



THE
LAW SOCIETY
OF HONG KONG
香港律師會

MANDATORY
RISK MANAGEMENT EDUCATION PROGRAMME
INFORMATION PACKAGE

July 2005

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INTRODUCTION

The Risk Management Education (“RME”) Programme is a mandatory programme developed for all solicitors, trainee solicitors and registered foreign lawyers in Hong Kong solicitors’ firms pursuant to the Legal Practitioners (Risk Management Education) Rules (Cap 159, sub.leg.).

The RME Programme is aimed at:

- (a) raising the awareness of risk issues within law firms;
- (b) promoting good risk management of legal practice;
- (c) teaching the importance of managing operational risk within law firms and the specific processes and procedures for sound risk management;
- (d) enhancing the level of professional competency in firms with the intention of reducing errors and omissions in practice;
- (e) improving the quality of legal services provided to clients benefiting both the public and the legal profession as a whole.

The RME Programme will first apply to the Hong Kong solicitors who are principals of law firms. While the Programme will provide the participants with the tools and techniques to implement effective processes and systems to manage the key operational risks facing them on a daily basis, the success of the Programme depends on the willingness of the participants to fully engage in the process and to make the necessary changes in their firms.

The Society urges all participants to make full use of what they learn from the Programme and to actively apply the skills to achieve sustainable improvements in the quality of their legal services to clients.

This Information Package contains all relevant information on the RME Programme including the application and requirement of the governing rules and the structure of the Programme. Those who are required to undertake the RME Programme should acquaint themselves with the information in this Package to ensure that they fulfill their relevant statutory obligations.

MANDATORY RISK MANAGEMENT EDUCATION REQUIREMENTS

1. **Practitioners required to undertake the mandatory risk management education programme**
 - (a) The Legal Practitioners (Risk Management Education) Rules (“Rules”) shall apply, in different phases, to:
 - (i) solicitors practising as such in Hong Kong firms;
 - (ii) trainee solicitors; and
 - (iii) registered foreign lawyers practising as such in Hong Kong firms.
 - (b) The first phase applies to a solicitor:
 - (i) who was admitted as a solicitor of Hong Kong on or after 15 September 1990; and
 - (ii) who is a principal at any time within the period 14 March 2003 to 31 December 2005 for 100 days or more.
 - (c) For the purposes of the Rules, a “principal” means:
 - (i) a solicitor who is carrying on a business of practising as such in his own name in Hong Kong;
 - (ii) a solicitor who is practising as the sole practitioner or a partner of a Hong Kong firm; or
 - (iii) any other solicitor who is held out or holds himself out to be a person referred to in paragraph (i) or (ii).
 - (d) In cases where a solicitor has been admitted as a Hong Kong solicitor “more than once” (for instance, where a solicitor removed himself from the roll of solicitors to become a barrister and subsequently rejoined the profession by gaining admission as a solicitor after having disbarred himself), the date of admission for the purposes of the application of the Rules shall be the date of first admission as a solicitor of Hong Kong.

2. The risk management education (“RME”) requirements

- (a) A person to whom the Rules apply shall be required to complete a core programme before the expiry of the practice year in which the Rules first apply to him. In the succeeding practice year, he will be required to attend at least 3 hours of elective courses or failing which, attend at least 6 hours of elective courses within the first and second succeeding practice years.
- (b) The core programme shall consist of core courses designed specifically for principals (referred to as “principal’s core courses”) and non-principal solicitors, trainee solicitors and foreign lawyers (referred to as “general core courses”).
- (c) A principal who comes within the ambit of the first phase shall be required to complete all principal’s core courses before 31 December 2005 and thereafter, to attend at least 3 hours of elective courses within each subsequent practice year or failing which, at least 6 hours of elective courses within the two succeeding practice years.
- (d) A principal who has completed the principal’s core courses shall not be required to complete the general core courses even if he changes position from principal to non-principal and would have been required to complete the general core course under the Rules as a non-principal solicitor.
- (e) Except for the first practice year of the principals coming within the first phase, which ends on 31 December 2005, and the succeeding practice year which commences on 1 January 2006 and expires on 31 October 2006, a practice year for the purposes of the RME Rules (“RME practice year”) means a period of 12 months ending on 31 October each year.

3. Exemption from the RME requirements

A person to whom the Rules apply shall not be required to complete the RME requirements in an exempted practice year. An “exempted practice year” is a practice year in which:

- (a) the total period for which the Rules apply to him consists of less than 100 days; or
- (b) he has been —
 - (i) out of Hong Kong; or
 - (ii) absent from work due to illness,

for a continuous period which constitutes 75% or more of the total period for which the Rules apply to him.

There are circumstances where a practitioner, who is stationed overseas, returns to Hong Kong for a brief period for matters which may be related to his legal practice (for instance, to complete a transaction) or not (for example, for social gathering or family reunion).

Such visits to Hong Kong will not be taken to have broken the continuity in rule 8 of the Rules provided that the aggregate period of his absence from Hong Kong constitutes 75% or more of the total period for which the Rules apply to him.

Transitional arrangement

For the purposes of determining whether the first practice year is an “exempted practice year” for a practitioner under the Rules, the period during which the RME Programme is available, namely from 1 November 2004 to 1 February 2005 and then from 28 April 2005 to 31 December 2005 totaling 341 days, will be used as the basis for calculating the period for which the Rules apply to those principals in rule 8 of the Rules.

4. Continuing professional development accreditation

Solicitors who are subject to the Rules and are required to complete the RME obligations within the practice year will be given priority in the registration of the RME courses.

The RME courses are accredited with Continuing Professional Development (“CPD”) points in accordance with the CPD Guidelines applicable from time to time.

The core programme for principals is accredited with CPD points in excess of the annual CPD requirement of 15 points.

Under the CPD policy, practitioners are normally permitted to carry over a maximum of 5 CPD points accumulated in excess of the requirement in one CPD practice year to the next immediately succeeding practice year only.

As an exception to the CPD policy, for the CPD practice years of 2004/05 and 2005/06, a practitioner who has undertaken the mandatory RME Programme for principals (conducted pursuant to the Legal Practitioners (Risk Management Education) Rules) will be permitted to carry over a maximum of **15 CPD points** accumulated in excess of the requirement in one CPD practice year to the next immediately succeeding CPD practice year.

Accordingly, if a practitioner has attended other CPD activities in addition to the mandatory RME core programme for principals in one CPD practice year (namely, in 2004/05 or 2005/06 CPD practice year), he is permitted to carry over all his CPD points obtained during the CPD practice year, up to a maximum of 15 CPD points, to next immediately succeeding CPD practice year.

Transitional provision

For a practitioner whose first practice year ends on 31 December 2005, the CPD points accredited to the mandatory core programme that he attends during his first practice year shall be applied to satisfy his CPD obligation for the CPD practice year in which the programme is held.

By way of illustration, if a practitioner attends Modules 2 and 3 of the core programme respectively in October and November 2005, the CPD points accredited to Modules 2 and 3 will be applied separately to satisfy his CPD obligations in the 2004/05 and 2005/06 CPD practice years respectively.

5. Attendance policy

A solicitor is deemed to have attended all principal's core courses to the satisfaction of the Society in compliance with the RME Rules if

- (a) he has attended all of the RME courses he is required to complete under the RME Rules; and
- (b) for each of those RME courses, he is awarded not less than 70%* of the CPD points accredited to the course, in accordance with the CPD attendance policy applicable from time to time.

[* If 70% of the CPD points is not a whole number, units less than 0.5 points will be rounded down to the nearest half point and units of 0.5 points or more will be rounded up to the nearest half point.]

6. Attendance record

- (a) A person to whom the Rules apply shall keep and retain a record of his attendance at any RME course in his Mandatory CPD Training Record.
- (b) At the request of the Society, he shall:
 - (i) produce to the Society the record showing his attendances at the RME courses;

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- (ii) furnish the Society with such information relating to his attendance at any RME course within such time and in such manner as may be specified by it; and
- (iii) attend before the Council and furnish the Council with such additional information relating to his attendance at any RME course as the Council considers necessary.

Transitional provision

In relation to a principal whose first practice year ends on 31 December 2005, he shall keep and retain a record of his attendance at any RME course in his Mandatory CPD Training Record for the CPD practice year in which the RME course is held.

7. Monitoring compliance with RME requirements

- (a) A solicitor shall be required to complete a statement of compliance with the RME requirements for the preceding practice year when he applies for renewal of his practising certificate.
- (b) An incorrect or false statement may constitute misconduct and lead to disciplinary actions.

Transitional provision

In relation to the first practice year of the principals coming within the first phase, which ends on 31 December 2005, a solicitor will be required at the time of applying for renewal of his practising certificate (expected to be in November 2005),

- (i) to complete a statement of compliance that he has complied with the RME requirements for the practice year ending 31 December 2005; or
- (ii) to give an undertaking that he will comply with the RME requirements by the end of first practice year, i.e. 31 December 2005.

8. Failure to comply with RME requirements

The Council has the power under section 6 of the Legal Practitioners Ordinance to refuse to issue a practising certificate to an applicant who has not complied with the RME Rules, or to suspend or cancel the practising certificate of a solicitor who has not done so.

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The Council policy in the event of failure to comply with the RME requirements ascertained during:

General Audit:

In the absence of acceptable mitigating factors, solicitors who did not complete the necessary RME requirements for the preceding RME practice year shall, unless the outstanding requirement was subsequently acquired be subject to suspension or cancellation of their current practising certificates.

Practising Certificate Applications:

- (a) In the absence of acceptable mitigating factors, the Council shall refuse to issue a practising certificate to a solicitor who fails to complete the necessary RME requirements by 15 December pursuant to its powers under section 6 (5)(d) of the Legal Practitioners Ordinance.
- (b) Applications for renewal of practising certificates by solicitors who had not completed the necessary RME requirements by 31 October, but did complete the necessary RME requirements by 15 December, will be processed in the usual way.
- (c) Failure by a solicitor to complete the necessary RME requirements by the end of the RME practice year will be referred to the Conduct Section for investigation.

Transitional provision

In relation to a principal whose first practice year ends on 31 December 2005, his failure to comply with the necessary RME requirements by the end of the first practice year, i.e. 31 December 2005, will be referred to the Conduct Section for investigation.

Breaches of the RME requirements

Breaches of the RME requirements are regarded by the Council as professional misconduct. Mitigating factors will be taken into account in assessing individual cases. Serious cases will be referred to a Disciplinary Tribunal. Sanctions by the Tribunal may involve the imposition of a fine, censure, suspension or striking off of solicitors, and cancellation or suspension of a trainee solicitor contract.

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9. Review

- (a) Any person aggrieved by a decision made by the Society in respect of RME may apply in writing for a review of the decision within one month after he is informed of the decision.
- (b) The application should be addressed to the Department of Standards and Development.

INFORMATION AND PROCEDURE FOR ACCREDITATION OF RME CORE PROGRAMMES FOR PRINCIPALS

Under the Legal Practitioners (Risk Management Education) Rules (“Rules”), the Society may conduct any programme on risk management or, subject to such conditions as it considers necessary, approve any programme on risk management conducted by another person or organisation for the purpose of the RME programme.

The first phase of the Rules applies to principals who are required to complete a core programme during their first RME practice year. To enable the principals to fulfill their obligations under the Rules, apart from providing an RME Core Programme for Principals, the Society also permits law firms to conduct in-house RME programmes for their principals for the purpose of fulfilling the principals’ statutory obligations under the Rules provided that the programmes have been approved by the Society in accordance with the applicable accreditation criteria.

Criteria for accreditation of an RME core programme for principals

1. Syllabus

The RME core programme for principals must provide delegates with the opportunity to expand their understanding of the following areas:

- (a) introduction to general principles of risk management and risk analysis;
- (b) procedures and techniques employed in client engagement (including setting up, varying and closing the engagement);
- (c) exclusion of liability;
- (d) common risks in legal practice;
- (e) management of client expectations;
- (f) identification and handling of complaints;
- (g) subsequent implementation of strategies to avoid repercussion;
- (h) techniques involved in effective communication skills with clients, in particular, listening skills and questioning techniques to elicit information and use of plain language;

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- (i) effective internal communication skills within a team framework, including professional / and non-professional staff;
- (j) concept of claims avoidance;
- (k) procedures and techniques employed in legal diagnostic case analysis;
- (l) diagnostic approach to work allocation, delegation of work and supervision of staff;
- (m) procedures and techniques employed in risk management of operational issues including file transfers, giving informal advice and managing non-legal appointments;
- (n) the management of conflicts of interest;
- (o) creation and implementation of a risk management strategy;
- (p) risk monitoring throughout the retainer – identifying problems, files, use of information technology, issues relating to delegation / supervision / monitoring of work and staff;
- (q) concept of quality and how it applies to law firms;
- (r) file audits;
- (s) creating a risk manual;
- (t) concept of change and the need to deal with change within the context of risk management strategy.

2. Depth

The topics to be covered in the RME core programme for principals must be of sufficient depth to enable the participants to achieve the following learning outcomes:

- (a) be aware of the benefits and effectiveness of setting up procedures for client engagement;
- (b) develop a strategy for formulation of such a client engagement procedure and be able to demonstrate an understanding of its effective implementation;
- (c) identify and evaluate mistakes in client engagement; devise a strategy and

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- procedure for handling client complaints and subsequently avoid repercussion by effective implementation of the procedures identified;
- (d) be aware of the impact of using listening and questioning techniques to enable effective communication;
 - (e) demonstrate an understanding of when those communication techniques can be employed;
 - (f) demonstrate an understanding of the impact of an effective claims avoidance strategy on a Hong Kong law firm;
 - (g) be aware of the effectiveness of methods of legal diagnostics and project management in the efficient formulation of strategy in contentious and non-contentious legal work in reducing risk;
 - (h) demonstrate an ability to evaluate likely risks and their avoidance in all aspects of file transfers;
 - (i) develop a strategy for implementation of structures for the identification, evaluation and consequential management of conflicts of interests;
 - (j) differentiate between the communication of relevant and irrelevant information within a team context;
 - (k) appraise the merits of the implementation of a structure and strategy to manage key operational risk factors in Hong Kong law firms;
 - (l) plan and implement a structure to manage risk effectively in a Hong Kong law firm;
 - (m) demonstrate an understanding of change management and its links with the implementation of a risk management strategy.

3. Format and duration

The RME Core Programme for Principals provided by the Society adopts an interactive approach combining presentations, discussions and work group based activities. The intention is to provide a practical programme underpinned by the relevant theory, thus ensuring a balance of knowledge and understanding together with the practical skills necessary to apply the learning back to the work environment. To enable the participants to have sufficient opportunity to express their views during discussion, the trainers to participants' ratio is kept at a maximum of 1:9 in the Society's Core Programme.

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In-house core programmes for principals are encouraged to adopt a similar interactive approach to enable participants to actively apply the learning in a safe environment rather than to passively receive a series of lecture notes or manuals. Sufficient time must be allowed for the programme to enable participants to derive maximum educational benefit from it.

As a starting point, the duration of an RME core programme for principals covering the topics and aiming to achieve the learning outcomes set out in the accreditation criteria is expected to be 6 half days of 3½ hours each. Any programme that is designed to run on a shorter duration needs to demonstrate to the satisfaction of the Society that the core topics can be sufficiently covered in the duration proposed without compromising the learning outcomes, taking into consideration the firm's risk management system in place and the particular concerns of the firm with regard to risk management.

4. **Trainer**

Subject to the approval of the Society, a law firm may engage trainers of its choice on the RME core programme for principals. The training team should collectively have sufficient legal experience in risk management issues that arise in law firms in Hong Kong and sufficient training experience in risk management areas.

5. **Prescribed fee**

A fee, at the rate prescribed by the Council from time to time, will be charged on an application for accreditation of an RME programme. The fee currently prescribed by the Council is HK\$5,000 for each application.

6. **Application**

A separate application for accreditation of each RME programme must be made by the provider of the programme to the RME Accreditation Sub-Committee. The application must be made on the Society's standard form and sent to the Standards and Development Officer, the Department of Standards and Development, at least **6 weeks** before the scheduled commencement date of the programme. If the application is incomplete, accreditation may take longer than 6 weeks from the date of submission of the application.

All changes to the information submitted to the Society in relation to an application shall be notified to the Society as soon as the changes are made and in any event prior to the commencement of the programme. The Society has the right to withdraw accreditation on the basis of the changes made to the programme.

7. No retrospective accreditation

It is not possible to accredit a programme after any part of it has taken place.

8. Documents and information required on application for accreditation

- a) a **detailed outline** of what will be covered in the programme and by whom
- b) a **programme** showing the sequence of trainers, the method of teaching, eg. lecture, participatory case study, role-play, discussion, question and answer, and the amount of time which each person will spend on each area
- c) an outline of the **programme materials** which will be provided to participants
- d) a brief up-to-date **resume** of each trainer's professional qualifications, legal background and any teaching experience and relevant experience in risk management issues, if any.

9. Administrative matters

- (a) To apply for accreditation of a course as an RME core programme for principals, the provider is required to:
 - (i) submit the application form (**Appendix IV**) and supporting documents to the RME Accreditation Sub-Committee for accreditation of the RME programme; and
 - (ii) pay a fee for the applications for RME programme accreditation.
- (b) An accredited RME programme will be accredited with CPD points. The provider must comply with the CPD requirements.

All providers should note the CPD attendance policy.

All computerised attendance records generated from a computerised scanning system in respect of an accredited programme must be forwarded to the Standards and Development Officer, the Department of Standards and Development, within **7 days** of the completion of each module of the programme in order for the participants to gain their points.

- (c) All accredited RME programmes must be evaluated by the participants attending the programme in a manner approved by the Society.

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- (d) All providers shall promptly submit a full set of the programme materials to the Society upon request at any time after the application for accreditation has been submitted or within a reasonable period after the programme is held.

A summary of the evaluation forms must be forwarded to the Standards and Development Officer, the Department of Standards and Development, within 7 days of the completion of each module of the programme.

10. Monitoring by the Society

All providers shall permit any person nominated by the Society to attend any RME programme free of charge, for the purposes of monitoring and evaluating the RME programme.

FREQUENTLY ASKED QUESTIONS

Application

1. A solicitor was admitted in 1984. He has been a partner of a law firm in Hong Kong since 1998. Is he required to complete the principal's core courses before 31 December 2005?

No, only principals admitted on or after 15 September 1990 fall within the first phase of the RME Rules.

2. A solicitor was admitted in 1993. He had been a principal of a law firm in Hong Kong from 1 January 2001 to 30 April 2003. He then changed employment and worked as an assistant solicitor in another law firm from June 2003 to present (April 2005). Is he required to complete the principal's core courses before 31 December 2005?

He falls within the first phase because he was admitted on or after 15 September 1990.

If he becomes a principal and practises as such for 100 days or more during the period 1 November 2004 to 1 February 2005 and 28 April 2005 to 31 December 2005, then he is required to complete the principal's core courses before 31 December 2005.

3. A solicitor was admitted in 1996. He is a partner of a law firm in Hong Kong since June 2002 and at the same time a consultant of another law firm since March 2003. Is he required to complete the principal's core courses before 31 December 2005?

Yes, the fact that the solicitor is at the same time a consultant of another firm does not exempt him from completing the principal's core courses. On the basis that he was admitted on or after 15 September 1990 and has been a principal of a law firm for more than 100 days during the period that the Rules first apply to him, he is required to complete the principal's core courses before 31 December 2005.

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4. A solicitor, who was admitted in 1992 and has been a partner of a law firm in Hong Kong since 1999, is on maternity leave for 4 months from 1 January 2005 to 30 April 2005. Can she apply for suspension from the RME requirements?

The solicitor falls within the first phase on the basis that she was admitted on or after 15 September 1990 and that she has been a partner for more than 100 days between the period 14 March 2003 to 31 October 2005. She is therefore required to complete the principal's core courses before 31 December 2005.

There is no suspension provision in the RME Rules. The only circumstances in which the requirements will be exempted are set out in rule 8 of the RME Rules. Being on maternity leave for 4 months does not fall within any of the exemption provisions.

Structure of the principal's core courses

5. What is the duration of the principal's core courses?

The principal's core courses comprise 6 half-day modules. Each half-day module lasts for about 3½ hours.

6. Do the core modules have to be taken in a specific sequence or with a specific time gap?

Each module will provide a series of seminars and workshops. A case study will be used throughout. The subject matter of each module will address a different aspect of the case study, as well as considering the relevance and impact of earlier modules. It is therefore recommended that the modules be taken in sequence with a gap of not longer than two months between each module.

Attendance

7. A solicitor required to complete the RME requirements missed part of the last module of the courses. Is he required to take the module again?

A solicitor is deemed to have attended all principal's core courses to the satisfaction of the Society in compliance with the RME Rules if

- (a) *he has attended all of the RME courses he is required to complete under the RME Rules; and*

- (b) *for each of those RME courses, he is awarded not less than 70% of the CPD points accredited to the course, in accordance with the CPD attendance policy applicable from time to time.*

Accordingly, whether the solicitor has to take the module again depends on the CPD points awarded to him for his partial attendance at the module. If it is not less than 70% of the CPD points accredited to the module, he does not have to take the module again.

8. A partner completed the RME Programme in June 2005 and obtained a total of 24 CPD points. In addition, he accumulated 15 CPD points by attendance of a law course (not part of the RME Programme) during the CPD practice year 2004/05. How many CPD points can he carry forward to the next CPD practice year?

The partner obtained a total of 39 points for the CPD practice year 2004/05. Assuming that the partner's CPD requirement for the CPD practice year 2004/05 is 15 CPD points, after utilising 15 CPD points out of the 39 points to satisfy his CPD requirement for 2004/05, he can carry forward a maximum of 15 CPD points (out of the balance of 24 CPD points) to the next CPD practice year of 2005/06.

Recognition of other risk management courses

9. A solicitor has attended a risk management course organised by a commercial provider and accredited with CPD points. Can he be exempted from the RME requirements?

Those to whom the RME Rules apply must attend the mandatory RME courses approved by the Society. There will be no exemption from the RME requirements other than under the circumstances specified under rule 8 of the RME Rules. Accordingly, a solicitor who has attended a risk management course other than the mandatory courses approved by the Society will not be exempted from the RME requirements.

APPENDICES

**LEGAL PRACTITIONERS
(RISK MANAGEMENT EDUCATION) RULES**

ARRANGEMENT OF SECTIONS

Section

1. Commencement
2. Interpretation
3. Application
4. Risk Management Education Programme
5. Attendance requirement in respect of general core course
6. Attendance requirement in respect of principal's core course
7. Attendance requirement in respect of elective course
8. Exempted practice year
9. Record of attendance
10. Review

Related Amendment

11. Section added
 - 6A. Compliance with Legal Practitioners (Risk Management Education) Rules
12. Transitional

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Legal Practitioners (Risk Management Education) Rules

1. Commencement

- (1) These Rules (other than section 11) shall come into operation on 14 March 2003.
- (2) Section 11 shall come into operation on a day to be appointed by the President of The Law Society of Hong Kong by notice published in the Gazette.

2. Interpretation

- (1) In these Rules, unless the context otherwise requires —

“elective course” (選修課程) means an RME course specified as such under section 4(3)(c)(iii);

“exempted practice year” (獲豁免執業年度) has the meaning assigned to it in section 8(1);

“first practice year” (首個執業年度), in relation to a person to whom these Rules apply, means the practice year in which these Rules first apply to him;

“foreign lawyer” (外地律師) means a person registered as a foreign lawyer under Part IIIA of the Ordinance and is practising as such in a Hong Kong firm;

“general core course” (一般必修課程) means an RME course specified as such under section 4(3)(c)(i);

“practice year” (執業年度) means the period of 12 months ending on 31 October each year;

“principal” (主管) means —

- (a) a solicitor who is carrying on a business of practising as such in his own name in Hong Kong;
- (b) a solicitor who is practising as the sole practitioner or a partner of a Hong Kong firm; or
- (c) any other solicitor who is held out or holds himself out to be a person referred to in paragraph (a) or (b);

“principal’s core course” (主管必修課程) means an RME course specified as such under section 4(3)(c)(ii);

“Programme” (計劃) means the Risk Management Education Programme described in section 4(1) and (2);

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Legal Practitioners (Risk Management Education) Rules

“risk management” (風險管理) means any action or plan of action the objective of which is to minimize the risk of a person’s exposure to claims against him in the course of his professional practice and to reduce the extent of loss which may arise from such claims;

“RME course” (風險管理課程) means any workshop, lecture, seminar, course or any other programme of instruction conducted —

- (a) under section 4(3)(a);
- (b) with an authorization given under section 4(3)(b)(i); or
- (c) with an approval given under section 4(3)(b)(ii);

“solicitor” (律師) means a person who is qualified to practise as a solicitor under section 7 of the Ordinance and is carrying on the business of practising as such in his own name in Hong Kong or practising as such in a Hong Kong firm;

“trainee solicitor” (實習律師) has the meaning assigned to it in rule 2 of the Trainee Solicitors Rules (Cap. 159 sub. leg.).

- (2) In sections 5, 6 and 7, a requirement to attend any RME course shall be construed as a requirement to attend the RME course to the satisfaction of the Society.

3. Application

These Rules apply to any solicitor, trainee solicitor and foreign lawyer.

4. Risk Management Education Programme

- (1) The Society shall implement a programme of training on risk management known as the Risk Management Education Programme.
- (2) The Programme shall consist of general core courses, principal’s core courses and elective courses.
- (3) The Society may, for the purposes of the Programme —
 - (a) conduct any course on risk management;
 - (b) subject to such conditions as it considers necessary —
 - (i) authorize another person or organization to conduct any course on risk management; or

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Legal Practitioners (Risk Management Education) Rules

- (ii) approve any course on risk management conducted by another person or organization;
- (c) specify any RME course to be —
 - (i) a general core course;
 - (ii) a principal's core course; or
 - (iii) an elective course;
- (d) provide guidelines from time to time as to the implementation of the Programme and compliance with these Rules, including guidelines setting out matters it proposes to have regard to in determining whether a person has attended an RME course to the satisfaction of the Society.

5. Attendance requirement in respect of general core course

- (1) A person who becomes a solicitor, a trainee solicitor or a foreign lawyer shall, within the practice year specified in subsection (2), attend all general core courses.
- (2) The practice year specified for the purposes of subsection (1) is —
 - (a) the first practice year of the solicitor, trainee solicitor or foreign lawyer; or
 - (b) if the practice year referred to in paragraph (a) is an exempted practice year, the first succeeding practice year which is not an exempted practice year.
- (3) Subsection (1) does not apply to any person who, during the practice year within which he would otherwise be required under that subsection to attend all general core courses, is also required under section 6 to attend all principal's core courses.
- (4) Subsection (1) does not apply to any person who has previously attended all general core courses or all principal's core courses.

6. Attendance requirement in respect of principal's core course

- (1) A solicitor who becomes a principal shall, within the practice year specified in subsection (2), attend all principal's core courses.
- (2) The practice year specified for the purposes of subsection (1) is —
 - (a) the principal's first practice year;

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- (b) the practice year in which he first becomes a principal; or
- (c) if the practice year referred to in paragraph (a) or (b) is —
 - (i) an exempted practice year; or
 - (ii) a practice year during which he is a principal for less than 100 days,

the first succeeding practice year which is not an exempted practice year and during which he is a principal for 100 days or more.

7. Attendance requirement in respect of elective course

- (1) A person to whom these Rules apply shall, within each practice year other than a practice year specified in subsection (3), attend at least 3 hours of elective courses.
- (2) Where a solicitor or a foreign lawyer fails to comply with subsection (1) in any practice year, he shall, within that practice year and the first succeeding practice year which is not a practice year specified in subsection (3), attend at least 6 hours of elective courses.
- (3) The practice year specified for the purposes of subsections (1) and (2) is —
 - (a) an exempted practice year. or
 - (b) a practice year within which the person concerned is required under these Rules to attend all general core courses or all principal's core courses.

8. Exempted practice year

- (1) For the purposes of these Rules, an exempted practice year, in relation to any person to whom these Rules apply, is any practice year in which —
 - (a) the total period for which these Rules apply to him consists of less than 100 days; or
 - (b) he has been —
 - (i) out of Hong Kong; or
 - (ii) absent from work due to illness,

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for a continuous period which constitutes 75% or more of the total period for which these Rules apply to him.

- (2) Where a person to whom these Rules apply asserts that any practice year is an exempted practice year in relation to him, he shall, if so requested by the Society, make a statutory declaration of the facts upon which he makes the assertion.

9. Record of attendance

- (1) A person to whom these Rules apply shall —
 - (a) keep and retain a record of his attendance at any RME course in a form specified by the Society; and
 - (b) at the request of the Society —
 - (i) produce to the Society the record referred to in paragraph (a);
 - (ii) furnish the Society with such information relating to his attendance at any RME course within such time and in such manner as may be specified by it; and
 - (iii) attend before the Council and furnish the Council with such additional information relating to his attendance at any RME course as the Council considers necessary.
- (2) Any person or organization (other than the Society) conducting an RME course shall keep and retain a record of attendance in respect of the RME course in accordance with the guidelines provided by the Society under section 4(3)(d) concerning the keeping and retaining of such record.
- (3) The Society may require the person or organization concerned to produce the record of attendance referred to in subsection (2) within 7 days from the completion of the RME course concerned.

10. Review

- (1) Any person aggrieved by a decision made by or on behalf of the Society in respect of the Programme may apply in writing to the Council, or to such committee formed under the Council as may be appointed by the Council for the purposes of this section, for a review of the decision within 1 month after he is informed of the decision.
- (2) The Council, or the committee referred to in subsection (1), shall consider an application made under that subsection and may confirm or vary the decision to which the application relates.

Related Amendment

Foreign Lawyers Registration Rules

11. Section added

The Foreign Lawyers Registration Rules (Cap. 159 sub.leg.) are amended by adding —

“6A. Compliance with Legal Practitioners (Risk Management Education) Rules

A certificate of registration as a foreign lawyer is subject to the condition that during any period for which the foreign lawyer is employed by a Hong Kong firm to practise foreign law, he shall comply with the Legal Practitioners (Risk Management Education) Rules (L.N. 248 of 2002).”

12. Transitional

- (1) Despite the definition of “first practice year” in section 2(1), the first practice year of a solicitor who was admitted as a solicitor of the High Court on or after 15 September 1990 and who is a principal immediately before the commencement of the Legal Practitioners (Risk Management Education) (Amendment) Rules 2003 (L.N. 238 of 2003) shall end on a date to be appointed by the Council by notice published in the Gazette.
- (2) In relation to any solicitor other than a solicitor mentioned in subsection (1), or to any trainee solicitor or foreign lawyer, these Rules shall not take effect until such date as the Council may appoint by notice published in the Gazette.
- (3) A notice published under subsection (2) may appoint different dates for different classes of persons.

**Sample form of mandatory CPD Training Record
with the reference to risk management courses**



MANDATORY CONTINUING PROFESSIONAL DEVELOPMENT TRAINING RECORD
CPD PRACTICE YEAR: 1 NOVEMBER 2004 TO 31 OCTOBER 2005

Name * : _____ Firm: _____

Address : _____

For Solicitors : Hong Kong admission date: _____ Solicitor number *: _____

Admission date in jurisdiction immediately preceding Hong Kong admission: _____

Commencement date of 2004 practising certificate: _____

Commencement date of 2005 practising certificate: _____

For Trainee Solicitors : Commencement date of trainee solicitor contract: _____

Expiry date of trainee solicitor contract: _____

** As stated on the practising certificate or trainee solicitor contract.*

CPD ACTIVITIES CODE

Activity	Code
Local face to face courses	
• seminar, lecture, conference	CL
• workshop	CW
• in-house group discussion	CG
• face to face (distance learning) training session	CF
Preparation of accredited courses	CP
Presentation/Coaching of accredited courses	CA
Videotape, motion picture etc courses	CV
Overseas courses	CO
Computer-based courses	CB
Distance learning courses	CD
Law courses	LC

Activity	Code
Authorship of publications	
• books	PB
• articles	PA
• revisions/updates	PR
Legal research	
• production of a precedent	LP
• production of a practice note	LN
• production of other written guidance	LG
• substantial written submission	LS
Dissertations	QD
Participation in committees/working parties/associations	MC
External examiner work	EE
Participation in other Legal Training Activities	AP

CPD Points Carried Over from the Previous CPD Year (If any of the CPD points recorded in the Training Record involve CPD points carried over from the preceding CPD practice years, the Training Records for all relevant years should be attached for audit purposes.)	Number of CPD Points

IMPORTANT NOTE :

Refer to the CPD Guidelines in the CPD Information for full details of the criteria for accreditation of each CPD activity.

ATTENDANCES AT MANDATORY RISK MANAGEMENT EDUCATION PROGRAMME

(Mandatory Risk Management Education Programme Information Package)

Date	Accredited Course Name	Code	Duration of Course	Accredited Course Provider	CPD Points Claimed
Total CPD Points					

NOTE: THIS TRAINING RECORD MUST BE RETAINED FOR A PERIOD OF AT LEAST THREE (3) YEARS AFTER 31 OCTOBER 2005.

(17/5/2005)

The Law Society of Hong Kong
DISTANCE LEARNING COURSES

(Guideline 8 of the CPD Information Package)

Accredited Course Name	Code	Hour(s)/Date(s) of Study/Examination	Accredited Course Provider	CPD Points Claimed
	CD			
	CD			
	CD			
Total CPD Points				

LAW COURSES

(Guideline 9 of the CPD Information Package)

Accredited Course Name	Code	Course Date(s)	Course Provider	CPD Points Claimed
	LC			
	LC			
	LC			
Total CPD Points				

WRITING ARTICLES AND BOOKS OR PRODUCTION OF DISSERTATIONS

(Guidelines 10 & 12 of the CPD Information Package)

Date of Publication	Title of Work Published or Dissertation	Code	No. of Words	Approved Legal Publication/Approved Qualification	CPD Points Claimed
Total CPD Points					

LEGAL RESEARCH

(Guideline 11 of the CPD Information Package)

Date(s) of Research	Title of Precedent, Practice Note, Guidance or Submission	Code	Duration of Research Claimed	CPD Points Approved by the Society
Total CPD Points				

PARTICIPATION IN COMMITTEES/WORKING PARTIES/ASSOCIATIONS/LEGISLATIVE COUNCIL

(Guideline 14 of the CPD Information Package)

Name of Committee/Working Party/Association	Code	Date(s) and Duration of Participation	CPD Points Approved by the Society
	MC		
	MC		
Total CPD Points			

EXTERNAL EXAMINER/ASSESSOR WORK AND PARTICIPATION AS A JUDGE IN A MOOT COURT COMPETITION

(Guideline 15 of the CPD Information Package)

Name of Examination	Code	Date(s) and Duration of Work	CPD Points Approved by the Society
	EE		
	EE		
Total CPD Points			

PARTICIPATION IN OTHER LEGAL TRAINING ACTIVITIES

(Guideline 16 of the CPD Information Package)

Activity	Code	Date and Duration of Activity	CPD Points Approved by the Society
	AP		
	AP		
Total CPD Points			

Sample form of statement of compliance

The Law Society of Hong Kong

Continuing Professional Development (CPD)

Risk Management Education (RME)

Statement of Compliance with CPD and RME Requirements – Solicitors

Notes: (1) This form must be completed and returned with your application for a practising certificate.

(2) Please enclose copies of all correspondence from the Law Society relating to exemption or suspension from the operation of the CPD Scheme.

I _____ (Hong Kong Identity Card No.: _____)
(Print name as stated on practising certificate)

was during the practice year ending on _____:

- *1. required to accumulate _____ CPD points and accumulated not less than _____ CPD points;
- *2. granted *exemption / partial exemption from the requirements of the CPD Scheme (the letter from the Law Society granting me exemption is attached);
- *3. granted suspension from the operation of the CPD Scheme (the letter from the Law Society granting me suspension is attached);
- *4. required to complete the mandatory principals' core programme and accumulated not less than 70% of the CPD points awarded to the core programme;
- *5. required to complete the mandatory principals' core programme and I undertake to complete it in compliance with the RME requirements by 31 December 2005;
- *6. not required to complete the mandatory principals' core programme because:
 - *(a) I was admitted before 15 September 1990;
 - *(b) I was admitted on or after 15 September 1990, but during the period **1 November 2004 to 1 February 2005 and 28 April 2005 to 31 December 2005**:
 - *(i) I have not been a principal for any period;
 - *(ii) I have been a principal for a period less than 100 days;
 - *(iii) I have been out of Hong Kong or absent from work due to illness for a period which constitutes 75% or more of the total period.

(* Delete as appropriate)

Signed by Solicitor _____ Date _____

Daytime contact telephone no.: _____

WARNING: A false or incorrect statement may constitute professional misconduct and may lead to disciplinary actions.

THE LAW SOCIETY OF HONG KONG
DEPARTMENT OF STANDARDS AND DEVELOPMENT

APPLICATION FOR ACCREDITATION OF RISK MANAGEMENT EDUCATION CORE PROGRAMME FOR PRINCIPALS

[Empty box for Application Date]

Application Date

Tel:
Fax:
Email:

Tel, Fax and Email of Applicant

FOR OFFICE USE

Action taken on application:

Approved: credited with ___ CPD points

Accreditation denied, no CPD credit is granted

Comments (see attached):

1. Name and address of Applicant (person completing the form)

2. Name of firm

3. Title of educational activity

RISK MANAGEMENT

* Category : Skills Courses

* Code : CW

Level: Advanced

Language (Medium of Instructions) : English

4. Date and location of course

5. Application Fee (attached, if applicable) Yes No

6. Name, professional/educational background, practical / teaching experience, relevant experience in risk management issues (if any) and current employment of tutor(s) (short C.V.'s may be submitted in lieu of description)

7. Please provide a complete description of all materials to be distributed to participants

Looseleaf Bound Typewritten Typeset Total Pages (estimated) _____

8. Description of physical facilities (check all that apply)

Classroom Seating Theatre Seating Writing Surface available Other – describe:

9. Target Audience:

10. Estimated Number of Participants:

The Law Society of Hong Kong

11. Method of evaluation of programme (check all that apply)

Participant critique (Law Society form) Independent evaluation form Other – describe: _____

12. Has a course or any part of a course of a similar nature been offered and accredited as an RME course before? Yes No

If yes, please indicate title, dates and sponsoring agency _____.

If yes, please indicate no. of any CPD points awarded _____.

Were the same tutors used? Yes No

If no, list new presenter(s) _____.

13. I have reviewed the criteria for accreditation and made them known to each of the tutors.

Yes No

OUTLINE OF COURSE PRESENTATION

Please also provide detailed outline of course on reverse side, and attach programme agenda / brochure.

14. Time during which each segment will be offered	Subject content of each segment	Presenter(s)	Teaching technique used in each segment	Total amount of time devoted to each segment
Registration fee to be charged your registrants in HK dollars: \$			Total hours (excl. breaks)	

The Law Society of Hong Kong

15.

In consideration of the Law Society accrediting this course, the sponsoring organisation agrees (1) to meet the criteria for RME and CPD accreditation, (2) to offer the course materially in the way presented in this application, (3) to allow the Law Society of Hong Kong, a member thereof or such other person(s) as it shall designate, to attend, audit and view the programme, (4) to submit promptly to the Law Society all materials and information relating to its provision of the course upon request, and (5) to transmit all computerized attendance records generated from a computerized scanning system in respect of the accredited course together with an evaluation summary to the Department of Standards and Development of the Law Society by email within **seven (7) days** following the completion of the course, as detailed in this form.

Signature of applicant for and on
Behalf of the firm: _____

Printed Name of Applicant: _____

Title of Applicant: _____ Date: _____

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