



THE

LAW SOCIETY
OF HONG KONG

香 港 律 師 會

Information Package
on
Limited Liability Partnerships
(Hong Kong Law Firms)

October 2019

LIMITED LIABILITY PARTNERSHIPS

I. LEGISLATION

1. Part IIAAA of the Legal Practitioners Ordinance (“LPO”), commencing on 1 March 2016, deals specifically with limited liability partnerships.
2. The practice requirements applicable to limited liability partnerships provided in the LPO do not affect and are in addition to the existing practice requirements that apply generally to the practice of a law firm.
3. Part IIAAA of the LPO and relevant subsidiary legislation including the following is at **Appendix 1**:
 - (a) Legal Practitioners (Amendment) Ordinance 2012
 - (b) Limited Liability Partnerships (Top-Up Insurance) Rules
 - (c) Solicitors Practice (Amendment) Rules 2015
 - (d) Rules of the High Court (Amendment) (No 3) Rules 2015
 - (e) Rules of the District Court (Amendment) Rules 2015

II. WHAT IS A LIMITED LIABILITY PARTNERSHIP

1. Prior to the introduction of limited liability partnerships, law firms in Hong Kong typically operate in the form of a sole proprietorship or a general partnership.
2. Under the Partnership Ordinance (Cap 38), every partner in a law firm operating as a general partnership is liable jointly and severally with other partners for all debts and liabilities and obligations of the firm incurred while he or she is a partner.
3. A limited liability partnership operates in substantially the same manner as a general partnership except that a partner in a limited liability partnership is not, solely by reason of being a partner, jointly or severally liable for any partnership obligation (whether founded on tort, contract or otherwise) that arises from the provision of professional services by the partnership as a limited liability partnership as a result of a default of another partner or an employee, agent or representative of the partnership.
4. A partner continues to be personally liable for his or her own default, the default of the firm’s employee, agent or representative whom he or she directly supervised in respect of the matter at the time of the default, as well as in circumstances

where he or she knew of the default at the time of its occurrence and failed to exercise reasonable care to prevent its occurrence.

III. LIMITED LIABILITY PARTNERSHIPS AS AN ADDITIONAL CHOICE

1. The introduction of limited liability partnerships is to make available an additional choice of a mode of practice for solicitors. Whether to practise as one is entirely a matter of choice for the solicitors themselves.
2. In considering whether to commence practice as a limited liability partnership, solicitors may take the following factors into consideration:
 - (a) Limited liability partnerships have been adopted in most jurisdictions around the world including international financial centres like New York, London and Singapore. Such a mode of practice is consistent with the global trend.
 - (b) The limitation of liability to those partners in default addresses the unfairness to law firm partners who have to shoulder personal liability even in cases where they are not at fault.
 - (c) This form of business organisation facilitates the formation of large partnerships with partners who possess expertise in different practice areas thereby:
 - (i) enabling a diversification of the scope of practice areas and legal services on offer in the same firm to meet the different needs of a client;
 - (ii) cultivating the concept of a one-stop shop making available a wide range of legal services for consumers' convenience;
 - (iii) expanding the scale of operation leading to an economy of scale that benefits both the law firms and the consumers.
 - (d) The form of limited liability partnerships permissible under Part IIAAA of the LPO provides a partial shield against partnership obligations arising as a result of negligent or wrongful act or omission, or any misconduct. Unlike the limited liability partnership model in some overseas jurisdictions, the Hong Kong model does not provide a full shield against partnership obligations other than those arising from professional services defaults, for instance, office rent.

- (e) A limited liability partnership will have to comply with additional requirements as set out in section IV of this Information Package, including the maintenance of a top-up insurance cover of not less than HK\$10 million for any one claim with no limit in the aggregate.
- (f) Claw back is applicable to limited liability partnerships under Part IIAAA of the LPO. If a limited liability partnership makes a distribution to a partner or an assignee of the partner's share in the partnership in contravention of the relevant solvency tests set out in the LPO, the partner or the assignee, except where the circumstances fall within the statutory defence available under the LPO, is liable to the partnership for the value of the distribution or the amount necessary to discharge the partnership obligations at the time of the distribution, whichever is the lesser. Proceedings to claw back may be commenced within 2 years after the date of distribution to which the liability relates.

IV. BECOMING A LIMITED LIABILITY PARTNERSHIP

- 1. All existing requirements that apply to the commencement of practice as a law firm in Hong Kong apply to law firms that operate as limited liability partnerships.
- 2. In addition to the existing requirements, the following requirements will apply to a law firm that operates as a limited liability partnership:

- (a) Written agreement

The law firm must be designated by written agreement between its partners as a limited liability partnership to which Part IIAAA of the LPO applies.

- (b) Top-up insurance

- (i) A limited liability partnership must maintain, in addition to the statutory professional indemnity limit of HK\$20 million in respect of any one claim, a top-up insurance policy to indemnify against the part of the loss that exceeds the statutory limit up to an amount not less than HK\$10 million in respect of any one claim with no limit as to the aggregate amount or to the number of claims.
- (ii) The top-up policy of insurance required to be maintained must provide indemnity in respect of any description of civil liability whatsoever incurred in connection with the practice of the limited liability partnership in a manner and to the extent similar to the

indemnity provided to a solicitor under the fund established under rule 3 of the Solicitors (Professional Indemnity) Rules.

- (iii) A principal in a limited liability partnership must provide the Law Society with evidence that it has complied with the top-up insurance requirement within 14 days of commencing the firm. The evidence required to be provided to the Law Society is a Declaration on Top-up Insurance Cover duly completed and signed by a principal of the firm.
- (iv) Any changes to the top-up insurance cover must be notified to the Law Society within 14 days of the change by filing a Notification of Changes.

(c) Notification to the Law Society

- (i) A step-by-step procedure on notification is set out in **Appendix 2** with the applicable forms.
- (ii) A limited liability partnership must notify the Law Society of its particulars at least seven days in advance of its commencement of business. The advance notice form is **LP-2** for Hong Kong LLPs.
- (iii) Within 14 days of its commencement of practice, it must submit a more comprehensive commencement notification forms on all its particulars (**LP-1 & LP-3**).
- (iv) In the case where a firm has been carrying on practice as a general partnership or a sole proprietorship in Hong Kong immediately before its becoming a limited liability partnership in Hong Kong:
 - (1) it should complete the advance notice LP-2 at least seven days prior to its becoming a limited liability partnership;
 - (2) since a change from a general partnership to a limited liability partnership or a sole proprietorship will not be treated as commencement of business for the firm, it should not complete LP-3. Instead, it should complete **LP-1 & LP-4**.

(d) Name of firm

- (i) The name of a limited liability partnership must include ‘Limited Liability Partnership’ or the abbreviation ‘LLP’ or ‘L.L.P.’. If it has

a Chinese name, it must include the words “有限法律責任合夥” as part of the Chinese name.

- (ii) The name of the firm must be clearly stated in all partnership literature and at the firm’s premises.

(e) Notification to existing clients

- (i) In the case where a law firm has been carrying on practice as a general partnership in Hong Kong immediately before its becoming a limited liability partnership in Hong Kong, it must notify its existing clients of the change and the effect on the partners’ liabilities.
- (ii) The Council of the Law Society has determined that the notice to be issued to the existing clients referred to in (i) above should include at a minimum the contents stated in **Appendix 3** (Notice to Clients). Law firms may include additional information that is consistent with the requirements of Pat IIAAA of the LPO in such notices if desired. The Council encourages law firms to consider the circumstances of their particular clients and to tailor their notices to clients as may be appropriate.
- (iii) An existing client in relation to a law firm means a person who is a client of the firm at the time the firm becomes a limited liability partnership.

(f) Notification on overall supervising partner

A partner of a limited liability partnership will only enjoy limited liability protection if for each client matter, his or her firm has informed the client of the identity of at least one overall supervising partner for the matter not later than 21 days after the firm accepts instructions on the matter and keep the client informed of the identity of at least one overall supervising partner for the matter throughout the time that the matter is handled by the firm.

V. CEASING PRACTICE AS A LIMITED LIABILITY PARTNERSHIP

1. A firm which ceases practice as a law firm altogether is required to submit a Cessation Notice eight weeks prior to the intended date of cessation in accordance with the Law Society Practice Direction D 7 (Hong Kong firm). The Cessation Guidelines and Notice are at **Appendix 4** and a limited liability partnership that

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ceases practice in such a situation will need to complete and submit the Cessation Notice eight weeks prior to its intended date of cessation.

2. A firm which ceases practice as a limited liability partnership but continues its practice as a general partnership or a sole proprietorship in Hong Kong will not be considered as cessation of practice for the firm. Practice Direction D 7 (Hong Kong firm) will not apply. In such a situation, the firm must notify the Law Society:
 - (a) its cessation as a limited liability partnership at least 7 days prior to its change by completing the cessation notice as a limited liability partnership (**LP-5**);
 - (b) notification of its change from a limited liability partnership to a general partnership or a sole proprietorship within 14 days of the change by submitting the Notification of Changes (**LP-4**).

LEGAL PRACTITIONERS (AMENDMENT) ORDINANCE 2012

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PART IIAAA

LIMITED LIABILITY PARTNERSHIPS

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HONG KONG SPECIAL ADMINISTRATIVE REGION

ORDINANCE No. 22 OF 2012



C. Y. LEUNG
Chief Executive
19 July 2012

An Ordinance to amend the Legal Practitioners Ordinance.

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Enacted by the Legislative Council.

1. Short title

This Ordinance may be cited as the Legal Practitioners (Amendment) Ordinance 2012.

2. Commencement

This Ordinance comes into operation on a day to be appointed by the Secretary for Justice by notice published in the Gazette.

3. Section 2 amended (Interpretation)

Section 2(1) of the Legal Practitioners Ordinance (Cap. 159) is amended by adding—

““partnership” (合夥) includes a limited liability partnership as defined by section 7AA;”.

4. Section 6 amended (Practising certificates—solicitors)

Section 6(3) is amended by repealing “section 73A” and substituting “section 73A (other than subsection (3)(*fa*))”.

5. Section 7 amended (Qualifications for practising as solicitor)

Section 7(d) is amended by repealing “section 73A” and substituting “section 73A (other than subsection (3)(fa))”.

6. Part IIAAA added

The following is added immediately after section 7A—

“PART IIAAA

LIMITED LIABILITY PARTNERSHIPS

7AA. Definitions (Part IIAAA)

(1) In this Part—

“default” (失責行為) means any negligent or wrongful act or omission, or any misconduct;

“distribution” (分發), in relation to partnership property, means a transfer of money or other partnership property by a partnership to a partner, whether as a share of profits, return of contributions to capital, repayment of advances or otherwise;

“limited liability partnership” (有限法律責任合夥), except for the reference in section 7AL(3) to a limited liability partnership under the law of a foreign jurisdiction, has the meaning given by section 7AB;

“partnership obligation” (合夥義務), in relation to a partnership, means any debt, obligation or liability of the partnership, other than debts, obligations or liabilities of the partners as between themselves, or as between themselves and the partnership;

“partnership property” (合夥財產) has the same meaning as in the Partnership Ordinance (Cap. 38).

(2) If a law firm is constituted as a limited liability partnership when it commences business in Hong Kong, a reference in this Part to the date on which it becomes a limited liability partnership is a reference to the date on which it commences business in Hong Kong.

7AB. Limited liability partnership

For the purposes of this Part, a limited liability partnership is a partnership that is for the time being—

(a) a Hong Kong firm or a foreign firm; and

- (b) designated by written agreement between the partners as a partnership to which this Part applies.

**7AC. Protection from liability of partners
in limited liability partnership**

(1) A partner in a limited liability partnership is not, solely by reason of being a partner, jointly or severally liable for any partnership obligation (whether founded on tort, contract or otherwise) that arises from the provision of professional services by the partnership as a limited liability partnership as a result of a default of—

- (a) another partner; or
(b) an employee, agent or representative of the partnership.

(2) Subsection (1) applies irrespective of whether the liability is in the form of indemnification, contribution or otherwise.

(3) Subsection (1) applies only if at the time of the default—

- (a) the partnership was a limited liability partnership;
(b) the client knew or ought reasonably to have known that the partnership was a limited liability partnership;
(c) the partnership had complied with section 7AD; and
(d) the partnership had complied with section 7AE(2) for the matter in respect of which the default occurred.

**7AD. Top-up insurance requirement for
limited liability partnership**

(1) In this section—

“Indemnity” (基本彌償) has the same meaning as it has in the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg. M);

“prescribed amount” (訂明款額) means the maximum amount of the Indemnity specified in subparagraph (1) of paragraph 2 of Schedule 3 to the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg. M) without reducing that amount for any deductibles referred to in subparagraph (2) of that paragraph.

(2) Every limited liability partnership that is a Hong Kong firm must have in existence, in addition to the Indemnity, a policy of insurance—

- (a) under which the partnership is entitled to be indemnified to the specified extent against any loss arising from any claim in respect of any default; and
(b) which complies with any indemnity rules made under section 73A(3)(fa).

(3) A reference to indemnifying against a loss to the specified extent in subsection (2) means indemnifying against the part of the loss that exceeds the prescribed amount up to an amount not less than \$10,000,000 in respect of any one claim.

(4) Every limited liability partnership that is a foreign firm must have in existence a policy of insurance—

(a) under which the partnership is entitled to be indemnified to the specified extent against any loss arising from any claim in respect of any default; and

(b) which complies with any indemnity rules made under section 73A(3)(fa).

(5) A reference to indemnifying against a loss to the specified extent in subsection (4) means indemnifying against the part of the loss that exceeds the limit of insurance coverage required under section 6 of the Foreign Lawyers Registration Rules (Cap. 159 sub. leg. S) up to an amount not less than \$10,000,000 in respect of any one claim.

(6) A policy of insurance maintained by a partnership under subsection (2) or (4) must not be subject to any limit as to the amount of liability of an insurer for claims in the aggregate or as to the number of claims.

(7) The Council may, subject to the prior approval of the Chief Justice, by notice published in the Gazette amend subsections (3) and (5) by substituting another amount that is not less than \$10,000,000 for the amount in each of those subsections.

7AE. Requirements relating to overall supervising partners

(1) For each matter handled by a limited liability partnership for a client there must, throughout the time it is handled, be at least one partner who is responsible for the overall supervision of the matter (“overall supervising partner”).

(2) For each matter handled by a limited liability partnership for a client, the partnership must—

(a) not later than 21 days after the partnership accepts instructions on the matter, inform the client of the identity of at least one overall supervising partner for the matter; and

(b) subject to paragraph (a), throughout the time that the matter is handled by the partnership, keep the client informed of the identity of at least one overall supervising partner for the matter.

(3) During the period when a limited liability partnership is handling a matter for a client or after that period, the client may request a person specified in subsection (4) to provide the client with a list of the names of—

- (a) all other partners (if any) who are or were (as appropriate) overall supervising partners for the matter; and
- (b) all other partners (if any) who are or were (as appropriate) responsible for the supervision of any particular parts of the matter.

(4) The following persons are specified for the purposes of subsection (3)—

- (a) any overall supervising partner for the matter, as last informed to the client by the partnership;
- (b) if each person last informed to the client by the partnership to be an overall supervising partner for the matter is no longer a partner in the partnership, the partnership.

(5) A person specified in subsection (4) must, not later than 21 days from receiving a request under subsection (3), provide the client with the list referred to in subsection (3) to the best of the knowledge of the person.

**7AF. Limitations on section 7AC(1)
protection**

(1) Section 7AC(1) does not protect a partner from liability if the partner—

- (a) knew of the default at the time of its occurrence; and
- (b) failed to exercise reasonable care to prevent its occurrence.

(2) Section 7AC(1) does not protect a partner from liability arising from a default in respect of a matter handled by the partnership if the default is—

- (a) the partner's default; or
- (b) a default of an employee, agent or representative of the partnership who was under the direct supervision of the partner in respect of the matter at the time of the default.

(3) Section 7AC(1) does not protect any interest of a partner in the partnership property from claims against the partnership.

**7AG. Indemnification under partnership
agreement not affected**

Nothing in this Part affects any right of a partner in a limited liability partnership to be indemnified by another partner, or any obligation of a partner to indemnify another partner, under a written agreement made between the partners.

**7AH. Effect of section 7AC(1) on
proceedings**

If a partner is protected from liability by section 7AC(1)—

- (a) the partner is not, separately, a proper party to any proceedings brought against the partnership for the purpose of recovering damages or claiming other relief in respect of the liability; and
- (b) the proceedings may, if they could apart from this section be brought against the partnership, continue to be so brought.

**7AI. Advance notice to Society in respect
of limited liability partnership**

(1) A law firm must ensure that, at least 7 days before the date on which it becomes a limited liability partnership, a written notice of the following particulars is given to the Society—

- (a) the date on which the firm becomes a limited liability partnership;
- (b) the name of the partnership;
- (c) in the case of a Hong Kong firm—
 - (i) the name of each partner in the partnership;
 - (ii) each address at which the partnership carries on its business;
- (d) in the case of a foreign firm—
 - (i) the name of each partner in the partnership who is ordinarily resident in Hong Kong;
 - (ii) each address at which the partnership carries on its business in Hong Kong;
- (e) any other particulars prescribed by rules made under section 73.

(2) A law firm must ensure that, at least 7 days before the date on which it ceases to be a limited liability partnership, a written notice of that date is given to the Society.

7AJ. Name of limited liability partnership

A limited liability partnership must—

- (a) if it has a Chinese name, include the words “有限法律責任合夥” as part of that Chinese name; and
- (b) if it has an English name, include the following as part of that English name—
 - (i) the words “Limited Liability Partnership”; or
 - (ii) the abbreviation “LLP” or “L.L.P.”.

7AK. Notification of name by limited liability partnership

(1) A limited liability partnership must display its name, in a clearly visible and legible manner, at or outside every office or place in which it carries on its business.

(2) A limited liability partnership must state its name, in a clearly visible and legible manner, in its correspondence, notices, publications, invoices and bills of costs, and on its websites.

7AL. Notice by limited liability partnership to existing clients

(1) Except as provided in subsection (2), a law firm must, within 30 days after it becomes a limited liability partnership, by written notice inform each of its existing clients of that fact.

(2) A specified foreign firm must, within 30 days after it becomes a limited liability partnership, by written notice inform each of its existing clients in Hong Kong of that fact.

(3) For the purposes of subsection (2), a foreign firm is a specified foreign firm if, before becoming a limited liability partnership, it has been carrying on, in a foreign jurisdiction, the practice of law as a limited liability partnership under the law of that jurisdiction.

(4) A written notice issued under this section must be in a form specified by the Council.

(5) The form specified under subsection (4) must include a brief statement stating how liabilities of partners in a law firm are affected under sections 7AC, 7AD, 7AE and 7AF by the law firm becoming a limited liability partnership.

(6) In this section, “existing client” (現有當事人), in relation to a law firm, means a person who is a client of the firm at the time the firm becomes a limited liability partnership.

(7) For the purposes of subsection (2), an existing client of a specified foreign firm is its existing client in Hong Kong if—

- (a) the client is a body corporate, and it has its registered office or a place of business in Hong Kong; or
- (b) the client is not a body corporate, and the last correspondence address provided by the client to the firm is in Hong Kong.

(8) This section does not apply to a law firm that is constituted as a limited liability partnership when it commences business in Hong Kong.

**7AM. Other requirements relating to
practice of law firm
not affected**

Sections 7AD, 7AE, 7AI, 7AJ, 7AK and 7AL are in addition to, and do not affect, any other provisions relating to the practice of a law firm as prescribed by rules made under section 73 or 73A or contained in The Hong Kong Solicitors' Guide to Professional Conduct.

**7AN. Provisions regulating distribution of
partnership property**

(1) If a limited liability partnership makes a distribution of any of its partnership property to one or more persons (each being a partner or an assignee of a partner's share in the partnership), and immediately after the distribution—

- (a) the partnership is unable to pay its partnership obligations as they become due; or
- (b) the value of the remaining partnership property is less than the partnership obligations,

then each of the persons is liable to the partnership to the extent specified in subsection (4).

(2) However, a person who receives a distribution as described in subsection (1) is not liable under that subsection if the person proves that—

- (a) immediately before making the distribution, the limited liability partnership made a reasonable assessment that the financial position of the partnership would not be as described in subsection (1) immediately after the distribution; and

(b) the partnership arrived at the assessment after exercising reasonable diligence and based on information obtained for the purpose of the assessment or otherwise available at the time of the assessment.

(3) In determining whether the partnership made a reasonable assessment as referred to in subsection (2)(a), a court may have regard to all the circumstances of the case including, without limitation, whether the assessment was based—

(a) on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances;

(b) on a fair valuation; or

(c) on any other method that is reasonable in the circumstances.

(4) A person who is liable under subsection (1) is liable to the partnership for—

(a) the value of the property received by the person as a result of the distribution; or

(b) the amount necessary to discharge the partnership obligations at the time of the distribution,

whichever is the lesser.

(5) Proceedings to enforce any of the liabilities arising under this section as a result of the distribution may be brought by—

(a) the partnership;

(b) any partner in the partnership; or

(c) any person to whom the partnership owes any partnership obligation at the time of the distribution.

(6) In this section, a reference to partnership obligation is a reference to partnership obligation whether actual or contingent.

(7) This section does not affect a payment made as reasonable compensation for current services provided by a partner to the partnership, to the extent that the payment would be reasonable if paid to a person who is an employee of, but not a partner in, the partnership as compensation for similar services.

(8) No proceedings to enforce a liability under this section may be commenced later than 2 years after the date of the distribution to which the liability relates.

7AO. List of limited liability partnerships

(1) The Council must keep a list of law firms that are or have been limited liability partnerships.

(2) The list must, in relation to each such law firm, contain—

- (a) its name;
- (b) each address at which it carries on its business or, if it has ceased its business, each address at which it last carried on its business; and
- (c) the date on which it first became a limited liability partnership and, if applicable, the dates from which or periods during which it has ceased to be a limited liability partnership.

(3) As soon as practicable after becoming aware of any matter that would require the list to be updated, the Council must update the list accordingly.

(4) For the purpose of enabling any member of the public to ascertain whether a law firm is, or has been, a limited liability partnership and to ascertain the particulars of the partnership, the Council must make the list available for public inspection, free of charge, at the office of the Council during office hours.

7AP. No dissolution of partnership, etc.

(1) The fact that a partnership becomes, or ceases to be, a limited liability partnership—

- (a) does not cause the partnership—
 - (i) to be dissolved; or
 - (ii) to cease continuing in existence as a partnership; and
- (b) does not affect any of the rights and liabilities (whether actual or contingent) of the partnership, or of any person as a partner, that have been acquired, accrued or incurred before the partnership becomes, or ceases to be, a limited liability partnership.

(2) Subsection (1)(a) operates subject to any written agreement between the partners to the contrary.

7AQ. This Part to prevail over inconsistent agreement

(1) In relation to a limited liability partnership, this Part prevails over any inconsistent provisions in any agreement between any persons, whether as partners in the partnership or otherwise.

(2) To avoid doubt, this section does not affect the operation of sections 7AG and 7AP(2).

**7AR. Law not inconsistent with this
Part applies**

(1) All relevant laws, except so far as they are inconsistent with this Part, apply in relation to a partnership that is a limited liability partnership.

(2) In this section, “relevant laws” (有關法律) means the Partnership Ordinance (Cap. 38) and every other law that applies in relation to a partnership (whether an enactment, or a rule of equity or of common law).”.

**7. Section 73 amended (Power of the
Council to make rules)**

Section 73(1) is amended by adding—

“(df) in relation to the practice of limited liability partnerships—

- (i) prescribing particulars for the purposes of section 7AI(1)(e);
and
- (ii) regulating any matters of procedure or matters incidental,
ancillary or supplemental to the provisions of Part IIAAA;”.

8. Section 73A amended (Indemnity rules)

(1) Section 73A(3) is amended by adding—

“(fa) may make provision for the better carrying out of section 7AD;”.

(2) Section 73A(3)(h) is amended by adding “, or have been,” after “are being”.

Consequential Amendments

Solicitors’ Practice Rules

**9. Rule 5 amended (Particulars relating
to firms)**

(1) Rule 5 of the Solicitors’ Practice Rules (Cap. 159 sub. leg. H) is amended by adding—

“(1B) A principal in a firm that is a limited liability partnership within the meaning of Part IIAAA of the Ordinance must, within 14 days of commencing the firm, provide the Society with evidence of the firm’s compliance with the insurance requirement in section 7AD of the Ordinance.”.

- (2) Rule 5 is amended by adding—
“(2A) If at any time a firm that is a limited liability partnership within the meaning of Part IIAAA of the Ordinance does not have in existence a policy of insurance as is required under section 7AD of the Ordinance, a principal in the firm must notify the Society in writing within 14 days of the occurrence of that fact.”.
- (3) Rule 5(5) is amended by repealing “particulars under subrules (1), (2) and (3)” and substituting “particulars, evidence and notification under subrules (1), (1B), (2), (2A) and (3)”.

Foreign Lawyers Practice Rules

10. Section 9 amended (Reporting of particulars)

(1) Section 9 of the Foreign Lawyers Practice Rules (Cap. 159 sub. leg. R) is amended by adding—

“(1B) A principal of a foreign firm that is a limited liability partnership within the meaning of Part IIAAA of the Ordinance must, within 14 days after the establishment of a place of business by the firm, provide the Society with evidence of the firm’s compliance with the insurance requirement in section 7AD of the Ordinance.”.

(2) Section 9 is amended by adding—

“(2A) If at any time a foreign firm that is a limited liability partnership within the meaning of Part IIAAA of the Ordinance does not have in existence a policy of insurance as is required under section 7AD of the Ordinance, a principal of the firm must notify the Society in writing within 14 days of the occurrence of that fact.”.

(3) Section 9(6) is amended by repealing “particulars required to be given under subsections (1), (2) and (3)” and substituting “particulars, evidence and notification required to be given under subsections (1), (1B), (2), (2A) and (3)”.

Summary Disposal of Complaints (Solicitors) Rules

11. Schedule amended (Scheduled items)

The Schedule to the Summary Disposal of Complaints (Solicitors) Rules (Cap. 159 sub. leg. AD) is amended, under the heading “**Legal Practitioners Ordinance (Cap. 159)**”, by adding—

LEGAL PRACTITIONERS (AMENDMENT)
ORDINANCE

Ord. No. 22 of 2012 A2779

“2.	Section 7AI(1)	10,000	15,000
3.	Section 7AI(2)	10,000	15,000
4.	Section 7AJ(a)	10,000	15,000
5.	Section 7AJ(b)	10,000	15,000
6.	Section 7AK(1)	10,000	15,000
7.	Section 7AK(2)	10,000	15,000
8.	Section 7AL(1)	10,000	15,000
9.	Section 7AL(2)	10,000	15,000”.

Limited Liability Partnerships (Top-up Insurance) Rules

Part 1
Rule 1

L.N. 103 of 2015
B1627

L.N. 103 of 2015

Limited Liability Partnerships (Top-up Insurance) Rules

(Made by the Council of The Law Society of Hong Kong under section 73A(3)(fa) of the Legal Practitioners Ordinance (Cap. 159) subject to the prior approval of the Chief Justice)

Part 1

Preliminary

1. Commencement

These Rules come into operation on the day on which the Legal Practitioners (Amendment) Ordinance 2012 (22 of 2012) comes into operation.

2. Interpretation

In these Rules—

limited liability partnership (有限法律責任合夥) has the meaning given by section 7AB of the Ordinance.

Part 2

Top-up Insurance under Section 7AD of Ordinance

3. **From whom top-up insurance should be obtained—requirements under section 7AD(2)(b) and (4)(b) of Ordinance**
- (1) A policy of insurance required to be maintained under section 7AD(2) or (4) of the Ordinance must be written by—
- (a) a company authorized under section 8 of the Insurance Companies Ordinance (Cap. 41) to carry on, in or from Hong Kong, insurance business of the nature specified in class 13 in Part 3 of the First Schedule to that Ordinance;
 - (b) Lloyd's; or
 - (c) an association of underwriters approved by the Insurance Authority.
- (2) In subrule (1)—
- company* (公司) has the meaning given by section 2(1) of the Insurance Companies Ordinance (Cap. 41);
- Insurance Authority* (保險業監督) has the meaning given by section 2(1) of the Insurance Companies Ordinance (Cap. 41);
- Lloyd's* (勞合社) has the meaning given by section 2(1) of the Insurance Companies Ordinance (Cap. 41).
4. **Scope of top-up insurance—requirements under section 7AD(2)(b) and (4)(b) of Ordinance**
- (1) For a limited liability partnership that is a Hong Kong firm, the policy of insurance required to be maintained under section 7AD(2) of the Ordinance must provide

Limited Liability Partnerships (Top-up Insurance) Rules

Part 2
Rule 5

L.N. 103 of 2015
B1631

indemnity in respect of any description of civil liability whatsoever incurred in connection with the Practice of the firm, in a manner and to the extent similar to the indemnity provided to a solicitor under the fund established under rule 3 of the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg. M).

- (2) For a limited liability partnership that is a foreign firm, the policy of insurance required to be maintained under section 7AD(4) of the Ordinance must provide indemnity in respect of services rendered by the firm, in a manner and to the extent similar to the indemnity provided to a foreign lawyer under section 6 of the Foreign Lawyers Registration Rules (Cap. 159 sub. leg. S).
- (3) In subrule (1)—
Practice (執業業務) has the meaning given by rule 2 of the Solicitors (Professional Indemnity) Rules (Cap. 159 sub. leg. M).

5. Proof of firm's compliance with section 7AD of Ordinance

- (1) A principal in a firm that is a limited liability partnership must provide to the Society, in accordance with subrule (2), evidence required by the Society to show the firm's compliance with section 7AD of the Ordinance.
- (2) The evidence—
 - (a) must be provided—
 - (i) in the form and manner specified by the Society; and
 - (ii) within the specified period; and
 - (b) may be provided by one principal on behalf of all the other principals.
- (3) In this rule—

Limited Liability Partnerships (Top-up Insurance) Rules

Part 2
Rule 5

L.N. 103 of 2015
B1633

principal (主管)—

- (a) in relation to a Hong Kong firm, has the meaning given by rule 1A of the Solicitors' Practice Rules (Cap. 159 sub. leg. H); and
- (b) in relation to a foreign firm, has the meaning given by section 1 of the Foreign Lawyers Practice Rules (Cap. 159 sub. leg. R);

specified period (指明期間) means—

- (a) in relation to a Hong Kong firm, the 14-day period mentioned in rule 5(1B) of the Solicitors' Practice Rules (Cap. 159 sub. leg. H); and
- (b) in relation to a foreign firm, the 14-day period mentioned in section 9(1B) of the Foreign Lawyers Practice Rules (Cap. 159 sub. leg. R).

Approved this 30th day of April 2015.

Geoffrey MA
Chief Justice

Limited Liability Partnerships (Top-up Insurance) Rules

L.N. 103 of 2015
B1635

Made this 14th day of May 2015.

Stephen W S HUNG

Junius K Y HO

Sylvia W Y SIU

Brian W GILCHRIST

Thomas S T SO

Huen WONG

Cecilia K W WONG

Gavin P NESBITT

Melissa K PANG

Peter C L LO

Kenneth S Y NG

Denis G BROCK

Michael J LINTERN-SMITH

Joseph C W LI

Nick CHAN

Dieter YIH

Billy W Y MA

Amirali B NASIR

Bonita B Y CHAN

Limited Liability Partnerships (Top-up Insurance) Rules

Explanatory Note
Paragraph 1

L.N. 103 of 2015
B1637

Explanatory Note

The purpose of these Rules is to provide for the better carrying out of section 7AD of the Legal Practitioners Ordinance (Cap. 159).

Note—

Section 7AD of the Ordinance (*Section 7AD*) requires a limited liability partnership (as defined by section 7AB of the Ordinance) to maintain top-up insurance. Section 7AD also provides that the policy of the top-up insurance must comply with the requirements under that section.

L.N. 102 of 2015

Solicitors' Practice (Amendment) Rules 2015

(Made by the Council of The Law Society of Hong Kong under section 73 of the Legal Practitioners Ordinance (Cap. 159) subject to the prior approval of the Chief Justice)

1. Commencement

These Rules come into operation on the day on which the Legal Practitioners (Amendment) Ordinance 2012 (22 of 2012) comes into operation.

2. Solicitors' Practice Rules amended

The Solicitors' Practice Rules (Cap. 159 sub. leg. H) are amended as set out in rules 3 and 4.

3. Rule 2A amended (name of firm)

After rule 2A(2)—

Add

“(3) Despite subrules (1) and (2), for a firm that is not a limited liability partnership within the meaning of section 7AB of the Ordinance—

(a) if the firm has an English name, the firm must not include, as part of that name—

- (i) the words “limited liability partnership”;
- (ii) the abbreviation “L.L.P.” or “LLP”; or
- (iii) any words or abbreviations that convey the message that the firm is a limited liability partnership within the meaning of that section;

Solicitors' Practice (Amendment) Rules 2015

L.N. 102 of 2015

Rule 4

B1619

- (b) if the firm has a Chinese name, the firm must not include, as part of that name—
 - (i) the words “有限法律責任合夥”; or
 - (ii) any words or abbreviations that convey the message that the firm is a limited liability partnership within the meaning of that section; and
- (c) if the firm has a name in a language other than English or Chinese, the firm must not include, as part of that name, any words or abbreviations that convey the message that the firm is a limited liability partnership within the meaning of that section.”.

4. **Rule 5 amended (particulars relating to firms)**

Rule 5(1B)—

Repeal

“A”

Substitute

“Subject to rule 5(1) of the Limited Liability Partnerships (Top-up Insurance) Rules, a”.

Approved this 30th day of April 2015.

Geoffrey MA
Chief Justice

Solicitors' Practice (Amendment) Rules 2015

L.N. 102 of 2015
B1621

Made this 14th day of May 2015.

Stephen W S HUNG	Junius K Y HO
Sylvia W Y SIU	Brian W GILCHRIST
Thomas S T SO	Huen WONG
Cecilia K W WONG	Gavin P NESBITT
Melissa K PANG	Peter C L LO
Kenneth S Y NG	Denis G BROCK
Michael J LINTERN-SMITH	Joseph C W LI
Nick CHAN	Dieter YIH
Billy W Y MA	Amirali B NASIR
Bonita B Y CHAN	

Solicitors' Practice (Amendment) Rules 2015

Explanatory Note
Paragraph 1

L.N. 102 of 2015
B1623

Explanatory Note

These Rules amend the Solicitors' Practice Rules (Cap. 159 sub. leg. H) (*principal Rules*).

2. Rule 2A of the principal Rules is amended by adding a new subrule (3) (*new provision*) to make it clear that, except for a firm as defined by rule 1A of the principal Rules (*firm*) that is a limited liability partnership within the meaning of section 7AB of the Legal Practitioners Ordinance (Cap. 159) (*limited liability partnership*), a firm—
 - (a) must not include, in its English name, the words “limited liability partnership” or the abbreviation “L.L.P.” or “LLP”, or any words or abbreviations that convey the message that the firm is a limited liability partnership;
 - (b) must not include, in its Chinese name, the words “有限法律責任合夥”, or any words or abbreviations that convey the message that the firm is a limited liability partnership; and
 - (c) must not include, in its any other name, any words or abbreviations that convey the message that the firm is a limited liability partnership.
3. These Rules further make it clear that rule 2A(1) and (2) of the principal Rules is subject to the new provision.

Solicitors' Practice (Amendment) Rules 2015

Explanatory Note
Paragraph 4

L.N. 102 of 2015
B1625

4. These Rules also amend rule 5(1B) of the principal Rules to ensure that after the coming into operation of rule 5 of the Limited Liability Partnerships (Top-up Insurance) Rules (*Top-up Insurance Rules*), there would not be any conflict or inconsistency between the requirement for provision of evidence under rule 5(1B) of the principal Rules and the requirement under rule 5 of the Top-up Insurance Rules.

L.N. 175 of 2015

**Rules of the High Court (Amendment) (No. 3) Rules
2015**

(Made by the Rules Committee of the High Court under section 54 of
the High Court Ordinance (Cap. 4))

1. Commencement

These Rules come into operation on the day on which the
Legal Practitioners (Amendment) Ordinance 2012 (22 of 2012)
comes into operation.

2. Rules of the High Court amended

The Rules of the High Court (Cap. 4 sub. leg. A) are amended
as set out in rule 3.

**3. Order 81, rule 5 amended (enforcing judgment or order against
firm)**

(1) Order 81, rule 5(2)—

Repeal

“rule 6 and to the next following paragraph”

Substitute

“paragraphs (3) and (6) and rule 6”.

(2) Order 81, rule 5(4)—

Repeal

“Where”

Substitute

“Subject to paragraph (6), where”.

(3) Order 81, after rule 5(5)—

Add

“(6) Execution to enforce a judgment or order given or made against a firm that is a limited liability partnership may not issue against a member of the firm unless—

- (a) the member admitted in the pleading in the proceedings that the member is a partner not protected under Part IIAAA of the Legal Practitioners Ordinance (Cap. 159) from liability for the partnership obligation in respect of which the proceedings are brought; or
- (b) the member is adjudged to be such a partner—
 - (i) in the proceedings; or
 - (ii) on an application for leave to enforce the judgment or order.

(7) In paragraph (6)—

limited liability partnership (有限法律責任合夥) has the meaning given by section 7AA(1) of the Legal Practitioners Ordinance (Cap. 159);

partnership obligation (合夥義務) has the meaning given by section 7AA(1) of the Legal Practitioners Ordinance (Cap. 159).”.

Rules of the High Court (Amendment) (No. 3) Rules 2015

L.N. 175 of 2015

B2837

Made this 14th day of July 2015.

The Hon. Mr. Justice
Andrew CHEUNG
Chief Judge of the High Court

The Hon. Mr. Justice Johnson
LAM V.P.

The Hon. Mr. Justice Thomas AU

Stewart WONG, S.C.

Liza Jane CRUDEN

Nigel FRANCIS

Brian GILCHRIST

Herbert LI

LUNG Kim-wan
Registrar, High Court

Rules of the District Court (Amendment) Rules 2015

L.N. 176 of 2015

Rule 3

B2843

- “(6) Execution to enforce a judgment or order given or made against a firm that is a limited liability partnership may not issue against a member of the firm unless—
- (a) the member admitted in the pleading in the proceedings that the member is a partner not protected under Part IIAAA of the Legal Practitioners Ordinance (Cap. 159) from liability for the partnership obligation in respect of which the proceedings are brought; or
 - (b) the member is adjudged to be such a partner—
 - (i) in the proceedings; or
 - (ii) on an application for leave to enforce the judgment or order.
- (7) In paragraph (6)—
- limited liability partnership** (有限法律責任合夥) has the meaning given by section 7AA(1) of the Legal Practitioners Ordinance (Cap. 159);
- partnership obligation** (合夥義務) has the meaning given by section 7AA(1) of the Legal Practitioners Ordinance (Cap. 159).”

Rules of the District Court (Amendment) Rules 2015

L.N. 176 of 2015

B2845

Made this 14th day of July 2015.

The Hon. Mr. Justice CHEUNG
Chief Judge of the High Court

H.H. Judge POON

H.H. Judge LEUNG

H.H. Judge KO

Elaine LIU

Denis BROCK

Simon LUI

Rules of the District Court (Amendment) Rules 2015

Explanatory Note
Paragraph 1

L.N. 176 of 2015
B2847

Explanatory Note

These Rules amend rule 5 of Order 81 of the Rules of the District Court (Cap. 336 sub. leg. H), mainly by adding a new paragraph (6). The new paragraph (6), as read with the definitions in the new paragraph (7), provides to the effect that where a judgment or order is given or made against a firm that is a limited liability partnership, execution to enforce it may not issue separately against a member of the firm who is protected under Part IIAAA of the Legal Practitioners Ordinance (Cap. 159) from liability for the partnership obligation.

Appendix 2

The Law Society of Hong Kong

Forms applicable to Hong Kong firms operating as limited liability partnerships (“LLP”)

I. Establishment as LLP

Please complete and return the following to the Law Society of Hong Kong:-

- Step 1: **Form LP-2** at least 7 days in advance of the commencement of practice as a LLP
- Step 2: **Form LP1 and Form LP-3** within 14 days of the commencement of practice as a LLP

II. Change in the mode of operation of an existing firm

(a) From General Partnership/ Sole Proprietorship to LLP

Please complete and return the following to the Law Society of Hong Kong:-

- Step 1: **Form LP-2** at least 7 days in advance of the commencement of practice as a LLP
- Step 2: **Form LP-1 and Form LP-4** within 14 days of the commencement of practice as a LLP

(b) From LLP to General Partnership/ Sole Proprietorship

Please complete and return the following to the Law Society of Hong Kong:-

- Step 1: **Form LP-5** at least 7 days prior to the intended cessation as a LLP
- Step 2: **Form LP-4** within 14 days from the change.

**DECLARATION ON TOP-UP INSURANCE COVER
FOR HONG KONG LAW FIRM
OPERATING AS A LIMITED LIABILITY PARTNERSHIP**

I, _____, principal of _____
(name as on practising certificate)

(name of Hong Kong firm operating as limited liability partnership)

DO SOLEMNLY AND SINCERELY DECLARE THAT:

(name of Hong Kong firm operating as limited liability partnership)

("Firm") complies with section 7AD(2), (3) and (6) of the Legal Practitioners Ordinance (Cap 159) and sections 3 and 4 of the Limited Liability Partnerships (Top-up Insurance) Rules (Cap 159, sub leg AL), namely,

- i) the Firm is entitled to be indemnified against the part of the loss that exceeds HK\$20 million up to an amount not less than HK\$10 million in respect of any one claim with no limit as to the amount of liability of an insurer for claims in the aggregate or as to the number of claims; and
- ii) indemnity is provided against loss brought about by the fraud or dishonesty of the employees of the Firm or the indemnified other than that occurring as a result of recklessness or dishonesty or a fraudulent act or fraudulent omission on the part of the principal in the conduct or management of the practice.

**AND I MAKE THIS SOLEMN DECLARATION CONSCIENTIOUSLY BELIEVING
THE SAME TO BE TRUE AND BY VIRTUE OF THE OATHS AND DECLARATIONS
ORDINANCE**

Signature of principal of the Firm

Declared before me at _____
(detailed address)

this _____ day of _____ 20____.

Signature of the Notary Public, Commissioner for Oaths, or other person authorised by the Oaths and Declarations Ordinance to take declarations.

[Note : Please note that where the firm is a limited liability partnership and the particulars of the top-up insurance cover has changed since the firm last submitted its particulars, the firm must submit a revised Declaration on Top-up Insurance Cover duly completed and signed by the firm within 14 days of the change.

Please also note that under section 5(2A) of the Solicitors Practice Rules, if at any time a firm that is a limited liability partnership within the meaning of Part IIAAA of the Legal Practitioners Ordinance does not have in existence a policy of insurance as is required under section 7AD of the Ordinance, a principal of the firm must notify the Society in writing within 14 days of the occurrence of that fact.]

**Advance Notice of Commencement of Practice
as a Hong Kong Limited Liability Partnership**

[Pursuant to Section 7AI of the Legal Practitioners Ordinance Cap 159 (Note 1)]

1. **The name of the limited liability partnership will be : (Note 2)**

In English

--

In Chinese, if applicable

--

2. **The limited liability partnership will commence practice on the following date :**

--

You are required to file a Commencement of Practice Form (LP-3) within 14 days of this commencement date if your firm is a newly established firm.

3. **The limited liability partnership will commence practice at the following address(es) :**

In English		
In Chinese		
Tel No. :	Fax No. :	Email :

4. **The names of the partners of the limited liability partnership are :**

Full name (as on practising certificate)	Solicitor's ref. no. (at the bottom of the practising certificate)

The Law Society of Hong Kong

5. Immediately prior to becoming a limited liability partnership in Hong Kong on the date specified in item 2 above, the firm has been carrying on the practice of law as a general partnership or sole proprietorship in Hong Kong under the name of :

--

You are required to file a Notification of Changes to a Practice (LP-4) within 14 days of your commencement as a limited liability partnership

For and on behalf of the firm :

Name of Partner :

Date :

Notes

1. Section 7AI(1) of the Legal Practitioners Ordinance provides that:

“(1) A law firm must ensure that, at least 7 days before the date on which it becomes a limited liability partnership, a written notice of the following particulars is given to the Society-

- (a) the date on which the firm becomes a limited liability partnership;*
- (b) the name of the partnership;*
- (c) in the case of a Hong Kong firm-*
 - (i) the name of each partner in the partnership;*
 - (ii) each address at which the partnership carries on its business;*
- (d)*

The Law Society of Hong Kong

(e) *any other particulars prescribed by rules made under section 73.*"

2. Section 7AJ of the Legal Practitioners Ordinance provides that:

"A limited liability partnership must –

- (a) *if it has a Chinese name, include the words "有限法律責任合夥" as part of that Chinese name; and*
- (b) *if it has an English name, include the following as part of that English name*
 - (i) *the words "Limited Liability Partnership"; or*
 - (ii) *the abbreviation "LLP" or "L.L.P."*

Further, section 2A(3) of the Solicitors Practice Rules provides that:

"(3) Despite subrules (1) and (2), for a firm that is not a limited liability partnership within the meaning of section 7AB of the Ordinance—

- (a) *if the firm has an English name, the firm must not include, as part of that name—*
 - (i) *the words "limited liability partnership";*
 - (ii) *the abbreviation "L.L.P." or "LLP"; or*
 - (iii) *any words or abbreviations that convey the message that the firm is a limited liability partnership within the meaning of that section;*
- (b) *if the firm has a Chinese name, the firm must not include, as part of that name—*
 - (i) *the words "有限法律責任合夥"; or*
 - (ii) *any words or abbreviations that convey the message that the firm is a limited liability partnership within the meaning of that section; and*
- (c) *if the firm has a name in a language other than English or Chinese, the firm must not include, as part of that name, any words or abbreviations that convey the message that the firm is a limited liability partnership within the meaning of that section."*

3. Item 5 applies to those firms which immediately prior to becoming a limited liability partnership, have been carrying on the practice of law as a general partnership or sole proprietorship in Hong Kong. Please delete item 5 if it is not applicable to your situation.

The Law Society of Hong Kong

Personal Information Collection Statement

The personal data collected in this Form (“the data”) will be used by the Law Society of Hong Kong (“the Society”) for the following purposes:

- (i) The processing of this notice of the commencement of a legal practice as a Hong Kong Limited Liability Partnership (“the Notice”) and related matters;
- (ii) The exercise of the powers of the Society conferred upon it under the Legal Practitioners Ordinance (Chapter 159) and its subsidiary legislation; and
- (iii) The performance of the functions of the Society in accordance with its Memorandum and Articles of Association and the attainment of the objects for which the Society is established.

In giving the Notice, it is obligatory for you to supply the Society with the data requested in this Form except as otherwise indicated. The consequence for you if you fail to supply such data is that you will have failed to comply with the Legal Practitioners Ordinance.

The data may be provided to such persons within the Society whose proper business it is to have access to and assist in the processing of the Notice and related matters. The data may also be provided to other persons who may help the Society in attaining the purposes above mentioned.

Any data that is provided to anyone outside of the Society will be restricted to what is necessary and not excessive to achieve any intended purpose.

You have the right to request access to and correction of the data. Any such request should be addressed to the Secretary General, the Law Society of Hong Kong, 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

The Privacy Policy Statement of the Society is available on its website at www.hklawsoc.org.hk.

COMMENCEMENT OF PRACTICE

[Pursuant to rule 5 of the Solicitors' Practice Rules Cap. 159H]

[Please provide all information as required or put "not applicable".]

1. The name of the firm **is / will be** :

In English -

--

In Chinese, if applicable -

--

2. The firm **commenced/will commence** business on :

--

3. Details of the professional staff (full time and part time) of firm are set out below:

Full name (as on practising certificate)	Solicitors ref. no. (at bottom of practising certificate)	Status (principal/assistant solicitor/consultant)	Full-time/Part-time/Others - please specify

The Law Society of Hong Kong

3A. Details of all other staff in the firm (full time and part time) are set out below.

Full Name (English & Chinese, if applicable)	Date of Birth	Chinese Commercial Code Number	ID Card/Passport Number	Position	Mark "X" if Authorised Clerk	For Authorised Clerk - Name of Previous Firm

- NB (1) Persons employed by service companies of principal(s) are deemed to be employed in the firm.
 (2) Please attach an additional page if there is insufficient space.
 (3) Authorised clerks are employees who are empowered to visit clients in places of detention.

4. Details of the firm's office or offices are set out below. The firm's main office is listed first.

ADDRESS	TELEPHONE NO.	FAX NO.	TELEX NO./ E-MAIL	DX NO.

The Law Society of Hong Kong

5. Essar Insurance Services Limited have been advised of the commencement of the practice and a certified true copy of the Certificate of Insurance and their receipt for payment of the contribution required by the Solicitors' (Professional Indemnity) Rules are attached to this form.

The Law Society of Hong Kong

6. The firm's accounting period for the purpose of the Accountant's Report Rules will be:

7. The form for Legal Visits by Solicitors' Employees to Persons in Custody *is/is not attached to this form.

8. If the firm engages a service company to provide staff for the firm:

Name of the Service Company:

Address:

Address of the Registered Office:

Telephone No.:

Fax No.:

DX No.:

Business Registration No.:

Directors of the Service Company:

Full Name (English & Chinese, if applicable)	Mark 'X' if Solicitor

The Law Society of Hong Kong

9. The following are employed by the service company:

Full Name (English & Chinese, if applicable)	ID Card/ Passport Number	Chinese Commercial Code No	Date of Birth	Position	With Effect From

Note: Details of all employees of the service company must be provided, whether or not the employee has been provided as staff of the firm, whether part-time or full-time, remunerated or otherwise and whether or not the employee is a solicitor.

10. *The firm is a limited liability partnership and has complied with the insurance requirement in section 7AD of the Legal Practitioners Ordinance Cap. 159 and sections 3 and 4 of the Limited Liability Partnerships (Top-up Insurance) Rules (Cap 159, sub leg AL). The Declaration on Top-Up Insurance Cover (LP-1) duly completed and signed is attached.

*Please put a tick in the box of item 10 if the firm is a limited liability partnership.

Please note that where the firm is a limited liability partnership and the particulars of the top-up insurance cover has changed since the firm last submitted its particulars, the firm must submit LP-4 within 14 days of the change.

Please also note that under section 5(2A) of the Solicitors Practice Rules, if at any time a firm that is a limited liability partnership within the meaning of Part IIAAA of the Legal Practitioners Ordinance does not have in existence a policy of insurance as is required under section 7AD of the Ordinance, a principal of the firm must notify the Society in writing within 14 days of the occurrence of that fact.

Signed by all partners of the firm

Name of Partner
Date : _____

Name of Partner
Date :

Name of Partner
Date : _____

Personal Information Collection Statement

The personal data collected in this Form (“the data”) and the Declaration on Top-up Insurance Cover (LP-1) will be used by the Law Society of Hong Kong (“the Society”) for the following purposes:

- (i) The processing of this notice of the commencement of a legal practice as a Hong Kong Limited Liability Partnership (“the Notice”) and related matters;
- (ii) The exercise of the powers of the Society conferred upon it under the Legal Practitioners Ordinance (Chapter 159) and its subsidiary legislation; and
- (iii) The performance of the functions of the Society in accordance with its Memorandum and Articles of Association and the attainment of the objects for which the Society is established.

In giving the Notice, it is obligatory for you to supply the Society with the data requested in this Form except as otherwise indicated. The consequence for you if you fail to supply such data is that you will have failed to comply with the Solicitors Practice Rules.

The data may be provided to such persons within the Society whose proper business it is to have access to and assist in the processing of the Notice and related matters. The data may also be provided to other persons who may help the Society in attaining the purposes above mentioned.

The name of the law firm, its business address(es) and the date on which the law firm first became a limited liability partnership and if applicable, the dates from which or periods during which it has ceased to be a limited liability partnership will be kept by the Law Society in a List (which may be included in the Law List and other Law Society publications) and is available for inspection by members of the public in ascertaining the particulars of a law firm that is or has been a limited liability partnership.

Any data that is provided to anyone outside of the Society will be restricted to what is necessary and not excessive to achieve any intended purpose.

You have the right to request access to and correction of the data. Any such request should be addressed to the Secretary General, the Law Society of Hong Kong, 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

The Privacy Policy Statement of the Society is available on its website at www.hklawsoc.org.hk.

**DECLARATION ON TOP-UP INSURANCE COVER
FOR HONG KONG LAW FIRM
OPERATING AS A LIMITED LIABILITY PARTNERSHIP**

I, _____, principal of _____
(name as on practising certificate)

(name of Hong Kong firm operating as limited liability partnership)

DO SOLEMNLY AND SINCERELY DECLARE THAT:

(name of Hong Kong firm operating as limited liability partnership)

("Firm") complies with section 7AD(2), (3) and (6) of the Legal Practitioners Ordinance (Cap 159) and sections 3 and 4 of the Limited Liability Partnerships (Top-up Insurance) Rules (Cap 159, sub leg AL), namely,

- i) the Firm is entitled to be indemnified against the part of the loss that exceeds HK\$20 million up to an amount not less than HK\$10 million in respect of any one claim with no limit as to the amount of liability of an insurer for claims in the aggregate or as to the number of claims; and
- ii) indemnity is provided against loss brought about by the fraud or dishonesty of the employees of the Firm or the indemnified other than that occurring as a result of recklessness or dishonesty or a fraudulent act or fraudulent omission on the part of the principal in the conduct or management of the practice.

**AND I MAKE THIS SOLEMN DECLARATION CONSCIENTIOUSLY BELIEVING THE
SAME TO BE TRUE AND BY VIRTUE OF THE OATHS AND DECLARATIONS
ORDINANCE**

Signature of principal of the Firm

Declared before me at _____
(detailed address)

this _____ day of _____ 20____.

Signature of the Notary Public, Commissioner for Oaths, or other person authorised by the Oaths and Declarations Ordinance to take declarations.

The Law Society of Hong Kong

[Note : Please note that where the firm is a limited liability partnership and the particulars of the top-up insurance cover has changed since the firm last submitted its particulars, the firm must submit a revised Declaration on Top-up Insurance Cover duly completed and signed by the firm within 14 days of the change.

Please also note that under section 5(2A) of the Solicitors Practice Rules, if at any time a firm that is a limited liability partnership within the meaning of Part IIAAA of the Legal Practitioners Ordinance does not have in existence a policy of insurance as is required under section 7AD of the Ordinance, a principal of the firm must notify the Society in writing within 14 days of the occurrence of that fact.]

NOTIFICATION OF CHANGES TO A PRACTICE

[Pursuant to rule 5 of the Solicitors' Practice Rules Cap. 159H]

[Please provide all information as required or put "not applicable".]

1. The name of the firm is:

1A*. The name of the service company is:

2. The firm / service company * has changed its name to:

In English:

In Chinese:

with effect from:

2A. The firm has changed its operation :

*(i) from a limited liability partnership to a general partnership/
sole proprietorship with effect from

*(ii) from a general partnership/sole proprietorship to a
limited liability partnership with effect from

and has complied with the insurance requirement in section 7AD of the Legal Practitioners Ordinance Cap. 159 and sections 3 and 4 of the Limited Liability Partnerships (Top-up Insurance) Rules (Cap 159, sub leg AL). The Declaration on Top-up Insurance Cover (LP-1) duly completed and signed by the firm is attached.

[*Please delete if inapplicable]

3. The following professional staff (full-time and part-time) have joined the firm / service company*:

Full name (as on practising certificate; surname first and please <u>underline</u>)	Solicitor ref. no. (at bottom of practising certificate)	Status (principal / assistant solicitor / consultant)#	Full-time / Part-time / Other please specify	Mark "x" if a supervising solicitor of authorised clerk(s) in the firm	With effect from

#The solicitor who joins the firm as a principal must countersign this Notification or provide a written confirmation duly signed by him signifying his consent to be a principal of the firm.

4. The following professional staff (full-time and part-time) have left the firm / service company*:

Full name (as on practising certificate; surname first and please <u>underline</u>)	Solicitor ref. no. (at bottom of practising certificate)	Status (principal / assistant solicitor / consultant)	Mark “✖” if a supervising solicitor of authorised clerk(s) in the firm before departure	With effect from

NB Authorised clerks are employees authorised to visit persons in custody

5. The status of the following professional staff (full-time and part-time) has changed:

Full name (as on practising certificate; surname first and please <u>underline</u>)	Solicitor ref. no. (at bottom of practising certificate)	Former status (principal / assistant solicitor / consultant) (please mark “✖” if also a supervising solicitor of authorised clerk(s) in the firm)	New status (principal / assistant solicitor / consultant) (please mark “✖” if also a supervising solicitor of authorised clerk(s) in the firm) ^{###}	Full-time / Part-time / Other please specify	With effect from

###The solicitor must countersign this Notification or provide a written confirmation duly signed by him signifying his consent to be a new principal of the firm if his new status is a principal of the firm.

5A. There has been a change in the supervising solicitor(s) for the following authorised clerk(s):

Full name of authorised clerk (Both English & Chinese, if applicable; surname first and please <u>underline</u>)	Full name of former supervising solicitor (as on practising certificate, surname first and please <u>underline</u>)	Full name of new supervising solicitor (as on practising certificate, surname first and please <u>underline</u>)	Further information on the new supervising solicitor			
			Change in supervising solicitor effective from	Full-time / Part-time	No. of years of post-qualification experience in the litigation practice	No. of authorised clerks under his supervision (including the clerk named in this column)

6. If the firm / service company* has moved offices, or the firm has opened a branch office or closed an existing office or added a separate additional unit, list the address/es below and indicate in the first column whether it is a new address or a former address or a separate additional unit and whether it is the firm's main office or a branch office.

If the firm / service company's* address remains the same but other details have changed (for example, telephone number), list the address and the new details and indicate in the first column that the address shown is a current address.

Address	With effect from	Tel. no.	Fax no.	Telex no. / E-mail	DX no.
Type of office: main / branch / new / current / former / every additional separate unit)					
Type of office: main / branch / new / current / former / every additional separate unit)					

7. The following non-professional staff (full-time and part-time) have joined the firm / service company*:

Full name (Both English & Chinese, if applicable; surname first and please <u>underline</u>)	ID Card / Passport number	Chinese commercial code No.	Date of birth (dd/mm/yy)	Position	Mark “✖” if authorised clerk. Please state the full name of the supervising solicitor (as on practising certificate)	For authorised clerk - name of previous firm	With effect from

8. The following non-professional staff (full-time and part-time) have left the firm / service company*:

Full name (Both English & Chinese, if applicable; surname first and please <u>underline</u>)	Date of birth (dd/mm/yy)	Position	Mark “✖” if authorised clerk. Please state the full name of the supervising solicitor (as on practising certificate, surname first and please <u>underline</u>)	With effect from

8A. The status of the following non-professional staff (full-time and part-time) has changed:

Full name (Both English & Chinese, if applicable; surname first and please <u>underline</u>)	Date of birth	Former position	New position	Full-time / Part-time / Others - please specify	With effect from

9. The following foreign lawyers (full-time and part-time) have joined the firm / service company*:

Full name (as on Certificate of Registration; surname first and please <u>underline</u>)	Ref. No. (at bottom of Certificate of Registration)	Status	Full-time / Part-time / Others - please specify	With effect from

10. The following foreign lawyers (full-time and part-time) have left the firm / service company*:

Full name (as on Certificate of Registration; surname first and please <u>underline</u>)	Ref. no. (at bottom of Certificate of Registration)	Status	With effect from

10A. The status of the following foreign lawyers (full-time and part-time) has changed:

Full name (as on Certificate of Registration; surname first and please <u>underline</u>)	Ref. no. (at bottom of Certificate of Registration)	Former status	New status	Full-time / Part-time / Others - please specify	With effect from

11. The following unqualified staff have name card issued or permitted for use by the firm which differ from the name(s) that appear on their Hong Kong identity cards:

Name (Both English & Chinese, if applicable; <u>underline</u> surname please) as appears on the employee's Hong Kong identity card	Name (Both English & Chinese, if applicable; <u>underline</u> surname please) as appears on the employee's name card

12. #The firm is a limited liability partnership. The particulars of the insurance cover has changed since the firm last submitted its particulars. The revised Declaration on Top-up Insurance Cover (LP-1) duly completed and signed by the firm is attached.

#Please put a tick in the box of item 12 if the firm is a limited liability partnership and there is a change to the insurance cover.

Please note that under section 5(2A) of the Solicitors Practice Rules, if at any time a firm that is a limited liability partnership within the meaning of Part IIAAA of the Legal Practitioners Ordinance does not have in existence a policy of insurance as is required under section 7AD of the Ordinance, a principal of the firm must notify the Society in writing within 14 days of the occurrence of that fact.

Signature of principal:

Print your name clearly underneath your signature

- Note:
- (1) One principal of the firm may complete this form on behalf of all principals.
 - (2) The Society will not acknowledge receipt of this form but you will be contacted if the Society requires further information.
 - (3) *delete whichever is inapplicable.
-

I hereby consent to be a new principal of the firm.

Print your name clearly underneath your signature

Date: _____

If the change submitted in this Notification Form includes a change in item 2A, then this Form must be signed by all partners of the firm :

Name of Partner
Date :

Name of Partner
Date :

Name of Partner
Date :

Name of Partner
Date :

Name of Partner
Date :

Name of Partner
Date :

Personal Information Collection Statement

The personal data of the data subjects collected in this Notification and the Declaration on Top-up Insurance Cover (LP-1) (“the data”) will be used by the Law Society of Hong Kong (“the Society”) for the following purposes:

- (i) The updating of the records of a law firm resulting from changes of the address, personnel or management of the law firm that are reported to the Society and related matters;
- (ii) The exercise of the powers of the Society conferred upon it under the Legal Practitioners Ordinance (Chapter 159) and its subsidiary legislation; and
- (iii) The performance of the functions of the Society in accordance with its Memorandum and Articles of Association and the attainment of the objects for which the Society is established.

In making this Notification, it is obligatory for you to supply the Society with all data requested in this form except as otherwise indicated. The consequence for you if you fail to supply such data is that you will have failed to comply with the Solicitors Practice Rules.

The data may be provided to such persons within the Society whose proper business it is to have access to and assist in the management of practitioners’ affairs and related matters. The data may also be provided to other persons who may help the Society in attaining the purposes mentioned above.

The data may also be used for updating the List (which may be included in the Law List and other Law Society publications) kept by the Society and which is available for inspection by members of the public in ascertaining the particulars of a law firm that is or has been a limited liability partnership.

Any data that is provided to anyone outside of the Society will be restricted to what is necessary and not excessive to achieve any intended purpose.

You have the right to request access to and correction of the data. Any such request should be addressed to the Secretary General, the Law Society of Hong Kong, 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

The Privacy Policy Statement of the Society is available on its website at **www.hklawsoc.org.hk**.

**Cessation of Practice as a Hong Kong Limited Liability Partnership
[Pursuant to Section 7AI of the Legal Practitioners Ordinance Cap 159 (Note 1)]**

1. **The name of the limited liability partnership is :**

In English

--

In Chinese, if applicable

--

2. **The limited liability partnership will cease practice on the following date :**

--

You are required to submit a Notification of Changes to a Practice (LP-4) within 14 days from this cessation date if your firm will continue practice as a general partnership or sole proprietorship.

3. **The limited liability partnership will cease practice at the following address(es) :**

Address	
Tel No :	

4. **Immediately after the cessation of practice as a limited liability partnership in Hong Kong on the date specified in item 2 above, the firm will carry on the practice of law as a general partnership*/sole proprietorship* in Hong Kong under the name of (Note 2) :**

--

5. **Names of intended partners*/sole proprietor* of the firm mentioned in item 4 above :**

--

*** delete whichever is inappropriate**

The Law Society of Hong Kong

Signed by all partners of the limited liability partnership :

Name of Partner :
Date :

Name of Partner :
Date :

Name of Partner :
Date :

Name of Partner :
Date :

Notes

1. Section 7AI(2) of the Legal Practitioners Ordinance provides that:

“(2) A law firm must ensure that, at least 7 days before the date on which it ceases to be a limited liability partnership, a written notice of that date is given to the Society.”
2. The Law Society’s Practice Direction D7(1) provides that:

“(1) Where a firm intends to cease practice, the firm 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.”
3. For a limited liability partnership which intends to cease practice as a law firm altogether and which has submitted a Notice of Cessation of Practice to the Law Society in accordance with Practice Direction D7(1), the partnership is deemed to have complied with section 7AI(2) of the Legal Practitioners Ordinance. It is not required to complete and submit this notification form again.
4. (a) This notification form is intended to be used by a limited liability partnership which intends to carry on the practice of law as a general partnership or sole proprietorship in Hong Kong immediately after ceasing practice as a limited liability partnership.

(b) For a limited liability partnership which intends to cease practice as an LLP but continue practice as a general partnership or sole proprietorship, the partnership is required to submit a Notification of Changes to a Practice (LP-4) within 14 days of the change.

The Law Society of Hong Kong

Personal Information Collection Statement

The personal data collected in this Notification (“the data”) will be used by the Law Society of Hong Kong (“the Society”) for the following purposes:

- (i) The processing of this Notification and related matters;
- (ii) The exercise of the powers of the Society conferred upon it under the Legal Practitioners Ordinance (Chapter 159) and its subsidiary legislation; and
- (iii) The performance of the functions of the Society in accordance with its Memorandum and Articles of Association and the attainment of the objects for which the Society is established.

In making this Notification, it is obligatory for you to supply the Society with all data requested in this form except as otherwise indicated. The consequence for you if you fail to supply such data is that you may have contravened the requirements of the Legal Practitioners Ordinance.

The data may be provided to such persons within the Society whose proper business it is to have access to and assist in the processing of the Notification and related matters. The data may also be provided to the persons who are affected by the cessation of the legal practice and also to the persons who may help the Society in attaining the purposes above mentioned.

The data will also be used for updating the List (which may be included in the Law List and other Law Society publications) kept by the Society which is available for inspection by members of the public in ascertaining the particulars of a law firm that is or has been a limited liability partnership.

Any data that is provided to anyone outside of the Society will be restricted to what is necessary and not excessive to achieve any intended purpose.

You have the right to request access to and correction of the data. Any such request should be addressed to the Secretary General, the Law Society of Hong Kong, 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

The Privacy Policy Statement of the Society is available on its website at www.hklawsoc.org.hk.

Notice by Limited Liability Partnerships to Existing Clients

[Pursuant to Section 7AL of the Legal Practitioners Ordinance Cap 159]

Section 7AL of the Legal Practitioners Ordinance requires existing law firms that convert to limited liability partnerships to send a written notice to each of its existing clients about the conversion in a form specified by the Council of the Law Society within 30 days after the conversion. The Council has determined that such notices should include at a minimum the contents as set forth below. Law firms may include additional information that is consistent with the requirements of Part IIAAA of Cap 159 in such notices if desired. The Council encourages law firms to consider the circumstances of their particular clients, and to tailor their notices to clients as may be appropriate.

Contents of Notice:

Our firm, formerly called [XXX], was converted to a limited liability partnership (“LLP”) in accordance with the requirements of the Legal Practitioners Ordinance Cap 159 (“LPO”) on [date] (“the Effective Date”). Our firm is now known as [XXX LLP]. The conversion does not, however, affect any of the rights and liabilities of the firm, or any person as a partner, that have been acquired, accrued or incurred before the Effective Date.

As our new name suggests, partners of our firm, subject to the provisions of Part IIAAA of the LPO, now carry on the practice of law with a degree of limited liability as from the Effective Date. In general, partners are not personally liable for the negligent or wrongful acts or omissions or misconduct (collectively “default”) of another partner or of an employee, agent or representative of the firm. However, each partner is personally liable for his or her own default, and for the defaults of those employees, agents or representatives he or she directly supervises in respect of a particular matter. The limitation on a partner’s liability also does not apply if the partner knew of the default of another person at the time of its occurrence and failed to exercise reasonable care to prevent its occurrence.

The limitation on a partner’s liability also does not extend to the partner’s interest in the firm’s property from claims made against the firm. The firm continues to be liable for the defaults of its partners, associates, employees, agents and representatives, and accordingly there is no reduction or limitation on the liability of the firm.

A law firm must satisfy several requirements under the LPO in order to practise with limited liability, including the following. The firm must inform a client of the identity of at least one overall supervising partner (“OSP”) for each matter it handles for the client not later than 21 days after the firm accepts instructions on the matter and must keep the client informed of the identity of at least one OSP for the matter throughout the time that the matter is handled by the firm. The firm also must maintain, in addition to the statutory professional indemnity cover which is currently of HK\$20 million per claim, a top-up insurance policy of not less than HK\$10 million per claim.

A client may also request for the provision of the names of all other OSPs and partners responsible for supervising particular parts of his matter.

The explanation above is only a brief summary of how the liabilities of partners are affected by our firm becoming an LLP. For details, you should refer to Part II AAA of the LPO.

Date: []

Translation of LLP Notice to Existing Clients

香港律師會

有限法律責任合夥給予現有當事人的通知

[根據《法律執業者條例》(第 159 章)第 7AL 條]

《法律執業者條例》第 7AL 條規定, 律師行如轉為有限法律責任合夥, 須在其轉為有限法律責任合夥後 30 天內, 將此事以書面通知其每名現有當事人, 而相關通知書須採用香港律師會理事會指明的格式。理事會已議決, 相關通知書應至少包含下述內容。律師行如認為有需要或合宜, 可在相關通知書內提供與第 159 章第 IIAAA 部的規定相符的額外資料。理事會鼓勵有關律師行因應個別當事人的情況, 擬備和發出內容適切的通知書。

通知書內容:

本行原名為[XXX], 現已於[日期](下稱「生效日期」)按照《法律執業者條例》(香港法例第 159 章)(下稱「《該條例》」)轉為有限法律責任合夥。本行現稱為「XXX 有限法律責任合夥律師行」。然而, 上述轉變並不影響本行或其任何合夥人於生效日期前得取、累算而得或招致的任何權利及責任。

正如本行的新名稱顯示, 從生效日期起, 在受制於《該條例》第 IIAAA 部的規定下, 本行的合夥人在進行法律執業事務時所面對的法律責任受到某程度的限制。一般來說, 律師行的合夥人毋須因該律師行另一名合夥人或該律師行的僱員、代理人或代表的疏忽或錯誤的作為或不作為或失當行為(以下統稱「失責行為」)而負上個人法律責任。然而, 該律師行每名合夥人須因其本身在處理某事宜中的失責行為或該人就該事宜而直接監管的僱員、代理人或代表在處理該事宜中的失責行為而負上個人法律責任。假如律師行的合夥人在另一人的失責行為發生時知道該行為, 但沒有採取合理程度的謹慎以阻止該行為發生, 則上述對合夥人法律責任的限制亦不適用。

此外, 凡有針對律師行的申索, 上述對合夥人法律責任的限制並不為合夥人於合夥財產中的任何利益, 提供針對該申索的保障。該律師行繼續因其合夥人、助理律師、僱員、代理人或代表的失責行為而負上法律責任。據此, 該律師行的法律責任並無減少或受到限制。

律師行如欲以有限法律責任方式營業, 必須符合《該條例》下的相關規定, 包括下述各項。就該律師行為當事人處理的每一項事宜而言, 該律師行必須在接受該當事人延聘處理該事宜後的 21 日內, 將至少一名該事宜的整體監督合夥人的身份告知該當事人, 並須在處理該事宜的整段期間, 保持令該當事人知悉至少一名該事宜的整體監督合夥人的身份。此外, 除了備有保障範圍現為每項申索二千萬港元的法定專業彌償保險外, 該律師行亦必須備有保障範圍不少於每項申索一千萬港元的加額保險。

當事人亦可要求律師行提供負責監督為該當事人處理的事宜的特定部份的所有其他整體監督合夥人及合夥人的姓名。

上文只簡略地解釋本行成為有限法律責任合夥一事如何影響本行合夥人的法律責任。欲知詳情, 請參閱《該條例》第 IIAAA 部。

日期: []



**GUIDANCE NOTES
ON CESSATION OF PRACTICE
(Updated on 1 March 2016)**

These Guidance Notes will come into effect on 1 March 2016.

1. Notice of Cessation of Practice to the Society

If a law firm ceases practice altogether, notification must be given to the Society *at least 8 weeks before the Cessation* of your practice. Please complete the prescribed form which must be signed by all Principals and the firm's Agent.

2. If a law firm converts from a general partnership to a limited liability partnership or vice versa, the conversion is not a cessation of practice for the firm. Practice Direction D7 therefore does not apply.

(a) Converting from a general partnership to a limited liability partnership

If your firm has been carrying on practice as a general partnership immediately before becoming a limited liability partnership,

(i) You are required to complete and submit a LLP Commencement Notification (LP-2) at least 7 days prior to commencement of practice as a limited liability partnership in accordance with section 7AI(1) of the Legal Practitioners Ordinance.

(ii) Within 14 days of the change, you have to complete and submit the form for Notification of Changes to a Practice (LP-4) to report on the change from a general partnership to a limited liability partnership and all relevant consequent changes.

(b) Converting from a limited liability partnership to a general partnership or sole proprietorship

(i) You are required to complete and submit a LLP Cessation Notification (LP-5) at least 7 days prior to cessation of practice as a limited liability partnership in accordance with section 7AI(2) of the Legal Practitioners Ordinance, Cap159.

(ii) Within 14 days of the change, you have to complete and submit the form for Notification of Changes to a Practice (LP-4) to report on the

change from a limited liability partnership to a general partnership or sole proprietorship and all relevant consequent changes.

3. **Final Accountant's Report: Accountant's Report Rules ("ARR") and Solicitors' Accounts Rules ("SAR")**

- (a) You must deliver a Final Accountant's Report for your firm. The latest date for delivery of the Final Accountant's Report is 6 months from the date the firm ceased practice (Rule 8(2) "ARR").
- (b) The Society will confirm the date for delivery of your Final Accountant's Report after receipt of the Notice of Cessation of Practice form ("Cessation Notice").
- (c) All outstanding balances in the firm's clients' account must be transferred to the firm's Agent.
- (d) If there are outstanding balances remaining in the client account and you do not know to whom it belongs, or you cannot locate the owner, your accountant must disclose full details of these amounts in your Final Accountant's Report.

(e) **Application to Council : Rule 8(2) SAR**

(i) **Pre-Cessation**

An application for directions should be made to the Council for approval to transfer the remaining balances in the firm's clients' accounts to the Agent as at the date of Cessation.

The application is set out in paragraph 7 of the "Cessation Notice".

(ii) **Post-Cessation Application**

The firm's Final Accountant's Report must be filed within 6 months from the date of Cessation. If the Agent cannot obtain instructions in relation to the balances remaining in the clients' accounts at the expiry of the 6 month period, the Agent should make an application for directions to the Council pursuant to Rule 8(2) SAR.

The Agent should apply for approval to transfer all outstanding balances in the clients' accounts to a designated account of "The Law Society of Hong Kong". If a client subsequently seeks re-imburement, the Agent can apply for further directions from the Council to release an appropriate sum to satisfy the claim.

- (f) The Council has a power to waive in writing any of the provisions of the ARR in any particular case, (See Rule 12 ARR).

4. **Final Notification of Changes to a Practice form**

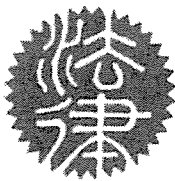
A Final Notification of Changes to a Practice form will be sent to you by the Society upon receipt of the Cessation Notice.

5. **Final Employees' Return**

A Final Employees' Return must be filed on behalf of the firm. See Solicitors' Practice Rules 5(2) and 5(3).

6. **Cessation of Practice Guidelines**

Reference should be made to Law Society Circular 16-126.



NOTICE OF CESSATION OF PRACTICE

(Pursuant to Practice Direction D7)

Please read the Guidance Notes attached to this form
All questions should be answered or indicated “not applicable” where appropriate

1. The name of the firm is:
2. The firm will cease business on: ____/____/____ (“the date of Cessation”)
day/month/year

(N.B. A minimum period of 8 weeks notice is required.)

3. Official announcement of intended cessation.

The firm hereby authorizes the Society to issue a notice to the general membership of this firm’s intention to cease practice on the date of Cessation together with the name and contact details of the firm’s Agent.

4. Contact details of Sole Practitioner/all Partners of the firm ceasing practice:
(Use additional sheets of paper where necessary)

Name:

Address:

Telephone Number:

Mobile Number:

Fax Number:

Email Address:

Name:

Address:

Telephone Number:

Mobile Number:

Fax Number:

Email Address:

Name:

Address:

Telephone Number:

Mobile Number:

Fax Number:

Email Address:

5. Details of the Firm's Agent:

Firm Name:

Name of Contact Person:

Address:

Telephone Number:

Mobile Number:

Fax Number:

Email Address:

6. Location of firm's closed files in Hong Kong

See Law Society Practice Direction D7 and Law Society circular 12-475 (PA) on Storage and Destruction of Old Files

Address (provide full details of the location):

Contact details of responsible person through whom access can be made:

Name:

Address:

Telephone Number:

Mobile Number:

Fax Number:

Email Address:

(N.B. Any changes in the contact details must be notified by the person to whom the change relates to the Law Society in writing within 7 days of such change.)

7. Transfer of Unclaimed Clients' Accounts to the Agent

The firm hereby applies to the Council for directions pursuant to Section 8(2) of the Solicitors' Accounts Rules, to transfer on the date of Cessation all remaining balances in the firm's clients' accounts to be held by the firm's Agent. The firm shall provide notice in writing to the Society of the amounts transferred to the Agent within 7 days of the date of Cessation, such notice to be countersigned by the Agent by way of acknowledgment.

8. Firm's Final Accountant's Report

The firm's Final Accountant's Report, together with any reconciliation statements that may be necessary, will be delivered to the Society within 6 months from the date of Cessation.

9. Final Employees' Return

The firm's Final Employees' Return will be delivered to the Society on or before:

____/____/____
day/month/year

**(1) Signature of Principal of the firm
ceasing practice**

Signature of the firm's Agent

**[Print your name clearly underneath
your signature]
Date:**

**[Print your name clearly underneath
your signature]
Date:**

**(2) Signature of Principal of the firm
ceasing practice**

**[Print your name clearly underneath
your signature]
Date:**

**(3) Signature of Principal of the firm
ceasing practice**

**[Print your name clearly underneath
your signature]
Date:**

Personal Information Collection Statement

The personal data collected in this Notification (“the data”) will be used by the Law Society of Hong Kong (“the Society”) for the following purposes:

- (i) The processing of this Notification and related matters;
- (ii) The exercise of the powers of the Society conferred upon it under the Legal Practitioners Ordinance (Chapter 159) and its subsidiary legislation; and
- (iii) The performance of the functions of the Society in accordance with its Memorandum and Articles of Association and the attainment of the objects for which the Society is established.

In making this Notification, it is obligatory for you to supply the Society with all data requested in this form except as otherwise indicated. The consequence for you if you fail to supply such data is that you may have contravened the requirements of the Solicitors’ Practice Rules.

The data may be provided to such persons within the Society whose proper business it is to have access to and assist in the processing of the Notification and related matters. The data may also be provided to the persons who are affected by the cessation of the legal practice and also to the persons who may help the Society in attaining the purposes above mentioned.

Any data that is provided to anyone outside of the Society will be restricted to what is necessary and not excessive to achieve any intended purpose.

The data will also be used for updating the List (which may be included in the Law List and other Law Society publications) kept by the Society which is available for inspection by members of the public in ascertaining the particulars of a law firm that is or has been a limited liability partnership.

You have the right to request access to and correction of the data. Any such request should be addressed to the Secretary General, the Law Society of Hong Kong, 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

The Privacy Policy Statement of the Society is available on its website at www.hklawsoc.org.hk.