Management Guides**
RM 2008 Calendar

Newsletter: RMQ Dec '07

We are on the web!
www.myPII.com.my

What's New?

A New Name

We've rebranded the RMQ. We're now called Jurisk!

Risk Management Calendar 2008

With the positive feedback received on the Risk Management Calendar 2007, the PII & RM Department was spurred on to continue with this project in 2008. Keeping in mind all your ideas and suggestions, we have produced a wall calendar for 2008!

This multihued 12-page wall calendar comes packed with professional indemnity insurance (PII) and risk management nuggets, all adapted from the Risk Management Quarterly series for your easy month-to-month reference.

A copy is currently on its way to all members of the Malaysian Bar. If you don't receive yours by end December 2007 or would simply like an extra copy, simply write us or give us a call!

Practice Alert 2/2007: Malaysian Deposit Insurance Corporation

Did you know that your bank accounts (be they your client accounts or office accounts) are protected by insurance? All you need to do is update and furnish information on where your bank accounts are!

- ◆ You can download the full Practice Alert online at the Malaysian Bar website. Simply go to the *Resource Centre* and look up **Bar Council Circular 255/2007**.
- ◆ Practice Alerts are also available @ www.myPII.com.my

Want to Contribute?

The Jurisk! Team is looking for writers!

For 2008, we would like *you*, members of the Bar, to be a part of the Jurisk! team. We'd like to hear your thoughts and share your take on risk management, practice management and liability insurance with everyone.

**Interested? Contact LiChin @ 03 2032 4511/
lcwong@malaysianbar.org.my**

Disclaimer:

In compiling the information contained in this newsletter, the Malaysian Bar Council and Jardine Lloyd Thompson Sdn Bhd have used their best endeavours to ensure that the information is correct and current at the time of publication. We do not accept any responsibility for any error, omission or deficiency.

Material in the newsletter is intended to provide general information and should not be considered a substitute for the applicable PII Master Policy and Certificate of Insurance together with its Schedule. We strongly advise that you refer to the applicable Master Policy and Certificate for the full terms and conditions.

For more details and information, please contact PII & RM Department.

We are always looking at ways to improve this newsletter and work towards ensuring that any areas of interest which concerns Risk Management will be highlighted in this newsletter. We would like to hear from you on matters relating to this newsletter and the PII Scheme.



By learning you will teach; by teaching you will learn

Latin Proverb



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