



**Circular No 313/2020
Dated 25 Sept 2020**

To Members of the Malaysian Bar

2021 Professional Indemnity Insurance Renewal | Premium, Terms and Conditions

The 2021 Professional Indemnity Insurance (“PII”) premium is RM1,129 per advocate and solicitor. The Bar Council has decided that there will be no contribution made to the Self-Indemnity Fund (“SIF”). There are no changes to the terms and conditions.

Law firms can start to renew their PII on **Monday, 28 Sept 2020**. To access the PII portal, click [here](#).

2021 PII Terms and Conditions

No	Item	Terms of 2021 PII Scheme
(1)	Mandatory limit of indemnity	Minimum: RM250,000 (one lawyer) Maximum: RM2,000,000 (36 lawyers and above) <i>Coverage for a firm increases by RM50,000 for every additional lawyer, up to maximum of RM2,000,000, for each and every claim.</i>
(2)	Dishonesty of partner or employee	Coverage is limited to RM350,000 in aggregate, or the firm’s mandatory limit in aggregate, whichever is lower. <i>Limited coverage for dishonesty is aimed at encouraging law firms to adopt risk management practices.</i>
(3)	Mitigation of loss rider clause	This clause provides protection for a firm’s clients’ monies, as defined under the Solicitors’ Accounts Rules 1990. <i>Innocent partners of a firm can be indemnified for mitigating action(s) taken due to embezzlement of clients’ monies, subject to the terms of the policy.</i>
(4)	Defamation	Coverage is the firm’s mandatory limit of indemnity. <i>Applicable to each and every claim.</i>
(5)	Notification of circumstance /	Written notifications to the PII Scheme Broker, Marsh Insurance Brokers (Malaysia) Sdn Bhd (“Marsh”) must be made as soon as

	claim	possible after becoming aware of a circumstance (eg complaint lodged with the Advocates and Solicitors Disciplinary Board, “ASDB”) or claim (eg writ), but no later than 60 days thereof.
(6)	Claims loading	<p>Claims loading is calculated at either:</p> <p>(a) 5% of claims paid; or (b) 5 x [base premium for 2021];</p> <p>whichever is lower, and is applicable over the five-year period from the date of notification.</p> <p><i>Total claims loading is subject to a maximum cap of 25% (over the five-year period).</i></p>
(7)	Reduced excess option	Firms can opt to reduce their base excess by half (subject to Clause 10 of the Certificate of Insurance), subject to payment of an additional premium of 10%.
(8)	Worldwide coverage option	Option for worldwide territorial and jurisdictional coverage is available to all firms at an additional premium.

2021 PII Renewal — Online Renewal System

On 1 July 2020, 17 July 2020 and 19 Aug 2020, Marsh had sent out emails to all law firms requesting that each law firm confirm its email address, which Marsh will use for the 2021 PII Renewal process, as described below.

PII Renewal for 2021 will likely start by around mid-September 2020 while renewal terms are being finalised. In preparation, please confirm your firm’s email address for us to email you 2021 Renewal Notice containing the username and password.

Our records show your firm’s email address as xxx@gmail.com. Please do not reply to this email. Please follow the steps below:

- If xxx@gmail.com is still the correct email address:-
 - a) Please click→: [CONFIRMED](#) ; OR
 - b) copy this link into your browser:
<http://app.jltinteractive.com/ecCover/OpenPF/SubmitFormDetails.aspx?ID=OA==&Code=TEVFICYgQ08u&1=1&confirm=confirm>
- If you need to change to a new email address:-
 - a) Please click→: [CHANGES](#) ; OR
 - b) copy this link into your browser:
<http://app.jltinteractive.com/ecCover/OpenPF/SubmitFormDetails.aspx?ID=OA==&Code=TEVFICYgQ08u&1=1&confirm=confirm>

Please confirm the above by 28th August 2020. For any queries please email us at mbar@marsh.com or call 603-2723 3241.

Help Desk

(1) PII and Risk Management Department

If you require clarification or have any suggestions regarding PII and risk management, or have an issue with a claim or the services of the PII Scheme's broker, please contact the PII and Risk Management Department by telephone at 03-2698 4511, or by email at pirm@malaysianbar.org.my.

Your feedback is vital to the continuous improvement of the PII Scheme.

(2) Marsh Insurance Brokers (Malaysia) Sdn Bhd

If you have not received the email from Marsh regarding the nomination of an authorised person to complete the online proposal form, or if you require assistance for the online submission, or have any queries regarding the 2021 PII online proposal form, kindly contact Marsh directly by telephone at 03-2723 3388 (general line) or 03-2723 3241 (dedicated for the Malaysian Bar) or by email at mbar@marsh.com.

Thank you.

Burhanudeen Abd Wahid and Kuthubul Zaman Bukhari
Co-Chairpersons
Professional Indemnity Insurance Committee