



**Circular No 285/2020  
Dated 7 Sept 2020**

**To Members of the Malaysian Bar**

### **ALERT | Scams Tarnishing Law Firms' Name**

We have been made aware of two possible scams using the names of law firms. The scams are explained below:

#### **(1) Scam 1: Third party impersonating as firm's employees and demanding legal fees**

The Insurance Broker for the Malaysian Bar Professional Indemnity Insurance ("PII") Scheme, Marsh Insurance Brokers (Malaysia) Sdn Bhd ("Marsh"), informed Bar Council of a notification involving impersonation by a third party as a firm's employee to collect legal fees.

In the notification, a law firm received approximately 10 telephone calls within two weeks from members of the public ("the public") asking whether the law firm is acting for them in certain matters. The scammers, who pretended to be the law firm's employee by the name of "Robert" and/or "Tengku", claimed to have represented the public in court proceedings, and demanded payment of legal fee (that reached up to RM50,000). If the public failed to make payments, these scammers would then institute legal proceedings against them.

The law firm has since lodged police reports and made a notification to the PII Scheme Insurance Broker.

#### **(2) Scam 2: Business entity registering a name that is the same as a law firm**

A law firm notified the Bar Council of a possible scam involving a business entity impersonating its name to collect money from its client.

At all material time, the law firm acted for the vendors in a sale and purchase transaction ("vendor's solicitor"). A separate solicitor represented the purchaser in the transaction ("purchaser's solicitor")

The purchaser's solicitor requested bank details from the vendor's solicitor to directly bank in the banker's cheque to avoid penalty since it was nearing the date for certain payment within the agreed period of the transaction. Upon exchanging the vendor's solicitor's bank details and providing a copy of the banker's cheque, both solicitors in the transaction became suspicious of the banker's cheque provided by the purchaser — the banker's cheque was issued in favour of the vendor's solicitor but with a serial number attached to its name — XXX & Co (Registration No: 00XXXXXX-U).

Concerned by this discovery, a search with the Business Registry was conducted under the name “XXX & Co (Registration No: 00XXXXXX-U)” that revealed that a business entity was registered as a sole proprietorship since October 2019 under the said details. The solicitors have or are in the process of lodging police reports, notifying the PII Scheme Insurance Broker, and lodging a complaint with the Companies Commission of Malaysia.

Members are reminded to be constantly vigilant, and to notify our PII Scheme Insurer, Marsh, and the Bar Council if you think you have become a victim of a scam, and which could lead to a possible claim against your law firm, in addition to these scammers tarnishing the reputation of the legal services.

Notifications to the PII Scheme Insurer must be made **within 60 days of awareness** to:

Marsh Insurance Brokers (Malaysia) Sdn Bhd  
Level 42-01A (West Wing), Q Sentral  
2A, Jalan Stesen Sentral 2, KL Sentral  
50470 Kuala Lumpur  
Telephone: 03-2723 3388  
Email: [mbar@marsh.com](mailto:mbar@marsh.com)

Should you have any enquiries, please contact the Bar Council PII and Risk Management Department by telephone at 03-2698 4511 or by email at [pirm@malaysianbar.org.my](mailto:pirm@malaysianbar.org.my).

Thank you.

**A G KALIDAS**  
**Secretary**  
**Malaysian Bar**