
42. Limited Liability Partnerships (Top-up Insurance) Rules

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PART 1

PRELIMINARY

1. Commencement

These Rules come into operation on 1 March 2016.

2. Interpretation

In these Rules –

limited liability partnership (有限法律責任合夥) has the meaning given by section 7AB of the Ordinance.

PART 2

TOP-UP INSURANCE UNDER SECTION 7AD OF ORDINANCE

3. From whom top-up insurance should be obtained – requirements under section 7AD(2)(b) and (4)(b) of Ordinance

- (1) A policy of insurance required to be maintained under section 7AD(2) or (4) of the Ordinance must be written by –
 - (a) a company authorized under section 8 of the Insurance Companies Ordinance (Cap. 41) to carry on, in or from Hong Kong, insurance business of the nature specified in class 13 in Part 3 of the First Schedule to that Ordinance;
 - (b) Lloyd's; or
 - (c) an association of underwriters approved by the Insurance Authority.

- (2) In subrule (1) –

company (公司) has the meaning given by section 2(1) of the Insurance Companies Ordinance (Cap. 41);

Insurance Authority (保險業監督) has the meaning given by section 2(1) of the Insurance Companies Ordinance (Cap. 41);

Lloyd's (勞合社) has the meaning given by section 2(1) of the Insurance Companies Ordinance (Cap. 41).

4. Scope of top-up insurance – requirements under section 7AD(2)(b) and (4)(b) of Ordinance

- (1) For a limited liability partnership that is a Hong Kong firm, the policy of insurance required to be maintained under section 7AD(2) of the Ordinance must provide indemnity in respect of any description of civil liability whatsoever incurred in connection with the Practice of the firm, in a manner and to the extent similar to the indemnity provided to a solicitor under the fund established under rule 3 of the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg. M).
- (2) For a limited liability partnership that is a foreign firm, the policy of insurance required to be maintained under section 7AD(4) of the Ordinance must provide indemnity in respect of services rendered by the firm, in a manner and to the extent similar to the indemnity provided to a foreign lawyer under section 6 of the Foreign Lawyers Registration Rules (Cap. 159 sub. leg. S).

- (3) In subrule (1) –

Practice (執業業務) has the meaning given by rule 2 of the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg. M).

5. Proof of firm's compliance with section 7AD of Ordinance

- (1) A principal in a firm that is a limited liability partnership must provide to the Society, in accordance with subrule (2), evidence required by the Society to show the firm's compliance with section 7AD of the Ordinance.

- (2) The evidence –

- (a) must be provided –

- (i) in the form and manner specified by the Society; and
(ii) within the specified period; and

- (b) may be provided by one principal on behalf of all the other principals.

- (3) In this rule –

principal (主管) –

- (a) in relation to a Hong Kong firm, has the meaning given by rule 1A of the Solicitors' Practice Rules (Cap. 159 sub. leg. H); and
(b) in relation to a foreign firm, has the meaning given by section 1 of the Foreign Lawyers Practice Rules (Cap. 159 sub. leg. R);

specified period (指明期間) means –

- (a) in relation to a Hong Kong firm, the 14-day period mentioned in rule 5(1B) of the Solicitors' Practice Rules (Cap. 159 sub. leg. H); and
(b) in relation to a foreign firm, the 14-day period mentioned in section 9(1B) of the Foreign Lawyers Practice Rules (Cap. 159 sub. leg. R).