

Q. CESSATION OF PRACTICE BY FOREIGN FIRMS

1. Where a foreign firm intends to cease practice, it must notify the Society of the intended cessation in writing in a form approved by the Society at least 8 weeks prior to the date of cessation.
2. Where a foreign firm intends to cease practice, it must appoint an agent to deal with all consequential matters. The agent must be a law firm with at least 2 resident partners and can be a Hong Kong firm or a foreign firm in Hong Kong practising the law of the same jurisdiction as the closed foreign firm. The foreign firm shall notify the Society of the names and contact details of its sole practitioner or all of its partners and of the agent appointed when it notifies the Society of its intended cessation pursuant to paragraph 1. Any change to the contact details must be notified by the person to whom the change relates to the Society in writing within 7 days of such change.
3. A principal of the foreign firm as at the date of cessation shall ensure that:
 - (a) where an existing appointment of the agent is for any reason terminated, another firm which satisfies the requirements as set out in paragraph 2 (the "substitute agent") is to be appointed within 7 days; and
 - (b) any change to the particulars of the agent or the substitute agent is notified to the Society in writing within 7 days of such change.
4.
 - (a) The agent whose appointment as such is terminated shall within 7 days of such termination apply in writing to the Council for directions to be given pursuant to Rule 8(2) of the Solicitors' Accounts Rules on the unclaimed balances on its client accounts pertaining to its appointment as the firm's agent.
 - (b) The agent whose appointment as such is terminated and the substitute agent to whom any unclaimed balances on client accounts have been transferred from the former agent shall notify the Society in writing the total aggregate amount in the client accounts so transferred within 7 days of the transfer.
5. Notwithstanding the requirement in Rule 9(3) of the Foreign Lawyers Practice Rules to furnish a declaration in respect of the relevant calendar year, a principal of the foreign firm as at the date of cessation shall advise the Society in writing in a form approved by the Society within 14 days of the date of cessation of any change in the employment of staff of the foreign firm that occurred as a result of the cessation.
6. The Council may, in a particular case, waive in writing any provision of this Practice Direction, subject to such conditions as it may impose.
7. This Practice Direction will come into effect on 7 June 2010.