

## **IPReg Consultation – Run-off cover**

The Chartered Institute of Trade Mark Attorneys (CITMA) is responding to the consultation by IPReg in its capacity as an Approved Regulator, as defined in the Legal Services Act 2007 (the Act) and as the representative body for Registered Trade Mark Attorneys and the wider trade mark and design profession. We are grateful to IPReg for the opportunity to comment.

In response to the specific questions posed by IPReg in the consultation we would make the following comments.

### **Question 1**

We support the inclusion of an explicit requirement to take out run-off cover in the event that a practice closes without all its liabilities concerning PII being acquired by another provider regulated by a legal services regulator.

The proposal for this to be explicit provides greater clarity for the regulated community as well as appropriate protection for any client.

### **Question 2**

We believe that providing PII information to clients in a client care letter or displayed on a firm's website should be a recommendation of best practice included in guidance.

We would support a rule which set out that information about an attorney's or firm's PII must be provided to a client (or former client where appropriate) on request.

We would support that in the case of run-off cover that a rule is introduced requiring the attorney or firm to provide information about the PII cover to its clients where their liabilities are still present.

### **Question 3**

We feel it is reasonable for IPReg to be able to ask for information about PII on request and would be comfortable with the proposed wording in the draft text on this particular point.

As we understand it, as part of the re-registration process through the new IT system, PII information will be required by IPReg before any practice fee payment can be made, therefore the rule would mirror the practice and process adopted by IPReg.

### **Question 4**

We do not have any specific comments on the proposed draft text.

We would also like to make a general point related to insurance.

We note that IPReg have a list of 'participating insurers' and that list has recently reduced from five providers to four providers.

We have concerns at the limited number of providers and the fact that a number of these are underwritten by the same underwriter. We would urge IPReg to ensure there is suitable competition in the market place and that there are no barriers to obtaining appropriate PII due to the narrowness of providers to choose from and the limited circumstances in which some are prepared to provide cover.

We would be happy to discuss any of these points further with representatives from IPReg if it would be of assistance.

For and on behalf of the Chartered Institute of Trade Mark Attorneys

A handwritten signature in black ink, appearing to read 'K. Bader', with a long horizontal line extending to the right.

Keven Bader  
**Chief Executive**

9<sup>th</sup> October 2019