

Professional Loan Scheme for the Solicitors' Firms to Pay for the Premium of Professional Indemnity Insurance

Purpose	To fund solicitors' firms' contribution requirements of professional indemnity insurance
Maximum Loan Amount	HK\$1M or 100% of the required premium, whichever is lower
Interest Rate Per Annum	BEA Prime Rate¹ – 0.25% for BEA's panel solicitor firms & BEA Prime Rate¹ – 0.125% for other solicitor firms
Repayment Terms	6 - 12 months
Arrangement Fee	Fully waived
Loan Disbursement Method	Issued a cashier order in name of "HONG KONG SOLICITORS INDEMNITY FUND LTD."
Prepayment	▪ Full prepayment is subject to a handling charge of one month interest for each outstanding loan year. ▪ In the event of partial prepayment, the prepayment amount shall be in a minimum amount of HK\$20,000.- and subject to a handling charge of 1% or HK\$1,000.-, whichever is higher, on original loan amount.
Penalty on Default / Late Payment	3% per month or HK\$80.-, whichever is higher, on the amount of overdue payment
Required Documents	<u>For Solicitors' Firm</u> a. Current Business Registration Certificate b. Latest profits tax demand note c. Debit note for Compulsory Professional Indemnity Scheme <u>For Sole-proprietor/Partners</u> a. Hong Kong Identity Card b. Residential proof for the latest month (e.g. telephone bill) c. Current Practising Certificate – Solicitor
Involvement of Partnership	Personal guarantee to be provided by all the partners of the firm

Notes: 1. The Prime Rate for Hong Kong dollar loans is quoted by BEA from time to time and is 6.75% per annum as of 29th August, 2005.
2. The above information is for reference only. BEA reserves the right to cancel, add or alter any of the above terms, conditions, and offers at any time without prior notice.

**For more details, please contact our Mr. George Ho at 3608-2210 or
Ms. Jenny Lai at 3608-2206.**