

## INFORMATION FOR NEW LOCAL LAW FIRMS

There are a number of matters which you must pay attention to either before or shortly after commencing to practice on your own account or in partnership. The following is a summary of these matters. It is not a substitute for a thorough reading and understanding of the Legal Practitioners Ordinance and rules which are available from the Government Printing Office.

A copy of :     (i)     **Practice Directions;**  
                  (ii)     **Solicitors' Practice Promotion Code; and**  
                  (iii)    **Solicitors' Practice Rules**

are attached and should be read carefully. If you have any questions about any of the legislation or rules relating to solicitors you may telephone the **Assistant Director, Regulation and Guidance** on 2846 0503.

### NOTIFICATION TO THE SOCIETY

You must notify the Society within 14 days of **commencing your practice**. Please complete and return to the Society the attached original form **(iv) Commencement of Practice** with the following:

- a. Certified true copies of the Receipt and Certificate of Insurance from Essar Insurance Services Limited;
- b. Certified true copy of the Certificate of Business Registration;
- c. Particulars Relating to Sole Practitioner – Local Firm form, if applicable; and
- d. The attached form for **(v) Legal Visits by Solicitors' Employees to Persons in Custody**, if applicable.

You must also notify the Society within 14 days of any **changes in the information** provided to the Society. Please use the attached form for **(vi) Notification of changes to a Practice**.

You are also required to advise the Society at least 8 weeks prior to your firm **ceasing business**. A form for that purpose is available from the reception desk at the Society.

Any notification to the Society must be signed by all principals of the firm and the firm's agent. Please refer to Circular no. 05-142.

### PRACTISING CERTIFICATES WITHOUT PARTNERSHIP CONDITION

All the principals of a firm must hold practising certificates without partnership condition. If you require information on eligibility for such practising certificate you may refer to our Circular Nos.12-539(COM) and 12-540(COM) which are available from the reception desk at the Society or you may telephone the **Assistant Director, Registration** for advice on 2846 0517.

### RISK MANAGEMENT EDUCATION

The Legal Practitioners (Risk Management Education) Rules apply to all principals and sole practitioners of Hong Kong law firms and all non-principals who were admitted as solicitors of Hong Kong before 1 January 2001. They are required to complete their respective mandatory risk management education ("RME") obligations in accordance with the provisions of the Rules. An RME Information Package is attached. Further details on the RME Programme are posted on the Society's website at [www.hklawsoc.org.hk](http://www.hklawsoc.org.hk).

## **NAME OF FIRM**

The name of your firm must comply with rule 2A of the Solicitors' Practice Rules.

## **OFFICE PREMISES**

You should ensure that your firm's office premises comply with Practice Directions D.5.

If you wish to share office premises with any other business (other than an associated local firm of solicitors) you must apply for a waiver in accordance with the Practice Directions. Waivers are only granted in exceptional circumstances and only for short periods of time. If you wish to apply for a waiver you should telephone the **Assistant Director, Regulation and Guidance** for advice.

## **SUPERVISION AND MANAGEMENT**

You should read rules 4A and 4B of the Solicitors' Practice Rules and ensure that your firm complies with them. If you require advice about the application of these rules you should telephone the **Assistant Director, Regulation and Guidance** for advice.

## **INSURANCE**

You must contact Essar Insurance Services Limited prior to commencing your practice to arrange for professional indemnity scheme cover. The address is :

28th Floor, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong (Tel No. 2861-6666)

## **ACCOUNTANT'S REPORTS**

All firms must deliver an accountant's report once in every 12 month period, ending on 31 October each year. The report is due within 6 months of the end of the accounting period used by your firm or 31 October (of the year in which the accounting period ends), whichever is the earlier.

It may not be necessary for your new firm to deliver an accountant's report for the current year, depending on the accounting period which will be used by your firm and the date on which your firm commenced business. After receipt of your notification of commencement of practice, the Society will advise you of the date for delivery of your firm's first accountant's report and, if applicable, the date of delivery of an accountant's report for your previous practice.

*If your firm chooses an accounting yearend between 31st May and 30th Sept each year, your firm will not be able to enjoy the benefit of the full 6 months' time to submit the Accountant's Report as stipulated by Rule 8(2) of the Accountant's Report Rules.*

You should make sure that you are familiar with the Solicitors' Accounts Rules which set out the requirements for the keeping of client accounts. A copy of the rules is included in Volume 2 of The Hong Kong Solicitors' Guide to Professional Conduct.

## **EMPLOYEE RETURNS**

All firms must deliver an employees return for each calendar year. The return lists details of all unqualified staff (that is, staff who are not Hong Kong solicitors) and their salaries. The returns are due on 31 January each year.

A form will be sent to you in early January each year. You must complete the form regardless of when your firm commenced business.

## **LEGAL VISITS BY UNQUALIFIED STAFF**

If any of your unqualified staff require access to clients in custody, you should complete the attached form and return it to the Society.

A maximum of 10 unqualified staff per firm can be authorised to visit persons in custody in accordance with the provisions in Practice Direction D6.

## **ARRANGEMENTS ON DEATH OF SOLE PRINCIPAL**

Sole principals are required to provide information to the Law Society regarding the location of their wills and the identity and contact details of their executors and the solicitor or foreign lawyer appointed to manage their practices. See Law Society Circular 00-128 (SD), Rule 5AA of the Solicitors' Practice Rules.

## **LAND REGISTRY COMPUTERISED MEMORIAL DAY BOOK**

The Land Registry has introduced a computerised memorial day book. Each firm is allocated a computer code number. You should write to the **Land Registry** (Headquarters) at 28/F., Queensway Government Offices, Queensway, Hong Kong for allocation of a code number to your firm.