

No. S 425/2000

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LEGAL PROFESSION ACT

NO. S 425

(CHAPTER 161)

LEGAL PROFESSION (LAW CORPORATION) RULES 2000

ARRANGEMENT OF RULES

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In exercise of the powers conferred by section 81N of the Legal Profession Act, the Minister for Law, after consulting the Council of the Law Society of Singapore, hereby makes the following Rules:

Citation and commencement

1. These Rules may be cited as the Legal Profession (Law Corporation) Rules 2000 and shall come into operation on 1 October 2000.

Application for approval as law corporation

2.—(1) An application under section 81B of the Act for approval of a company or proposed company as a law corporation and of the name or proposed name of the law corporation shall be made in such form as may be determined by the Council and shall be accompanied by —

- (a) such documents, particulars and information as the Council may require; and
- (b) an application fee of \$1,000.

(2) The Council may, in the interests of the legal profession or the public, reject an application referred to in paragraph (1).

Memorandum and articles of association

3. The memorandum and articles of association of a law corporation shall provide for the matters specified in the Schedule.

Application for alteration of memorandum or articles of association

4.—(1) Every law corporation shall, before amending any provision of its memorandum or articles of association relating to or affecting the matters specified in the Schedule, apply to the Council for approval of the proposed amendment.

(2) The application referred to in paragraph (1) shall be made in such form as may be determined by the Council and shall be accompanied by such documents, particulars and information as the Council may require.

Appeal to High Court

5. An appeal to the High Court under section 81J of the Act against a decision of the Council shall be made by way of originating summons in Form 6 of Appendix A to the Rules of Court (Cap.322, R 5).

Notification of Transfer of Business

6.—(1) Every law corporation to which the business of a law firm has been transferred shall, within 7 days of the transfer, give notice in writing to every client of the law firm of the transfer and that with effect from the date of the transfer —

- (a) the law corporation shall replace the law firm as the provider of legal services to the client;
- (b) the possession of any documents held by the law firm for or on behalf of that client shall be transferred to the law corporation to be held for or on behalf of that client; and
- (c) any money or funds held by the law firm for or on account of that client shall be transferred to the law corporation to be held for or on account of that client.

(2) Every client to whom a notice under paragraph (1) has been given shall, if he objects to any of the matters referred to in paragraph (1)(a), (b) or (c), notify the law corporation of such objection within 14 days of the receipt of the notice.

(3) Every client who does not give any notice of his objection under paragraph (2) shall be deemed to have consented to the matters specified in paragraph (1)(a), (b) or (c).

Notification of change of particulars

7. Every law corporation shall, within 7 days of any change in the following particulars, notify the Council of such change:

- (a) particulars of all its directors and shareholders;
- (b) its registered address and the address of every branch office; and
- (c) its telephone and fax numbers.

Submission of lodged documents

8. Every law corporation shall, within 7 days of the lodgment of any document with the Registrar of Companies, submit to the Council such copies of the lodged document as the Council may require.

Accounts

9. The following rules relating to the keeping of accounts by solicitors shall apply, with the necessary modifications, to law corporations:

- (a) the Legal Profession (Deposit Interest) Rules (R 5);
- (b) the Legal Profession (Solicitors' Accounts) Rules (R 8);
- (c) the Legal Profession (Solicitors' Trust Accounts) Rules (R 9);
- (d) the Legal Profession (Accountant's Report) Rules (R 10).

THE SCHEDULE

Rule 3

MATTERS TO BE PROVIDED IN MEMORANDUM AND ARTICLES OF ASSOCIATION OF LAW CORPORATION

1. The primary object of the law corporation is to supply legal services.
2. The chairman and all the directors of a law corporation shall be solicitors.
3. The office of a director shall become vacant if the director ceases practice as a solicitor.
4. All the shares in each class of shares of the law corporation must be held by solicitors, unless otherwise specified in the Legal Profession (Law Corporation) Rules 2000.
5. The business of the law corporation, in so far as it relates to legal services, shall be under the control and management of all the directors.
6. No person shall transfer or dispose of any shares in the law corporation without the prior approval of the directors. The directors shall not grant their approval if such transfer will result in a contravention of the requirement in Part VIA of the Legal Profession Act (Cap.161) or any rules made thereunder on the holding, transfer or disposal of shares in a law corporation.
7. The manner and the terms of the transfer or disposal of any shares in the law corporation in the event that the person holding such shares —
 - (a) holds shares in any other law corporation;
 - (b) is a director or consultant or an employee of any other law corporation;
 - (c) is a partner or consultant or employee of any law firm;

- (d) is practising as a solicitor on his own account;
- (e) is suspended from practice or struck off the roll pursuant to any disciplinary proceedings; or
- (f) ceases to hold a practising certificate by reason of death, bankruptcy, or incapacity by reason of mental or physical disability,

shall be provided for.

8. The memorandum or articles of association relating to the manner and terms of any transfer or disposal of shares referred to in paragraph 7 shall be subject to the approval of the Council of the Law Society.
9. The memorandum or articles of association relating to the matters specified in the Legal Profession Act and any rules made thereunder shall not be amended without the prior approval of the Council of the Law Society.

Made this 26th day of September 2000.

TAN CHIN NAM
Permanent Secretary,
Ministry of Law,
Singapore

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(To be presented to Parliament under section 131 of the Legal Profession Act).