

A BILL

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An Act to amend the Legal Profession Act 1976.

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ENACTED by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Legal Profession (Amendment) Act 2013.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*, and the Minister may appoint different dates for the coming into operation of—

- (a) different provisions of this Act; or
- (b) all or different provisions of this Act in respect of different classes or categories of persons.

New section 37A

2. The Legal Profession Act 1976 [*Act 166*], which is referred to as the “principal Act” in this Act, is amended by inserting after section 37 the following section:

“Sections 36 and 37 not to apply to arbitral proceedings

37A. (1) Sections 36 and 37 shall not apply to—

- (a) any arbitrator lawfully acting in any arbitral proceedings;

- (b) any person representing any party in arbitral proceedings;
or
- (c) any person giving advice, preparing documents and rendering any other assistance in relation to or arising out of arbitral proceedings except for court proceedings arising out of arbitral proceedings.

(2) In this section, “arbitral proceedings” means proceedings in an arbitration which is governed by the Arbitration Act 2005 [Act 646] or would have been governed by such Act had the seat of arbitration been Malaysia.”.

Amendment of section 38

3. Section 38 of the principal Act is amended by deleting paragraph (1)(f).

EXPLANATORY STATEMENT

This Bill seeks to amend the Legal Profession Act 1976 (“Act 166”).

2. *Clause 1* provides for the short title and commencement of the proposed Act.

3. *Clause 2* seeks to introduce a new section 37A into Act 166. The new section 37A is intended to expressly exclude arbitration matters from the scope of Act 166. Further, the new section 37A seeks to specifically exempt persons who are involved in arbitral proceedings, including foreign lawyers who enter into Malaysia on a fly-in fly-out basis to represent parties to arbitral proceedings, from the application of Act 166.

4. *Clause 3* seeks to amend section 38 of Act 166. This is to remove the reference to arbitral proceedings under paragraph (1)(f) from the scope of section 38 so that the prohibitions under section 37 of Act 166 are not applicable to arbitral proceedings. Further, the deletion of paragraph (1)(f) is consistent with the new section 37A which specifically provides that the prohibitions under sections 36 and 37 of Act 166 shall not apply to arbitral proceedings.

FINANCIAL IMPLICATIONS

This Bill will not involve the Government in any extra financial expenditure.

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