

BAR MUTUAL INDEMNITY FUND

EXPLANATORY NOTES

2020

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FORMS

BUSINESS SEQUENCE

(a) Application for Membership and Insurance, or Renewal of Cover

Two documents provide the key to arranging the necessary insurance:

- (i) A new barrister should submit the form entitled "Application for Membership and Insurance" on the downloads page of www.barmutual.co.uk
- (ii) A form entitled "Renewal of Cover" is printed for each member who is already a Member of Bar Mutual. The forms for all the members of Chambers are sent to you in one envelope and Bar Mutual is most grateful to you for distributing them. If members wish the Bar Mutual to process their renewal forms please note the return date of 27 February. This will ensure that we have sufficient time to provide you with debit notes to be settled by 1 April.

PLEASE ENSURE THAT EACH MEMBER IS ALSO PROVIDED WITH A COPY OF THE EXPLANATORY NOTES.

Members should also be provided with their debit notes so they can review the premium deferral. They should also be given the Premium Deferral Statements issued later in the year.

The easiest way is to renew via the online portal – members can email their debit notes to you/themselves or print them out as required. If payment is made by card the Cover Note can be produced immediately.

During the renewal period you will receive lists showing which of the barristers in your Chambers have not returned their renewal forms together with premium debited details. Barristers who do not return their renewal forms at the proper time may be reported to their Head of Chambers and to the Bar Standards Board.

Please contact the Managers:

- if a barrister is missed out. He/she should not complete the form intended for new barristers. Instead a renewal form should be printed out and completed from the downloads section of www.barmutual.co.uk. Alternatively the member can renew online
- if a barrister is unable to complete the renewal form for any reason.

(b) Renewal for the first time

Members who are renewing for the first time must declare in the first box on the renewal form the **aggregate** of the following:

1. fee receipts from the date on which the Member commenced practice until 31 December 2019; and
2. A projection of the fee receipts during as many months from January 2020 as is necessary to make a total of 12 months of fee receipt data.

For example, a Member who commenced practice in August 2019 will declare the aggregate of:

- (i) her fee receipts for the five months to 31 December; **and**
- (ii) her projected fee receipts for the first seven months of 2020

in the first box.

(c) Renewal on Line

Members may renew on line via www.barmutual.co.uk. Each renewal form has a unique sixteen digit number on it, and this should be entered along with the Member's Bar Council membership number (obtainable from the Bar Council on 020 7242 0934). A Member should enter the renewal details, review what level of cover to take and elect to pay via cheque/bank transfer, via chambers or by debit or credit card. The system allows Members to print or email their debit notes and – if paid by card – also their Cover Notes. **The member should review their debit note to see the premium deferral applied this year.**

(d) Calculation of Contributions

The Managers use the information supplied to calculate the contribution to be paid in accordance with the Rating Schedule and then send a debit note for the amount to be paid, direct to each barrister. All barristers, even when their income exceeds the "cap" (remaining at £1.2m this year) are requested to complete the Gross Fee Income box (Box 1 on the Renewal form) with a specific figure so that the Managers may gauge the effect of the "cap".

(e) Method of Payment

The tear-off section of a debit note or statement of account should be used as a remittance advice. Cheques should be made payable to Bar Mutual Indemnity Fund Limited. If Chambers is paying collectively with a Chambers' cheque, please ensure the Chambers' number is written on the reverse of the cheque, and attach a list of the members whose contributions are included in the cheque.

If members (or chambers) wish to settle their premiums direct by bank transfer or the internet – Bar Mutual’s bank details are:

National Westminster Bank plc
Sort Code : 50 00 00
Account No : 15427625

Please ensure that membership numbers are quoted with any payments.

If a Member renews on line, payment can be made via debit or credit card.

(f) Chambers' Statements

From time to time, you will receive Chambers' statements listing the amount of each barrister's contribution, whether it has been paid and the limit of his/her cover. This will help you and your Head of Chambers to keep track of the insurance position of your Chambers.

(g) Interest

If a contribution is not paid by the due date, interest is chargeable at a rate of 1% per month (minimum £10) on the sum debited, without further notice. A statement will be sent. If payment is not made, the barrister will be reported to his/her Head of Chambers and to the Bar Standards Board.

2. PUPILS

A pupil is covered by his/her pupil supervisor’s insurance policy. This includes third-six pupils with designated pupil supervisors.

3. INSURING FOR THE FIRST TIME

Use the Application for Membership and Insurance Form on the downloads page of **on the downloads page of www.barmutual.co.uk**

A barrister within three years of call with a Gross Fee Income equal to or less than £15,000 is eligible for a reduction in the cost if Chambers requires him to buy an optional higher level of cover.

The Application Form asks new members to declare if their projected fee receipts (not billings) between the date of commencing practice and 31 March of the following year are expected to exceed £50,000. Please simply tick the box and we shall contact you/the barrister for further details.

4. SQUATTERS, ACADEMICS AND LAW REPORTERS

Barristers going into practice, other than as tenants, must make their own arrangements for insurance with Bar Mutual as soon as their pupillage ends. The Head of Chambers has an obligation to ensure they are properly insured.

Special arrangements apply for academics and door tenants. Please contact the Managers in each case. As a general guide, all those members of the Bar who are offering any form of legal services to the public as barristers in independent practice, with a Practising Certificate, need to be insured with Bar Mutual.

Law Reporters have been exempted by the Bar Council from the requirement to insure with Bar Mutual.

5. MOVING CHAMBERS

Use the Barrister Movement form to notify Bar Mutual of the date of joining/leaving Chambers (please photocopy as required) **or email info@barmutual.co.uk** For a new joiner request his/her original Cover Note and photocopy it for your file.

6. RETURNING FROM MATERNITY LEAVE

Where a Member has left practice temporarily or reduced the amount of time given to practice by reason of pregnancy or childbirth, or in order to care for the Member's own children below school age, the Member shall be entitled to the same limit of basic cover as the Member had previously been provided with, whatever the Member's Basic Contribution, without payment of any Optional Contribution.

7. LONG TERM ILLNESS

Members returning to practice after long term illness should contact the Managers.

8. RETIRING FROM PRACTICE AT THE BAR

Please inform Bar Mutual if a member has ceased to practise. Please provide the date the member was marked as non-practising by the Bar Standards Board and also a correspondence address. Either email info@barmutual.co.uk or use the Barrister Retirement form.

- (a) Every retiring barrister will be **given** (ie without charge) £500,000 cover for a minimum of six years. Thereafter, unless and until they decide otherwise, the cover will continue indefinitely.

- (b) If a barrister opts to maintain the highest level of cover provided by Bar Mutual in her previous three years' of practice then, assuming she is buying more than £500,000 cover, the contribution for cover up to £2,500,000 will be 75% of the average annual contribution over the last three years. That cover will last for a six year period, following which the barrister will automatically receive £500,000 of cover which will continue indefinitely, unless and until the Directors decide otherwise. If a barrister requires higher cover on expiry of the six year period such cover is available in three-year tranches at a cost of 20% of the premium paid for the first six years' cover.

9. DEATH

Please notify the Managers of the death of any practising or retired barrister as soon as practicable. There is no charge for six years' run-off cover at the limit pertaining at the time of death (up to £2,500,000), and the barrister's estate will be protected by the Fund in the same way as the barrister was before death.

10. COVER

(a) Levels of Cover

The Member's Basic Contribution, which cannot be reduced, entitles him/her to a **Basic Limit of Cover** (please refer to Table 2 of the Rating Schedule).

If **Optional Cover** is required, the cost will be shown on the debit note and the Member may then decide whether to accept the quotation. The levels of cover available and the extra cost are shown in Table 3 of the Rating Schedule.

Bar Mutual does not provide cover in excess of £2,500,000 but members are encouraged to give serious consideration to purchasing cover in excess of this. In order to assist barristers in obtaining this cover, Bar Mutual has agreed with two brokers – TLO and Lonmar – that Bar Mutual will send details of a barrister's fee income, areas of practice and claims history to one or more so that the Member does not need to complete a separate proposal form disclosing this information. If a Member would like Bar Mutual to act in this way she should indicate to which broker(s) Bar Mutual is authorised to send details by ticking either or both of boxes 2 8b or 9b. The broker will then make contact direct.

(b) Increase of Cover

Use the Increase of Cover form or email info@barmutual.co.uk to inform Bar Mutual of any mid-year requirement for higher limits of cover. Any such increase in cover cannot be retrospective, and the declaration regarding claims on the Form is particularly important. Members should be aware that the policy works on a claims-made basis. Thus the date upon which a claim is made is the relevant date for determining the relevant level of cover.

(c) "The Insured Practice"

You should note that Bar Mutual Terms of Cover automatically includes cover for barristers acting as Arbitrators, Umpires or Mediators. Barristers who do not wish to have this cover should not declare any income for this part of their practice and leave the Arbitrator/Umpire/Mediator box in section 3 of the Renewal Form blank.

(d) Cover for practice as a Foreign or European Lawyer

Please tick this box ONLY if you are (1) qualified to practise in another system of law and (2) wish to apply for cover for your practice in that other system. You will then receive a separate application form for this aspect of your overall practice.

Bar Mutual's approach to insuring "Foreign Practice" was amended during 2018. Only fee income deriving from work with all of the following features is now to be treated as "Foreign Practice":

- The instructions relate to proceedings outside England and Wales;
- The subject matter of the instructions is governed by a system of law other than the law of England and/or Wales;
- The Member is authorised to practise in the relevant jurisdiction; and
- The instructions have not been clerked or administered via the Member's chambers in England and Wales.

For the avoidance of doubt, Bar Mutual provides cover for Foreign Practice at its absolute Discretion

Members engaged in foreign practice are responsible for ensuring that professional indemnity insurance cover is in place satisfying the requirements (if any) of the foreign jurisdiction in which they practice. Bar Mutual has in the past provided insurance to barristers who, incidentally to their practice in England and Wales, also practice in the Republic of Ireland. However, as the Irish authorities have recently introduced (in November 2019) a requirement that Irish barristers must be insured under a "qualifying insurance policy", and Bar Mutual is not authorised or licensed to transact business in the Republic of Ireland under the new requirements, a policy with Bar Mutual will not in future satisfy the rules for practice in the Republic of Ireland.

Bar Mutual is in the process of clarifying with the Irish authorities precisely how the revised requirements introduced in November 2019 are intended to operate.

11. CLAIMS

In the event of a claim being made against a Member, or of any intimation received from any person of any intention to make a claim against him/her, the barrister should inform Bar Mutual in writing / by email to info@barmutual.co.uk as soon as possible. A Member may wish to inform the Managers if he/she becomes aware of circumstances which might lead to a claim being made.

Deductible

In the event of a finding of professional misconduct, a deductible of £350 will be payable. A deductible of £350 will also be applied in the case of successful wasted costs applications.

12. PUBLIC ACCESS AND LICENSED ACCESS WORK

Members accepting work from public or licensed access should declare the percentage of their fees earned from these types of work in boxes 6 and 7.

13. AUTHORITY TO CONDUCT LITIGATION

Members who have obtained Authority to Conduct Litigation should declare the percentage of their fees earned in cases in which they have exercised this right in this box

14. DIRECTORS OF BAR MUTUAL AS AT 1ST JANUARY 2020

Colin Edelman QC (Chairman)
Michael Brindle QC
Thomas Coghlin QC
Gregory Denton-Cox
Jasbir Dhillon QC
Charles Dougherty QC
Nina Goolamali QC
Rajiv Harnal (Chief Financial Officer)
Michael Horne QC
Christopher Pocock QC
David Railton QC
Nathaniel Rudolf
Rebecca Sabben-Clare QC
Ahmed Salim (Chief Executive Officer)
Simon Salzedo QC
David Scorey QC
Sharif Shivji QC
Fiona Sinclair QC
Joanna Smith QC

15. MANAGERS

Ahmed Salim (Chief Executive Officer)

Claims:

Elizabeth Blanc (maternity leave)
Gemma Fleetwood
Simon Lambeth
Adrian Mee
Ahmed Salim
Stacey Sheargold
David Simpson

Underwriting & Membership:

Sarah Jacobs
David Simpson
Lisa Woodroof