



THE
LAW SOCIETY
OF HONG KONG
香港律師會

ANNUAL
REPORT

2014





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THE COUNCIL 2014



Dieter YIH



Thomas S.T. SO



Stephen W.S. HUNG



Melissa K. PANG



Junius K.Y. HO



Cecilia K.W. WONG



Kenneth S.Y. NG



Joseph C.W. LI



Amirali B. NASIR



Ambrose S.K. LAM

THE COUNCIL 2014



Angela W.Y.
LEE



Brian W.
GILCHRIST



Gavin P. NESBITT



Denis G. BROCK



Nick CHAN
(from December)



Charles C.C.
CHAU
(until October)



Huen WONG



Billy W.Y. MA



Sylvia W.Y. SIU



Michael J.
LINTERN-SMITH



Peter C.L. LO



REPORT OF THE COUNCIL

The Council has pleasure in submitting its annual report together with the audited financial statements for the year ended 31 December 2014.

PRINCIPAL PLACE OF BUSINESS

The Law Society of Hong Kong ("the Society") is a company limited by guarantee, and is incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activity of the Society is to act as the professional and regulatory body for solicitors in Hong Kong. The principal activities and other particulars of the Society's subsidiaries are set out in note 8 to the financial statements.

FINANCIAL STATEMENTS

The surplus of the Society for the year ended 31 December 2014 and the state of the Society's affairs as at that date are set out in the financial statements on pages 195 to 217.

TRANSFERS TO RESERVES

Surplus for the year of HK\$4,587,091 (2013: HK\$3,560,712) has been transferred to reserves.

MEMBERSHIP

As at 31 December 2014, there were 9,422 (2013: 8,967) members of the Society. The total number of Practising Certificates issued was 8,279 (2013: 7,864). There were 836 (2013: 818) firms of solicitors.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are set out in note 7 to the financial statements.

BANKERS

The bankers are The Bank of East Asia Limited, The Hongkong and Shanghai Banking Corporation Limited, Hang Seng Bank Limited, Standard Chartered Bank (Hong Kong) Limited, Wing Lung Bank Limited, Bank of China (Hong Kong) Limited and Bank of Communications Co., Limited.

REPORT OF THE COUNCIL

COUNCIL MEMBERS

The Council Members during the financial year and up to the date of this report and their attendance at the Council Meetings are shown in the table below:

	Regular Meetings	Unscheduled Meetings	Total	Official Duties
Stephen W. S. Hung, President (from 19 August 2014)	26	5	31	5
Ambrose S. K. Lam, President (until 19 August 2014)	21	4	25	3
Thomas S. T. So, Vice President	27	4	31	2
Melissa K. Pang, Vice President (from 2 September 2014) (re-elected on 19 May 2014)	28	3	31	1
Dieter Yih (re-elected on 19 May 2014)	19	4	23	0
Junius K. Y. Ho	26	6	32	0
Huen Wong	26	5	31	2
Peter C. L. Lo (re-elected on 19 May 2014)	25	5	30	0
Michael J. Lintern-Smith	24	1	25	0
Billy W. Y. Ma (re-elected on 19 May 2014)	24	5	29	0
Sylvia W. Y. Siu	23	3	26	0
Cecilia K. W. Wong	27	5	32	0
Kenneth S. Y. Ng	17	2	19	0
Joseph C. W. Li	25	6	31	0
Amirali B. Nasir	28	6	34	0
Angela W. Y. Lee (resigned on 15 January 2015)	17	1	18	0
Brian W. Gilchrist	28	5	33	0
Gavin P. Nesbitt	25	2	27	0
Denis G. Brock (re-elected on 19 May 2014)	20	3	23	0
Charles C. C. Chau (resigned on 7 October 2014)	13	4	17	1
Nick Chan (co-opted on 30 December 2014)	7	2	9	0
Bonita B. Y. Chan (co-opted on 18 February 2015)	3	0	3	0



REPORT OF THE COUNCIL

In accordance with article 15(a) of the Society's articles of association, at the forthcoming annual general meeting the five members longest in office since election or re-election shall retire but shall be eligible for re-election.

At no time during the year was the Society, any of its subsidiaries or any of its related companies a party to any arrangement to enable Council Members to acquire benefits by means of the acquisition of an interest in the Society or any other body corporate.

Except for the related party transactions as disclosed in note 18(a) to the financial statements, no contract of significance to which the Society, any of its subsidiaries or any of its related companies was a party, and in which Council Members had a material interest, subsisted at the end of the year or at any time during the year.

AUDITOR

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Society is to be proposed at the forthcoming Annual General Meeting.

By order of the Council

Stephen W. S. Hung

President

Hong Kong, 31 March 2015

PRESIDENT'S REPORT

2014 has been a very challenging year. Members may still have vivid memories of the Law Society's Extraordinary General Meeting held on 14 August ("EGM"). The Council has dealt with matters arising from the EGM and the resolutions have been announced publicly by way of press statements and Law Society Circulars.

Our members may have diversified views on different issues, but the Law Society's united position on the Rule of Law and the independence of the judiciary being the indispensable and sacrosanct foundations for the Hong Kong legal system is beyond debate.

This is my first report since my election as President on 29 August. I am pleased to report that during the past year, the Law Society has continued its tireless efforts in defending the Rule of Law and the independence of the judiciary, maintaining the highest standards of the solicitors' profession, improving the legal practice environment, exploring new opportunities and providing relevant and effective support to members, promoting the development of the profession itself, and contributing back to the local community.

Safeguarding the Rule of Law

In 2014, the Council issued two public statements to defend the Rule of Law.

On 25 June, The Law Society issued a statement on the independence of the judiciary and the Rule of Law with respect to the White Paper on the practice of the One Country Two Systems policy in Hong Kong.

On 27 October, deeply concerned and disturbed by the open defiance of court injunctions by certain quarters of the Hong Kong community, The Law Society issued a public statement expressing concern about the potential threat to our judicial system and the undermining effect on our core values by the non-compliance with court orders.



Stephen Hung
President



PRESIDENT'S REPORT

Maintaining the Highest Standards

Risk Management

As a pioneer of risk management education, The Law Society is proud to have been able to turn our *Risk Management Education ("RME") Programme* into a free programme with effect from its 10th anniversary on 1 November. It enables practitioners who are subject to RME obligations to acquire the much needed risk management skills at no extra cost.

Practice management

To ensure that practitioners who are entitled to start a practice on their own have the necessary management skills, The Law Society has been actively working on the implementation of a mandatory practice management course during the past year. The relevant statutory provision, section 6(6B) of the *Legal Practitioners Ordinance*, has already been passed but it has not come into operation pending the preparation of the mandatory practice management course.

Common Entrance Examination

To ensure consistency in standards, the Law Society has been considering the feasibility of implementing a common entrance examination for all aspiring to qualify as solicitors in Hong Kong. A consultation was conducted towards the end of 2013 and the relevant Law Society Committees are considering the way forward.

Improving the Practice Environment

The legal service market has become very competitive. The professional indemnity contribution payable by a law firm constitutes a substantial item of overhead expenditure. The Law Society has been conducting an annual review of the financial position of the *Solicitors Indemnity Fund* prior to each renewal to determine whether the contribution payable may be reduced whilst still maintaining a healthy surplus to meet claims.

I am pleased to report that for the indemnity year 2014/15, after consideration of professional actuarial advice, the current and projected financial position of the Fund, and the comments of the Board of Hong Kong Solicitors Indemnity Fund Limited, the Council has reduced the contributions payable by law firms by one third.

During the year, I have reported closely on the other Law Society initiatives including the update of the party and party rates, review of the criminal legal aid fees, the introduction of limited liability partnerships and the amendment of the legislation to cover the eligibility of solicitor advocates to be awarded the title of Senior Counsel. The Law Society continued its efforts to lobby support of various stakeholders for an early fruitful outcome for these initiatives.

Exploring New Opportunities

As an externally oriented economy, Hong Kong is supported by a substantial amount of cross boundary investments and trade activities creating a heavy demand of legal services that require collaboration with lawyers in multiple jurisdictions. Building an extensive international network with fellow practitioners in other jurisdictions will help open up more options for one's legal practice in alignment with this trend.



PRESIDENT'S REPORT

To this end, The Law Society has been reaching out to our counterparts in overseas jurisdictions to foster more opportunities for our members to network with overseas practitioners.

On 22 October, we signed a "Friendship Agreement" with the Osaka Bar Association at the IBA Annual Conference held in Tokyo. On 29 October, we signed a Memorandum of Understanding with the Milan Bar Association at the HKTDC "Think Asia Think Hong Kong" event held in Milan.

Further, to facilitate closer co-operation between the legal profession in Myanmar and Hong Kong, The Law Society led a delegation of 10 members to Myanmar at the end of August. We had a very good exchange with representatives of the Yangon Bar Association. On 30 August, we co-organised a seminar titled "Myanmar: Opportunities and Challenges" with the Yangon Bar Association in Yangon.

The Law Society has also created opportunities for more in-depth professional exchanges for our members. Pursuant to a friendship agreement with the Japan Federation of Bar Associations ("JFBA"), the Law Society collaborated with JFBA and organised an Internship Programme for lawyers in Japan and Hong Kong.

Four Japanese lawyers selected by JFBA were seconded to work in Hong Kong law firms for two weeks in October. The two-week internship programme for the four Japanese lawyers in Hong Kong concluded with a seminar held on 6 November. The Japanese lawyers had an interesting exchange with participants at the seminar sharing experiences in each other's areas of practice. The second phase of the Programme will take place in February 2015 and will cover internship for four Hong Kong lawyers in Japan.

Providing Effective and Relevant Support

To ensure that we are providing relevant and effective support to our members, the Law Society regularly holds Members' Forum to collect views and ideas on how The Law Society can enhance its servicing role for members. In response to suggestions made at these Members' Fora, the Law Society launched the *Members' Wellness Programme* in April and sourced very competitive offers of medical insurance plans for the benefit of our members during the year.

Giving Back to Community

In addition to our annual signature events including *Teen Talk*, *Law Week* and community events like school talks and visits to the Elderly Homes during the year, the Law Society also launched a new *Pilot Scheme on Mediation Helpline* on 1 December. The Helpline aims at assisting the public to understand more about the mediation process, its advantages, and the mediation services available.

I am honoured to have the opportunity to serve the legal profession and deeply grateful for the unfailing support of my fellow Council Members, Committee Members and the Secretariat who contributed to the accomplishments of The Law Society in the eventful 2014. I look forward to championing the causes of The Law Society to the best of my ability in the coming year.

Stephen Hung

President



SECRETARY GENERAL'S REPORT

As always, our efforts in 2014 were dedicated to providing relevant and effective services to our members, as well as ensuring their compliance with relevant professional rules and regulations. *Excellence, transparency, empathy, and fairness* continued to be our guiding values in serving our members.

At a steady annual growth rate of 5%, our membership stood at 9,422 at the end of the year.

With the support and guidance of the Council and Committee Members, our team of 99 performed a wide range of tasks for our members. To highlight some of the statistically quantifiable ones, in 2014, we:

- (a) issued 31 submissions on public consultations and three press statements on issues relevant to the legal profession;
- (b) organised about 120 professional sharing, social and networking events for our members including Family Fun Day, Summer Party, Sports Night, Christmas Party, Cooking Competition, Annual Cocktail, Spring Reception, luncheon talks, and many others;
- (c) coordinated 46 community projects including Law Week, Teen Talk, Community Fun Day, the Legal Pioneer Mentorship Programme and the Helpline on free legal advice, community talks, elderly visits and school talks;
- (d) received 46 delegations from the Greater China region and other overseas jurisdictions;
- (e) coordinated 17 outbound visits to nine cities in the Greater China region and 19 delegations to international conferences and meetings to other overseas jurisdictions;
- (f) arranged the signing of two memoranda of understanding/cooperation agreements with overseas professional bodies including the Osaka Bar Association and the Milan Bar Association;
- (g) organised the selection and sponsorship of 14 young lawyers as well as their participation, together with other Law Society representatives, at seven international conferences hosted by the American Bar Association, International Bar Association, LawAsia, Commonwealth Law Association, Inter-Pacific Bar Association, International Association of Young Lawyers ("AIJA") and the Union Internationale des Avocats;
- (h) organised 510 training courses totaling 18,703 attendances, and accredited 4,766 courses under the Continuing Professional Development ("CPD") Scheme and the Risk Management Education ("RME") Programme;
- (i) administered the annual Overseas Lawyers Qualification Examination for a total of 216 candidates;
- (j) coordinated the activities of 14 Law Society sports teams and 8 recreational teams;
- (k) processed applications for the subscription of 9,422 members, 960 associate members and 240 student members, registration of 634 trainee solicitor contracts, admission of 601 solicitors, issue of 8,279 practising certificates in English and 3,603 in Chinese, registration of 1,640 foreign lawyers and 89 foreign firms, as well as issue of 532 certificates of standing;
- (l) conducted CPD audit on 489 practitioners;

SECRETARY GENERAL'S REPORT

- (m) handled 860 complaints on practitioners and employees of law firms and submitted four matters to the Solicitors Disciplinary Tribunal Convenor;
- (n) visited 44 law firms on 64 occasions to provide assistance on their accounting procedures and to inspect documents to ensure compliance with the Solicitors' Accounts Rules; and
- (o) administered the intervention into the practice of one law firm for the protection of public interest.

Much of our work, however, is less quantifiable. Thus, more descriptive details on the work that we did in 2014 are set out in the respective reports of each Standing Committee that follows.

Our financial position remained sound and healthy. The fee rates of membership subscription, application for practising certificate, and registration as a foreign lawyer and a foreign firm were unchanged for the year. Student membership fee continued to be free to encourage more law students to join The Law Society. Further, the RME Programme has been offered free of charge to those subject to the statutory RME obligations since November to commemorate the Programme's 10th anniversary.



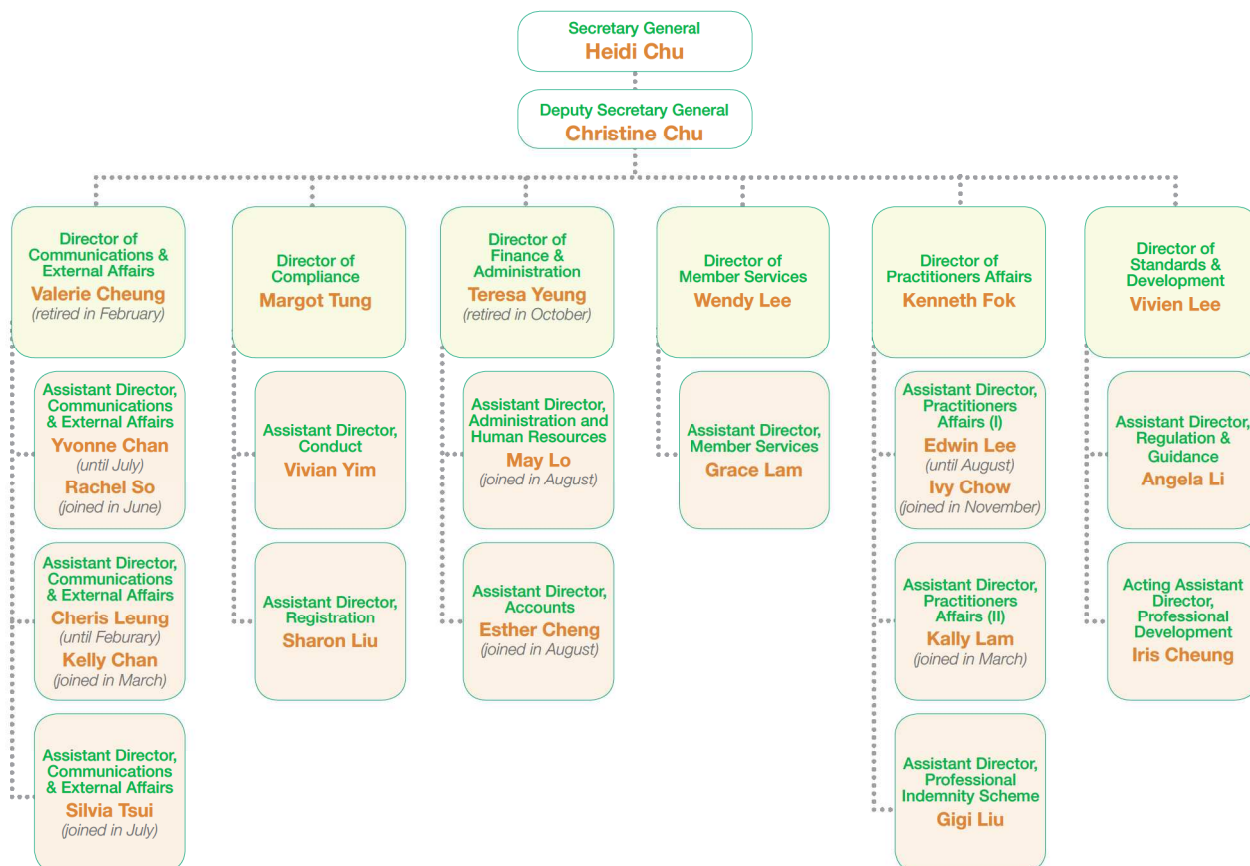
On personnel movement, with the retirement of Teresa Yeung, Director of Finance and Administration, after 19 years of service at the Law Society, Esther Cheng and May Lo took over respectively as Assistant Director, Accounts and Assistant Director, Administration and Human Resources in August. Other new colleagues joining the managerial team during the year included Kally Lam and Ivy Chow, both Assistant Directors in the Practitioners Affairs Department, Rachel So, Silvia Tsui and Kelly Chan, Assistant Directors in the Communications and External Affairs Department and Cynthia Yen, In House Prosecutor in the Compliance Department.

It has been my privilege to serve the profession as the Secretary General of The Law Society.

I look forward to continue serving our members this year, and improving on the efficiency and efficacy of our services so as to further benefit the legal profession as a whole. I wish our departing personnel the best of luck in their future endeavors, and I welcome the opportunity to work with fresh talent — all of whom will undoubtedly perform their roles admirably.

Heidi Chu
Secretary General

LAW SOCIETY SECRETARIAT



COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

HONG KONG LAWYER EDITORIAL BOARD (“EDITORIAL BOARD”)

Members of the Editorial Board meet monthly and work closely with the publisher of *Hong Kong Lawyer* to monitor the overall quality and standard of the publication and to identify topics of interest to the profession. The journal is distributed to members of The Law Society, members of the Hong Kong Bar Association (“Bar Association”), judges, government departments and relevant public organisations. It is also displayed at all airport lounges to reach out to international readers.

The soft copy of the journal is available at the *Hong Kong Lawyer* website www.hk-lawyer.org.



Members of the Editorial Board:

Huen WONG (*Chair*)
Jenkin S.F. CHAN
Peter C.H. CHAN (*joined in July*)
Charles C.C. CHAU (*resigned in November*)
Heidi K.P. CHU
Steven Brian GALLAGHER
Warren P. GANESH (*joined in March*)
Anne SCULLY-HILL

Julienne JEN
Dave C.K. LAU
George Y.C. MOK
Adamas K.S. WONG
Cecilia K.W. WONG
Michelle K.M. TSANG
Tony Y.H. YEN

Secretary: Assistant Director, Member Services



COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

HONOURS COMMITTEE

The Committee met on one occasion. In accordance with the Nomination Guidelines, the Committee considered candidates for admission to The Law Society's Roll of Honour and for admission as an Honorary Member of The Law Society.

At the 2014 Annual General Meeting of The Law Society held in May, upon recommendation of the Honours Committee, the Council admitted Mr Anson Kan Kam Choy and Mr Roderick Woo Bun to the Roll of Honour of The Law Society.

Members of the Committee:

Huen WONG (*Chair*)
Michael J. LINTERN-SMITH
Amy Y.K. LIU
Amirali B. NASIR
Paul C.Y. TAN
Herbert H.K. TSOI

Secretary: Secretary General

MEDIATION COMMITTEE

The Committee met three times during the year to discuss, *inter alia*, policies on the development of mediation and standards in Hong Kong. The Committee considered the following matters.

Mediator Admission Scheme (General Mediation)

After joining the Hong Kong Mediation Accreditation Association Limited ("HKMAAL"), the Law Society ceased to accredit mediators since September 2013. In November, the Committee made a recommendation to the Council to implement a Mediator Admission Scheme (General Mediation). Under the proposal, general members who complied with the admission requirements of The Law Society could apply for admission as Law Society Admitted General Mediators. When admitted, their names would be on The Law Society's Panel of Admitted General Mediators. The Council approved the said recommendation. Details of the Scheme would be announced in due course.

Pilot Scheme on Mediation Helpline

The Committee helped the launch of the Helpline in December. The Helpline, grouped under the Free Legal Helpline already in operation, aimed to improve the awareness and understanding of the public on mediation; it also helped to promote mediation and solicitors' mediation practices in Hong Kong. The Helpline was launched for an initial trial period of six months. In this trial period, under the co-ordination of the Mediation Co-ordinator, a panel of Solicitor-Mediators has been set up to provide information on mediation and mediation services to the telephone callers. The response to the Helpline was to be evaluated after the trial period.



COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

Consultation regarding Amendments to the Terms of Reference of the Financial Dispute Resolution Centre

The Financial Dispute Resolution Centre ("FDRC") proposed amendments to its Terms of Reference in order to allow for information disclosure for the purpose of disciplinary proceedings. It sought comments on the above proposed amendments. The Committee reviewed the proposal and provided views in response.

Survey on Solicitor-Mediators

With the view to considering and formulating policies to help members to develop their mediation practices, the Committee has designed the Survey to source information on issues relating to the choice of mediators by clients. The Survey specifically sought views on (i) selection of mediators; (ii) appointment of solicitors as mediators; and (iii) initiatives in promoting solicitors' mediation practices. The Survey was disseminated to and collected from those participants of the "Seminar on Promotion and Risk Management in Mediation Practice" on 30 April. The findings of the Survey were evaluated and submitted to the Council.

Promotion of Solicitor-mediators

The Committee continued its efforts on the promotion of solicitors' mediation practices. It had been:

- reviewing policies and implementing services in relation to solicitors' practices in mediation
- organising CPD and RME activities on mediation and other related subjects
- liaising with parties on matters in relation to mediation
- monitoring and updating solicitors on the latest development of mediation in Hong Kong

Organisation of and Participation in Mediation Events

The Committee organised the following events as part of the continual efforts to promote mediation services to the members:

- (a) Financial Dispute Mediation Cases Sharing: Under FDRC or Ad-hoc Process Model on 27 February;
- (b) Conversion from General to Family Mediation: Importance of Pre-mediation Sessions on 14 April;
- (c) Seminar on Promotion and Risk Management in Mediation Practice on 30 April;
- (d) What is Victim-Offender Mediation and How is it Different from General/Family Mediation on 25 June;
- (e) How to Develop your Practice as a Solicitor-Mediator on 18 July;
- (f) Information Session on The Hong Kong Mediation Accreditation Association Limited (HKMAAL) on 25 September;
- (g) Apologise, Mediate or Both on 9 October; and
- (h) Financial Dispute Resolution Centre ("FDRC") Information Session on 23 October.

Moreover, the Committee also helped organise the following events:

- (a) The 3rd AMA Conference on 3-4 April; and
- (b) JMHO One-Day Conference — "Mediate Disputes to Enhance Harmony in doing Business between Hong Kong and China cum the 2nd Shanghai-Hong Kong Commercial Mediation Forum" on 27 November.



COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

Mediation Services

The Committee continued to provide mediation services support to The Law Society's members. In this year, over 20 requests for nomination of mediators were received and handled. Logistics support was on the other hand rendered to a Government Pilot Project on mediation venue. Under this Pilot Project, venues at the Henry G. Leong Yaumatei Community Centre and Leighton Hill Community Hall were provided free of charge for mediations conducted on a pro bono basis. This Pilot Project was supported by the Department of Justice and was administered by The Law Society.

Members of the Committee:

Cecilia K.W. WONG (*Chair*)

Geoffrey N. BOOTH

John R. BUDGE

Patrick M. BURKE

Bryan G.T. LUNG

Maureen E. MUELLER

Melissa K. PANG

Catherine K.G. POR

Jody K.Y. SIN

Sylvia W.Y. SIU

Norris H.C. YANG

Helena S.Y. YUEN

Secretary: Director of Practitioners Affairs

Mediation Co-coordinator: Barbarossa Wan

PUBLIC POLICY COMMITTEE ("PPC")

The PPC aims to investigate, identify and make recommendations on public policy and socio-legal issues that might be of interest to members of The Law Society by conducting research and facilitating dialogue among members and public policy-makers. It also assists other committees of The Law Society in preparing submissions to government consultations.

The PPC was established in March and convened on 10 occasions. It actively procured opportunities for members to enhance their awareness of and to express their opinions on social and political issues relevant to the legal profession. The PPC also met with leading government officials to learn their views on major contemporary issues. Highlights of some of these opportunities are set out below.

COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

Electoral Reform Survey

In April, the PPC initiated a survey for members to express their views on the 2014 Public Consultation on the Method for Selecting the Chief Executive by Universal Suffrage. Over 500 members submitted their responses online and in hardcopy forms.

The Law Society held a press conference on the survey results. The event was attended by a full house of reporters and the results were widely covered by the media. The survey results were also attached to The Law Society's submission on the electoral reform to the Government.



Visit to the Treaty and Law Department, Office of the Commissioner of the Ministry of Foreign Affairs of the People's Republic of China in Hong Kong Special Administrative Region ("MFA")

On 31 May, the PPC organised a full-day visit to the Commissioner's Office. Over 80 members participated and were warmly welcomed by Commissioner Song Zhe, Mr. Hu Jianzhong, Deputy Commissioner and Dr. Tian Lixiao, General Director of the Treaty and Law Department. The participants were introduced to the work of the Commissioner's Office and the latest diplomatic achievements and concerns of China.



COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

The participants were also shown photos exhibiting historical events and international achievements of China as well as unique souvenirs and antique gifts from past visiting dignitaries.

The visit presented a valuable opportunity for members to better understand the MFA's responsibilities. Members welcomed similar visits in the future.

Meeting with Star Guests Luminaries

In the second half of 2014, the PPC met with Jeff Sze Chun-fai, Political Assistant to the Secretary for Education, and Dr. York Chow, Chairperson of the Equal Opportunities Commission ("EOC"), in two small-group meetings to hear their views on, respectively, the development of the Hong Kong education system and the reform of anti-discrimination laws. The meetings offered valuable insights for the PPC to formulate recommendations to The Council on government consultations, including the 2014 Public Consultation on Discrimination Law Review by the EOC.

Members of the Committee:

Nick CHAN (<i>Chair</i>)	10/10	Charles C.C. CHAU (<i>resigned in November</i>)	0/9
Frederick K.C. KAN (<i>Vice-Chair</i>)	3/10	Horace K.K. CHEUNG	2/10
CHAN Chak Ming	3/10	Sebastian Y.F. KO	9/10
Serina K.S. CHAN (<i>resigned in July</i>)	1/4	Angela Y.L. LAU	7/10
Bonnie J.Y. CHAN	0/10	Terry LIU	3/10
Keith C.W. CHAN	3/10	Raymond C.P. SIU	6/10
CHAN Tze Chin	10/10	Roden M.L. TONG	6/10
Stanley W.L. CHAN	6/10	James K.T. WONG	4/10
Wendy CHAN	4/10	Eric H.Y. WOO	5/10
Eliza L.S. CHANG	6/10	Roderick B. WOO	0/10

Secretary: Assistant Director, Communication and External Affairs

WORKING PARTY ON LIMITED LIABILITY PARTNERSHIPS ("LLPS")

The Working Party convened on three occasions.

Section 7AD of the amended *Legal Practitioners Ordinance* ("Amendment Ordinance") requires every LLP to have top-up insurance cover for loss arising from any default that exceeds HK\$10 million up to an amount not less than HK\$10 million in respect of any one claim, with no limit in the aggregate.

Section 7AJ of the *Amendment Ordinance* provides that 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. The Working Party reviewed the *Foreign Lawyers' Practice Rules* and the *Solicitors' Practice Rules*. It took the view that to avoid confusion, these Rules had to be amended to clarify that notwithstanding that the firm name of its parent firm includes "LLP", a foreign firm shall only include "LLP" in its name if it is a limited liability partnership to which the *Amendment Ordinance* applies.



COMMITTEES AND WORKING PARTIES REPORTING DIRECTLY TO THE COUNCIL

The draft *Limited Liability Partnerships (Top-Up Insurance) Rules* and amendments to the *Foreign Lawyers' Practice Rules* and the *Solicitors' Practice Rules* were sent to the Chief Justice for approval in principle towards the end of 2013 and the Working Party received comments on the drafts from the Judiciary in April. The Working Party addressed the comments raised and obtained a confirmation from the Judiciary that it had no further comments in July.

The Working Party then submitted the draft legislation to the Drafting Division of the Department of Justice for vetting in July and also started preparation of the Chinese text of the draft legislation. Between July and December, the Working Party engaged in extensive correspondence with the Drafting Division. The draft legislation was finalised in December when the Working Party submitted it to the Judiciary for final approval.

The Working Party had kept the general membership closely informed of the progress of the legislative exercise by publishing updates via the *President's Weekly Letter* dated 14 February and 25 July as well as *Hong Kong Lawyer* in the monthly issues in January and August.

Further, to give advance notice of the requirement in relation to the use of "LLP" as part of a firm's name, in April, a letter was sent to each of the foreign firms that currently include "LLP" as part of their firm names to remind them of the amendments to the *Foreign Lawyers Practice Rules* and the *Solicitors Practice Rules* arising from the introduction of limited liability partnerships.

The introduction of limited liability partnerships also necessitates consequential amendments to Order 81 of the *Rules of the High Court* and Order 81 of the *Rules of the District Court*. The Working Party had been working closely with the Administration on the proposed amendments to these provisions. After numerous rounds of internal discussions among members of the Working Group on Order 81 and correspondence with the Administration, the Working Party confirmed to the Administration that it had no further comment on the proposed amendments in August. However, in December, the Working Party received further proposed amendments to Order 81 of the *Rules of the High Court* from the Administration. The Working Party had reverted with its comments on those further revisions and awaited feedback from the Administration.

The Working Party will work at full speed to push for the implementation of limited liability partnerships in 2015.

Members of the Working Party :

Joseph C. W. LI (*Chair*)

Junius K. Y. HO

Allan C. Y. LEUNG

Michael J. LINTERN-SMITH

Amirali B. NASIR

David G. SMYTH

Huen WONG

Secretary: Secretary General



STANDING COMMITTEE ON COMPLIANCE

The Standing Committee oversees The Law Society's administrative and regulatory functions, these responsibilities having been delegated to it by the Council.

There are 16 members of the Standing Committee, seven of whom are Council Members. The Standing Committee met 12 times during the year and considered 191 agenda items (compared to 136 agenda items in 2013).

The Compliance Department (Conduct and Registration Sections) of the Secretariat supports the work of the Standing Committee.

Members of the Standing Committee and their meeting attendances during the year:

Angela W.Y. LEE (<i>Chair</i>)	10/12
Denis G. BROCK (<i>Vice-Chair</i>)	8/12
Alfred K.H. CHAN	10/12
Charles C.C. CHAU (<i>resigned in November</i>)	6/11
Patrick R.P. HAMLIN (<i>joined in April</i>)	6/8
Dennis H.F. HIE (<i>joined in April</i>)	7/8
Stephen W.S. HUNG	8/12
LAI Kwok Kwong (<i>retired in May</i>)	0/4
Henson LAM	8/12
Andrew Y.B. LEE	8/12
Jason C.K. LI	11/12
Peter C.L. LO	7/12
Billy W.Y. MA	6/12
Catherine L.M. MUN (<i>retired in May</i>)	2/4
Gavin P. NESBITT (<i>resigned in December</i>)	6/12
Kenneth S.Y. NG	5/12
Melissa K. PANG	11/12
Gregory D. PAYNE (<i>joined in April</i>)	6/8
Hanifa RAMJAHN	6/12
Annie P.Y. WONG	12/12

Secretary: Director of Compliance

Conduct Section

The Conduct Section of the Compliance Department is mainly responsible for investigating allegations of professional misconduct against solicitors, foreign lawyers, trainee solicitors and employees of solicitors and foreign lawyers. In 2014, it handled 860 complaints (834 in 2013), of which 398 complaints (439 in 2013) were lodged or referred by members of the public and government organisations and 53 complaints (67 in 2013) were made by solicitors. 861 files were closed during the year; of which 380 were closed without seeking an explanation.

The Conduct Section continued to provide comments on the revised draft Manual on Solicitors' Accounting for consideration by the Working Party on the *Solicitors' Accounts Rules*.

A new In-House Prosecutor joined the Conduct Section replacing the one who left in August.

STANDING COMMITTEE ON COMPLIANCE

INVESTIGATION COMMITTEES

Investigation Committees are ad-hoc sub-committees of the Standing Committee. Three members of the Standing Committee are appointed to each Investigation Committee to consider reports prepared by the Conduct Section and to adjudicate on complaints.

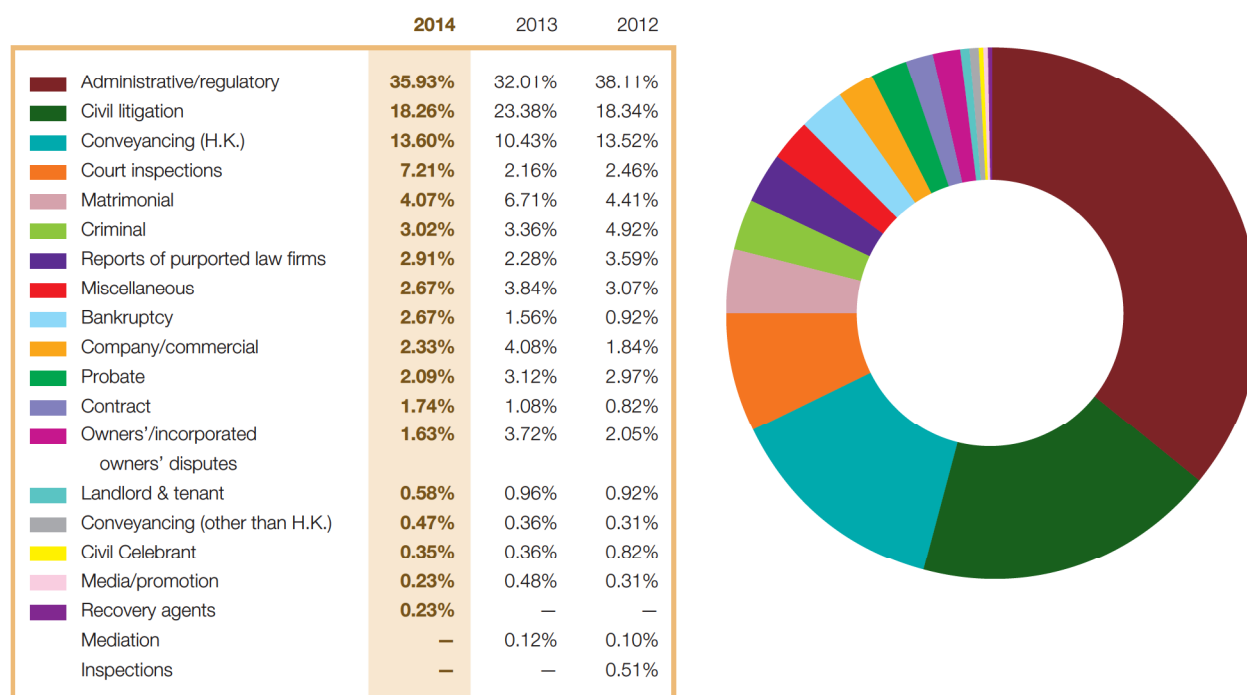
Investigation Committees may recommend to the Standing Committee to issue letters of good practice, regret, or disapproval (or any other sanction authorised by the Council from time to time), and to submit matters to the Tribunal Convenor of the Solicitors Disciplinary Tribunal Panel. Reviews of the decisions of the Investigation Committees are conducted by the Standing Committee.

Investigation Committees considered 313 complaints by circulation of 313 agenda. (In 2013, 194 complaints were considered by circulation of 194 agenda.)

The Standing Committee reviewed five decisions of the Investigation Committees and consequently, three decisions were upheld, one was reversed, and one was partly upheld and partly resolved to refer to the Conduct Section for further investigation. (In 2013, six decisions were reviewed, with three decisions upheld and three varied.)

Determination of Complaints in 2014

Figure 1: Subject matters of complaints

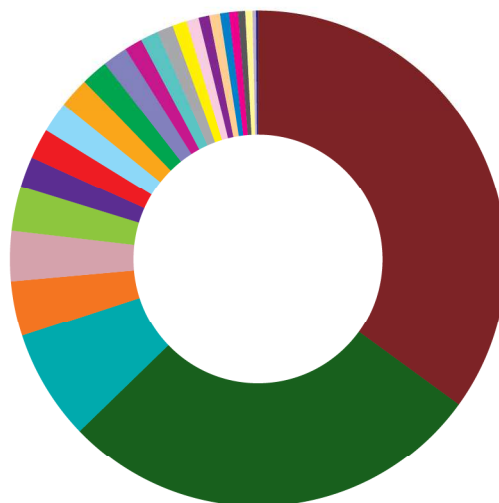


* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentage may not add up to 100%

STANDING COMMITTEE ON COMPLIANCE

Figure 2: Nature of professional misconduct

	2014	2013	2012
Breach of Conduct Guide Principles	35.00%	39.45%	32.99%
Breach of Solicitors' Practice Rules	27.79%	20.62%	17.42%
Circular no. 04-572(COM) (Court attendance form)	7.21%	2.04%	3.59%
Breach of Continuing Professional Development Rules	3.60%	4.32%	1.95%
Breach of Solicitors' Accounts Rules	3.26%	5.16%	15.16%
Unqualified persons acting or pretending to be a solicitor (ss.45-48 of the LPO)	2.91%	2.52%	3.59%
Overcharging	1.98%	3.12%	2.36%
Late submission of Accountant's Reports	1.98%	2.76%	3.07%
Breach of undertaking	1.98%	1.80%	1.95%
Negligence	1.98%	1.80%	1.33%
Breach of Foreign Lawyers Registration Rules	1.74%	1.68%	2.77%
Miscellaneous	1.63%	5.28%	3.69%
Dishonesty	1.16%	1.56%	1.33%
Breach of Foreign Lawyers Practice Rules	1.16%	1.08%	1.13%
Breach of Solicitors (Professional Indemnity) Rules (r.8)	1.05%	0.36%	0.61%
Inadequate service	0.93%	0.96%	0.61%
Breach of Solicitors' Practice Promotion Code	0.81%	0.24%	0.61%
Breach of Practice Directions	0.70%	0.36%	0.61%
Conflict of interest	0.70%	0.24%	0.72%
Delay	0.58%	1.20%	1.64%
Misbehaviour	0.58%	0.84%	0.72%
Non-payment of barristers' fees	0.47%	0.36%	1.02%
Offences in relation to foreign lawyers, etc. (s.50B of the LPO)	0.47%	0.12%	—
Failure to reply to letters on behalf of a client or to inquiries from The Law Society	0.23%	0.48%	0.51%
Practising without a practising certificate	0.12%	0.24%	—
Commission taking	—	0.96%	0.10%
Breach of Trainee Solicitors Rules	—	0.24%	—
Property fraud	—	0.12%	0.31%
Touting	—	0.12%	0.10%
Breach of Risk Management Education Rules	—	—	0.10%



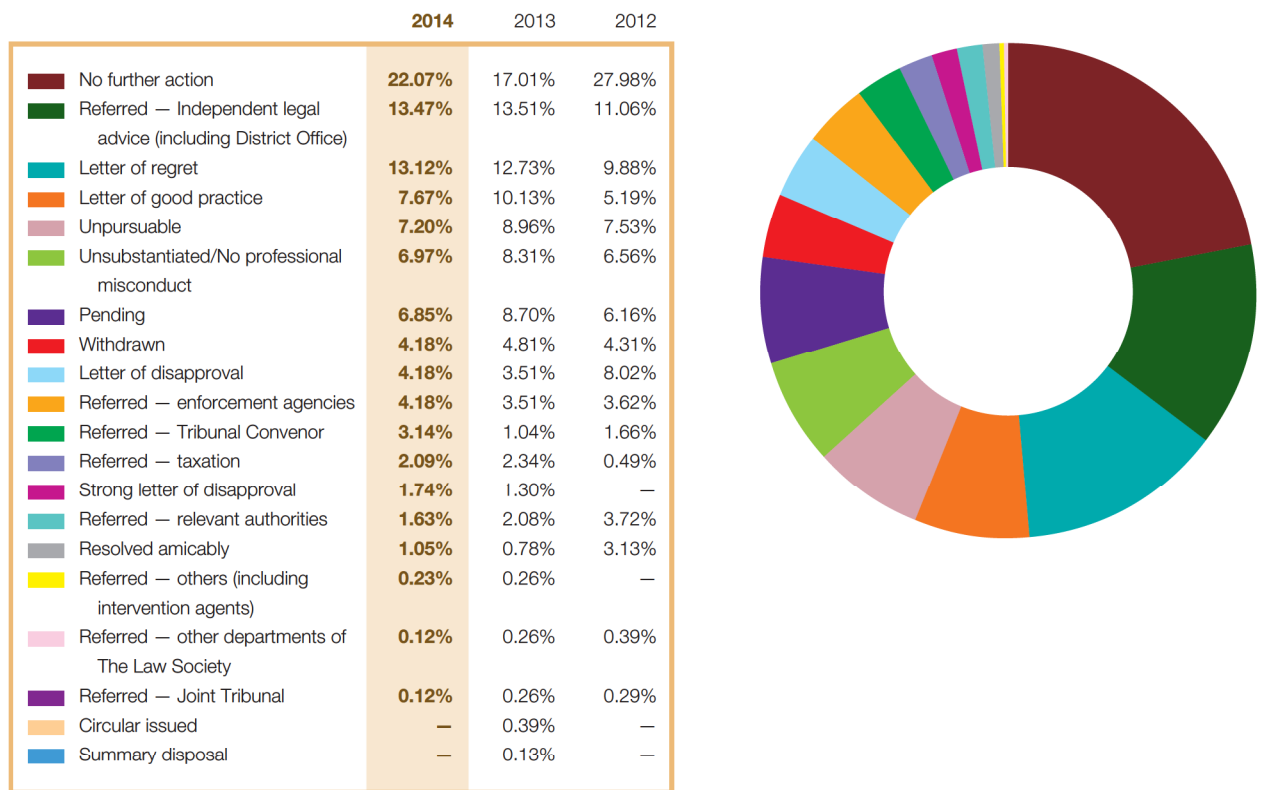
Notes: "Conduct Guide" = *The Hong Kong Solicitors' Guide to Professional Conduct* (Volume 1, 2nd and 3rd editions)

"LPO" = *Legal Practitioners Ordinance*, Cap. 159

* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentage may not add up to 100%

STANDING COMMITTEE ON COMPLIANCE

Figure 3: Analysis of closed files decided by Investigation Committees



* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentage may not add up to 100%

Applications to the Chief Judge under section 9A(2) of the *Legal Practitioners Ordinance, Cap. 159* (“the LPO”)

Under section 9A(2) of the LPO, where a complaint is made to the Council and the Council does not submit a matter to the Tribunal Convenor of the Solicitors Disciplinary Tribunal Panel (“the Tribunal Convenor”) under section 9A(1) of the LPO within six months after receiving the complaint, the Chief Judge may, on application by any person or on his own initiative, submit the matter to the Tribunal Convenor if he considers that the Council ought to have done so.

In 2014, the Chief Judge made inquiry with The Law Society regarding one section 9A(2) application.



STANDING COMMITTEE ON COMPLIANCE

Inspections and visits

Under section 8AA of the *LPO*, the Council is empowered to appoint inspectors to verify compliance with the provisions of the *LPO* or any *Practice Direction* (“PD”) issued by The Law Society, and to determine whether the conduct of those against whom an inspection was made should be inquired into or investigated. Section 8AA of the *LPO* stipulates the powers of an inspector in making such inquiries and investigations.

During the year, five court inspections were conducted by inspectors at magistrates’ courts. For these court inspections, the Council appointed inspectors to verify compliance with rule 5D of the *Solicitors’ Practice Rules* (“SPR”), *Cap. 159H* and to monitor the proper completion of court attendance forms. The Council did not appoint inspectors under section 8AA of the *LPO* to inspect law firms.

Investigation Counsel may visit law firms in the course of their investigations. This year, Investigation Counsel visited a sole practitioner firm as a result of a complaint lodged by a client who was unable to locate his solicitor and The Law Society has no additional information about the solicitor other than the particulars he had notified The Law Society. The visits revealed that the office addresses of the solicitor’s firm registered with The Law Society were no longer valid and the solicitor had moved out of the office premises despite he held out to his client that he was practising from the firm.

The Monitoring Accountants paid visits to law firms to provide assistance in their accounting procedures/systems and to inspect their books and accounts to ensure compliance with the rules relating to solicitors’ accounting. 64 visits were made to 44 solicitors’ firms and foreign law firms; some firms required more than one visit (83 visits to 35 firms in 2013).

Interventions

The Council’s power of intervention is exercised for the protection of the public and occurs when clients’ interests are at risk. The powers vested in the Council for the exercise of an intervention under Sections 26A, 26B or 26C of the *LPO* are set out in Schedule 2 to the *LPO*. Through the intervention agents, The Law Society first takes control of the office and clients’ monies of the intervened firms and takes possession of the intervened firms’ documents. If necessary, The Law Society may commence court applications to implement the Council’s resolution to intervene. The intervention agents return documents to clients who have specifically requested their return or forward clients’ documents to other firms of solicitors on the instructions of clients. The process of distributing clients’ money of the intervened firms may involve court proceedings and claimants must produce supporting documents to verify their claims. Documents in the possession of the Council are kept in storage or disposed or destroyed pursuant to a Court order.

Subject to any Court order for the payment of costs, any costs incurred by the Council in the intervention shall be paid by the solicitor or the foreign lawyer whose practice was being intervened.

The Council appoints a monitoring committee (usually consisting of three Council members) to oversee the progress of each intervention; the Conduct Section and the intervention agent work closely in each intervention.

In 2014 the Council resolved to intervene in the practice of a solicitor’s firm on the grounds that the Council had reason to suspect dishonesty on the part of the sole practitioner and the Council was satisfied that the sole practitioner had acted as a solicitor at a time when he did not have a practising certificate which was in force.



STANDING COMMITTEE ON COMPLIANCE

Throughout the year, there were court proceedings related to past interventions:

In January, there was a taxation hearing on costs of an intervention.

In April, there was a review of taxation hearing on costs of an intervention.

In May, a Court order was granted to distribute client's money of an intervened firm to the claimants and to destroy the files of the intervened firm.

In August, The Law Society issued a statutory demand for the recovery of outstanding intervention costs from a solicitor; the litigation is on-going.

In September, an intervention agent applied to the Court for distribution of money in the client and the office accounts of an intervened firm and destruction of the files of the intervened firm; the matter is still on-going.

INVESTIGATION COMMITTEE ON DISCIPLINARY MATTERS

The Investigation Committee (Disciplinary Matters) is the only Investigation Committee with a fixed membership drawn from senior members of the Standing Committee. The Committee's work includes monitoring the progress of disciplinary proceedings, appeals and court proceedings (including bankruptcy petitions), giving instructions to prosecutors and The Law Society's legal representatives, and authorising the payments of fees incurred in disciplinary proceedings, appeals and court proceedings.

The Committee considered 119 matters by circulation of 57 agenda. (In 2013, 133 matters were considered by circulation of 60 agenda.)

Disciplinary proceedings, appeals and summary disposals

The Standing Committee resolved to submit 18 matters to the Tribunal Convenor concerning the conduct of nine solicitors and two clerks under section 9A(1) of the *LPO* (five matters concerning five solicitors in 2013). In 2014, four matters (10 in 2013) had been submitted to the Tribunal Convenor, none of which involved a submission to the Tribunal Convenor for him to dispose of on a summary basis.

A Solicitors Disciplinary Tribunal is a statutory tribunal established by the *LPO*. It is independent of The Law Society which is the prosecuting body. Members of the Solicitors Disciplinary Tribunal Panel are appointed by the Chief Justice. The Chief Justice also appoints the Tribunal Convenor and the Deputy Tribunal Convenors who have the responsibility to appoint a panel of three or four members to sit as a Tribunal to determine applications, and who have the power to dispose of certain classes of complaint on a summary basis.

STANDING COMMITTEE ON COMPLIANCE

Seven disciplinary proceedings were determined by the Solicitors Disciplinary Tribunals in 2014 (compared to seven in 2013) which resulted in the following Orders being made:

Respondent	Position	Charge(s)	Penalty	Fine (HK\$)
1	Solicitor	<ul style="list-style-type: none"> 1 count of Rule 2(a), (c) and (d) of the <i>SPR</i> 	<ul style="list-style-type: none"> struck off from the roll of solicitors ordered to pay costs 	
1	Solicitor	<ul style="list-style-type: none"> 1 count of Rule 2(a) and (d) of the <i>SPR</i> 	<ul style="list-style-type: none"> struck off from the roll of solicitors ordered to pay costs 	
1	Solicitor	<ul style="list-style-type: none"> 1 count of Rule 10(1) and (2) of the <i>SAR</i> 1 count of Rule 10A of the <i>SAR</i> 1 count of Rule 5B(1) and (2) of the <i>SPR</i> and Rule 11(1) and (2) of the <i>SAR</i> 1 count of Rule 2(d) of the <i>SPR</i> 	<ul style="list-style-type: none"> censured suspended from practice as a solicitor for 1 year, thereafter for 3 years, allowed to practise only as an assistant solicitor under the supervision of a solicitor of not less than 10 years' good standing ordered to, over a period of 36 months, enroll in courses amounting to no less than 20 RME points related to the practice of solicitor's accounts ordered to pay costs 	130,000
1	Solicitor	<ul style="list-style-type: none"> 1 count of Principle 6.01 of the <i>Conduct Guide</i> and Rule 2(a), (c) and (e) of the <i>SPR</i> 1 count of Principle 13.01 of the <i>Conduct Guide</i> and Rule 2(a) of the <i>SPR</i> 	<ul style="list-style-type: none"> ordered to pay fixed costs of Clerk in the sum of HK\$115,000, and the costs of The Law Society to be taxed if not agreed 	120,000
1	Solicitor	<ul style="list-style-type: none"> 1 count of Rule 2(e) of the <i>SPR</i> 1 count of s.8(1) of the <i>LPO</i> 1 count of Rule 10(1) and 10(2) of the <i>SAR</i> 1 count of Rule 10A of the <i>SAR</i> 1 count of Rule 11 of the <i>SAR</i> 	<ul style="list-style-type: none"> censured may not practise as a sole practitioner or in any partnership for 2 years from the date of the Order ordered to pay costs 	30,000
1	Solicitor	<ul style="list-style-type: none"> 1 count of Rule 2(e) of the <i>SPR</i> 1 count of s.8(1) of the <i>LPO</i> 1 count of Rule 10(1) and 10(2) of the <i>SAR</i> 1 count of Rule 10A of the <i>SAR</i> 1 count of Rule 11 of the <i>SAR</i> 	<ul style="list-style-type: none"> ordered to pay costs 	30,000
1	Solicitor	<ul style="list-style-type: none"> 1 count of Principle 1.02 of the <i>Conduct Guide</i> 1 count of Principle 6.04 of the <i>Conduct Guide</i> 	<ul style="list-style-type: none"> censured ordered to pay fixed costs 	
1	Clerk	<ul style="list-style-type: none"> 1 count of disgraceful, dishonourable and discreditable conduct within the meaning of s.2(2) of the <i>LPO</i> 	<ul style="list-style-type: none"> prohibited from employment by any solicitors' firm or foreign law firm in Hong Kong for 10 years from the date of the Order ordered to pay costs of The Law Society assessed at HK\$40,000 ordered to pay costs of the Clerk assessed at HK\$40,000 	

Notes: "LPO" = *Legal Practitioners Ordinance*, Cap. 159

"SAR" = *Solicitors' Accounts Rules*, Cap. 159F

"SPR" = *Solicitors' Practice Rules*, Cap. 159H

"Conduct Guide" = *The Hong Kong Solicitors' Guide to Professional Conduct* (Volume 1, 2nd and 3rd editions)



STANDING COMMITTEE ON COMPLIANCE

In February, a solicitor filed a notice of appeal against the findings and order of a Solicitor Disciplinary Tribunal. In April, The Law Society filed a notice of appeal against the same findings and order.

In February, the Court of Appeal dismissed a solicitor's appeal against the findings and order of a Solicitors Disciplinary Tribunal with costs to The Law Society. In May, the Court of Appeal dismissed the same solicitor's application for leave to appeal to the Court of Final Appeal. In June, the same solicitor filed a notice of intended application for leave to further appeal and his application for leave to appeal to the Court of Final Appeal.

Also in February, a bankruptcy petition was filed against a solicitor on costs of disciplinary proceedings and a bankruptcy order was granted in November.

In August, a solicitor filed a notice of appeal against the findings and order of a Solicitors Disciplinary Tribunal.

Litigation Proceedings

The Law Society was made the respondent in several litigations, the subject matters of which related to the functions of the Compliance Department and the Council, particulars were as follows:

In April, by way of a consent summons filed by the applicant and The Law Society, the Court approved the dismissal of the appeal lodged by the applicant against the judgment dismissing the applicant's judicial review application with costs to The Law Society.

In April, the Court directed The Law Society to issue a practising certificate to a solicitor subject to conditions and ordered that each party shall pay his or its own costs.

In June, the Court ordered that a plaintiff's action in a writ of summons be struck out and the action be dismissed with costs to The Law Society. In July, the plaintiff filed a notice of appeal against the judgment.

In July, the Court granted leave to a complainant to apply for judicial review against The Law Society.

CONSENTS COMMITTEE

The Consents Committee is a sub-committee of the Standing Committee. Of the 11 members, two are Council members.

The Consents Committee decides on applications made under the *LPO*, its subsidiary legislation and The Law Society's *PD* for (i) registration by solicitors; (ii) registration as a (a) trainee solicitor, (b) foreign lawyer and (c) foreign law firm; and (iii) consent and waiver. Reviews of the decisions of the Consents Committee are conducted by the Standing Committee.

The Committee met 20 times during the year and considered 493 items (in 2013, 20 meetings and 446 items). A further 38 matters were dealt with by circulation of six agenda (in 2013, 27 matters by circulation of three agenda).



STANDING COMMITTEE ON COMPLIANCE

Members of the Committee:

Melissa K. PANG (*Chair*)
Kenneth S.Y. NG (*Vice-Chair*)
Charles C.C. CHAU (*resigned in November*)
Junius K.Y. HO (*retired in July*)
IP Shing Hing
Raymond M.S. KWOK
Henry H.W. LAI (*retired in July*)
Billy Y.C. LAM (*retired in July*)
Henson LAM
William C.W. LAM
Jonathan T.W. LEE (*joined in July*)
Paul K.Y. NG
Annie P.K. WONG (*joined in July*)
Kelly Y.H. WONG
Ann M.S. YEUNG (*joined in July*)

Secretary: Director of Compliance

Registration Section

The Registration Section of the Compliance Department processes applications and handles applications considered by the Consents Committee.

As with previous years, in conjunction with the Conduct Section, the Registration Section reviewed, processed and filed the “employees’ returns” submitted by all solicitors’ firms and foreign law firms in January of each year, and the Notification of Changes to a Practice on firms’ particulars submitted by solicitors’ firms and foreign law firms throughout the year.

The Registration Section and the Conduct Section continued to assist The Law Society’s membership database revamp project.

As a result of staff movements in 2013, two new staff members joined the Registration Section in 2014.

STANDING COMMITTEE ON COMPLIANCE

Nature of applications

Applications considered by the Consents Committee and those processed by the Registration Section during the year included:

	2014	2013	2012
Admissions	601	627	508
Certificates of eligibility for admission	636	628	557
Practising certificates: English	8,279	7,864	7,483
Chinese	3,603	3,387	3,440
Practising certificates — removal of conditions under s.6(6) LPO (solicitors)	193	170	197
Membership	9,422	8,967	8,562
First registration as a foreign law firm	10	11	11
First registration as a foreign lawyer	335	336	323
Renewal of registration as a foreign lawyer	1,305	1,184	1,235
Removal of conditions on certificates of registration (foreign lawyers)	51	55	69
Registration as an Association	8	8	13
Removal of name from the roll of solicitors	8	4	9
Restoration of name to the roll of solicitors	2	1	1
Admission of English barristers	1	1	1
Qualifications for admission s.4(1A) LPO	157	175	156
Employment of staff: s.53(1) LPO	2	—	1
s.53(3) LPO	5	2	7
Practising certificates — removal of conditions under s.6(6A) LPO	48	51	65
Practising certificates — Special Conditions	10	25	27
Registration of first trainee solicitor contracts	551	458	562
Registration of subsequent trainee solicitor contracts	83	63	122
Special leave to employ trainee solicitors	16	18	14
Other trainee solicitor matters	182	162	165
Law costs draftsmen	1	1	1
Accountant's report — solicitors' firms	830	810	792
Accountant's report — foreign law firms	77	75	83
Firm name and letterhead	9	14	10
Waiver applications — general	*5	*5	*17
Waiver applications — PD	2	2	8
Registration of new associate member	6	5	5
Certificates of standing	532	507	583
Letters of no objection [#]	812	818	815
Authorised solicitors' clerks	17	13	35

"LPO" = *Legal Practitioners Ordinance, Cap. 159*

"PD" = *The Law Society's Practice Directions*

* Applications were under the *SPR, Cap. 159H and Foreign Lawyers Registration Rules, Cap. 159S*.

[#] "No objection" letters are issued to applicants for work visas.

STANDING COMMITTEE ON COMPLIANCE

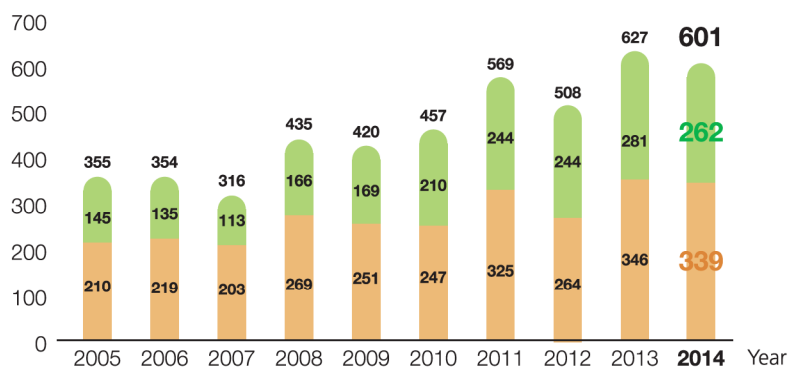


Figure 4: Admission of solicitors 2005–2014

Female
Male

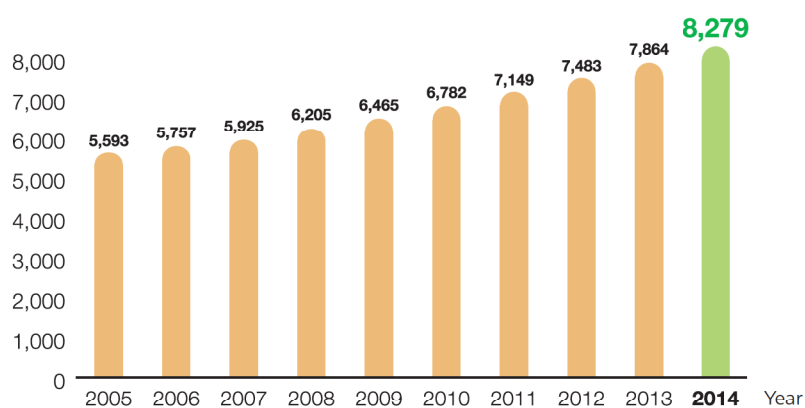


Figure 5: Practising certificates issued 2005–2014

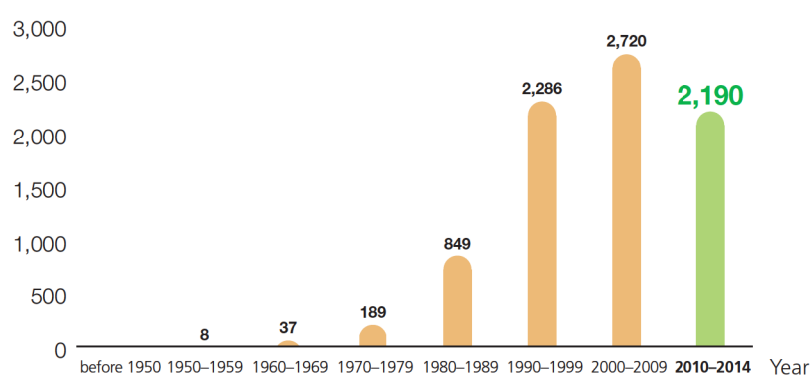


Figure 6: Years of admission of solicitors holding a 2014 practising certificate

STANDING COMMITTEE ON COMPLIANCE

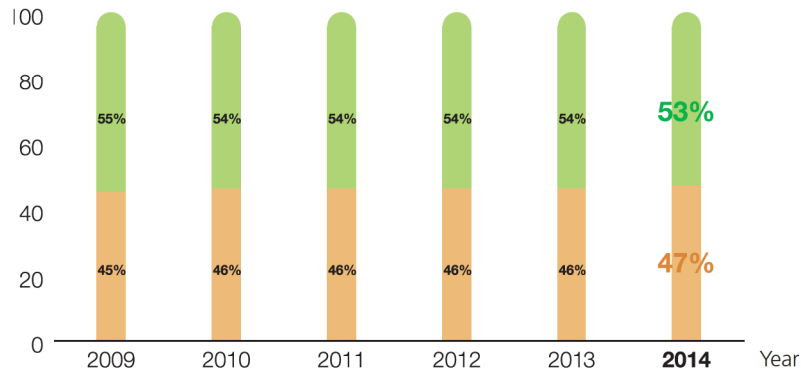


Figure 7a: Gender ratio — Solicitors holding a practising certificate

Female
Male

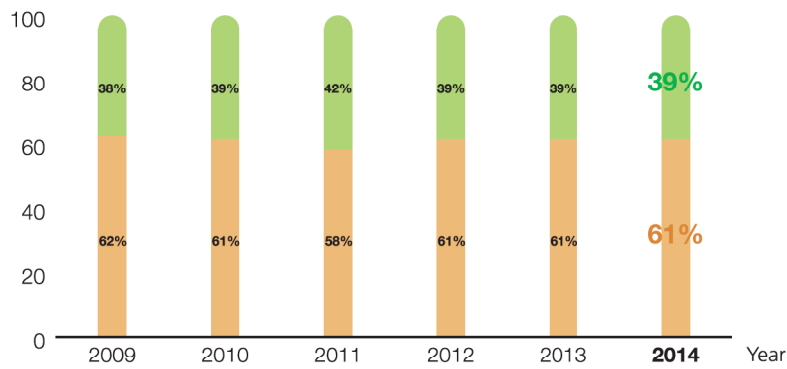


Figure 7b: Gender ratio — Trainee solicitors

Female
Male

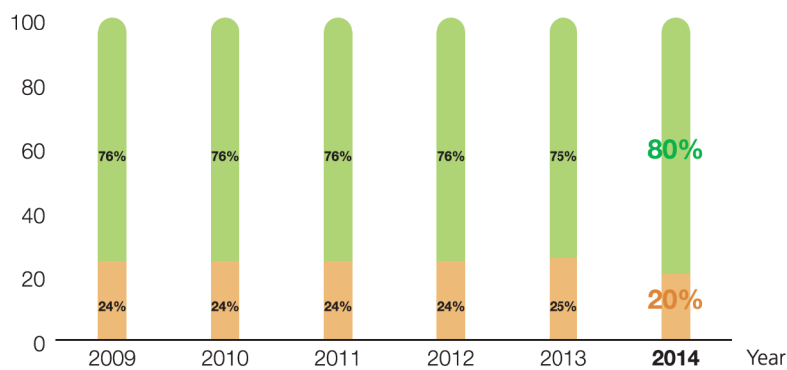


Figure 7c: Gender ratio — Partners

Female
Male

STANDING COMMITTEE ON COMPLIANCE

Figure 8: Size of solicitors' firms and number of trainee solicitors in 2014

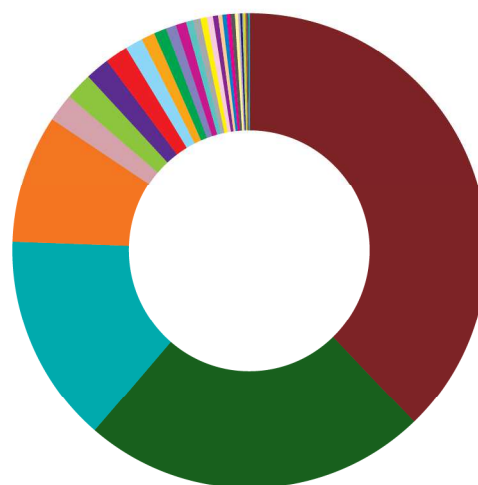
Size of firm	No. of firms		No. of trainee solicitors	
	2014	2013	2014	2013
Sole practitioners	382	366	58	59
2–5 partners	365	364	316	272
6–10 partners	46	51	175	200
11–20 partners	34	28	282	226
Over 20 partners	9	9	132	152
Total	836	818	963*	909#

* excluding 15 in government and 6 working "in-house"

excluding 14 in government and 6 working "in-house"

Figure 9: Home jurisdictions of registered foreign lawyers

	Number	%
USA	534	37.82
England and Wales	332	23.51
Mainland China	201	14.24
Australia	124	8.78
Bermuda	27	1.91
Singapore	26	1.84
New Zealand	23	1.63
British Virgin Islands	22	1.56
Canada	17	1.20
France	13	0.92
Cayman Islands	12	0.85
Germany	10	0.71
Italy	10	0.71
Ireland	7	0.50
Luxembourg	7	0.50
Belgium	6	0.42
Japan	6	0.42
Sweden	5	0.35
India	4	0.28
Republic of Korea	4	0.28
The Philippines	4	0.28
Switzerland	4	0.28
The Netherlands	3	0.21
Guernsey	2	0.14
Malaysia	2	0.14
Scotland	2	0.14
Malta	1	0.07
The Isle of Man	1	0.07
Spain	1	0.07
Thailand	1	0.07
Vietnam	1	0.07



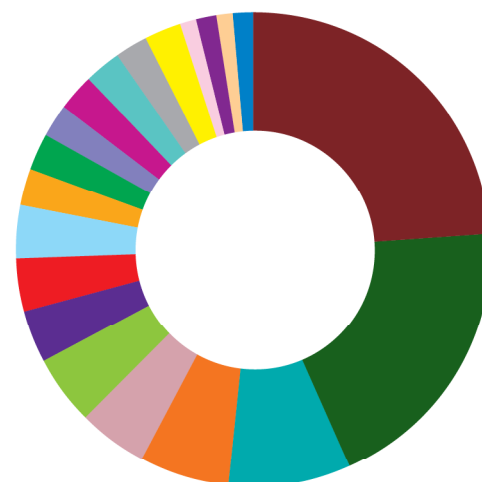
Notes: As at 31 December 2014, out of the total number of 1,412 registered foreign lawyers, 335 were working in foreign law firms and 918 in solicitors' firms.

* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentage may not add up to 100%

STANDING COMMITTEE ON COMPLIANCE

Figure 10: Home jurisdictions of foreign law firms

	Number	%
Mainland China	20	24.10
USA	16	19.28
England and Wales	7	8.43
British Virgin Islands	5	6.02
Cayman Islands	4	4.82
France	4	4.82
Canada	3	3.61
Italy	3	3.61
Switzerland	3	3.61
Belgium	2	2.41
Bermuda	2	2.41
Germany	2	2.41
Guernsey	2	2.41
Luxembourg	2	2.41
The Philippines	2	2.41
Sweden	2	2.41
Ireland	1	1.20
Japan	1	1.20
Republic of Korea	1	1.20
Spain	1	1.20



Notes: There were 79 foreign law firms in Hong Kong, of which one was registered to practise the laws of Cayman Islands, Guernsey and BVI, one was registered to practise the laws of Cayman Islands and BVI, and one was registered to practise the laws of Bermuda and BVI. (In 2013, there were 72 foreign law firms, of which four were registered to practise the law of more than one jurisdiction.)

* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentage may not add up to 100%

There were 36 Associations registered between foreign law firms and solicitors' firms (35 in 2013). 11 new foreign law firms commenced practice (eight in 2013). Five foreign law firms were closed, two of which established local practices (In 2013, six were closed, three of which established local practices).

There were 14,851 unqualified staff members employed by solicitors' firms at the end of the year (14,677 at the end of 2013). In addition, there were 451 unqualified staff members employed by foreign law firms at the end of 2013 (464 in 2013).

The Standing Committee oversees the work of the Conduct Section in administering the authorised solicitors' clerks scheme and has delegated its power to the Consents Committee to consider applications. By December, there were 931 authorised solicitors' clerks (978 in 2013).

The Law Society continued to waive subscription fees for student members in 2014. By the end of the year, there were 240 student members registered with The Law Society (236 in 2013).

At the end of December, the number of Law Society Approved Law Costs Draftsmen was 38 (36 in 2013).

STANDING COMMITTEE ON COMPLIANCE



Compliance Department

STANDING COMMITTEE ON EXTERNAL AFFAIRS

The Standing Committee on External Affairs ("SCEA") oversees the promotion of the objects and overall image of The Law Society. It assists The Law Society in fostering a good relationship with various sections of the local community by organising different projects and events; as well as the relationships with the Mainland and other international legal fraternities.

2014 remained an eventful year for the Standing Committee. Through its three sub-committees; namely, the Greater China Legal Affairs Committee, the International Legal Affairs Committee and the Community Relations Committee, SCEA had coordinated a lot of events and activities which required innovative and thought-provoking ideas. All these events turned out to be hugely successful both in terms of the number of participants as well as the feedback received. In view of the rapid developments in the trend of globalisation of the legal market, it is imperative that The Law Society should reach out to the international legal community in order to raise the visibility of the Hong Kong legal profession. It is also the duty of The Law Society to promote the understanding of and respect for the rule of law by the general public in Hong Kong. A lot of the activities held locally were to serve this purpose.

There had been some changes in the membership of the SCEA during the year under review. Mr. Simon Lai, Ms. Daphne Lo and Ms. Nadine Lai joined as members from February.

Members of the Standing Committee and their meeting attendances during the year:

Huen WONG (<i>Chair</i>)	12/12	Michael J. LINTERN-SMITH	2/12
Joseph C.W. LI (<i>Vice-Chair</i>)	8/12	Daphne F.Y. LO (<i>joined in February</i>)	8/11
CHAN Chak Ming	4/12	Kenneth H.S. NG	8/12
Nick CHAN	10/12	Thomas S.T. SO	6/12
Junius K.Y. HO	7/12	Philip W.C. WONG	9/12
Stephen W.S. HUNG	11/12	Stephen R. YAP	8/12
Frederick K.C. KAN	5/12	Ann M.S. YEUNG	9/12
Nadine LAI (<i>joined in February</i>)	10/11	Henry K.W. YIP	10/12
Simon S.C. LAI (<i>joined in February</i>)	7/11		

Secretary: Assistant Director, Communications and External Affairs

Below are highlights of events and activities coordinated by the Standing Committee during the year under review:

Council Visit to Beijing

10 Council members and the Secretary General paid a courtesy visit to the Mainland authorities in Beijing from 6 to 8 January, including the National Development and Reform Commission, the Ministry of Justice, the Hong Kong and Macao Affairs Office of the State Council, and the Committee for the Hong Kong Basic Law & Committee for the Macao Basic Law under the Standing Committee of the National People's Congress ("NPCSC").

STANDING COMMITTEE ON EXTERNAL AFFAIRS

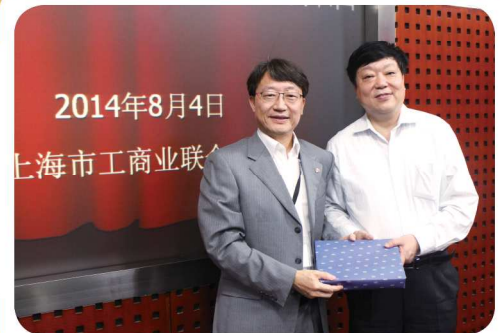
Council Members and the Secretary General met with senior officials of the Mainland authorities including Mr. Li Fei, Chairman of Committee for the Hong Kong Basic Law under NPCSC, Mr. Du Chun, Head of Lawyers Administration Department of the Ministry of Justice, and Mr. Feng Wei, Member of Party Leadership Group of the Hong Kong and Macao Affairs Office of the State Council. Council Members also visited the Office of the Government of the Hong Kong Special Administrative Region of the People's Republic of China in Beijing. Ms. Cathy Chu, Director of the Office, briefed Council Members on the active role of the Office in promoting professional services of Hong Kong to mainland enterprises.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Council Visit to Shanghai

A delegation consisting of nine Council Members visited Shanghai from 3 to 5 August. The delegates visited the Shanghai Free Trade Zone, the Shanghai Federation of Industry and Commerce and representatives of the Shanghai Lawyers Association and the Shanghai Bureau of Justice. They took the opportunity to discuss the latest development in the legal profession in both Shanghai and Hong Kong and the opening up of the legal profession in Shanghai drawing reference to Hong Kong's experience.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Law Week 2014

As a flagship project of The Law Society, *Law Week 2014* took the format of television roller features and radio programme promoting various areas of practice that were relevant to all walks of life. These were broadcast in the closing credit of TVB's evening sitcom at around 8:30 pm on weekdays aired on TVB Jade service during December; and on Commercial Radio 1 from 10:30 pm to 11:00 pm on every Monday and Tuesday in December.

By presenting *Law Week* on television and radio programme, The Law Society was able to reach out to the wider community spreading knowledge of the law. Our tasks involved research on various practice areas, scripting, casting of solicitors to appear in the features, and coordination of the production schedule and post-production editing. The event could hardly be accomplished such success without the staunch support of our members including the *Law Week 2014* Organising Committee. As in previous years, the Opening Ceremony of *Law Week 2014* was staged at the Summit Hall of the AsiaWorld Expo, coinciding with another major project of The Law Society, *Teen Talk*, held on 29 November. The Hon. Chief Justice, Geoffrey Ma; The Hon. Secretary for Justice, Rimsky Yuen, SC; Mr. Dennis Kwok, Legislative Council Member (Legal Functional Constituency); Mr. Thomas Edward Kwong, Director of Legal Aid; and Mr. Selwyn Yu, Vice President of Hong Kong Bar Association were invited as officiating guests with President Stephen Hung and Ms. Ann Yeung, Chairlady of *Law Week 2014* Organising Committee.

In addition to the kick-off ceremony, a mock admission ceremony was presented before an audience of over 1,000 secondary school students and teachers. The admission ceremony illustrated the commitment made by lawyers to the legal profession as well as to the community in upholding the rule of law.

The huge success of *Law Week 2014* was attributed to the support by the Organising Committee, the officiating guests, the Council, the Legal Aid Department and the Secretariat.



STANDING COMMITTEE ON EXTERNAL AFFAIRS



Members of the Law Week 2014 Organising Committee:

Ann M.S. YEUNG (*Chair*)
Nancy B.Y. LEUNG (*Vice-Chair*)
Stanley W.L. CHAN
Stephen W.S. HUNG
Sebastian KO
William C.Y. KONG
Nadine LAI
Arthur Y.Y. LAW

Daphne F.Y. LO
Daniel K.M. SHUM
Michelle W.T. TSOI
Maggie Y.T. TSUI
Cecilia G. WONG
Louise K.F. WONG
Nathan S.K. WONG
Sauw YIM

Secretary: Assistant Director, Communications & External Affairs



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Teen Talk 2014

Teen Talk 2014 concluded with great success. On 29 November at AsiaWorld Expo, solicitor volunteers who served as facilitators to guide over 1,000 Forms 4 to 6 students and teachers from schools in 18 districts participated in *Teen Talk 2014*. The aim was to better equip our next generation with the necessary legal knowledge and moral grounding to lead and serve the society. Students are encouraged to speak their mind and improve their multi-dimensional critical thinking skills during group discussions. More than 7,000 students have benefited from attending this meaningful Law Society event since its inception.

This year, around 60 students were selected to go on stage to participate in a debate led by Vice Presidents Thomas So and Melissa Pang. The Best Debate Team was judged by all participants in the venue by the volume of their applause.

In parallel with the student discussions, The Law Society conducted seminars for teachers to enrich their legal knowledge in the areas of “Triad-related Crimes, Assault & Violence-Related Crimes and Sexual Offences”, “Theft and Drug-related Crimes” and “Internet-related Crimes”.

To better engage students before and after the all-day event, The Law Society has launched a *Teen Talk* Facebook Fans Page to promote legal knowledge amongst teenagers. An online writing competition called “I have a say in Law!” was held from mid-October to late November, encouraging students to express their views on legal issues presented in the videos.

Same as in previous years, *Teen Talk* received funding support from the Committee on the Promotion of Civic Education to cover part of the expenses incurred.

It was a demanding task to organise a project of this scale, and it could not have been implemented so smoothly and it not been for the strong leadership of the Organising Committee and the much-appreciated support from more than 130 solicitors and law students who volunteered to act as facilitators in the event.

Members of the *Teen Talk 2014* Organising Committee:

Nick CHAN (*Chair*)
Annie P.Y. WONG (*Vice-Chair*)
Flora W.S. CHAN
Serina K.S. CHAN
Stephen W.S. LIUNG
Nadine LAI
Cammie K.Y. LEUNG

Daniel K.M. SHUM
SHUM Hin Han
Lucia S.L. SUN
James K.T. WONG
Grace Y.T. YEUNG
Henry P.H. YU

Secretary: Assistant Director, Communications and External Affairs

STANDING COMMITTEE ON EXTERNAL AFFAIRS



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Spring Reception

The Spring Reception, an annual event that topped the priority list of tasks that the Standing Committee has undertaken in 2014, was held on 11 February. Over 200 guests including government signatories, senior partners of firms, and representatives from foreign consulates, Council and committee members as well as members of The Law Society attended.

The festive event represents a gesture of appreciation by The Law Society for the support rendered by government officials, practitioners and other working partners and friends towards the work of The Law Society.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Ceremonial Opening of the Legal Year

The Law Society received about 40 overseas and mainland bar leaders from Australia, United Kingdom, Denmark, France, Japan, Mainland China, Malaysia and Taiwan at the Ceremonial Opening of the Legal Year ("OLY") in Hong Kong on 13 January. Besides attending the OLY, the visiting guests also attended a luncheon and a dinner jointly hosted by The Law Society and the Hong Kong Bar Association, a Presidents' Roundtable chaired by then-President Ambrose Lam as well as other activities organised by The Law Society including visits to the Legislative Council and the Law Reform Commission.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

The Law Society of Hong Kong & Bloomsbury Books Prizes Presentation Ceremony

The Law Society of Hong Kong and Bloomsbury Books Prizes Presentation Ceremony is an annual event during which law students from the University of Hong Kong, the Chinese University of Hong Kong, and the City University of Hong Kong received their prizes at The Law Society Clubhouse. This year the ceremony was held on 17 March.

The Law Society and the Bloomsbury Books Ltd. were represented by then Vice-President Stephen Hung and General Manager Mr. Edmund Lau at the ceremony respectively. Some students came with their parents to celebrate their achievement.



Participation in the TVB Programme “I Want to Run My Own Business”

The Law Society was invited to collaborate with TVB by nominating solicitors to provide advice on business proposals submitted by persons who intended to start up their own businesses in the programme called “I Want to Run My Own Business”. Nine members were nominated to participate in the shooting. The programme was broadcast from February to April.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

COMMUNITY RELATIONS COMMITTEE (“CRC”)

The CRC is a Sub-Committee under the Standing Committee with mandate to foster relationship with various community groups for the purpose of promoting The Law Society as a caring organisation and solicitors as caring individuals. As in previous years, CRC continued its effort in coordinating regular programmes and ad hoc events for various sections of the community through a wide range of activities.

The membership of CRC also underwent some changes. Four existing members were re-appointed for another term of three years and there were two new members.

CRC Christmas Gathering

On 10 December, CRC hosted a Christmas Gathering for all Committee Members, Working Group Members, writers, speakers, volunteers, mentors, and guests who have rendered significant support towards the work of the CRC and its working groups.



Members of the Committee:

Philip W.C. WONG (*Chair*)
Ann M.S. YEUNG (*Vice-Chair*)
Nick CHAN
Serina K.S. CHAN
Stanley W.L. CHAN
Nadine LAI
Arthur Y.Y. LAW
SAUW Yim

Michelle W.T. TSOI
Maggie Y.T. TSUI
Patricia WIJAYA
Cecilia G. WONG
James K.T. WONG
Nathan S.K. WONG
Judy W.C. YAM
Victor C.K. YAU

Secretary: Assistant Director, Communications and External Affairs

STANDING COMMITTEE ON EXTERNAL AFFAIRS

During the year under review, members of CRC continued work with schools, local communities and non-government organisations. Below are highlights of their work:

Working Group on Community Talks and Services

On 21 September, the Working Group held the “Lawesome” Community Fun Day in Lok Fu Plaza. The event was a new initiative of CRC aiming at further reaching out to our community while promoting legal knowledge. The event started with the remarks by Ms. Annie Tam, Permanent Secretary for Labour & Welfare, Labour and Welfare Bureau and concluded with tremendous success with over 200 visitors spending a joyful afternoon in learning legal knowledge from a fresh perspective. Five non-governmental organisations co-organised booth games with the Working Group.

The Working Group also launched a few initiatives in the year under review, such as talks on different legal issues and elderly visits. Three elderly visits to Nam Cheong, Shau Kei Wan and Kwun Tong have been organised, totally more than 100 members and their families and friends participated.





STANDING COMMITTEE ON EXTERNAL AFFAIRS

Members of the Working Group:

Maggie Y.T. TSUI (*Chair*)

SAUW Yim (*Vice-Chair*)

Stanley W.L. CHAN

Anthony W.M. KWAN

Nadine LAI

Stephanie W.Y. LAU (*joined in October*)

Daniel K.M. SHUM (*joined in October*)

Michelle W.T. TSOI (*joined in March*)

James K.T. WONG

Nathan S.K. WONG

Cassandra K.C. WU (*joined in October*)

Victor C.K. YAU

Jackie N.M. YEUNG (*joined in March*)

Matthew K.W. YIM

Henry P.H. YU (*joined in October*)

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Working Group on “Legal Pioneer” Mentorship Programme

Having evolved from the former “Path Builders” Mentorship Programme, the Phase 5 programme under its renewed name “Legal Pioneer” was concluded successfully. A total of 14 groups of secondary school students actively participated in the programme. Taking an innovative form of micro-film competition, the topics of the Phase 5 programme covered three legal related subjects, namely “privacy”, “derivative works” and “cyber bullying”. Each group was assigned one of the topics and produced a micro-film. Their efforts were presented before the “Judging Session” held on 24 May at the Youth Square, Chai Wan. 12 micro-films and 2 sets of display board were featured. Around 100 guests comprising Council Members of The Law Society, CRC members, mentors and mentees supported the event.

Given the success of Phase 5 programme and the growing popularity of micro-film production, the Working Group has carried this theme forward to the Phase 6 programme, with 4 new legal topics, namely “IP infringement”, “sexual harassment and prevention”, “defamation” and “cyber theft”. Having expanded the school network to Kwun Tong and Shatin districts in this phase, 13 new groups of secondary school students have joined Phase 6.

Phase 6 has been officially launched on 11 October at the Lingnan University. The Working Group was honoured to have Ms. Elsie Leung, Deputy Director of HKSAR Basic Law Committee and Former Secretary of Justice to be the guest of honour. Together with The President of The Law Society, CRC members and 100 mentees, the event started with a presentation of certificates to the Phase 5 graduates and concluded with a micro-film training workshop conducted by Mr. Vincent Ho, a well-known micro-film director. After the launch, each group would work closely with their designated mentors as a team and produce a micro-film.

Members of the Working Group:

Judy W.C. YAM (*Chair*)

Nathan S.K. WONG (*Vice-Chair*)

Serina K.S. CHAN

Nadine LAI

Arthur Y.Y. LAW

MAK Hon Ming

SAUW Yim

Victor C.K. YAU

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STANDING COMMITTEE ON EXTERNAL AFFAIRS



Working Group on Law and New Generation Programme and School Talks

This is a regular programme coordinated by CRC and has been running for 11 years since 2003 with the aim to enrich secondary school students' legal knowledge. Apart from talks for students, the Working Group offered talks to school principals, teachers and administrators on legal matters that they may encounter in their work.

This year, the Working Group adopted a more pro-active approach to reach out to all secondary schools in Hong Kong by launching a massive school talk campaign. The first Phase of the programme received good response from schools, followed by the second phase scheduled from February to July 2015. A new set of standard presentation material was developed for this purpose.

A "Speaker's Group" of solicitors take turns to deliver talks at school.

STANDING COMMITTEE ON EXTERNAL AFFAIRS



Members of the Working Group:

Serina K.S. CHAN (*Chair*)
 Nadine LAI (*Vice-Chair*)
 Nick CHAN
 Stanley W.L. CHAN
 Joseph C.K. HO (*joined in October*)

Frederick C.K. HUI
 Cecilia G. WONG
 James K.T. WONG
 Cassandra K.C. WU (*joined in March*)
 Ann M.S. YEUNG

Secretary : Assistant Director, Communications and External Affairs



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Working Group on “Sing Tao Legal Mailbox”

CRC also assumes another important task of coordinating contribution of articles amongst Law Society members for publication in the “Legal Mailbox” weekly column in a local newspaper, Sing Tao Daily, every Monday throughout the year. In 2014, over 50 articles were published.

A Working Group formed under CRC was responsible for reviewing all articles submitted to ensure relevancy of the subject matter and accuracy of the factual information cited by the authors.

In response to feedback received about the first edition of Smart Book published in 2012, the Working Group was working on the second edition which would include selected articles from the period of 2012 to 2014. Since 2012, over 14,000 copies have been distributed to students, teachers and principals, members of NGOs at talks.

Members of the Working Group:

Cecilia G. WONG (*Chair*)

Stanley W.L. CHAN (*Vice-Chair*)

Katherine J.R. HUANG (*joined in October*)

Nadine LAI

Albert M.K. SO (*joined in October*)

Michelle W.T. TSOI (*joined in March*)

James K.T. WONG

Nathan S.K. WONG

Secretary : Assistant Director, Communications and External Affairs



STANDING COMMITTEE ON EXTERNAL AFFAIRS

GREATER CHINA LEGAL AFFAIRS COMMITTEE (“GCLAC”)

2014 was a fruitful year for the GCLAC. The Committee received more than 34 groups of visitors compared to 25 groups in 2013. It also organised or participated in 17 outbound visits to 9 cities, including a Legal Service workshop in Jiangsu and the biannual Hong Kong Legal Services Forum in Qingdao as a co-organiser. The 4th “Cross Strait Four Regions Young Lawyers Forum” held during the year also received overwhelming positive responses. The frequent exchange between GCLAC and legal bodies in the region reflects the increasing maturity of cross-strait exchanges within the greater China area.

There were changes in the membership of the GCLAC by end of 2014. Five members, Mr. Charles Chau, Mr. Simon Ip, Ms. Elsie Leung, Ms. Carmen Kan and Mr. Tony Yen retired from the Committee. Then-President Mr. Ambrose Lam, Mr. Eric Lui, Mr. Brian Ho, Ms. Catherine Mun and Mr. Patrick Mak were co-opted to fill the vacancies. Three members, Mr. James Wong, Mr. William Lam and Ms. Alexandra Lo were co-opted back to serve on the Committee.

Members of the Committee:

Thomas S.T. SO (*Chair*)
Emily Y.M. LAM (*Vice-Chair*)
Wilfred K.P. TSUI (*Vice-Chair*)
James K.T. WONG (*Vice-Chair until October*)
Hugo S.K. CHAN
Kenneth Y.H. CHAN
Rico W.K. CHAN
Charles C.C. CHAU (*resigned in November*)
Neville C.H. CHENG
Franki W.C. CHEUNG
Anthony W.K. CHOW
Hannah C.L. HA
Brian P.C. HO (*joined in December*)
Stephen W.S. HUNG
IP Shing Hing (*retired in November*)

Carmen W.M. KAN (*resigned in December*)
Fred K.C. KAN
William C.W. LAM
Ambrose S.K. LAM (*joined in December*)
Eric C.H. LUI (*joined in December*)
Brian C.S. LEUNG
Elsie O.S. LEUNG (*retired in November*)
Alexandra D.W. LO
Patrick K.W. MAK (*joined in December*)
Catherine L.M. MUN (*joined in December*)
Sylvia W.Y. SIU
Henry Y.H. WAI
Tony Y.H. YEN (*retired in November*)
Simon S.M. YEUNG

Secretary : Assistant Director, Communications and External Affairs

Cross Strait Four Regions Young Lawyers Forum

The 4th “Cross Strait Four Regions Young Lawyers Forum” was successfully held on 16 and 17 October. It is an annual event co-hosted by GCLAC and the Young Solicitors’ Group. This year, the theme of the forum was how young lawyers could grasp the opportunities of globalisation for a promising future. It attracted over 200 attendees from 26 provinces and cities in the Mainland, Taiwan, Macau and Hong Kong.

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Participants also visited the Independent Commission Against Corruption (“ICAC”) and joined the welcome reception. Furthermore, chief delegates of 20 lawyers associations attended the roundtable conference to discuss and share views on topics of common interest, such as how globalization of economy affects legal services and what lawyers associations can do to equip the young professionals to embrace the challenges.



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Members of “Cross Strait Four Regions Young Lawyers Forum” Organising Committee:

James K.T. Wong (*Chair*)
 Thomas S.T. So (*Advisor*)
 Charles C.C. Chau (*Advisor*)
 Neville C.H. Cheng
 Daniel K.M. Shum
 Vicky W.K. Man
 Raymond C.P. Siu
 Brian P.C. Ho
 Heidi H.Y. Chui
 Edwin W.Y. Kwok
 Daniel W.C. Leung

William C.Y. Kong
 Dennis S.K. Hu
 Nadine Lai
 Louise K.F. Wong
 Shum Hin Han
 Maggie Y.T. Tsui
 Cami K.Y. Leung
 Joanne N.W. Wong
 Karen H.L. Wong
 Olivia H.Y. Kung
 Dantes W.C. Leung

Secretary : Assistant Director, Communications and External Affairs

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The Hong Kong Legal Services Forum in Qingdao

A delegation of 17 members led by President Stephen Hung, participated in the Hong Kong Legal Services Forum in Qingdao. This biennial legal industry event was jointly organised by seven institutions including, among others, the Department of Justice of Hong Kong, the Hong Kong Trade Development Council ("HKTDC") and The Law Society.

Seven of our delegates participated as the moderators and as speakers at five sessions of the forum, explaining to over 700 representatives from Mainland enterprises and the local legal profession the legal and management issues on risks associated with investing in Hong Kong and overseas, as well as promoting Hong Kong's arbitration services.



Business Mission to Jiangsu

The 3-day business mission was co-organised by The Law Society and HKTDC. A delegation of 22 members including five Law Society representatives visited Nanjing and Suzhou from 26 to 28 March. One of the key events during this trip was a legal services workshop which promotes Hong Kong legal services to the local enterprises in Jiangsu.



Signing of Cooperation Agreements

This year, The Law Society signed a new Memorandum of Understanding ("MOU") with the Shenzhen Lawyers Association on 30 December to pave the way for cooperation between the two parties especially in the training aspect.

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Participation in Mainland Events

Throughout the year, GCLAC organised and participated in the following key activities in the Mainland to promote and to research on the market for Hong Kong legal services:

Seminars on “Judicial Reform in China”

Two seminars on “Judicial Reform in China” co-organised with the City University of Hong Kong were launched in January and May respectively.

Secondment Programme for Dalian Young Lawyers

Four Dalian young lawyers joined a 3-week Secondment Programme at Hong Kong law firms during April and May.

“Smarthk”, Nanjing

Organised by HKTDC, Smarthk is a series of expos aiming to promote Hong Kong service providers to Mainland enterprises. In May, then President Mr. Ambrose Lam attended a press conference to introduce to the Nanjing reporters how legal services industry in Hong Kong could assist Mainland enterprises “go global”. The roadshow was held in June, which the Law Society and four Hong Kong law firms joined over 100 Hong Kong professional associations and companies to set up exhibition booths to promote Hong Kong legal services. Former Council member and GCLAC member Mr. Charles Chau was invited to speak at a symposium attended by over 600 corporate delegates.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Foshan Visit

In November, a 4-member delegation led by the Chairman visited Foshan Lawyers Association to explore the cooperation between legal services industry in Hong Kong and Foshan, and visited Foshan General Chamber of Commerce to introduce how Hong Kong legal services could help Foshan enterprise to develop the business.



Law firm association seminar, Shenzhen

A delegation of 22 members participated in a Shenzhen seminar on association of law firms between Shenzhen and Hong Kong/Macau law firms in November. Following the two-day meeting, The Law Society delegation paid a courtesy visit to the Shenzhen Lawyers Association.



Annual Shenzhen — Hong Kong Expats Exchange Conference

President Stephen Hung represented the Law Society to participate in the event in late December to sign a new MOU with Shenzhen Lawyers Association to strengthen the cooperation in training projects for lawyers of both lawyers associations. Vice-President Thomas So and then-President Ambrose Lam also attended the event.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Visitors from Mainland, Taiwan and local universities

During the year under review, GCLAC has received 34 groups of visitors from PRC, Taiwan and local universities, including officials from the Central Government, Ministry of Justice, representatives from various provincial and municipal lawyers associations, senior judges, and students. These meetings were useful in strengthening the relationship between The Law Society and parties from the Greater China region.



STANDING COMMITTEE ON EXTERNAL AFFAIRS



STANDING COMMITTEE ON EXTERNAL AFFAIRS



INTERNATIONAL LEGAL AFFAIRS COMMITTEE (“ILAC”)

The ILAC is a committee established under the Standing Committee on External Affairs and is responsible for coordinating activities in the international arena so as to develop and maintain the established relations with the bar associations, law societies and other law-related associations overseas for the purpose of promoting The Law Society as a professional association for solicitors in Hong Kong.

There were changes in the membership of the ILAC during the year. Three members retired from the ILAC this year namely, Mr. Kenneth Choy, Mr. Chan Chak Ming and Ms. Jean Wong. Mr. Sebastian Ko was co-opted to join the ILAC in October.

The Law Society actively participated in international conferences/seminars and reached out to other legal professional bodies around the world throughout the year.

Members of the Committee:

Joseph C.W. LI (*Chair*)
Gavin P. NESBITT (*Vice-Chair*)
Bonita B.Y. CHAN
Simon CHAN
Kenneth Y. CHOY (*retired in August*)
CHAN Chak Ming (*retired in August*)
Jing GU

Sebastian KO (*joined in October*)
Alan H. LINNING
Melissa K. PANG
Robert C. RHODA
Cynthia Y.S. TANG
Philip W.C. WONG
Jean H.C. WONG (*retired in August*)

Secretary: Assistant Director, Communications & External Affairs

Legal Seminar in Yangon, Myanmar

To facilitate closer co-operation between the legal professions in Myanmar and Hong Kong, The Law Society led a delegation of 10 members to Myanmar at the end of August. Together with representatives of the Yangon Bar Association (“YBA”), The Law Society co-organised a seminar on titled “Myanmar: Opportunities and Challenges” with the YBA in Yangon on 30 August. Over 160 Myanmar practitioners attended the event.

STANDING COMMITTEE ON EXTERNAL AFFAIRS



The Law Society delegates held fruitful discussions with Myanmar practitioners on various topics including our legal system under “One Country, Two Systems”, legal services on offer in Hong Kong, arbitration, brand building and company law update.

International Bar Association (“IBA”) Annual Conference in Tokyo and IBA Bar Breakfast Jointly Hosted by The Law Society & Korean Bar Association (“KBA”)

The IBA Annual Conference was held in Tokyo from 19 to 24 October. As the IBA Annual Conference is one of the largest gatherings of the international legal community, The Law Society hosted a breakfast session jointly with the KBA on 21 October in Tokyo Kaikan. The breakfast session was very popular and over-subscribed. Over 250 legal practitioners from around the world attended our breakfast session entitled “Opportunities and Challenges for International Lawyers in the Asian Century: Breaking Barriers, Building Bridges”.

Experienced practitioners from China, Hong Kong, Korea and Singapore shared their insights on the 21st century being the Asian century and the role of law societies and bar associations in facilitating their members to grasp the opportunities and meet the challenges ahead.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

“Think Asia, Think Hong Kong” Roadshow in Paris & Milan

The Law Society was a supporting organisation of “Think Asia, Think Hong Kong” in Paris and Milan, a major promotional event organised by HKTDC at the end of October for promoting Hong Kong services in the European market. A five-member Law Society delegation participated in the event.

The Law Society also set up a consultation counter on site with The Law Society delegates answering enquires from foreign participants. Many of the enquiries related to, *inter alia*, (1) setting up companies in Hong Kong and/or China; (2) arbitration service for European companies doing business in Mainland China; (3) patent, copyright and intellectual property; (4) foreign lawyers qualifying in Hong Kong; and (5) the functions of The Law Society.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Visit by the Korean Bar Association

The Law Society first signed a MOU with the KBA in October 2011 for a term of two years and the two parties renewed the MOU in December 2013 for two more years. Under the MOU, the two professional bodies agreed, inter alia, “to promote and maintain close cooperation for the benefits of the lawyers they represent and to promote the rule of law.” A delegation of 15 KBA representatives led by their President We Chul Whan paid their second official visit to The Law Society from 10 to 12 December after their last visit in 2011.

The exchange visits by the two professional bodies under the MOU have enhanced our mutual understanding of the changing legal landscapes in the two territories. Korea is in the process of opening up its legal market under the Free Trade Agreements (“FTA”) with different countries. During a joint session with the KBA held on 11 December, we were able to gain a better insight into the latest development in the legal market in Korea. Pending the conclusion of a FTA between Korea and Mainland China/Hong Kong, Hong Kong lawyers are not yet officially permitted to practise as foreign legal consultants on their own account in Korea. It is hoped that Hong Kong lawyers will be able to practise in Korea in due course once the legal hurdle is overcome.

Visits to other legal organisations such as Department of Justice, Hong Kong International Arbitration Centre, the ICAC and the High Court had been arranged for the KBA delegates during their official visit in Hong Kong.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Korean and Japanese Internship Programmes

Korean Internship Programme (Inbound), 13 to 24 January

A two-week internship programme was launched at the beginning of the year. The Law Society worked closely with the KBA on an internship programme for placing Korean law students in Hong Kong law firms. 18 Korean law students worked as interns in Hong Kong law firms for two weeks. Legal visits were also organised for them during their internship in order to further their understanding of the Hong Kong legal system. The internship programme was well received by both the Korean interns and Hong Kong law firm sponsors.



Japanese Internship Programme (Inbound), 27 October to 7 November

To better foster the collaborative relationship between the legal professions in Japan and Hong Kong, The Law Society worked hand in hand with the Japan Federation of Bar Associations ("JFBA") on an internship programme (inbound and outbound). Under which, four Japanese lawyer-interns (inbound) had already completed a two-week internship in Hong Kong law firms from 27 October to 7 November.

A half day seminar was also organised towards the end of their internship programme on 6 November for the purpose of exchanging legal knowledge and information between the two jurisdictions. Presentations on various topics relating to the Japan and Hong Kong legal markets were delivered both by the Japanese lawyer-interns and local experienced solicitors. Under the reciprocal arrangement of the internship programme, four Hong Kong lawyers (outbound) will be sent to Japan for a similar 2-week internship in February 2015.



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Agreement with Overseas Bar Associations

As part of the ongoing mission of the ILAC to develop and further the relationship with overseas bar associations and law societies, The Law Society signed two latest agreements with the Osaka Bar Association and the Milan Bar Association this year.

- The Osaka Bar Association signed a Friendship Agreement with The Law Society on 22 October during the IBA Conference in Tokyo.
- The Milan Bar Association and The Law Society signed a Memorandum of Understanding in Milan on 29 October during the HKTDC “Think Asia, Think Hong Kong” roadshow held in Milan.



Osaka Bar Association Friendship Meeting

Participation in International Conferences and Meetings

The following visits to and attendance of various international conferences and meetings by The Law Society representatives were coordinated under ILAC:

- Attendance by The Law Society delegates including young lawyers to conferences hosted by the International Bar Association (“IBA”), Union Internationale des Avocats (“UIA”), Inter-Pacific Bar Association (“IPBA”), LawAsia, the Presidents of Law Association in Asia (“POLA”), American Bar Association (“ABA”) and the International Association of Young Lawyers (“AIJA”). The delegations were either led by the President or Vice Presidents.

STANDING COMMITTEE ON EXTERNAL AFFAIRS

- Attendance to LawAsia EXCO meetings by Vice President Melissa Pang who is The Law Society's official representative in the EXCO
- Attendance to the mid-year meeting of the IPBA by Council Member Huen Wong who represented The Law Society in IPBA as its President-elect
- Immediate Past President Mr Ambrose Lam also represented The Law Society to attend the ceremony during the Opening of Legal Year of the Law Society of England & Wales.
- Please refer to the following table for the location of the conferences that the delegates from The Law Society attended:

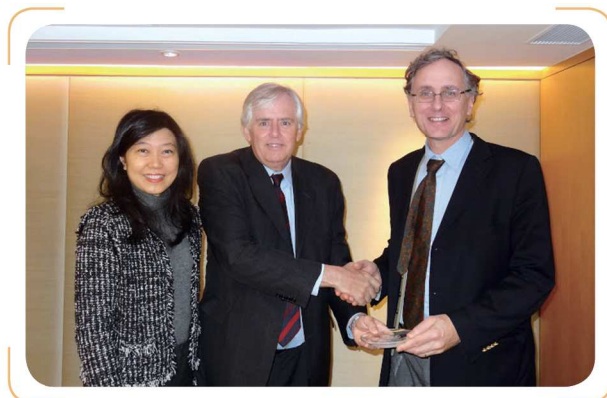
Date	Event Name	Location
8–11 May	IPBA Conference	Vancouver
21–24 May	IBA 9th Annual Bar Leaders Conference & Mid-Year Meetings	Brussels
10–12 June	POLA Conference	Wellington
8–9 Jul	Int'l Legal Regulators Conference	London
8–10 Aug	ABA Annual Meeting	Boston
3–6 Oct	LawAsia Conference	Bangkok
19–24 Oct	IBA Annual Conference	Tokyo
28–30 Oct	Think Asia, Think Hong Kong	Paris & Milan
29 Oct–1 Nov	UIA Congress	Florence

Overseas Visitors

Throughout the year The Law Society also received a number of overseas visitors. Meetings were usually held in the Council Chamber of The Law Society. Constructive and fruitful exchanges of ideas were made with overseas visitors from different jurisdictions. Below is a list of overseas visitors.

Date	Meeting
February	Meeting with World Trade Organisation
March	Meeting with BVI House Asia Meeting with the Korean Bar Association Meeting with European Commission
April	Meeting with the Ministry of Justice of the Republic of Korea and the Consulate General of the Republic of Korea in Hong Kong
May	Meeting with BVI Financial Services Commission
September	Meeting with American University Washington College of Law Meeting with the Bar Council of England and Wales Meeting with the Queensland Law Society
October	Meeting with the Bar Council of England and Wales
December	Meeting with St. Louis Asian American Chamber of Commerce Meeting with the Korean Bar Association

STANDING COMMITTEE ON EXTERNAL AFFAIRS



STANDING COMMITTEE ON EXTERNAL AFFAIRS



Communications and External Affairs Department

STANDING COMMITTEE ON MEMBER SERVICES

The Standing Committee formulates and oversees the implementation of strategies and programmes that enhance members' benefits and interests. It is the Standing Committee's mission to provide the best benefits for our members and to unite them with a common goal of developing the legal markets locally and internationally. The Standing Committee also makes recommendations to other Standing Committees on issues pertaining to members' legal practice. The Standing Committee met 11 times in 2014.

Members' Forum and Dinner Gathering

Following the success of the Members' Forum and Dinner Gathering in 2013, the Standing Committee organised two large scale Members' Fora and Dinner Gatherings on 15 May and 12 November respectively. On the two occasions, participating members made submissions on the following topics:

15 May

- Problems encountered in your working relationship with Judiciary and/or other government authorities, and your answers to them
- How lawyers nowadays can improve our skill set to keep up with the changing local and international legal environment

12 November

- Expanding Our Practice

The Standing Committee will work with other Standing Committees to put the suggestions into action if practicable.

At the "Dialogue with the President: What Can We Do for You?" session, members raised questions on the floor and the President, together with Vice-Presidents and other Council Members, gave answers on the spot.



STANDING COMMITTEE ON MEMBER SERVICES





STANDING COMMITTEE ON MEMBER SERVICES

Other Practice Issues

The Standing Committee also made recommendations to Council on topics relevant to members' practice.

Provision of fully furnished office units for members (in consultation with the Practice Management Committee)

The Standing Committee was invited to consider the feasibility and desirability of the provision of fully furnished units equipped with computer facilities for rental to individual small practices. The Standing Committee confirmed the feasibility of such operation but recommended the Council to look into the availability of modern technology like cloud services.

Lawyers to perform estate agency work

The Standing Committee was invited to consider the feasibility and desirability of allowing solicitors to expand the scope of their services to include estate agency work. The Standing Committee supported the idea in principle but recommended further studies by relevant specialist committees on whenever this would be in compliance with the provisions pertaining to professional indemnity insurance and professional conduct.

Provision of business development and practice management training to lawyers (in consultation with the Practice Management Committee)

With a view to educating the general membership on how to manage and grow their practice taking into account in particular the impending implementation of limited liability partnerships, two seminars on law firm mergers had been organised by Practice Management Committee in September and October respectively.

Mandatory Practice Management Course (in consultation with the Practice Management Committee)

The Standing Committee worked with the Practice Management Committee for the implementation of a new Mandatory Practice Management Course pursuant to the amendment of Section 6(6B) of the *Legal Practitioners Ordinance* ("LPO") requiring solicitors who intend to apply for an unconditional practicing certificate to satisfy the Council, in addition to compliance with the 2-year employment requirement, that they have successfully completed such course.

New Working Parties/Groups

This year, the Standing Committee established the following Working Parties/Interest Groups to cater for the needs of members:

- A Working Party on SME Firms under the Practice Management Committee to look after the needs and interest of sole practitioners and small partnership firms
- An Interest Group on Mergers & Acquisitions to set up a platform for sharing of information on mergers and acquisitions with a view to expand members' practice in this area

STANDING COMMITTEE ON MEMBER SERVICES

Members of the Standing Committee and their meeting attendances during the year:

Melissa K. PANG (<i>Chair</i>)	10/11
Charles C.C. CHAU (<i>Vice-Chair until November</i>)	5/10
Bonita B.Y. CHAN	7/11
Bonnie J.Y. CHAN (<i>resigned in August</i>)	2/7
CHAN Chak Ming	4/11
Grand H.L. CHAN (<i>joined in September</i>)	3/4
Serina K.S. CHAN (<i>joined in September</i>)	3/4
Eliza L.S. CHANG	9/11
Anthony W.K. CHOW	2/11
IP Shing Hing	7/11
Andrew S.K. LAW (<i>retired in September</i>)	4/8
Angela W.Y. LEE	5/11
Daphne F.Y. LO (<i>retired in October</i>)	2/9
Elaine Y.M. LO	8/11
Amirali B. NASIR	8/11
Cecilia K.W. WONG	9/11
WONG Kwok Yan (<i>retired in October</i>)	3/9
Rocky P.L. YUNG (<i>resigned in March</i>)	0/2

Secretary: Director of Member Services

IN-HOUSE LAWYERS COMMITTEE ("IHLC")

In-House Lawyers ("IHLs") include members who are qualified lawyers not in private practice. The Committee works towards providing a forum for sharing of experiences and resources, exchanging of views and ideas in relation to the role of IHLs. It also creates a platform for facilitating the relationship between IHLs and private legal practitioners in Hong Kong. The Committee convened six meetings over the year.

The 2014 Annual Conference of IHLs was held in September and attracted more than 400 members including over 300 IHLs. In this full day event, 15 speakers and panelists were invited to speak on various topics tailored for IHLs including leadership, changing roles of IHLs in financial institutions, the new *Companies Ordinance*, negotiation skills and to participate in a dialogue between IHLs and private practitioners.

STANDING COMMITTEE ON MEMBER SERVICES



STANDING COMMITTEE ON MEMBER SERVICES



Members of the Committee:

CHAN Chak Ming (*Chair until September*)
 Grand H.L. CHAN (*Vice-Chair until September and Chair from September*)
 Maggie Y.T. TSUI (*Vice-Chair from September*)
 Ricky M.T. CHAN
 CHEUNG Yuen Sang (*retired in September*)
 Elio S.W. FONG
 GU Jing (*retired in September*)
 Diana W.L. HUI (*joined in September*)
 Jasmine KARIMI
 Elen LAU

Jason C.Y. LEE
 Geoffrey W.C. MO (*joined in September*)
 Kenneth S.Y. NG
 Rubya RAMJAHN (*retired in May*)
 Anne M. SALT
 Irene W.K. SIU (*joined in September*)
 Adamas K.S. WONG
 Judy YANG
 Cerin N.Y. YIP (*joined in September*)
 Edwin C.W. YEE

Secretary: Director of Member Services

STANDING COMMITTEE ON MEMBER SERVICES

WORKING GROUP ON NETWORKING AND EVENTS

The Committee has set up a Working Group to organise various networking functions and events for IHLs. During the year, the Working Group organised two panel discussions under a series entitled *"In House Counsel: Sweat & Glory"* featuring eminent IHLs as speakers. The panel discussions covered experience sharing on the following topics which were very well received:

- "To Where the Grass is Greener — from Private Practice to In-House and Back Again"
- "Facing Rising Scrutiny — Serving as In-House Counsel in the Public Sector"



The Working Group also organised the *2014 Annual Conference of IHLs*.

In November, the Working Group held the *"Sweat and Glory 2014 Finale"*, a cocktail reception when members met with distinguished speakers who participated in IHLC events during the year in a relaxing atmosphere.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Working Group:

Grand H.L. CHAN (*Chair of the Working Group and the Organising Committee of the 2014 Annual Conference of IHLs*)

CHAN Chak Ming

Jason C.Y. LEE

Kenneth S.Y. NG

Anne M. SALT

Maggie Y.T. TSUI

Secretary: Member Services Officer

LAW SOCIETY CLUBHOUSE COMMITTEE

The Clubhouse Committee is constantly looking for ways to enhance the services of The Law Society Clubhouse to members.

The Clubhouse is open for breakfast, lunch and evening functions (alcohol serving). It provides free WiFi access and a selection of newspapers including South China Morning Post, Ming Pao and Hong Kong Economic Times as well as journals and magazines. The Clubhouse is not only a perfect place to unwind and relax, it is also an ideal venue for meetings and social gatherings.

Equipped with two TVs, professional PA system and adjustable lighting fixtures, the Clubhouse has become a popular venue for seminars and private parties for general members.

In 2014, The Law Society organised 69 events in the Clubhouse and general members used the venue for private functions on 38 occasions.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Committee:

IP Shing Hing (*Chair*)
Melissa K. PANG (*Vice-Chair*)
Bonita B.Y. CHAN
CHAN Tze Chin
Heidi K.P. CHU

Jackie T.L. LI
Annie P.Y. WONG
WONG Hang Yee
Peter K.C. YIP

Secretary: Assistant Director, Member Services

MEMBER BENEFIT COMMITTEE

The Member Benefit Committee works towards identifying services and benefits for members. The Committee's work ranges from improving personal well-being of members to business promotion and development for the profession. The Committee also makes recommendations on promotion items received by The Law Society from time to time. The Committee organised the following activities and events during the year:

Luncheon talks, Evening Seminars and Workshops

The Committee organised the following luncheon talks, evening seminars and workshops on a variety of topics during the year.



Luncheon Talk "Eye Care" on 22 September

STANDING COMMITTEE ON MEMBER SERVICES



Evening talk on “Most common cancers in Hong Kong” on 28 November



Luncheon Talk “The Culture and Etiquette of Chinese Drinking” on 27 November

Member Benefit Summer Party 8.22 featuring Live Band “TLF” and Friends

The Committee jointly organised a live concert with Live Band “TLF” on 22 August. Over 150 participants from The Law Society and other professions attended the concert. Participants enjoyed the evening with great live music performed by TLF and guest bands, delicate canapés and fine wine.



STANDING COMMITTEE ON MEMBER SERVICES

Member Benefit “The Law Society Christmas Party 2014”

The Committee organised the 4th Christmas Party on 15 December. Over 350 participants attended the party and enjoyed the night with live DJ music, free wine, buffet dinner and Christmas prizes.



STANDING COMMITTEE ON MEMBER SERVICES

Outing activities

The Committee organised the following outing activities during the year.

Visit to Civil Aviation Department and Cathay City

The Committee organised a group visit for members to Civil Aviation Department and Cathay City on 29 March. About 60 members joined the tour followed by an enjoyable networking lunch at Cathay City.



Visit to Pamela Youde Nethersole Eastern Hospital

The Committee organised a guided tour for members to Pamela Youde Nethersole Eastern Hospital on 24 June. Members visited the Clinical Oncology Outpatient Clinic, Radiotherapy Center, Nethersole Clinical Simulation Training Centre and pre-record live surgery demonstrations at Minimal Access Surgery Training Centre. The guided tour was informative and positive feedback was received.



STANDING COMMITTEE ON MEMBER SERVICES

Programmes for Members' Children

The Committee organised two programmes for members' children, including a visit to Aberdeen Ambulance Depot in August and a visit to Tuen Mun Public Riding School in November. The visits were well-attended by members and their children. Certificates of Attendance were presented to all members' children who participated in these events.



Insurance plans

The Committee sourced special discount offers for medical and outpatient insurance plans this year, putting members' suggestions at previous Members' Forum and Dinner Gathering into action. The plan(s) will be introduced in 2015.

Other Benefits/Events Offered by the Committee:

1. January — Free Lai See Packets
2. April — Private preview of movie 'Devil's Knot'
3. May — Complimentary tickets of Art Basel 2014
4. June — Complimentary 6-months subscription offer to Esquire Hong Kong/ELLE Hong Kong/The Peak
5. June — Complimentary tickets of ITE & MICE 2014
6. July — Complimentary 14-day pass and Special membership rates to Pure Yoga or Pure Fitness
7. September — Special offer for ESSO Fuel Card
8. October — Complimentary tickets of Fine Art Asia 2014
9. December — Complimentary tickets of 12th Hong Kong Mega Showcase



STANDING COMMITTEE ON MEMBER SERVICES

FOREIGN LAWYERS INTEREST GROUP

The Foreign Lawyers Interest Group was formed to cater for the needs of foreign lawyers by providing a forum for networking, sharing of experiences, exchange of views and ideas amongst those who have registered with The Law Society as foreign lawyers.

Members of the Committee:

Bonita B.Y. CHAN (*Chair*)
CHAN Tze Chin
CHUI Hoi Yee (*joined in January*)
Nadine LAI (*joined in December*)
Angela W.Y. LEE (*resigned in February*)
Daphne F.Y. LO
Melissa K. PANG
Daniel K.M. SHUM (*joined in January*)
Adamas WONG
Annie P.Y. WONG
WONG Kwok Yan (*retired in October*)
Ada C.M. WU
YU Tat Man

Secretary: Member Services Officer

PRACTICE MANAGEMENT COMMITTEE

The Practice Management Committee is dedicated to serving members in best-practice endeavours. The scope of its work includes providing guidance to members on the opportunities and risks arising from the business of law practice, and on formulating strategies to expand law practice, manage risks in practice, enhance services to clients, motivate staff and manage finance and information. It aims to help law firms to achieve practice management excellence. It formulates guidelines and practice manuals and organises training programmes, seminars and conferences on practice management. The Committee met five times this year.

Study on SME firms

In late 2013, the Committee engaged a management consultant to conduct a study to identify pressing issues of concern to sole proprietors and law firms with up to five partners. The consultant visited 17 small to medium sized law firms from November to December. The Study Report identified a number of important common practice management problems and issues of concern including fees/fees income; escalating costs; limited liability practice, alternative law firm structures and related issues; and need for “best practice” guidelines/CPD on “cradle to grave” law firm management. The report also made recommendations regarding options for developing appropriate strategic and remedial responses and programmes.

STANDING COMMITTEE ON MEMBER SERVICES

Professional Development in Mainland

The Committee organised a seminar jointly with Guangdong Lawyers Association in early August on the two new pilot measures of allowing Mainland Chinese and Hong Kong law firms to set up partnerships in Qianhai, Nansha and Hengqin; and permitting Guangdong law firms to second Mainland lawyers to work as consultants on PRC law in representative offices set up by Hong Kong law firms in Guangdong Province. The seminar was attended by over 100 participants and guests even though it was arranged with very short notice. The two measures have been officially implemented since 1 September.



STANDING COMMITTEE ON MEMBER SERVICES

Helping Members to Manage and Grow their Businesses

Acting on the recommendations of the Study Report, the Committee invited practice management consultants from overseas to present one workshop on law firm management on 10 September and one seminar on law firm mergers on 14 October respectively. The seminar on 14 October was jointly conducted with two senior local practitioners who shared real examples of their firms' mergers. Overwhelming responses from members were received on both occasions.





STANDING COMMITTEE ON MEMBER SERVICES

Mandatory Practice Management Course

The Committee considered the course structure and duration of a new Mandatory Practice Management Course pursuant to the amendment of Section 6(6B) of the *Legal Practitioners Ordinance* requiring solicitors who intend to apply for an unconditional practicing certificate to satisfy the Council, in addition to compliance with the 2-year employment requirement, that they have successfully completed such course. In December, the Committee invited proposals for the development and delivery of the Course. The Committee will consider the proposals.

The Committee has set up a new Working Party for SME Firms during the year.

Members of the Committee:

Elaine Y.M. LO (*Chair*)
Eliza L.S. CHANG
Charles C.C. CHAU (*resigned in November*)
Kenneth Y. CHOY (*joined in December*)
David J. FLEMING
IP Shing Hing
Amirali B. NASIR (*joined in August*)

NG Ching Wo
Ludwig S.W. NG (*joined in December*)
Kenneth S.Y. NG (*retired in October*)
Melissa K. PANG
Virginia M.L. TAM (*retired in October*)
YEUNG Man Sing (*retired in October*)

Secretary: Director of Member Services

ISLAMIC FINANCE WORKING PARTY

The Working Party was formed in 2012 to provide recommendations on the legal development of Islamic financial products and services in Hong Kong. The Working Party aims to equip members with updated knowledge and insights in the rapidly growing Islamic finance market in Hong Kong. The Working Party works closely with financial institutions, government, NGOs, international organisations and universities relating to Islamic finance. The Working Party also meets with lawyers from local firms and overseas lawyers to discuss developments in Islamic finance globally and the foundation that already exists in Hong Kong for Islamic finance, such as the issue of halal certificates, and the launch of the first sukuk by Hong Kong government in September allowing sukuk to be treated as conventional bonds in terms of tax payment.

In March, the Working Party had a meeting with the Senior Director of International Swaps and Derivatives Association, Inc. ("ISDA") to discuss ISDA's initiatives in Islamic finance and possible collaboration on joint educational seminars.

In November, the Working Party held its second annual networking reception with 38 guests from various consulates, government bodies, financial institutions and members attending.

STANDING COMMITTEE ON MEMBER SERVICES



STANDING COMMITTEE ON MEMBER SERVICES



Members of the Working Party:

Amirali B. NASIR (*Chair*)
Davide BARZILAI
Balbir S. BINDRA
John S. GALE

Gregory P. MAN
Kingsley T.W. ONG
Benjamin J. SANDSTAD
Edmond M.Y. YEUNG

Secretary: Director of Member Services

WORKING PARTY ON ALTERNATIVE BUSINESS STRUCTURE (“ABS”)

The Working Party was established to review the global trend of allowing solicitors to practice as ABS, the desirability and feasibility of Hong Kong solicitors practicing as such models; and the impact of foreign ABS setting up in Hong Kong with a view to making recommendations to the Council on policies and matters pertaining thereto. A report was submitted to the Council in May.

Members of the Working Party:

Ambrose S.K. LAM (*Chair*)
Denis G. BROCK
Charles C.C. CHAU (*resigned in November*)
Heidi K.P. CHU
Stephen W.S. HUNG

Elaine Y.M. LO
Peter C.L. LO
Sylvia W.Y. SIU
Virginia M.L. TAM

Secretary: Director of Member Services



STANDING COMMITTEE ON MEMBER SERVICES

WORKING PARTY ON SME FIRMS

The Working Party was established this year to make recommendations to the Committee on any support and guidance which the Working Party may consider desirable for SME law firm practice management; to provide a forum for networking, sharing of experience, exchange of views and discussion of common problems of sole practitioners and small partnership firms on practice management; and to provide a channel of communications between SME firms and The Law Society.

The Working Party was working on a Manual which would comprise of information relevant to various applications made to The Law Society under the *LPO*, its subsidiary legislation and The Law Society's Practice Directions for registration, consent and waiver.

Members of the Working Party:

Junius K.Y. HO (*Chair*)
IP Shing Hing (*Chair*)
Raymond M.L. CHAK

Joseph W.K. CHAN
Angela M.K. HO
Kenneth H.W. SIT

Secretary: Director of Member Services

YOUNG PARTNERS ROUNDTABLE ("YPR")

YPR was established in 2013 to serve the needs and interests of members who have been admitted to partnership or have set up their own practice for five years or less ("young partners"). Its mission is to facilitate the career development and to enhance the business network of young partners; and promote their knowledge of law, managerial skills, leadership ability and practice by offering diversified services and activities to young partners and providing support to them.

In June, YPR held the "*Young Leaders' Night*" where over 100 young partners, business leaders and elites in their respective fields were invited to attend and celebrate the first anniversary of YPR.

YPR also organised two "*Distinguished Speakers' Dinner*" sessions featuring the Hon Justice Michael Hartmann, GBS, Chairperson of the Higher Rights Assessment Board and Ms. May Tan, Chief Executive Officer of Standard Chartered Bank (Hong Kong) Limited, sharing with participants their experiences and views on different topics on 28 May and 17 November respectively.

STANDING COMMITTEE ON MEMBER SERVICES



Members of YPR:

Charles C.C. CHAU (*Chair*)
Raymond C.P. SIU (*Vice-Chair*)
Malcolm T.C. CHIN
Heidi H.Y. CHUI

Nelson H.Y. CHUNG
Brian P.C. HO
Rita M.W. KU

Secretary: Member Services Officer



STANDING COMMITTEE ON MEMBER SERVICES

PRO BONO COMMITTEE

The Pro Bono Committee reviews the types of pro bono work undertaken by the profession, promotes public awareness of members' pro bono services and encourages participation by the profession in pro bono work.

During the year, the Committee reviewed various pro bono schemes in which The Law Society has organised and/or coordinated participation by its members. They included the Advisory Service of Property Management Advisory Centre ("PMAC"), The Duty Lawyer Service, Free Legal Helpline, Free 45 minutes Legal Consultation, and various legal education programmes for secondary students.

Helpline

The Free Legal Helpline was established in late August 2013 offering pro bono legal advice to the public on personal injury, matrimonial law and criminal law. In December, a pilot scheme on mediation was launched under the Helpline providing free telephone session on mediation for a period of six months.

Up to end of December, about 2,200 calls had been handled through the Helpline.

Collaboration with The Hong Kong Council of Social Service ("HKCSS")

The Committee continued its collaboration with HKCSS through organising seminars on topics of interest for their NGO members. Towards the end of 2014, The Law Society partnered with HKCSS on their new "NGO Governance Platform Project" to promote best practice and experience sharing among board members of their NGO members.

The Law Society was one of the supporting organisations of "Family Summit 2014" in May, which was co-organised by HKCSS, The Family Council, The Social Welfare Department, and Consortium of Institutes on Family in the Asian Region. The Law Society co-hosted one of the concurrent sessions entitled "Post separation and Co-parenting".

Collaboration with Education Bureau

This year, the Committee started its collaboration with the Education Bureau in its "Business-School Partnership Programme" ("BSPP") with the aim of promoting better co-operation and closer alliances between the business sector and schools to help secondary students in their career planning and life development. A series of programmes will commence in 2015.

Free Column on Volunteering and Business in Hong Kong Economic Journal

As a participating member of Hong Kong Council of Volunteering, the Committee was invited to contribute three articles to the free column "談商言義" on volunteering and business in Hong Kong Economic Journal (HKEJ). The first article "一切從「心」出發" was published in December.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Committee:

Melissa K. PANG (*Chair until October*)
Sylvia W.Y. SIU (*Chair from November*)
Patrick M. BURKE
Serina K.S. CHAN (*retired in October*)
Eric T.M. CHEUNG
John E. DAVISON
Junius K.Y. HO
Anthony W.M. KWAN

Alexander H.S. LEUNG
Angelyn A.L. LIM
Daphne F.Y. LO (*retired in February*)
Urszula MCCORMACK (*retired in October*)
Rendy K.M. NG (*retired in October*)
Jelita E.R. PANDJAITAN (*retired in October*)
Alan G. SCHIFFMAN
Amy Y.T. SUPANGKAT

Secretary: Director of Member Services

The Committee has formed four Working Groups to handle specific projects.

WORKING GROUP ON SEMINARS FOR SOCIAL ENTERPRISES

The Working Group aims at assisting social enterprises on legal issues involved in their operations.

The Working Group has been working with HKCSS to organise workshops focusing on day-to-day legal issues faced by social enterprises in the retail sector including consumer protection contract, product liability and intellectual property matters. Two series of workshops have been held and a third series of workshops will be held in 2015.

Members of the Working Group:

E. John DAVISON (*Chair*)
Serina K.S. CHAN
K.M. CHI
Teresa C.W. CHU
May M.Y. LUN

Rendy K.M. NG
Cindy SHAMMALL (*resigned in January*)
Kirindi Y.T. TANG
Stephen M. VINE

Secretary: Member Services Officer

WORKING GROUP ON PRO BONO WEBPAGE

The Working Group continued to work on the Pro Bono webpage on the members' zone of The Law Society website to encourage participation by members in pro bono work and promote public awareness. This year, the Working Group has reviewed the content of the webpage to ensure updated information was covered. The Working Group has also invited Hong Kong Bar Association, Consumer Council and The Duty Lawyer Service to endorse details of their Pro Bono services to be posted on the public zone of the webpage.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Working Group:

Patrick M. BURKE (*Chair*)
Serina K.S. CHAN
May M.Y. LUN (*resigned in July*)

Rendy K.M. NG
Jelita E.R. PANDJAITAN (*resigned in July*)

Secretary: Member Services Officer

WORKING GROUP ON PRO BONO PROJECTS ON BUILDING MANAGEMENT WORK

The Working Group oversees the pro bono projects in relation to building management. During the year, the Working Group arranged three seminars through the Hong Kong Academy of Law Ltd (“Academy”) to update panel members of the PMAC on the new developments and legislations in the building management spectrum.

Towards the end of the year, the Working Group worked, in collaboration with Home Affairs Department, to facilitate the takeover of the Free Legal Advice Service on Building Management (“the Service”) from the Housing Society to Home Affairs Department. The Working Group organised a dinner gathering in December to introduce the new arrangements to the panel members. The new Service will come into operation from 2 January 2015.

Members of the Working Group:

Alexander H.S. LEUNG (*Chair*)
Junius K.Y. HO
Anthony W.M. KWAN
Melissa K. PANG

Secretary: Member Services Officer

WORKING GROUP ON INSURANCE FOR PRO BONO WORK

The Working Group reviewed the regulatory framework relating to professional indemnity and insurance arrangement and coverage to ensure that members are sufficiently covered when they carry out pro bono services.

The Working Group submitted a report to the Council this year making recommendations on an insurance scheme which covers members in carrying out pro bono services in NGOs registered with The Law Society. The Council was reviewing the report and seeking recommendations from other relevant committees on related issues.

Members of the Working Group:

Eric T.M. CHEUNG (*Chair*)
Patrick M. BURKE

Secretary: Director of Member Services

STANDING COMMITTEE ON MEMBER SERVICES

PRO BONO AND COMMUNITY WORK RECOGNITION COMMITTEE

The Committee promotes and encourages active participation of members in pro bono and community work by showing appreciation for and recognition of their pro bono work in an annual award ceremony.

Since its launch in 2011, the Pro Bono and Community Work Recognition Programme ("the Programme") has established itself as a signature annual programme of The Law Society. The Programme continued to gain recognition among the legal profession, and in 2014 more than 120 Law Society members and 14 law firms registered for the Programme.

Graced with the presence of the Hon Chief Justice Geoffrey Ma and the Hon Secretary for Justice Rimsky Yuen SC, the Award Ceremony of the Programme 2014 was held on 5 December at the High Court. A total of 11 law firms and 104 members received awards including the Distinguished Pro Bono Service Award, the Distinguished Community Service Award, the Distinguished Pro Bono Law Firm Award, the Individual Award and the Law Firm Award respectively. The Distinguished Awardees were selected by a judging panel comprising former Secretary for Justice Leung Oi Sze; Past President Christopher Chan; Ms. Melissa Pang, Vice-President and Chair of the Pro Bono and Community Work Recognition Committee; Ms. Sylvia Siu, Chair of the Pro Bono Committee; and Mr. Chua Hoi Wai, Chief Executive of HKCSS.



STANDING COMMITTEE ON MEMBER SERVICES



Members of the Committee:

Angela W.Y. LEE (*Chair until November*)

Melissa K. PANG (*Chair from November*)

IP Shing Hing

Daphne F.Y. LO

WONG Kwok Yan

Secretary: Assistant Director, Member Services

RECREATION AND SPORTS COMMITTEE

The Committee promotes and encourages members to take part in a wide range of recreational and sporting activities.

Throughout the year, the Committee had organised six regular meetings and captains and convenors of various teams met bi-monthly to report on the activities.

STANDING COMMITTEE ON MEMBER SERVICES

530 members participated in the Recreation and Sports Programme 2014 under which there were regular practice sessions for badminton, basketball, cycling, distance running, dragon boat, football, golf, hiking, snooker, soccer, swimming, table tennis, tennis, tenpin bowling, volleyball, bridge, Chinese calligraphy and painting, cookery, food and wine appreciation, dancing, live band, singing, Taichi and yoga.

Some of the many activities organised or co-ordinated and participated by the Committee this year included *the 38th New Year Winter Swimming Lifesaving Championships, Vita Green Cycling for Health Marathon Challenge 2014, 9th Beat the Banana Run, Family Fun Day, 4th Legal Professional Cup Dragon Boat Race, Stanley International Dragon Boat Championships, Hong Kong International Dragon Boat Race (Victoria Harbour), Olympic Day Run 2014, Annual Swimming Gala 2014, Summer Party, Cross Harbour Swim 2014, HKMA Swimming Gala Invitational Race, Cross-Strait Lawyers' Golf Tournament 2014, Cooking & Tasting Competition 2014, 9th Recreation and Sports Night, Hong Kong ITU Triathlon Asian Cup 2014, HKMA Family Sports Day 4 x 100m Invitational Race, Oxfam Trailwalker 2014, 9th Law and Order Cup, UNICEF Charity Run 2014, Macau Galaxy Entertainment International Marathon, Law Society Annual Golf Tournament 2014*, and many others. These activities together with the recreational and sporting classes organised this year attracted attendance of over 800 members.



STANDING COMMITTEE ON MEMBER SERVICES



STANDING COMMITTEE ON MEMBER SERVICES



STANDING COMMITTEE ON MEMBER SERVICES



The Law Society is a member of the Recreation and Sports Club for Hong Kong Professional Bodies under which inter-professional sports and recreational tournaments are regularly held. Members benefit from healthy social exchanges with members from other professional bodies through participating in various inter-professional tournaments.

Members of the Committee:

Eliza L.S. CHANG (*Chair*)
Nick CHAN (*Vice-Chair*)
Keith C.W. CHAN
Simon S.M. CHAN
Calvin K. CHENG (*joined in January*)
Eleanor S.Y. CHENG (*retired in December*)
George C.C. CHEUNG
Annivia O.L. CHIANG (*retired in December*)
Brian P.C. HO (*retired in December*)

Louisa S.M. LAM (*joined in January*)
Stephanie W.Y. LAU (*retired in December*)
Kam Wing PANG (*joined in January*)
Sylvester SUNG (*joined in January*)
Roden M.L. TONG
Flora CHAN (*student representative joined in January*)
Quinn LAU (*student representative joined in January*)
Timothy SHAM (*student representative joined in January*)

Secretary: Member Services Officer

TECHNOLOGY COMMITTEE

The Technology Committee provides technology knowhow and services to members. It met six times.

The Committee co-organised the following seminars with the Academy during the year:

- Attorney-Client Privilege at Risk to Cyber Espionage on 12 June
- Business Continuity Enabled by IT on 27 June

In June, The Law Society launched "The Law Society's App" Version 2 to enhance the interface and functions of the App. Over 1,000 members have been using the App to communicate with The Law Society and/or sign up for Law Society's events.



STANDING COMMITTEE ON MEMBER SERVICES

Consultation on Various Policy Issues Relating to the Implementation of Information Technology Strategy Plan of the Judiciary (“ITSP”)

The Judiciary conducted two rounds of consultation on ITSP this year and consulted The Law Society on various policy issues relating to its implementation, namely:

- Round 1: time sensitivity; identity authentication and document authentication; payment and other matters
- Round 2: payment options; handling of documents for use in the litigation process

The Committee, jointly with the Criminal Law & Procedure Committee and Civil Litigation Committee, attended a few meetings with the Judiciary and delivered two submissions in September and December respectively.

Law Firm Support Services System

In July, the Committee invited proposals for the development of an integrated system with features including solicitor-client billing, document management, office administration, law firm accounting and compliance as per the requirements of the *LPO* and relevant Rules with the view of obtaining government funding for the development of the system for adoption by law firms. The Committee was considering the proposals.

Others

The Committee considered, from a technical perspective, the feasibility and desirability of The Law Society providing fully furnished units equipped with all computer facilities including the necessary accounting software and office management systems for rental to individual small practices.

The Committee also made recommendations to the Working Party on Law Library on issues relating to the transformation of the law library to an online one.

Members of the Committee:

Andrew S.K. LAW (*Chair until October*)
Amirali B. NASIR (*joined in August and Chair from November*)
Nick CHAN (*Vice-Chair*)
CI IAK Man Lai
Alan C.W. CHIU (*joined in November*)
Stanley Y.S. HUI

Pamela F. KU (*resigned in October*)
William W.S. LAM
Steven K. LEE
PANG Kam Wing
Tony M.I.I. WONG
Dieter YIH (*resigned in October*)
Henry P.H. YU (*joined in November*)

Secretary: Director of Member Services

STANDING COMMITTEE ON MEMBER SERVICES

LAW FIRM TECHNICAL SUPPORT INTEREST GROUP

The Committee formed a Law Firm Technical Support Interest Group for members and law firm technical support staff. Its main function is to provide a forum for sharing of experience and resources and exchange of views relating to technological issues in legal practice.

A meeting was held on 4 December where members of the Group addressed different IT issues in their day-to-day practice.

WORKING GROUP ON LAW SOCIETY APPLICATION

The Working Group continued to perfect the Application to address the needs of the profession. On 27 June, the version 2 of the Law Society mobile App was officially introduced at the “*Transformers: Age of Extinction Movie Premier Launch Party*” at IMAX theatre in Tsim Sha Tsui.

The mobile App was redesigned to enhance user experience. The new App’s minimalistic tile-based layout enables users to more quickly identify and access content. The Photo Gallery and Event Calendar features have also been optimised so that users can share photos and synchronise their calendars with the Law Society Calendar. The App now provides instant access to the Judiciary’s Practice Directions in addition to the Law Society circulars and *Hong Kong Lawyer*, as well as introduces an advanced search feature for the Law List.

The Launch Party was attended by over 380 members and commenced with a two-minute video introducing the new App and its enhanced features. Then-President Ambrose Lam gave a speech to kick-start the long-anticipated screening of *Transformers*. Mr. Nick Chan, Chair of the Working Group and the emcee of the night, also led a calculation game.

Since the new App’s introduction in June, the download rate has risen almost threefold — from 1,500 to over 4,200 downloads.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Working Group:

Nick CHAN (*Chair*)
Bonnie J.Y. CHAN
Grand H.L. CHAN

CHAN Tze Chin
IP Shing Hing
KWAN Chiu Yin

Secretary: Assistant Director, Member Services

YOUNG SOLICITORS' GROUP ("YSG")

The YSG was established to serve the needs and interests of members with less than five years' post-qualification experience and trainee solicitors. Its mission is to facilitate and assist the career and personal developments of these members by offering diversified services and activities that are of interests to, and to the benefit of them. In addition, YSG also serves as an interactive platform for our junior and senior members, as well as students of the local law schools and members of the profession.

YSG convened six regular committee meetings and a number of working group meetings in the year to brainstorm, design, research, prepare and organise interesting programmes for members.

Enhancing Communications

Friday Lunch Gathering

Held bi-weekly, YSG's Friday Lunch Gathering has been a regular event where newly qualified solicitors and trainee solicitors are invited to meet with our Council Members, Members of the Standing Committee on Member Services and YSG Committee Members.



STANDING COMMITTEE ON MEMBER SERVICES

Welcome Drinks for Trainee Solicitors

To welcome trainee solicitors to The Law Society and introduce them to members of our big family, the *Welcome Drinks* was held on 14 November with more than 100 young, passionate and energetic trainee solicitors gathered at The Law Society Clubhouse. At the event, President Stephen Hung and Past President Michael Lintern-Smith welcomed the trainee solicitors to the profession and explained the work of The Law Society. They also offered some advice and insight on how to prepare oneself and make full use of the traineeship period before becoming a full-fledged solicitor. The trainee solicitors were further introduced to various initiatives and activities of YSG, the Member Benefit Committee and the Recreation and Sports Committee.



Communication with Law Students

Law students of The Chinese University of Hong Kong ("CUHK"), City University of Hong Kong ("CityU") and The University of Hong Kong ("HKU") were invited to meet the Council Members, members of various committees of The Law Society and other general members in three drinks gatherings on 22 May, 26 September and 7 November respectively. The law students actively engaged in dialogue with the President Stephen Hung and various practitioners who shared with them their insights on fundamental networking and communication skills and the development of legal practice in Hong Kong.



STANDING COMMITTEE ON MEMBER SERVICES



Joint Professional Activities

To foster closer relationship with other professionals, YSG jointly organised a series of events with young members groups of other professional bodies, including the Hong Kong Bar Association, Hong Kong Dental Association, Hong Kong Institute of Architects, Hong Kong Institute of Certified Public Accountants, Hong Kong Institute of Chartered Secretaries, Hong Kong Institute of Landscape Architects, Hong Kong Institute of Planners, Hong Kong Institute of Surveyors, Hong Kong Medical Association, and Hong Kong Veterinary Association.

Joint professional activities organised in 2014 included:

- “Meet the Veterinarians” Networking Drinks on 24 January
- “Meet the Professionals” Networking Party on 11 April
- “Arbitration for Young Lawyers” Joint Seminar and Drinks on 10 June
- “Joint Professional Happy Hour” on 12 September
- “Meet the Professionals Night — Welcoming the Festive Season” on 4 December



STANDING COMMITTEE ON MEMBER SERVICES



On 6 January, YSG as a member body of the Young Coalition Professional Group (“YCPG”) (the young members group of the Hong Kong Coalition of Professional Services) co-organised a forum on the Government’s latest public consultation exercise on population policy. Different aspects of the new population policy that related to the young professionals were addressed at the forum. The forum was conducted by way of panel discussion and an open-floor discussion session amongst participants. The panel speakers included Mrs. Carrie Lam Cheng Yuet-ngor, Chief Secretary for Administration; Mr. Ambrose Lam, then-President of The Law Society; and the leading representatives of the Hong Kong Institute of Architects, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institution of Engineers, Hong Kong Institute of Surveyors and the Hong Kong Medical Association. Then-Chairlady of YSG Bonnie Chan acted as the moderator.

On 26 July, the YCPG co-organised with YSG a youth forum on “Hong Kong 2030: An Ideal City?”. The forum aimed at helping young professionals to capitalise their strengths, seize opportunities and overcome challenges ahead in the ever changing environment. During the panel discussion, Mr. Huen Wong, Past President and Chairman of the Arbitration Committee, and Mrs. Cecilia Wong, Council Member and Chairlady of the Mediation Committee, led the participants in a discussion on how the legal infrastructure would stay at the forefront of international development so as to maintain and enhance Hong Kong’s status as a leading centre for international legal and dispute resolution services.

STANDING COMMITTEE ON MEMBER SERVICES



YSG also co-organised “One Day Seminar on Contract Management” on 26 April, joint professional community service on 22 March and cycling event on 7 December with the young members group of the Chartered Institute of Arbitrators (East Asia Branch), the Chartered Institution of Building Services Engineers (Hong Kong Branch), the Hong Kong Institution of Engineers, the Hong Kong Institute of Surveyors and the Institution of Civil Engineers Hong Kong Association.

CONNECTED Mentorship and Buddy Programme

“CONNECTED”, a mentorship and buddy scheme for trainee solicitors, has become a flagship event organised by YSG with overwhelming participation of trainee solicitors. The purpose of the scheme is to provide an opportunity for trainee solicitors to meet both the younger members (their “buddy”) and the senior members (their “mentor”) of The Law Society and for them to establish a “mentorship to life-long-friendship relationship” through participating and interacting in a series of activities including:

- Bowling Event on 25 January
- Group Painting Kick-off Event on 13 May
- Running Game on 23 August
- BBQ and Team Building on 15 November
- Social gatherings organised by mentors and buddies



STANDING COMMITTEE ON MEMBER SERVICES



STANDING COMMITTEE ON MEMBER SERVICES



Distinguished Speakers' Luncheon

YSG's first Distinguished Speaker's Luncheon of the year was held on 28 June with Dr. York Chow, Chairperson of the Equal Opportunities Commission ("EOC"), as the speaker to share with young lawyers his personal views on the "Top 3 challenges facing EOC", which was followed by a lengthy Q&A session.

On 8 November, YSG invited Dr. Christine Loh, Under Secretary for the Environment, to share her insights on various environmental protection policies and her unique career journey from a law graduate turned commodities trader to a member of the Legislative Council, then as the CEO of Civic Exchange and subsequently as the Under Secretary for the Environment of the HKSAR Government.

Both Dr. Chow and Dr. Loh's talks were highly informative and insightful.



STANDING COMMITTEE ON MEMBER SERVICES

“IHLC” x YSG : Career Forum for Young Lawyers

To provide guidance to young practitioners for their future career development, YSG and IHLC worked together to organise a forum titled “In-house Basics for Private Practitioners” on 2 December. Three veteran IHLs, including Mr. Ricky Chan, Director (Legal) & Company Secretary of The Link Management Ltd; Mr. Vincent Leung, President of Skechers Hong Kong Ltd.; and Mr. Jack O’Keefe, Regional General Counsel (Asia Pacific) of Zurich Insurance (Hong Kong), were invited as speakers to share their experience of moving in-house and their personal considerations before the move. They also outlined the required skills and experience needed to embark and succeed as IHLs,. The event was concluded with a drinks reception, where members were given the opportunity to have an informal chat with the speakers.



Community Services

YSG has been collaborating with the Tung Wah Group of Hospitals (“TWGH”) in providing volunteer services to young children of under-resourced family for over a decade. The theme of the summer programme in 2014 was “Hong Kong ABC” and the service aimed to serve children of new immigrant families. In July and August, YSG volunteers visited TWGH’s service centers in Tin Shui Wai and Tokwawan in three sessions. In each session, 15 to 20 YSG volunteers shared the English story book “Hong Kong ABC” with 20 to 30 kindergarten or junior primary school children, and worked together on a handicraft under the theme of “My ideal Hong Kong” and “My ideal playground in Hong Kong”.



STANDING COMMITTEE ON MEMBER SERVICES



Members of the Committee:

Bonnie J.Y. CHAN (*Chair until August*)
Serina K.S. CHAN (*Vice-Chair until August, Chair from September*)
Winnie LO (*Vice-Chair until August*)
Sebastian Y.F. KO (*Vice-Chair from September*)
Dominic L.K. YANG (*Vice-Chair from September*)
George K.H. CHAN (*joined in November*)
Anson James DOUGLAS (*joined in November*)
Nadine LAI
Gerald H.C. LAM (*joined in November*)

Hilda LAM (*joined in November*)
Karen S.K. LAM
Stephanie W.Y. LAU
Kenneth L.K. LEE (*joined in November*)
Vicky W.K. MAN
Michael T.H. NGAI
Daniel K.M. SHUM
Raymond C.P. SIU
Louise K.F. WONG (*joined in November*)
Priscilla T.T. WONG

Secretary: Assistant Director, Member Services

INTEREST GROUP ON MERGERS AND ACQUISITIONS

The Group was formed with the primary aims of setting up a platform for sharing information on mergers and acquisitions; to have in place an effective mechanism to collate relevant information on the needs of potential investors from the Mainland and understanding their investment objectives; formulating how Hong Kong solicitors can assist in the process in advising Mainland enterprises in relation to their diversification of investments abroad pursuant to the national “going out” policy; and inviting those with the relevant expertise to express their interest to be involved.

During the year, the Group worked on the above initiatives in furtherance of an Agreement on Strategic Cooperation signed between The Law Society and Beijing Investment Promotion Bureau in April.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Interest Group:

Ambrose S.K. LAM (*Chair*)
Jan R. BOGAERT
NICK CHAN
May W.M. CHAN
Michelle CHEN
CHEUNG Yuen Sang
Mason Y.K. CHING
Paul R.P. CHRISTOPHER
Basil H.L. HWANG

Christine M. KOO
Steven K. LEE
Steven C. NELSON
Wilfred K.P. TSUI
William A. WILSON III
XIAO Shuobin Benson
YEOH Soon Chin
Dieter YIH

Secretary: Director of Member Services

LAW SOCIETY PUBLICATIONS WORKING PARTY

Law Society Publications Working Party is tasked to plan and publish publications for The Law Society. To introduce the profession of solicitors and The Law Society to the general public, the Working Party has prepared a booklet to be published in 2015.

Members of the Working Party:

Huen WONG (*Chair*)
Amirali B. NASIR
Charles C.C. CHAU (*resigned in November*)

Secretary: Assistant Director, Member Services

STUDY GROUP ON OFFICIAL TITLES AND CHINESE NAME OF SOLICITORS

The Study Group was formed in 2013 to consider the official titles (English and Chinese) relating to solicitors.

Members of the Study Group:

Ambrose S.K. LAM (*Chair*)
Bonita B.Y. CHAN
CHAN Chak Ming

Anthony W.K. CHOW
Virginia M.L. TAM
Cecilia K.W. WONG

Secretary: Director of Member Services

STANDING COMMITTEE ON MEMBER SERVICES

WORKING GROUP ON MEMBER WELLNESS PROGRAMME

The Working Group on Member Wellness Programme was set up in October 2013 to promote overall wellness of members through creating and implementing short-term and long-term wellness programmes and activities. The Working Group aims to identify the needs, interest and concerns of members relating to the management of stress, mental and emotional issues as well as setting up services and/or providing other resources for appropriate management of such issues. The Working Group organised the following activities and events throughout the year:



“Office Yoga Workshop” on 16 April



Luncheon Talk on “Tips for Better Sleep” on 23 June



STANDING COMMITTEE ON MEMBER SERVICES



Luncheon Talk on "Introduction on Mental Health First Aid Training and its Application in Major Depression" on 7 October



Luncheon Talk on "Prevention of work-related Neck and Back Pain" on 9 October



Luncheon Talk on "Depression in the legal profession" on 1 December



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Working Group:

Melissa K. PANG (*Chair*)
Bonita B.Y. CHAN
Bonnie J.Y. CHAN
Charles C.C CHAU (*resigned in November*)
Angela W.Y. LEE
Daphne F.Y. LO

Secretary: Member Services Officer

WORKING GROUP ON ONLINE RECRUITMENT SERVICES

The Working Group was established by end of 2013 to consider establishing an online recruitment platform for law firm employers and member employees. The Working Group has investigated the different approaches in offering that service.

Members of the Working Group:

Andrew S.K. LAW (*Chair*)
Bonita B.Y. CHAN
Bonnie J.Y. CHAN
Steven K. LEE
Melissa K. PANG

Secretary: Director of Member Services

WORKING PARTY ON STUDENT MEMBERSHIP

The Working Party was formed to provide recommendations to the Standing Committee on matters regarding student membership of The Law Society, including but not limited to recruitment of student members, enhancement of their benefits, and coordination of different committees on provision of better services to student members.

The Working Party revamped the application forms for student membership and simplified the application procedures. It also participated in *Hong Kong Law Fair 2014* which was well attended with hundreds of law students. Three sharing talks were successfully held at HKU, CUHK and CityU in November. The Working Party recruited over 90 new student members in 2014.



STANDING COMMITTEE ON MEMBER SERVICES

Members of the Working Party:

Charles C.C. CHAU (*Chair*)
Bonita B.Y. CHAN
Bonnie J.Y. CHAN (*resigned in October*)
Serina K.S. CHAN (*joined in October*)
Eliza L.S. CHANG

Secretary: Member Services Officer

WORKING PARTY ON HISTORICAL ARCHIVE

The Working Party is tasked with recommending a policy on the establishment and maintenance of an archive for The Law Society so that materials and information of historical value can be preserved and made accessible. The Working Party will facilitate and render appropriate assistance to the establishment and maintenance of the archive; and monitor the implementation and compliance of such policy as approved by The Law Society after the archive has been established.

Members of the Working Party:

Roderick B. WOO (*Chair*)
Frederick K.C. CHAN
Jenkin S.F. CHAN
Stanley W.L. CHAN
Melissa K. PANG

Secretary: Assistant Director, Member Services

WORKING GROUP ON LAW LIBRARY

The Working Group on Law Library was set up to reorganise the existing law library collection and facilities with an aim to better serve our members.

Members of the Working Group:

Daphne F.Y. LO (*Chair*)
Alex K.L. LAU (*joined in March*)
Stephenie W.Y. LAU (*joined in March*)
Daniel K.M. SHUM (*joined in March*)
YU Ming Yik (*joined in March*)
YU Tat Man

Secretary: Member Services Officer

STANDING COMMITTEE ON MEMBER SERVICES



Member Services Department

STANDING COMMITTEE ON POLICY AND RESOURCES

The Standing Committee on Policy and Resources is responsible for overseeing the finance and administration of The Law Society, as well as formulating policy strategies for consideration by the Council.

During the year, the Standing Committee convened on 11 occasions. It reviewed and monitored the annual budget, income and expenditure as well as the registration and compliance statistics of The Law Society. It also oversaw the human resources and personnel aspects of The Law Society including staff employment matters and salary review. The Standing Committee also considered matters relating to applications for funding of projects undertaken by The Law Society, nominations of representatives on external organisations, invitations to sponsor or support events and functions organised by external organisations and the selection of service providers for The Law Society. The Standing Committee also made recommendations on the composition and chairmanship of other Standing Committees for the Council's consideration.

Members of the Standing Committee and their attendances at meetings during the year:

Stephen W.S. HUNG (<i>Chair from August</i>)	9/11	Junius K.Y. HO	5/11
Ambrose S.K. LAM (<i>Chair until July</i>)	7/11	Angela W.Y. LEE	5/11
Thomas S.T. SO (<i>Vice-Chair from August</i>)	8/11	Billy W.Y. MA	9/11
Denis G. BROCK	4/11	Amirali B. NASIR	9/11
Charles C.C. CHAU (<i>resigned in October</i>)	5/9	Melissa K. PANG	8/11
Heidi K.P. CHU	10/11	Huen WONG	6/11
Brian W. GILCHRIST	9/11	Dieter YIH	7/11

Secretary: Assistant Director, Administration and Human Resources

ANNUAL COCKTAIL RECEPTION

Nearly 430 members and guests attended The Law Society *Annual Cocktail Reception* held on 17 November at The Hong Kong Club. The Hon Chief Executive Leung Chun Ying, the Hon Secretary for Justice Rimsky Yuen, SC and Secretary for Development Chan Mo Po graced the occasion with their presence as the Guests of Honour.





STANDING COMMITTEE ON POLICY AND RESOURCES

WORKING PARTY ON LAW SOCIETY PREMISES

With the growth of the Law Society membership and the expansion of the scope of services for members, there is a need to review the space requirements for The Law Society.

The Working Party on Law Society Premises, formerly called the Working Party on Office Premises, was reactivated in January.

The Working Party met on five occasions.

It reviewed the space requirements of The Law Society for its staff, committee meetings, storage, training and facilities for members, the utilisation of the existing office premises, the tenancies of the current warehouse units and the property market in general.

The Working Party recommended and the Council approved that suitable warehouse units be sourced in anticipation of the expiry of the tenancies in 2015.

The Working Party also conducted site visits to four properties. It will continue to source suitable offers to resolve the Law Society space requirements for consideration by the Council.

Members of the Working Party :

Junius K.Y. HO (*Chair*)
Ambrose S.K. LAM
Angela W.Y. LEE
Joseph C.W. LI
Billy W.Y. MA

Amirali B. NASIR
Kenneth S.Y. NG
Melissa K. PANG
Huen WONG
Dieter YIH

Secretary: Secretary General

STANDING COMMITTEE ON POLICY AND RESOURCES

WORKING PARTY ON GLOBAL LAWYERS ASSOCIATION/FORUM

The Working Party was established in 2013 aiming to study and make recommendations to the Standing Committee on Policy & Resources and/or the Council on the appropriate way forward to implement the initiative to establish an Organisation of Global Lawyers and/or to organise Global Lawyers Forum as platforms to promote the legal services in Hong Kong to the rest of the world and also for professional knowledge sharing and networking.

In 2014, the Working Party invited tenders for appointment as a Consultant to undertake a research study to assist The Law Society to map out the strategies to take this initiative forward.

Members of the Working Party

Ambrose S.K. LAM (*Chair*)

Denis G. BROCK

Charles C.C. CHAU (*resigned in November*)

CHAN Chak Ming

Kenneth Y. CHOY

Anthony W.K. CHOW

Heidi K.P. CHU

Christine W.S. CHU

Stephen W.S. HUNG

Frederick K.C. KAN

Philip W.C. WONG

James K.T. WONG

Secretary: Assistant Director, Communications & External Affairs



Finance and Administration Department



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

The Standing Committee oversees the work of 32 Committees and 13 Working Parties. In 2014, it met formally on six occasions and received reports from various specialist committees on solicitors' practices.

Consultation on resolution regime for financial institution in Hong Kong

In January, the Financial Services and the Treasury Bureau ("FSTB"), in conjunction with the Hong Kong Monetary Authority, the Securities and Future Commission and the Insurance Authority, published a consultation paper on proposals to set up a resolution regime for certain financial institutions operating in the banking, securities and futures and insurance sectors, as well as for certain financial market infrastructures in Hong Kong. As the issues involved in the consultation were complicated and commanded a high level of policy thinking, a working party was set up comprising members from the specialist committees on financial institution regulations, insurance, insolvency and litigation to consider the paper and make recommendations on submissions to the Government.

The Practice on taxation of costs

The Standing Committee noted comments from members and various Law Costs Draftsmen on the court taxation practice. It agreed that this matter should merit thorough consideration and invited the Civil Litigation Committee to look into the matter. The matter will be further deliberated upon following the receipt of further feedback and reports.

Contingency fees and litigation funding

The attention of the Standing Committee was brought to a proposal to introduce litigation funding to Hong Kong. At the same time, it also received an invitation from the Council to re-examine the subjects of conditional fees and contingency fees; conditional fees were considered about a decade ago by a Working Party of The Law Society.

The above issues were inter-related and complicated; they were important not only to general practitioners, but also to Hong Kong as an international dispute resolution centre. The Standing Committee convened a new Working Party comprising members with experience and expertise from different committees to study the issues and report to the Standing Committee.

Promotion of Enduring Powers of Attorney

The Standing Committee received suggestions from the Department of Justice ("DOJ") on the promotion of Enduring Powers of Attorney ("EPAs"). It agreed to the importance of enhancing the awareness of EPAs among practitioners and a new Working Party was established to oversee the relevant work. The Working Party was tasked with promoting awareness of EPAs, considering ways to help practitioners to better understand EPAs. The Working Party had its first meeting in April. It was liaising with the Hong Kong Academy of Law Limited ("Academy") with respect to the planning and the organising of seminars.

Annual review of membership and co-option exercise

The Standing Committee assisted its various specialist committees in their annual reviews of membership. Where necessary, the Standing Committee made suggestions and recommendations to the Council for its deliberation. The Standing Committee also helped with the vetting exercises with respect to the candidacy for co-option to the various specialist committees, in order to oversee and maintain such committees' expertise to cope with the increasing workloads.

STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Working Party on Charities

The Standing Committee reviewed and revised the terms of reference of the Working Party on Charities to expand its scope to cover trust practices, so that trust practitioners could have a platform to exchange views and the Council could have the input and expert views relating to trust issues.

Other practice issues

The Standing Committee received and considered views and comments on various practice issues from specialist committees, including the following:

- cessation of practice
- the issue of unused material in criminal trials
- compensation for wrongful conviction
- complaint as to champerty

Members of the Standing Committee and their meeting attendances during the year:

Brian W. GILCHRIST (<i>Chair</i>)	6/6	Gavin P. NESBITT	4/6
Simon H. BERRY	6/6	Kenneth H.S. NG	3/6
Denis G. BROCK	4/6	Sylvia W.Y. SIU	4/6
E. John DAVISON	5/6	Cecilia K.W. WONG	6/6
HO Veng Ian	4/6	Simon W.L. WONG	3/6
IP Shing Hing	6/6	Eric H.Y. WOO	4/6

Secretary: Director of Practitioners Affairs

ARBITRATION COMMITTEE

The Committee met six times and reviewed various matters on arbitration, including the following.

Co-option of New Members

With the increasing importance of arbitration practice, the Committee considered it important to solicit input from members of different practising backgrounds to assist in its deliberation, particularly those working in small and medium sized local law firms. With this aim in mind, the Committee conducted a co-option exercise in April to co-opt additional members to the Committee, as well as other applicants to an advisory group under the Committee to provide input on specific topics.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Promotion of Solicitor-Arbitrators

The Committee discussed the following initiatives which aimed at promoting members' practices in arbitration:

(a) Law Society Panel of Arbitrators

The Committee considered that The Law Society should establish its own panel of arbitrators and resolved to make a recommendation to set up an Arbitrators Admission Committee ("AAC") in order to oversee tasks relating to the establishment and maintenance of the Panel. The above recommendation was endorsed by the Standing Committee. The Committee is now organising the setting up of the AAC.

In relation to the promotion of arbitration practices among general members, the Committee had also been liaising with the Board of Directors of the Hong Kong Solicitors' Indemnity Fund Limited ("HKSIFL") on issues such as policy coverage.

(b) Law Society Sample Arbitration Clauses

The Committee took the view that one of the effective ways to promote arbitration as a means to resolve commercial disputes was to encourage and to assist members and the business sector to include an applicable arbitration clause in their commercial documents. In this regard, the Committee is now working on a template clause.

(c) Networking for Members

The Committee organised a Members' Gathering at the Clubhouse of The Law Society on 2 December. Around 45 members and guests, including representatives from the DOJ, attended the gathering. The participants shared news on the latest developments and practices of arbitration in Hong Kong, the Mainland and other places around the world.

Consultations on various issues and practices in arbitration

The Committee considered the following consultations:

(a) HKIAC Domestic Arbitration Rules (2014 Edition)

The Committee considered this Rules and provided comments to the Hong Kong International Arbitration Centre ("HKIAC") in March.

(b) Pilot Scheme for Arbitration on Land Premium

The Committee reviewed the proposal under this Scheme and offered views on the following areas:

- Rules and Regulations
- Appointing Authority
- Panel of Arbitrators
- Arbitral Awards
- Arbitration Hearing
- Promotion of the Scheme



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

(c) *Draft Arbitration (Amendment) Bill 2015*

The Committee studied the draft Bill issued by the DOJ in June and rendered its various suggestions to the DOJ in response.

(d) *Consultation regarding Amendments to the Terms of Reference of the Financial Dispute Resolution Centre*

The Committee considered the proposed amendments to the Terms of Reference of the Financial Dispute Resolution Centre, which allowed for information disclosure for its disciplinary proceedings. Comments of the Committee were sent to the Mediation Committee of The Law Society for consideration and preparation of a consolidated reply.

Participation in Arbitration and Related Events

The Committee coordinated participation in the following events in promoting arbitration.

(a) *International Council for Commercial Arbitration Congress 2018 ("ICCAC")*

Support to the ICCAC was rendered by the Committee, in order to assist the HKIAC to bid for the hosting of the ICCAC in Hong Kong in 2018.

(b) *Hong Kong Legal Services Forum 2014—Qingdao (16 September)*

This Forum attracted more than 600 legal practitioners, arbitrators and other professionals from the Mainland and Hong Kong. They exchanged views and information on various legal issues on arbitration, including maritime arbitration.

(c) *2014 Annual Conference of In-House Lawyers (24 September)*

More than 400 participants attended the Conference where views were exchanged on various areas relating to in-house lawyers' practices. A member of the Committee attended the Conference and delivered a presentation on arbitration.

Members of the Committee:

Huen WONG (*Chair*)

Denis G. BROCK

Mason Y.K. CHING (*joined in April*)

Dominic Y.K. LAI (*joined in April*)

Lily Y.Y. LAI (*joined in April*)

John Y.C. LEE

Amy P.S. LO (*joined in April*)

Catherine L.M. MUN (*joined in April*)

Billy Y.K. NG (*joined in April*)

Robert C. RHODA

Philip ROMPOTIS (*joined in April*)

Thomas S.T. SO

Sam K.S. TSUI (*joined in April*)

Kenneth W.Y. WONG (*joined in April*)

Eric H.Y. WOO (*joined in April*)

Steven W.Y. YIP (*joined in April*)

Secretary: Director of Practitioners Affairs



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

CONSTITUTIONAL AFFAIRS AND HUMAN RIGHTS COMMITTEE

The Committee met nine times during the year.

Constitutional Developments

The Committee had a number of meetings to discuss the *Consultation Document on Methods for Selecting the Chief Executive in 2017 and for Forming the Legislative Council in 2016* published by the Government in December 2013. A submission was prepared and released in May. Among other things, the role of the Nominating Committee, public participation in the process of selecting the Chief Executive, the retention of functional constituencies and increase in the number of geographical seats were broached.

The Standing Committee of the National People's Congress endorsed the *Decision on Issues Relating to the Selection of the Chief Executive of the Hong Kong Special Administrative Region by Universal Suffrage and on the Method for Forming the Legislative Council of the Hong Kong Special Administrative Region in the Year 2016* ("NPCSC Decision") in August, prescribing the framework for the selection of the Chief Executive in 2017. The Government was expected to launch another Consultation addressing specific issues in relation to the Chief Executive election in 2017 within the framework of the said NPCSC Decision. The Committee has considered and discussed the relevant issues and will continue to monitor the situation and assist the Council in preparing submissions in response to the Consultation Document.

Refugee asylum seekers

Following the court cases of *Prabakar* [2004] 7 HKCFAR 187, *FB* (2009) 2 HKLRD 346, *Ubamaka Edward Wilson* (FACV15/2011), *C and others* (FACV18-20/2011) and other related cases, the Government implemented a Unified Screening Mechanism to assess non-refoulement claims. The Committee noted that there could be human rights issues potentially arising from the scheme and also implications from the various international convention on torture claims and refugee law. The Committee, jointly with Hong Kong Bar Association ("Bar Association"), has written to the Secretary for Security to seek clarifications and to make suggestion for improvement.

On the other hand, to help members to understand and to grasp the details of this new screening regime, the Committee worked with the Academy to organise a 4-day training course in February on torture claims and the screening mechanism. This was followed by another seminar on the law of refugee in September.

Marriage (Amendment) Bill 2014

After the Court of Final Appeal's judgment in *W v the Registrar of Marriage* (FACV 4/2012), the Government proposed the *Marriage (Amendment) Bill 2014* to amend the *Marriage Ordinance* (Cap. 181) to implement the court order made therein, concerning marriage registration by post-operative transsexual persons in Hong Kong. The Amendment Bill generated much discussion within the Committee as well as the Family Law Committee which was also invited to examine the bill.

The Committee noted with concern the constitutional issues potentially arising from the requirement for the full surgical process as proposed. In the submission jointly produced with the Family Law Committee, the Committee pointed out that the Amendment Bill should be considered only as an interim measure. It invited the Government's attention to the *UK Gender Recognition Act 2004* and suggested the Government to consider a separate set of legislation to deal with all those related issues.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

EOC consultation

The Committee worked with various specialist committees to review a consultation paper issued by the Equal Opportunities Commission ("EOC") to propose a major revamp on the discrimination law regime in Hong Kong. After a meeting with the EOC in August and various internal meetings, a comprehensive submission jointly produced with other specialist committees was prepared and sent to the EOC.

Stalking

The Committee received a consultation paper on criminalisation of stalking. It set up a task group to review the proposal, together with a task group from the Criminal Law and Procedure Committee.

The Committee expressed concerns on the constitutional implication arising from the proposal, including any curtailment of the freedom of speech, freedom of assembly and also press freedom of reporting. In the course of preparing a submission to respond to the consultation paper, the Committee was advised that the legislative process was aborted by the Government. The Government suggested among other things that there have already been improvement in the policy of combating domestic violence, apparently reducing the need to legislate.

Other reviews

The Committee also attended upon the following and where appropriate, made recommendations to the Council.

- Disqualification of candidates with unserved sentence
- White paper on the practice of one country two system in the HKSAR
- Human Rights Forums on 24 January and 31 July

Members of the Committee:

Thomas S.T. SO (*Chair*)
BUT Sun Wai
Charles C.C. CHAU (*resigned in November*)
John J. CLANCEY
Mark D. DALY
James D. FRY
Lester G. HUANG (*resigned in June*)
Eric C. IP

IP Shing Hing
Raymond C.P. SIU
K.F. YAM
Dieter YIH (*resigned in August*)
Melissa K. PANG (*joined in December*)
Junius K.Y. HO (*joined in December*)
Amirali B. NASIR (*joined in December*)
Nick CI IAN (*joined in December*)

Secretary: Director of Practitioners Affairs



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

CIVIL LITIGATION COMMITTEE

The Committee met on five occasions and conducted the rest of its business via emails.

Consultation Papers

The Committee reviewed various Consultation Papers from the Government and the Judiciary, inclusive of the following:

(a) *Administration of Justice (Miscellaneous Provisions) Ordinance 2014*

The *Administration of Justice (Miscellaneous Provisions) Bill 2014* was gazetted on 25 April.

Part 5 of the Bill sought to repeal section 22(1)(a) of the *Hong Kong Court of Final Appeal Ordinance* (Cap. 484) so that all appeals in civil causes or matters to the Court of Final Appeal (“CFA”) become subject to discretionary leave of the Court of Appeal or the CFA.

The Committee indicated support of the repeal of section 22(1)(a), and advised the Bills Committee accordingly.

The Bill was subsequently passed by the Legislative Council and, save for Part 7, came into effect on 24 December.

(b) *Pilot Scheme For Discovery and Provision of Electronically Stored Documents in cases in the Commercial List — Draft Practice Direction*

The Committee considered the draft Practice Direction, which was premised upon a set of related UK Practice Directions, but took into account procedures in other jurisdictions including Australia and Singapore. Feedback was provided to the Judiciary’s working group.

(c) *Review on Adjudication of Equal Opportunities Claims by the District Court — Draft Practice Direction*

The Committee received from the Judiciary a consultation paper in March on a draft Practice Direction for adjudication of Equal Opportunities Claims in the District Court. The draft Practice Direction was prepared on the basis of the legislative amendments to the *District Court Equal Opportunities Rules* (Cap. 336G). The Committee and the Employment Law Committee made a joint submission to, *inter alia*, raise concerns on discovery.

(d) *Information Technology Strategy Plan (“ITSP”)*

Another consultation from the Judiciary was on its proposed ITSP for the application of information technology and also for the implementation of e-services. The Committee considered issues such as time sensitivity, identity authentication, document authentication, payment options and handling of documents for use in litigation. A joint submission with the Criminal Law and Procedure Committee and the Technology Committee was made.

(e) *Consultation Paper on Stalking*

The Committee reviewed the proposed anti-stalking legislation proposed by the Government in its consultation paper on criminalisation of stalking in civil context. The consultation paper was also reviewed by the Constitutional Affairs and Human Rights Committee and the Criminal Law and Procedure Committee.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

(f) **Discrimination Law Review**

The EOC released a consultation paper on Discrimination Law Review; this constituted a major overview of the anti-discrimination law regime. The Committee reviewed the consultation questions on court proceedings, powers and the constitution of the EOC. The Committee indicated support in principle, and a detailed joint submission was made together with other specialist committees.

(g) *Sex Discrimination (Amendment) Bill 2014*

The Committee and the Employment Law Committee reviewed the *Sex Discrimination (Amendment) Bill 2014* which sought to amend the *Sex Discrimination Ordinance* (Cap. 480) to extend the protection of the Ordinance to cover sexual harassment of service providers by customers. A joint submission was made to the relevant Legislative Council Bills Committee.

(h) *Late Payment of Commercial Debts (Interest) Act 1998 in the UK*

The Committee noted suppliers in Hong Kong could only claim interest on late payments either if interest is awarded by the Court in legal proceedings, or if a right to claim interest is specifically included in a contract. Hong Kong does not have legislation similar to the *Late Payment of Commercial Debts (Interest) Act 1998* in the UK. The Committee took the view that the Law Reform Commission ("LRC") should consider the desirability of introducing similar legislation to Hong Kong. A written invitation together with the relevant background materials were sent to the LRC.

The Committee also discussed:

- conditional fees, contingency fees and litigation funding
- taxation practice in both the District Court and the High Court
- the civil monetary jurisdictional limit of the District Court

Members of the Committee:

Nicholas D. HUNSWORTH (*Chair*)
Denis G. BROCK
A. Clinton D. EVANS (*retired in August*)
Johnny C.M. FEE
D. Nigel FRANCIS
Warren P. GANESH
Patrick M.K. HUI (*joined in October*)
Richard KEADY (*joined in October*)

Joseph S.M. KWAN
Jeffrey H. LANE
Brenda F. LEE
Mark LIN
Amirali B. NASIR (*retired in August*)
Simon D. POWELL
Kenneth W.Y. WONG
Sherman C.N. YAN

Secretary: Director of Practitioners Affairs (*until February*)
Assistant Director, Practitioners Affairs (II) (*since March*)



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

COMPANY LAW COMMITTEE

The Committee reviewed and made submissions on the following consultations of the Hong Kong Exchanges and Clearing Limited:

- Consultation on *Risk Management and Internal Control: Review of the Corporate Governance Code and Corporate Governance Report*
- Consultation on *Review of Listing Rules on Disclosure of Financial Information with reference to the New Companies Ordinance and Hong Kong Financial Reporting Standards and proposed minor/housekeeping rules amendments*

Jointly with the Investment Products and Financial Services Committee, the Committee reviewed and made submissions on the following:

- Legislative proposal to provide an Enabling Environment for the introduction of an Uncertificated Securities Regime
- *Securities and Futures and Companies Legislations (Uncertificated Securities Market Amendment) Bill 2014*
- Securities and Futures Commission's Consultation on *Proposed Amendments to the Guidelines for the Exemption of Listed Corporations from Part XV of the Securities and Futures Ordinance (Disclosure of Interest)*
- Hong Kong Exchanges and Clearing Limited's Concept Paper on *Weighted Voting Rights*

The Committee also wrote to the Registrar of Companies to suggest consultation on proposed amendment to the "Companies (Disclosures of Company Name and Liability Status) Regulation".

Members of the Committee:

Patrick C.K. WONG (*Chair*)
Elsa S.C. CHAN
Grace K.W. CHAN
CHAO Tien Yo
Julia F. CHARLTON
Paul K.Y. CHOW
Stanley CHOW

Vincent P.C. KWAN
Simon S.C. LAI
Lewis T. LUK
Gavin P. NESBITT
Psyche C.S. TAI
Frank K.F. YUEN

Secretary: Director of Practitioners Affairs (*September and October*)
Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)

COMPETITION LAW COMMITTEE

The Committee met once formally and conducted the rest of its business via emails.

The Committee and reviewed the following relating the implementation of the *Competition Ordinance* (Cap. 619) ("CO").



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

a. *Competition (Amendment) Bill 2014*

The *Competition (Amendment) Bill 2014* was introduced into the Legislative Council in May. The Bill aimed to provide for the proper functioning of the Competition Tribunal upon the full commencement of the *Competition Ordinance*. The Committee reviewed the Amendment Bill. The Ordinance was gazetted in November.

b. *Consultation Paper on the Proposed Subsidiary Legislation and President's Directions for the Competition Tribunal*

The Committee received from the Judiciary a consultation paper setting out four sets of draft rules for the Competition Tribunal and two sets of draft President's Directions (Practice Directions). The four sets of draft rules were:

- ***Competition Tribunal Rules*** — this provided for the practice and procedure to be followed in the Competition Tribunal ("the Tribunal"), including:
 - i. mode of commencement of proceedings and interlocutory application;
 - ii. service of documents;
 - iii. application for intervention and addition of parties;
 - iv. case management;
 - v. procedures in the Tribunal hearings;
 - vi. jurisdiction and duties of the Registrar of the Tribunal; and
 - vii. procedures in relation to appeal, transfer of proceedings, review, enforcement and making a claim on follow-on actions
- ***Amendments to the Rules of High Court, Cap. 4A*** — this mirrored the provisions in Competition Tribunal Rules in the Rules of High Court.
- ***Competition Tribunal (Fees) Rules*** — this set out the fees payable to the Tribunal and empowered the Registrar of the Tribunal to reduce, remit or defer payment of fees.
- ***Competition Tribunal (Suitors' Funds) Rules*** — this specified a Competition Tribunal Suitors Fund.

The two sets of President's/Practice Directions set out the procedures in details and provided guidance to parties and the public on various procedural matters:

- ***Competition Tribunal Practice Direction No. 1*** — Proceedings before the Tribunal
- ***Competition Tribunal Practice Direction No. 2*** — Confidential Information

The Committee had a detailed study on the above and made a comprehensive submission to the Judiciary in September. A number of the said suggestions were adopted by the Judiciary.

The Judiciary also invited the Committee to a meeting of the Competition Tribunal Users Committee in December to further discuss the draft Competition Tribunal Rules and the Practice Directions.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

c. Draft Guidelines under the *Competition Ordinance*

The Competition Commission is required under the CO to develop and to issue a set of guidelines to offer guidance on:

- the manner in which the Commission is expected to interpret and give effect to the First Conduct Rule, Second Conduct Rule and Merger Rule
- the manner and form in which complaints are to be made
- the procedures it will follow in deciding whether or not to conduct an investigation and the procedures it will follow in conducting an investigation
- the manner and form in which the Commission will receive applications for a decision or block exemption order.

The Committee reviewed a consultation paper issued by the Commission in October on the above guidelines, and made a detailed submission to the Competition Commission in December on the following:

- the draft Procedural Guidelines (the Guideline on Complaints, Guideline on Investigations and Applications Guideline)
- the draft Competition Rules Guidelines (the Guidelines on the First Conduct Rule, Second Conduct Rule and Merger Rule)

Members of the Committee:

Simon H. BERRY (*Chair*)
Nick CHAN
Stephen R. CROSSWELL
Martin DAJANI
Angus H. FORSYTH
Larry L.K. KWOK

Gavin P. NESBITT
Simon D. POWELL
Henry J.H. WHEARE
David P.H. WONG
Kevin K.F. YAM

Secretary: Assistant Director, Practitioners Affairs (I) (*until February*)
Assistant Director, Practitioners Affairs (II) (*since March*)

CRIMINAL LAW AND PROCEDURE COMMITTEE

The Committee met on a monthly basis to discuss issues on criminal law and practice. Task groups were set up to review specific topics.

Biennial criminal legal aid review

The Committee has been busily engaged in the discussion on the biennial criminal legal aid review. The Committee considered that the criminal legal aid rates were still far below a reasonable level, notwithstanding the uplift by the *Legal Aid in Criminal cases (Amendment) Rules 2013* gazetted on 29 November 2013. The Committee took the view that a reasonable rate was important to attract and to pool talents for criminal legal aid work.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

In the course of deliberation on the matter, the Committee has written to the legal aid authorities in various jurisdictions to share experience and to seek views. A detailed study was prepared and was incorporated in a comprehensive submission sent to the Home Affairs Bureau ("HAB").

The Committee was subsequently invited to a meeting with the Working Group on the Review of Criminal Legal Aid Fees system set up by the HAB on 26 March to discuss revision to the criminal legal aid rates.

RESCUE drug testing scheme

The Committee continued its discussion on the RESCUE drug testing scheme, proposed by the Action Committee Against Narcotics ("ACAN"). A submission on the consultation was prepared and was sent to ACAN for their consideration on 15 January after a further meeting with the Security Bureau on 2 January.

In July, the Committee received a consultation conclusion. The ACAN recommended that the Government should continue to engage the relevant parties in discussion, while working out the specific proposal of the proposed scheme. It also recommended that the Government should roll out proposal for operational details for a second-stage public consultation as soon as practicable. The Committee would continue to keep in view of further development in this matter.

Excepted offences under schedule 3 to the *Criminal Procedure Ordinance* (Cap. 221)

The Committee was advised on the progress on the proposed repeal of the list of excepted offences in Schedule 3 to the *Criminal Procedure Ordinance* (Cap. 221). The proposal was initially made by the Committee; it aimed to enable the court to have wider discretion so as to impose more appropriate and adequate sentence, having regard to the gravity of the offence and the circumstances of the convicted person. The Committee understood that the Panel of the Administration of Justice and Legal Services ("AJLS") of the Legislative Council was reviewing the legislative proposal to amend the relevant provision.

Live Television Link (the witnesses outside Hong Kong) Rules

The Evidence (Miscellaneous) Amendment Ordinance 2003 was passed by the Legislative Council in June 2003. Part II of the Ordinance provided for the giving of the evidence by way of a live television link in criminal proceeding. That part of the Ordinance which set out the use of live television link in criminal proceedings had not yet come into operation, pending finalisation of the relevant rules. The Committee had been consulted previously on the draft rules and had made representation to the DOJ.

Upon invitation, the Committee attended a meeting of the Panel of the AJLS in November. It raised concerns on the apparent lack of measures to address the situations where the witnesses from abroad gave inaccurate or incomplete evidence. The proposal apparently also tipped the balance in favour of the prosecution, in situations where the defence was to apply for exclusion of prejudicial live television evidence.

Legal Visits

The Committee received a suggestion from the Police that, in the case of visits to detainees in police stations, police officers would only need to verify that the visitor was bona fide legal practitioner, irrespective of whether he or she was a barrister or a solicitor. In the case of a visit by a barrister, the suggestion went further to state that there was no need to confirm, either verbally or in writing, that the barrister was instructed by a solicitor.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

The Committee had various internal discussions on this issue, and had invited the Police and other law enforcement agents, as well as the DOJ and the Director of Legal Aid, to a meeting on 23 September to further discuss the above. The attending parties helpfully exchanged views on the subject matter.

Training programme

The Committee continued to assist in the one-day training courses jointly organised with the DOJ and the Bar Association. The training courses were held twice this year, respectively on 15 February and 6 September. They provided criminal advocacy training to participants with less than 5 years' post qualification experience and had acquired some criminal advocacy experience since admission. Subject to the satisfaction of the presiding mock court judge, participants who had successfully completed the training course would be allocated work briefs at the magistrates' courts. The Committee was pleased to note that the two training courses were well received with favourable and encouraging comments.

Unused Materials

The Committee had been invited by the Working Group on Shanghai Land Case of The Law Society to review the issues of unused materials in criminal trials. This issue was relevant to the proper discovery of evidence for the defence. A task group set up to study this issue was in the course of reviewing the reference materials in the UK, including *Criminal Procedure and Investigation Act 1986* in the UK, *the Criminal Justice Act 2003*, the related code of conduct, and also the local judgment in *HKSAR v Lau Ngai Chu* (CACC228/2001).

Stalking

A task group was set up to review, jointly with another task group under the Constitutional Affairs and Human Rights Committee, a consultation paper on criminalisation of stalking. The two sub-groups noted the proposals including the revised definition of "stalking", and the "fear for safety" threshold. Among other things, the criminal task group had reservation on the subjective mental element as proposed.

Before the Committee was to finalise its discussion and the submission, it was advised that the Government aborted the legislative process for the criminalisation of stalking.

Criminal practices and procedure

Apart from the above, the Committee also discussed various issues in criminal law and practices, such as

- single judge applications for leave to appeal in criminal cases
- supply of prosecution witnesses' lists
- notice of abandonment in the schedule to the *Criminal Appeal Rule* (Cap. 221, sub leg A)
- provision of hearing material for criminal appeal cases
- e-submission



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

Stephen W.S. HUNG (*Chair until August*)
Kenneth H.S. NG (*Chair from August*)
BUT Sun Wai
Bucky K.H. CHAN
Christopher KNIGHT (*joined in September*)
Paul M.W. LI
Fred S.N. MA

Jonathan C.Y. MOK
Andrew POWNER
Kevin STEEL
Eric TANG (*joined in September*)
Anthony R. UPHAM
Michael J. VIDLER
K.K. WONG

Secretary: Director of Practitioners Affairs

EMPLOYMENT LAW COMMITTEE

The Committee had a busy year in reviewing various amendments and issues in employment legislation. The Committee formally met twice during the year, the task group referred to below met twice and the rest of the Committee's business was conducted via emails.

Employment (Amendment) Bill 2014

The Committee reviewed the *Employment (Amendment) Bill 2014*, which proposed to introduce a statutory paternity leave regime and paternity leave pay mechanism. A submission was produced and submitted to the Legislative Council Bills Committee.

Review on Adjudication of Equal Opportunities Claims by District Court — Draft Practice Direction

The Judiciary issued a draft Practice Direction for adjudication of Equal Opportunities claims. This followed the *District Court Equal Opportunities (Amendment) Rules 2014* and aimed to provide applicable procedures. The Committee and the Civil Litigation Committee jointly reviewed the draft Practice Direction and made a joint submission to the Judiciary on, among other things, the issue of discovery. The Practice Direction was subsequently issued in August as Practice Direction SL8, and took effect in November.

Sex Discrimination (Amendment) Bill 2014

The *Sex Discrimination (Amendment) Bill 2014* amended the Sex Discrimination Ordinance ("SDO") to extend the protection against sex discrimination to cover also sexual harassment of service providers by customers and, harassment on ships and aircraft. The Committee, together with the Civil Litigation Committee reviewed the bill and made submission to the Bills Committee. The Bill was passed in June and took effect in December.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Discrimination Law Review

In July, the EOC released an extensive consultation paper on Discrimination Law Review and sought views on how to improve and modernize discrimination laws in Hong Kong and to promote equality. The Review covered issues such as: a possible consolidation of the fair existing discrimination ordinances into one; recognition of de facto relationships; prohibition of discrimination on the basis of nationality, citizenship or HK residency; matters relating to accommodation for persons with disabilities; and harassment.

To facilitate deliberation, a briefing session by the EOC was arranged in August. In addition to persons from this Committee, other specialist committees (viz. the Civil Litigation Committee, Family Law Committee, Constitutional and Human Rights Committee, Working Party on Charities) attended the briefing.

The Committee appointed a task group of four persons, including the Chair, to study the consultation paper. That task group rendered a comprehensive submission of proposed comments on the 77 consultation questions from employment law perspective. These views, together with those from other specialist committees of The Law Society, were considered and a consolidated submission was sent to the EOC in October.

Legislative Proposals on Improvement of Corporate Insolvency Law

The Committee was consulted on the Government's legislative proposals on Improvement of Corporate Insolvency Law on the upward adjustment of the caps of the employee-related preferential payments under section 265 of *Companies (Winding Up and Miscellaneous Provisions) Ordinance* (Cap. 32). The Committee reviewed the proposal and jointly with the Insolvency Law Committee produced a reply to the Government.

Other issue

The Committee noted the Administration's policy study on Standard Working Hours.

Members of the Committee:

Fiona M. LOUGHREY (*Chair*)

Duncan A.W. ABATE

David A. ALLISON (*resigned in July*)

Kim BOREHAM

Y.S. CHEUNG (*resigned in July*)

Dennis C.K. IIO

IU Ting Kwok (*resigned in July*)

Edward M.T. KO (*resigned in July*)

Jeffrey H. LANE

Walter Y.W. LEE

Melissa K. PANG

Eric A. SZWEDA

Charles I.I.W. TO

WONG Kwok Yan

Secretary: Director of Practitioners Affairs (*until February*)

Assistant Director, Practitioners Affairs (II) (*since March*)



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

FAMILY LAW COMMITTEE

The Committee had a very busy year meeting on 11 occasions including one on Saturday morning. In addition, it met with the government bureaus and departments to discuss the LRC's Report on Child Custody and Access and also received a Thai delegation to discuss the Hague Convention on Civil Aspects of International Child Abduction.

The Committee reviewed a wide range of topics:

LRC's Report on Child Custody and Access

The Committee has been continuing its effort to advocate the implementation of the LRC's recommendations made in 2005. For that purpose, the Committee arranged to meet representatives from the Labour and Welfare Bureau, Social Welfare Department, Home Affairs Department and the DOJ in September and exchanged views with them on the matter. It urged the Administration to introduce the Children Bill into the Legislative Council as soon as practicable. The Administration indicated that a bill would be introduced in about end of June or early July 2015.

Substituted Service for Matrimonial Proceedings in the Mainland

The Committee has been working with the Judiciary's Family Court Users Committee and the DOJ to try to clarify the practices and the procedures on substituted service for matrimonial and family proceedings in the Mainland. The Committee was lately advised that the High Court of Hong Kong had also been in contact with its Mainland counterparts and suggested that questions relating to mutual legal assistance in substituted service shall be further discussed through consultation between the Supreme People's Court and the High Court, under the *Arrangement for Mutual Service of Judicial Documents in Civil and Commercial Proceedings between the Mainland and Hong Kong Courts*. The Committee will continue to keep this matter under review.

In the meantime, the Committee has issued a circular to remind general members of the availability of another mode of service provided for under Rule 14(10) of the *Matrimonial Causes Rules*, Cap. 179A.

Judgment Summons

The Committee has been corresponding with the District Court Rules Committee and the HAB on the proposed legislative amendments on judgment summons proceedings. These proposed amendments related to the enforcement of Maintenance Orders in matrimonial proceedings. The Committee considered that these amendments should be put forward as soon as possible.

In response, the HAB explained that they would finalise the legislative amendment upon receipt of the Final Report on the Review of the Family Procedure Rules and then submit the amendments to the District Court Rules Committee for approval. The Committee will closely monitor the development of this matter.

District Court (Fixed Costs in Matrimonial Causes) Rules, Cap. 336F

The Committee noted the last revamp of the scale of fixed costs about 14 years ago and considered that a timely review of fixed costs was necessary. It has therefore written to the District Court Rules Committee, Director of Legal Aid, the Judiciary Administration and the Home Affairs Department to invite views on the updating of the scale of fixed costs. Interim replies were received.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Domestic Violence

The Committee has written to the Hong Kong Police Force to suggest a meeting with them to discuss the updated protocol of the Police in handling the domestic violence cases.

Separate Family Court Jurisdiction

The Committee has been considering the setting up of a separate Family Court jurisdiction, and was contemplating of rendering a submission to the Chief Justice for consideration.

Contingency Fees and Litigation Funding

The Committee reviewed the issues of conditional/contingency fees and litigation funding. A member has joined the Working Party on Litigation Funding of The Law Society to provide input from the matrimonial law perspective.

Proposed Panel of Parenting Co-ordinator

The Committee took note of the parenting co-ordination service in other jurisdictions and received a proposal to set up a panel of parenting co-ordinators under The Law Society. It noted that the Mediation Committee of The Law Society was in support of the proposal. The Committee and other relevant specialist committees will further deliberate on the issues arising therefrom, such as training, accreditation and professional indemnity.

Family Court Users Committee

On the recommendations of the Family Court Users Committee, the Committee approved and issued circulars to members on the following subject matters:

- Stop Order
- Listing arrangement
- Substituted Service of Petition in the Mainland

The Committee also issued the following circulars to assist members in updating their family law practice and procedure:

- PDSL5—Guidance on Meeting Children
- PDSL6—Guidance on Separate Representation for Children in Matrimonial and Family Proceedings
- PDSL7—Guidance on Direct Judicial Communications in International Family Disputes Affecting Children
- Evaluation Study on the Pilot Scheme on Children's Dispute Resolution
- Family Symposium 2014: Divorce and Co-parenting

Consultation Papers

The Committee reviewed a number of Bills and Consultation Papers, including the following:

(a) *Marriage (Amendment) Bill 2014*

The *Marriage (Amendment) Bill 2014* was introduced into the Legislative Council in March. The Bill was to amend the *Marriage Ordinance* (Cap. 181) in order to implement the CFA's Order made in the case of *W v Registrar of Marriages* (FACV 4/2012). The Committee together with the Constitutional Affairs and Human Rights Committee reviewed the Bill and made a joint submission to the Bills Committee in May.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

(b) Review of Family Procedure Rules

The Chief Justice's Working Party on Family Procedure Rules published an Interim Report and Consultative Paper in February on proposals to reform the court procedures for Hong Kong's family justice system. The Consultative Paper contained 136 proposals. One of the key areas of the proposals was to introduce a single unified procedural code to be applicable to both Family Court and High Court. The Committee met three times to review the Consultative Paper. Members of the Committee also attended the Panel on AJLS meeting in April and relayed the comments. The Committee supported the proposed reform. A detailed submission was made in June.

(c) Consultation Paper on the proposed amendment to the *Human Reproductive Technology Ordinance* (Cap. 561)

The Committee received from the Administration a consultation paper on the proposed legislative amendments to the *Human Reproductive Technology Ordinance* (Cap. 561). These amendments aimed to prohibit advertisements in Hong Kong on sex selection achieved by reproductive technology procedures and they covered services with procedures performed outside Hong Kong. The Committee reviewed the consultation paper and made a submission in August.

(d) Discrimination Law Review

The Committee was consulted on the Consultation Paper on the Discrimination Law Review released by the EOC. The Committee commented on, amongst others, the proposed definitions for de facto relationship and the implication of the proposed introduction. The views of the Committee, together with those from other specialist committees of The Law Society on other parts of the Consultation Paper, were consolidated and sent to the EOC in October.

Events

- Family Summit 2014

The Law Society was the supporting organiser of the *Family Summit 2014*. The Law Society co-hosted the plenary session and a member of the Committee gave a presentation on "*Post separation and Co-parenting: What really matters?*".

- Family Symposium: Divorce and Co-parenting

The symposium was jointly organised by The Law Society and the Hong Kong Council of Social Services. The Chairman and a member of the Committee spoke at the plenary session of the symposium.

Feature articles on Family Law

Committee members contributed to feature articles on the *South China Morning Post* and *Hong Kong Lawyers* on matrimonial law and practice. These articles were published in June and August.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

Dennis C.K. HO (*Chair*)
Anthony J. HUNG (*Vice-Chair*)
Sherman S.Y. CHEUNG
Winnie W.Y. CHOW
Barbara A. HUNG
Jennifer W.C. IP
Lily Y.Y. LAI (joined in November)

LAM Tze Yan
Steven S.L. LEUNG
Jonathan C.Y. MOK
Catherine K.G. POR
Anne SCULLY-HILL
Sylvia W.Y. SIU
Cecilia K.W. WONG

External Committee — representatives of The Law Society

Family Court Users' Committee

Dennis C.K. HO
Jonathan C.Y. MOK

Working Group on Mediation

Catherine K.G. POR

Working Group on CDR

Dennis C.K. HO

Working Party on Family Procedures Rules

Dennis C.K. HO

Working Group on Children & Ancillary Relief Procedures in Family Proceedings

Dennis C.K. HO

INSOLVENCY LAW COMMITTEE

The Insolvency Law Committee conducted its business by email circulation.

Review of Abscondee Regime under the Bankruptcy Ordinance

The FSTB issued a consultation paper in April to seek views on their two reform initiatives, namely a Modified Abscondee Approach and an Interview Approach, in order to address the constitutional challenges on the abscondee regime under the *Bankruptcy Ordinance* (Cap. 32) ("BO"). The Committee reviewed the proposals and made a submission in July. Subsequent to the consultation, the Committee was invited to meet with the FSTB and the Official Receiver's Office ("ORO") to exchange views on how the Interview Approach can be further enhanced.

Proposals on Statutory Corporate Rescue Procedures and Insolvent Trading Provisions

The Committee was advised that FSTB was proposing legislation on the corporate rescue procedures and insolvent trading provisions to be introduced into the Legislative Council. The Committee shall keep in view the progress of any relevant amendment bill.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Legislative Proposals on Improvement of Corporate Insolvency Law

The Committee considered a consultation paper on the legislative proposals on Improvement of Corporate Insolvency Law. FSTB sought to amend section 265 of BO to adjust the caps of the employee-related preferential payments upward and bring them on a par with the maximum amount of the corresponding payments from the Protection of Wages on Insolvency Fund. A joint submission with the Employment Law Committee was made in September.

Attending outside meetings

The Chairman of the Committee, as a representative of the Law Society, attended regular meetings with the ORO and the Advisory Group on Modernization of Corporate Insolvency Law.

Members of the Committee:

Keith M.K. HO (*Chair*)

Victor K.S. CHIU (*Vice-Chair*)

Ian R. DE WITT (*retired in October*)

Junius K.Y. HO

Camille JOJO (*retired in October*)

Richard M. TOLLAN

Jimmie K.S. WONG

Secretary: Director of Practitioners Affairs (*until February*)

Assistant Director, Practitioners Affairs (II) (*since March*)

External Committees — representatives of the Law Society

ORO Services Advisory Committee

Junius K.Y. HO

Keith M.K. HO

Advisory Group on Modernization of Corporate Insolvency Law

Keith M.K. HO

INSURANCE LAW COMMITTEE

The Committee met formally on three occasions, principally to review the *Insurance Companies (Amendment) Bill 2014*. It conducted the rest of its business by email circulation.

Insurance Companies (Amendment) Bill 2014

The Bill, which was introduced in April, aimed to amend the *Insurance Companies Ordinance* (Cap. 41) to, amongst others, establish an independent Insurance Authority ("IA") as a body corporate to replace the existing Office of the Commissioner of Insurance. This proposed establishment of the IA was an important regulatory reform in the insurance sector. Under the Bill, a new regulatory regime for the insurance industry was proposed — in particular the IA would take up the regulatory responsibilities under a new statutory licensing regime for insurance intermediaries to replace the existing self-regulatory system. A new Insurance Appeals Tribunal was to be set up with jurisdiction to review decisions made by the IA.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

The Committee reviewed the 500-page Bill and made a submission to the Legislative Council Bills Committee.

The Chairman of the Committee, as the representative of The Law Society, attended a Bills Committee meeting in June. At the meeting, he reiterated the legal concerns arising under the Bill, one of which related to the multiple roles proposed for the IIA, i.e. as regulator and rule-making body, investigator, prosecutor and judge. Other concerns on the definition of “best interests” requirement were also broached at the meeting.

The Committee continues to monitor the progress of the Bill.

Other matters

The Committee and the Reverse Mortgage Committee were consulted on the Life Insurance Policy-linked Reverse Mortgage programme which the Hong Kong Mortgage Corporation Limited (“HKMC”) intended to launch. The Chairman attended two meetings of the Reverse Mortgage Committee with the HKMC and exchanged views on various matters including complex legal issues, such as the assignment of a policy and the change of beneficiary.

Members of the Committee:

Martin C.V.M. LISTER (*Chair*)

Denis G. BROCK

Christine M. KOO

Nicholas J.E. LONGLEY

Fergus F.C. LU

MAK Hon Ming

Gary MEGGITT

Christopher A. POTTS

Mark F. REEVES

Rupert C. SKRINE

TSUI Kwok Sum

Shane F. WEIR

WONG Kwok Yan

Angela S.Y. YIM

Secretary: Director of Practitioners Affairs (*until February*)

Assistant Director, Practitioners Affairs (II) (*since March*)

INTELLECTUAL PROPERTY COMMITTEE

The Committee met on four occasions and conducted the rest of its business via emails.

Consultations and Review

The Committee was heavily involved in the review of various consultation papers and a number of intellectual properties issues.

Consultation on Copyright (Amendment) Bill 2014

The issues on parody and other related issues continued to receive the attention of the Committee. In May, upon invitation, the Committee attended a meeting with the Intellectual Property Department (“IPD”) and the Commerce and Economic Development Bureau. The Committee impressed upon the Government their concerns on, among other things, the progress on the proposed regime in the treatment of parody.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

On 13 June, the *Copyright (Amendment) Bill 2014* (2014 Bill) was gazetted. The 2014 Bill combined the proposal previously contained in the *Copyright (Amendment) Bill 2011* with Committee Stage Amendments and brought in legislative proposals to:

- (1) introduce a new exclusive right for copyright owners to communicate their work through any mode of electronic transmission;
- (2) expand the scope of copyright exception to exempt criminal and civil liabilities for certain purposes in appropriate circumstances;
- (3) clarify criminal liabilities on unauthorized distribution and communication of copyright works to the public;
- (4) establish a statutory safe harbour for Online Service Providers; and
- (5) introduce additional factors for the court to consider in assessing damages in civil cases when infringement has been established.

The Committee reviewed the 2014 Bill and produced a comprehensive submission in October. The 2014 Bill was supported in principle and furthermore the Committee strongly urged the 2014 Bill to be adopted and passed without further delay.

On top of the above detailed submission, the Chairman of the Committee also attended and spoke at a meeting of the Bills Committee on the 2014 Bill at the Legislative Council on 25 October. A written submission was prepared and provided for the Legislative Council meeting.

Consultation on Proposed Application of the Madrid Agreement

The Government in November issued a consultation paper on the *Proposed Application of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks to Hong Kong Special Administrative Region*. This consultation was on a proposed protocol to allow trademark owners to apply for registration in one or more countries or territories by filing a single application and paying one set of fees. They may also manage their trademark portfolios through a single procedural step. The Committee has reviewed this Consultation paper and in December, its members attended a briefing session arranged by the IPD. Preliminary comments and observations were made. The Committee was in the course of preparing a submission to respond to the Consultation.

Consultation on Draft Copyright Tribunal Rules

Another heavy consultation paper the Committee studied was the consultation on draft copyright tribunal rules the Government released in December. This consultation sought views on a set of new rules for regulating proceedings before the Copyright Tribunal. The new rules would replace the *Copyright Tribunal Rules (Cap. 528C)* currently in force. The drafting of these rules followed from previous consultations including a consultation exercise in 2009. The Committee was reviewing the draft rules and preparing a submission.

Meetings and Conferences

Apart from the above review, the Committee was busily involved in various meetings and conferences.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Bi-annual Meeting with IPD

The Committee attended biannual meetings with IPD on 28 February and 12 September and discussed a number of issues relating to IP laws, practices and related matters. Matters canvassed at the biannual meetings included:

- Review of Patent System
- Review of Form T2
- Amendment to the *Patent Ordinance* and *Rules of High Court* Order 103
- Position on colours of trade mark after the case *Specsavers International Healthcare and Others [2013] EMTR 46* and OHIM's *Common Communication on the Common Practice of the Scope of Protection of Black and White Marks*
- Views on trade mark protection for trade dress

Competition Ordinance

Together with other specialist committees, the Committee in July attended a meeting with representatives from the Competition Commission to discuss issues including the draft guidelines to be issued under the *Competition Ordinance*. The Committee relayed to the Competition Commission views and comments on the draft guidelines to be issued.

Working Group on Review of the Patent System in Hong Kong

This Working Group on Review of the Patent System in Hong Kong was set up by the Advisory Committee on Review of the Patent System in Hong Kong of the Commerce and Economic Development Bureau, to consider the establishment of an interim regulatory regime for the patent system. Members of the Committee attended meetings of the Working Group and exchanged views.

Apart from having meetings of the Working Group, members of the Committee also attended joint meetings with other patent associations to consider and to deliberate patent practices and regulation.

Business of Intellectual Property (“BIP”) Asia

BIP Asia Forum was an important annual intellectual property forum, jointly organised by the Government, the Hong Kong Trade and Development Council (“HKTDC”) and Hong Kong Design Centre. The forum took place on 4 and 5 December in the Hong Kong Convention & Exhibition Centre. The Law Society was one of the sponsors of the forum.

Similar to the past two years, the Committee helped with the organising work for the forum. Apart from the provision of and the arrangement for the logistics support, members of the Committee also spoke with other prominent speakers at the forum and shared their views. At the breakout session of 4 December, the Chairman and two members spoke on “*IP Audit and Due Diligence — A Legal Perspective*”. Insightful comments were exchanged in this 1.5 hours session which was well attended.

The 136th edition of Annual Meeting of the International Trademark Association (“INTA”)

The 136th Annual Meeting of the INTA was held in Hong Kong Convention and Exhibition Centre. The Committee in May jointly hosted a welcome reception with IPD, HKTDC and other supporting organizations for the Annual Meeting.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Pilot Scheme of Intellectual Property Consultation Service by IPD

The Committee worked with the IPD to set up a pilot scheme of Intellectual Property Consultation Service. This Consultation Service aimed to give outreach IP advisory programmes to Small to Medium Sized Enterprises. The Committee had discussed with the IPD various logistics arrangement. The pilot scheme was expected to be launched in 2015.

Presentations and participations at IP symposiums and other events

The Committee continued its efforts to promote IP awareness and also Hong Kong's competitiveness as an international IP hub. It took part in a number of local and overseas symposiums and events organised by IPD and/or local PRC governments for SMEs in various PRC cities, as well as tertiary institutes. These included:

- Seminar on “*Hong Kong — An International Hub For Legal & Arbitration Services*” & Networking Luncheon of the Roadshow in Vietnam and Cambodia organised by the Department of Justice in February
- Invitation by the Institute of Trade Mark Attorney to a Reception at the British Consulate-General in May
- Guangdong/Hong Kong Seminar on Intellectual Property and Development of Small and Medium Enterprises (Shanwei) in June
- Asia Patent Attorneys Association — 40th Year Celebration and Launch of The Hong Kong Intellectual Property Academy in October
- Acting as moderator of IP Seminars at the Shu Yan University in March and at the CUHK in October

External Representation

The Committee continued to be represented on the BIP Asia Steering Committee.

The Committee also has representatives on the Focus Group on Review of the Patent System in Hong Kong of the IPD.

Members of the Committee:

Kenny K.S. WONG (*Chair*)
Steven J. BIRT
Ella S.K. CHEONG
Yvonne CHUA
A. Clinton D. EVANS
KWONG Chi Keung

Chloe Y.F. LEE
Anita P.F. LEUNG
Rebecca M.C. LO
Annie S.T. TSOI
Henry J.H. WHEARE

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

INVESTMENT PRODUCTS AND FINANCIAL SERVICES COMMITTEE

The Committee reviewed and/or made submissions on the following:

- Securities and Futures Commission's Consultation on *Amendments to the Code on Real Estate Investment Trusts*
- Securities and Futures Commission's Consultation Concerning the *Regulation of Alternative Liquidity Pools*
- Financial Services and the Treasury Bureau's Consultation on *Open-Ended Fund Companies*
- Securities and Futures Commission's Consultation on *Proposals to amend publication requirements relating to offer and redemption prices or net asset value and notices of dealing suspension under the Code on Unit Trusts and Mutual Funds*
- Hong Kong Monetary Authority and Securities and Futures Commission's joint Consultation on *Securities and Futures (OTC Derivative Transactions-Reporting and Record Keeping) Rules*
- Securities and Futures Commission's Consultation Conclusion on the *Proposed Amendments to the Professional Investor Regime and Further Consultation on the Client Agreement Requirements*

The Committee and the Company Law Committee reviewed and jointly made submissions on the following:

- Legislative proposal to provide an Enabling Environment for the introduction of an Uncertificated Securities Regime
- *Securities and Futures and Companies Legislations (Uncertificated Securities Market Amendment) Bill 2014*
- Securities and Futures Commission's Consultation on *Proposed Amendments to the Guidelines for the Exemption of Listed Corporations from Part XV of the Securities and Futures Ordinance (Disclosure of Interest)*
- Hong Kong Exchanges and Clearing Limited's *Concept Paper on Weighted Voting Right*

Members of the Committee:

Simon H. BERRY (*Chair*)
Alan J. EWINS
Stephen M. FLETCHER
Eliof S.W. FONG
Susan J. GORDON
Peter M. LAKE

Jason C.Y. LEE
Alan H. LINNING
Gavin P. NESBITT
Sara S.M. OR
Charlotte J.G. ROBINS
Adamas K.S. WONG

Secretary: Director of Practitioners Affairs (*September to October*)
Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)

LAND USE PLANNING AND ENVIRONMENTAL LAW COMMITTEE

The Committee had one meeting this year and conducted the rest of its business via emails.

Private Columbaria Bill

The Government proposed to enact a new piece of legislation under which all private columbaria, unless exempted, shall be subject to regulation under a licensing scheme. This proposal was set out in the Private Columbaria Bill. Under this Bill, a statutory Private Columbaria Licensing Board would be set up as the licensing authority.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

The Bill was gazetted on 20 June and was tabled at the Legislative Council on 25 July. The Committee reviewed and supported the Bill in principle, subject to a few queries and comments. A submission was rendered in September.

Phase II Public Engagement Exercise for the Proposed Establishment of a Harbourfront Authority

The Harbourfront Commission ("HFC") in 2013 proposed to establish a Harbourfront Authority ("HFA") and, together with the Development Bureau, launched a two phase Public Engagement Exercise. A consultation paper was released in September in its Phase II. The Committee reviewed this consultation paper and made a submission in December. The Committee in principle supported HFA to replace HFC's existing role and to expand its function and become a statutory authority. The Committee also expressed views on, among others, HFA's remit and composition.

Members of the Committee:

John DAVISON (*Chair*)

Michael T.M. HUI (*resigned in October*)

IP Shing Hing

MA Ho Fai (*resigned in December*)

NG Wai Yan

Christopher TUNG

Secretary: Director of Practitioners Affairs (*September to October*)

Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)

LEGAL AID COMMITTEE

The Committee met formally on two occasions and conducted the rest of its business via emails.

Meetings with the Legal Aid Department

The Committee has been keeping close watches on the development of and matters pertinent to the legal aid practice, including the application procedures for legal aid applicants, publication of easy-to-understand guidelines, the processing time for legal aid applications, assigning and monitoring of legal aid cases to panel members, the costs liability of unfavourable section 9 advices and also the overall reform of the Legal Aid Scheme. These matters were raised for discussion with the Director of Legal Aid and his deputy directors at two meetings in May and November. At these meetings, members of the Committee and the Personal Injuries Committee attended to make their views and concerns known to the Director directly. The meetings were very useful and constructive.

Among other things, the Committee received positive feedbacks from the Legal Aid Department that the Department would :

- enhance their website in order to facilitate access by the public to checklists for legal aid applications
- review extending the scope of the Supplementary Legal Aid Scheme; absorbing the costs liability of unfavourable section 9 advices and expediting release of damages, settlement sum etc due to the aided persons after deducting their reasonable amount under the First Charge
- continue to enhance greater transparency of the Legal Aid Scheme and introduce measures, such as requiring applicants to make appropriate declaration in order to curb unethical touting



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Meeting with the Legal Aid Services Council

With the aim to acquiring a better understanding of the monitoring of legal aid assignments, the Committee met the Chairperson of the Legal Aid Services Council ("LASC") in October. The Committee took the opportunity to discuss with the LASC issues relating to touting, assignment and monitoring of legal aid cases to Panel lawyers.

Touting, Recovery Agents, Champerty

The Chairman of the Committee, as a representative of The Law Society, spoke at the AJLS Panel meeting of the Legislative Council in March on Abolition of the Common Law Offence of Champerty. It was reiterated that The Law Society is determined to combat the problem of champerty; the legal position regarding champerty is basically unchanged and is still unlawful in Hong Kong.

On the other hand, the Committee welcomed the Legal Aid Department to send in their representative to sit in the Working Party on Recovery Agents of The Law Society to work together to tackle the problem of unethical touting.

The Committee shall continue to keep the above issues, as well as legal aid practices, under review from time to time and would seek every opportunity to work closely with all stakeholders, such as the Legal Aid Department, the Home Affairs Department and other government departments, with a view to improving the legal aid services.

Members of the Committee:

Junius K.Y. HO (Chair)

Patrick M. BURKE

Sherlynn G. CHAN

Dennis C.K. HO

Rebecca V.I. HO

Arthur K.H. HONG (*resigned in October*)

Alison C. LIU

Kenneth H.S. NG

Virginia W.L. SZETO

WAN Charn Wing

Leslie K.L. YEUNG

Secretary: Director of Practitioners Affairs (*until February*)

Assistant Director, Practitioners Affairs (II) (*since March*)

PERSONAL INJURIES COMMITTEE

The Committee discussed various issues in personal injuries practice by email circulation.

Champerty and maintenance offences

The Committee reviewed the judgments in *Secretary for Justice v Ip Hon Ming et al* (CAAR3/2014) and *HKSAR v Mui Kwok Keung* (CACC133/2013). In both cases, courts unambiguously held that the offences of champerty and maintenance are part of the law in Hong Kong and they attract criminal sanctions.

The Committee also attended a meeting of Panel of the AJLS of the Legislative Council. The stance of The Law Society was reiterated i.e. among other things lawyers risked committing professional misconduct, if they work on cases financed by recovery agents.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Fatal Accident Claims

The Committee had been in correspondence with the Judiciary on the practice on the commencement of fatal accident claims, where there was no grant of letters of administration. The Committee was pleased to note the decision of Hon Bharwaney J in the case of *Burshra Bibi et al v Method Building and Engineering Works Limited (in liquidation)* (HCPI301/2012). The judgment clarified for practitioners the appropriate procedures to be adopted in commencing fatal accident claims in the above circumstances.

On the other hand, the Committee also reviewed the bereavement award under the *Fatal Accidents Ordinance* Cap. 22 which has been undisturbed in past decade.

Employee Compensation Assistance Scheme (“ECAS”) Claims

There have been continual discussions within the Committee on the liability of the ECAS Fund Board to pay interest on those damages that have been awarded to successful claimants in personal injury claims against the ECAS Fund board, and the costs incurred by the plaintiffs in proving the cases in court. The Committee subsequently noted the judgment in *Kwan Kam Pui v Fung Man (Transliteration) and others* (HCPI 18/2012), which clarified the above issues. The Court in that case further held that the usual order should be made against the ECAS Fund Board, as is made against an employer defending the proceeding against whom a judgment for damages has been obtained; and such order usually is to pay the entire costs of the action.

Meetings with the Director of Legal Aid

The Committee, together with the Legal Aid Committee of the Law Society, met the Director of Legal Aid on 12 May and 18 November to discuss practices relating to the legal aid assignments. The issues broached at the meetings included the application and processing, choice of solicitors and counsel on panel, section 9 advices, as well as payment of costs to assigned solicitors and experts.

Meeting with the LASC

Together with the members of the Legal Aid Committee, the Committee met the Chairperson of the LASC on 30 October. Both Committees expressed their views and concerns on the monitoring of the legal aid assignments. There were also exchanges of views and suggestions made to try to improve the transparency of the monitoring system on assignments.

Members of the Committee:

Mark F. REEVES (*Chair*)
Patrick M. BURKE
Eliza L.S. CHANG
Anthony L.C. CHIU
Christina W.C. HUNG
Nancy B.Y. LEUNG

Vitus W.H. LEUNG
J.C. Nicholas MILLAR
Amirali B. NASIR
Szwina S.K. PANG
Tommy K.M. WONG

Secretary: Director of Practitioners Affairs



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

PROBATE COMMITTEE

The Probate Committee met twice this year.

The Committee continued to review issues and to attend to members' enquiries on probate practice and procedure. The Committee maintained close contact with the Probate Registry through the Joint Standing Committee on Probate Practice, which comprises of the Registrar of High Court, Probate Masters, Chief Probate Officer and members of the Committee. The Committee also assisted in processing applications for publication in the weekly Enquiries from Solicitors on Wills, Codicils and other Testamentary Dispositions. A total of about 480 applications were received and processed this year.

Seminar on Probate Practice

The Committee followed up with a proposal canvassed at a meeting of the Joint Standing Committee on Probate Practice in September 2013 to hold a seminar on probate practice. The Committee held discussion with the Academy and organised a Seminar on Probate Practice on 3 April. The Committee was honoured to have Mr. Registrar Lung, Master K. Levy and Master J. Wong to speak at the seminar on the Guide to Non-Contentious Probate Practice ("the Guide"), the Appointment Hearing, and New Procedure for Fast Tracking for Complicated Applications and Administrative Matters. The seminar was well attended by about 400 practitioners.

Competition Ordinance, Cap. 619

The Committee participated at a meeting with Competition Commission, together with representatives from other specialist committees. Useful discussions took place on, among other things, scale fees and recommended fees in the context of the CO.

Review of New Checklist and Supplemental No. 1 to the Guide

In October, the Committee received from the Judiciary a draft New Checklist and also the Supplement No. 1 to the Guide. The Committee studied the draft which represented a significant revamp of the current probate practice, in particular the duty of the solicitors submitting the probate applications. Having carefully considered the draft, the Committee has submitted its views to the Probate Master and will have a meeting with the Probate Master in finalizing the New Checklist and the Supplemental No. 1 to the Guide.

JOINT STANDING COMMITTEE ON PROBATE PRACTICE

The Committee and the Probate Masters met in August to exchange views on ways to improve probate services. Matters relayed to the Probate Masters included topics such as legalization of documents executed abroad for use in Hong Kong, the rules of alias, pigeon hole system, fast track for complicated cases, caveat and certified copy grant.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

Billy W.Y. MA (*Chair*)
Helen Y.P. CHAN (*retired in September*)
Viola HUNG
NG Kin Yuen

TAM Sau Hing
TSANG Kam Chuen
Herbert H.K. TSOI
WONG Tak Shing

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)

PROPERTY COMMITTEE

The Committee met 11 times this year and reviewed a number of issues and legislative proposals relating to conveyancing practices. Meetings were held with representatives of various Government departments and organizations on a number of property-related issues. In addition, the Committee continued to consider and determine applications for waivers of Deed of Mutual Covenant Guidelines (459 applications) and applications for deviations from forms of Agreement for Sale and Purchase approved under Rule 5C of the *Solicitors Practice Rules* (Cap. 159H) (2 applications). Members also served on internal Working Parties, and represented The Law Society on external Committees/Working Parties on property-related issues.

Practice Direction A2

The Committee considered and amended PD A2 to cover both completed and uncompleted developments which are for less than the whole of the residue of the term of years under which the development is held under the relevant Government Grant. The revised PD A2 took effect in late March and members were informed thereof by circular.

New Practice Direction A13

In consequence of the revision to Principle 14.06 of the Guide to Professional Conduct Volume 1 in 2013, the Committee prepared a new PD A13 to incorporate therein those principles which had been taken out from the former Principle 14.06 of the Guide but which should be observed by practitioners. The new PD A13 took effect on 10 February. A circular was issued to advise members.

Non-Consent Scheme

The Committee considered and reviewed the following in light of the revision of agreement for sale and purchase under the Consent Scheme by the Land Advisory and Conveyancing Office of the Lands Department ("LACO") in or about July 2013:

- (a) amendments to two new agreements for sale and purchase of first-hand residential properties in uncompleted and completed development;
- (b) amendments to the two sub-sale and purchase agreements under the Non-Consent Scheme; and
- (c) consequential amendments to the related Statutory Declaration.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Competition Ordinance, Cap. 619

Members of the Committee, together with members of other specialist committees, attended a meeting with representatives from the Competition Commission in July to discuss a number of issues whilst the Competition Commission was drafting guidelines to implement the *Competition Ordinance*. Relevant views on property-related issues were exchanged.

Stamp Duty (Amendment) Ordinance 2014

The *Stamp Duty (Amendment) Bill 2012* to tighten up Special Stamp Duty (“SSD”) and to introduce Buyer’s Stamp Duty (“BSD”) was passed and gazetted on 28 February to become the *Stamp Duty (Amendment) Ordinance 2014*. It had a retrospective effect from 27 October 2012. A circular was issued to advise members of the passing of this Bill and matters relating to BSD exemption.

After the Bill has been passed, the Stamp Office issued two Stamping Circulars in February on the new arrangement for stamping regarding payment and application for exemptions from SSD and BSD. The Committee reviewed these Stamping Circulars and sought clarification from the Government on various issues on the arrangement for stamping regarding payments and applications for claiming exemptions for SSD and BSD. The Stamp Office subsequently issued two sets of Interpretation and Practice Notes to clarify their requirement and policy on the arrangement relating to exemptions for SSD and BSD.

Stamp Duty (Amendment) (No. 2) Ordinance 2014

The Stamp Duty (Amendment) Bill 2013 to introduce double rates for ad valorem stamp duty (“New AVD”) for both residential and non-residential properties was passed to become the *Stamp Duty (Amendment) (No. 2) Ordinance 2014*. The Ordinance was gazetted on 25 July. It had retrospective effect from 23 February 2013. Members were advised of the passing of this Bill and matters relating to BSD and New AVD by circular.

Prior to the passing of the Bill, the Committee has been seeking clarifications from the Government on various issues including the distinction between residential and non-residential properties.

Land (Miscellaneous Provisions) (Amendment) Bill 2014

The Government introduced this Bill to increase the penalty for unlawful occupation of unleased land and for unlawful structure being erected on unleased land. Following a review of this Bill, the Committee provided a written submission in December.

Fully Profit (Asia) Ltd v The Secretary for Justice FACV 17/2012

In *Fully Profit (Asia) Ltd v Secretary for Justice* [2013] HKEC 717, the CFA set out its views on the construction of the word “house”. In the opinions of the Committee, this judgment created uncertainty for conveyancing practitioners in situations when there is a “house” restriction in government leases. The Committee has written to the Government to seek views on policy arising from this Judgment.

Whilst the Committee was waiting for a substantive reply from the Government, the Lands Department issued a Practice Note No. 3/2000/A (“PN 3/2000A”) in June. The Committee considered that the PN 3/2000A did not help to remove the uncertainties and met the Lands Department in December to relay its concerns.

The Committee is now following up with the Lands Department on the issues canvassed at the above meeting.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Property Management Services Bill 2014

This Bill was gazetted on 25 April and was introduced into the Legislative Council on 7 May. In a summary, this Bill proposed a mandatory licensing regime to regulate the provision of property management services, under the supervision of a Property Management Services Authority. The Bill also sought to introduce criminal sanctions.

Subject to the queries on the imposition of the levy and the comments on the uncertainty of some terms used in the Bill, the Committee welcomed the Bill as it should enhance the quality and standard of building management. A submission was rendered.

Contract (Third Party Rights) Bill 2014

The Committee's attention was drawn to this Bill which to a certain extent revamped the general principle of privity of contract. Concerns were expressed over, among others, the uncertainty of the definition of the term "covenants relating to the land" in the Bill, and the implications of the Bill on conveyancing transactions.

The Committee had a meeting with the DOJ in September on the Bill. Apart from the above concerns, the Committee also relayed their uneasiness with the proposed exclusion of Deed of Mutual Covenant and covenants relating to land from the application of the Bill. There were discussions also on the possible impact of the proposed statutory regime on the land contracts and the possible effects of the Bill on rights and liabilities of property owners.

The above views of the Committee were received by the DOJ, which agreed to give a grace period of one year after the Bill's passage before the Government was to bring the Bill into operation.

The Bill was passed and gazetted in December. The Committee would keep in view of the development in this matter.

Application for Waiver of Deed of Mutual Covenant Guidelines

The Committee reviewed and approved the amendments recommended by the Working Party on Revised DMC Guidelines to the application form for waiver of Deed of Mutual Covenant Guidelines and the standard waiver letter A and D. Members were informed thereof by circular. The Committee would continue to review the amendment to the Deed of Mutual Covenant Guidelines.

The Committee also considered and reviewed other property related matters, such as:

- the feasibility of revival of conveyancing scale fee
- the impact of the court case *De Monsa Investments Limited v. Whole Win Management Fund Ltd* [FACV No. 6 of 2012] on Section 13A of *Conveyancing and Property Ordinance* (Cap. 219)
- Stamp Duty Interpretation and Practice Notes issued by Stamp Office

External Work:

The Committee has representatives on the following group and committee:

- Land Registry Customer Liaison Group
- Land Registry Joint Standing Committee



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

Emily Y.M. LAM (*Chair*)

Debbie F. CHEUNG

Keith P.K. CHEUNG

Lilian S.F. CHIANG

Doreen Y.F. KONG

Vincent W.S. LIANG (*retired in December*)

Amanda L.Y. LIU

Billy M.Y. MA

MA Ho Fai (*retired in December*)

Steven M.W. SHUM

David P.H. WONG (*retired in December*)

Raymond M.W. WONG

Terry P.L. YEUNG

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)

WORKING PARTY ON LAND TITLES ORDINANCE

The Land Titles Ordinance Steering Committee issued a paper LTOSC No. 14 in June. The paper proposed to further revise the “Two Stage Conversion Mechanism” and the rectification and indemnity arrangements. The Working Party has reviewed the above paper and would submit their views to the Land Registrar.

The Working Party has representatives on the following external committees:

- The Land Titles Ordinance Steering Committee
- The Land Titles Ordinance Review Committee
- Title Registration Education Committee

Members of the Working Party:

E. John DAVISON (*Chair*)

Judith SIHOMBING (*Vice-chair*)

Peter AHERNE

AU Fun Kuen

Dora S.Y. CHAN

Emily Y.M. LAM

Alexander H.S. LEUNG

Vincent W.S. LIANG

Andy O.T. NGAN

Anthony H.Y. SHIN

Huen WONG (*resigned in November*)

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

WORKING PARTY ON REVIEW OF NON-CONSENT SCHEME FORMS

The Working Party took note of and considered the amendments to the agreements for sale and purchase under the Consent Scheme by the LACO in or around July 2013. As a result of the aforesaid amendments by LACO, the Working Party reviewed the relevant Non-Consent Scheme documents and proposed amendments to the following documents:

- (a) two new agreements for sale and purchase of first-hand residential properties in uncompleted and completed development respectively;
- (b) two sub-sale and purchase agreements under the Non-Consent Scheme; and
- (c) Statutory Declaration.

The Working Party received comments from the DOJ on the above proposed amendments, and was liaising with the Chief Justice.

Members of the Working Party:

Amanda L.Y. LIU (*Chair*)
Doreen Y.F. KONG

LEUNG Siu Hon
Raymond M.W. WONG

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)

WORKING PARTY ON REVISED DMC GUIDELINES

The Working Party on Revised DMC Guidelines met three times this year and has reviewed and revised the following:

- the standard waiver letter A and D of The Law Society
- application form for waiver of DMC Guidelines

The Working Party would keep in view of the revision to The Law Society's Guidelines for Deed of Mutual Covenant No. 29, in light of the revised LACO Guideline No. 29.

Members of the Working Party:

LEUNG Siu Hon (*Chair*)
Patrick K.H. LAM
MA Ho Fai

David P.H. WONG
Terry P.L. YEUNG

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

RETIREMENT SCHEMES COMMITTEE

The Committee conducted its business by emails.

Revision to MPFA Guidelines

The Committee has been receiving and commenting on proposed revisions to the Mandatory Provident Fund Guideline from time to time, inclusive of the following, and has advised members of those revisions by circulars.

- Annual Returns to be Delivered by Registered Intermediaries (Guidelines VI.3)
- Application for Approval as Trustees and Application for Approval as Controllers of Approved Trustees (Guidelines I.1)
- Application for Registration of Provident Fund Schemes (Guidelines I.2)
- Eligible Insurers (Guidelines I.4)
- Application for Approval of Constituent Funds (Guidelines I.5)
- Application for Approval of Pooled Investment Funds (Guidelines I.6)
- MPF Coverage on Employees Working Outside Hong Kong (Guidelines IV.16)
- MPF Exempted ORSO Schemes — Application for Exemption of ORSO Registered Schemes (Guidelines V.2)
- MPF Exempted ORSO Schemes — Application for Approval of Appointment of Trustees (Guidelines V.6)
- MPF Intermediary Registration and Notification of Changes (Guidelines VI.1)
- Annual Returns to be Delivered by Registered Intermediaries (Guidelines VI.3)
- Election for Transfer of Accrued Benefits (Guidelines IV.3)
- Debt Securities (Guidelines III.1)
- Payment of Accrued Benefits — Documents to be Submitted to Approved Trustees (Guidelines IV.4)
- MPF Exempted ORSO Schemes — Withdrawal of Minimum MPF Benefits (Guidelines V.11)

Mandatory Provident Fund Scheme (Amendment) Bill 2014

The Committee's attention was brought to a *Mandatory Provident Fund Scheme (Amendment) Bill 2014*, gazetted on 27 June and introduced into the Legislative Council on 2 July. The Bill proposed to allow a scheme member to withdraw his accrued benefit by phases upon a member's retirement or early retirement. It also sought to require a trustee to process a scheme member's request to make such withdrawal.

The Committee has studied the Bill. While the Bill involved different policy considerations, the Committee provided comments on the technicality and the drafting and produced a submission. The submission was sent to the MPF Authority in September.

Apart from the above, the Committee also noted the following:

- Consultation on providing better investment solutions for MPF members
- Consultation on the enhancement to the deposit protection scheme



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

David G. Adams (*Chair*)
Cynthia W.S. Chung
Christine M. Koo
Martin C.V.M. Lister
Billy W.Y. Ma

Sophia W.Y. Man
Tam Chi Wai
C.Y. Wei
Judy Yang

Secretary: Director of Practitioners Affairs (*September to October*)
Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)

REVENUE LAW COMMITTEE

The Committee formally met once this year and conducted the rest of its business via emails.

Automatic Exchange of Information for Tax Purposes (“AEOI”)

In October, members of the Committee attended a briefing session on the Government’s plan to implement AEOI in Hong Kong. The Committee was advised that the Government intended to formulate a detailed legislative proposal on AEOI in 2015 and was proposing further consultation with the stakeholders before it submitted the relevant Bill to the Legislative Council in 2016.

Legislative Proposal to Extend the Profit Tax Exemption for Offshore Funds

The Committee received from the Government a consultation paper on a legislative proposal to extend the profit tax exemption for offshore funds. The proposal aimed to attract more private equity funds to operate business in Hong Kong. With the benefit of reading the submissions made by the Joint Liaison Committee on Taxation (“JLCT”) on the matter, the Committee resolved to adopt the same position as the JLCT.

The Committee also discussed the following matters:

- the proposed legislative amendments to Tax Appeal Mechanism
- the Inland Revenue (Amendment) (No. 3) Bill 2013 — Captive Insurance
- the Stamp Duty (Amendment) Bill 2012 — BSD
- Practice Direction P
- Expansion of Tax Exemption
- Real Estate Investment Trusts
- Double Tax Agreement
- Loan (Amendment) Bill 2014
- Consultation Paper on “Open-ended Fund Investment Company”



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

Steven R. SIEKER (*Chair*)
Lee. T. BENJAMIN
Sally S.W. IP
CHAN Chak Ming
Vincent P.C. KWAN
Angela Y.L. LAU

Cynthia S.W. LEE
Gavin P. NESBITT
Simon J.G. RAE
Jacqueline Y.M. SHEK
William A. THOMSON

Secretary: Assistant Director, Practitioners Affairs (I) (*until February*)
Assistant Director, Practitioners Affairs (II) (*since March*)

External Committees — Representatives of The Law Society

Joint Liaison Committee on Taxation

Simon J.G. RAE
William A. THOMSON

REVERSE MORTGAGE COMMITTEE

The Committee received proposals to enhance the reverse mortgage programme by the HKMC. The Committee, together with Insurance Law Committee of The Law Society, met the HKMC in May and in July to discuss these proposals. Views were usefully exchanged on matters such as assignment of policy, consumers' interest, counsellor's duties and other practical issues.

The Committee helped to organise a seminar on 21 August on the role of counsellors under the reverse mortgage programme. The seminar was well received and was attended by over 150 participants. The participants were given an overview of the reverse mortgage programme and an update on the proposed life insurance policy-link enhancements.

Members of the Committee:

Billy W.Y. MA (*Chair*)
Heidi K.P. CHU
Junius K.Y. HO

Joseph C.W. LI
Emily Y.M. LAM
Steven M.W. SHUM

Secretary: Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)
Assistant Director of Practitioners Affairs (II) (*September to October*)

WORKING PARTY ON INTERPRETERS

The Working Party on Interpreters had two internal meetings and is now considering views canvassed from various stakeholders in order to compile a report to make recommendations to the Council on action to be taken by The Law Society to implement a system of public service interpreters for civil and criminal proceedings before courts.

The Committee has co-opted a new member this year to assist in its work.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Working Party:

Michael J. VIDLER (*Chair*)
Patrick M. BURKE
Anthony M.C. LAI

Karen MCCLELLAN (*joined in May*)
Anthony R. UPHAM

Secretary: Director of Practitioners Affairs (*until February*)
Assistant Director, Practitioners Affairs (*since March*)

WORKING PARTY ON RESOLUTION REGIME

The FSTB, the Hong Kong Monetary Authority, the Securities and Futures Commission and the Insurance Authority in January jointly issued a Consultation Paper on “*An Effective Resolution Regime for Financial Institutions in Hong Kong*” to seek views on the needs to establish a “resolution regime” to provide national authorities with administrative powers to bring about orderly resolution at times of critical or systemic failures of large financial institutes. The regime would have stabilised and secured continuity for the key parts of the business of that failing financial institute. At the same time, these regimes would ensure that the costs of failure are to be borne by the shareholders and creditors of the failing financial institutes, rather than through reliance on use of public funds.

A list of questions was posed at the Consultation Document. In response, a Working Party on Resolution Regime was set up to review these proposals. The Working Party consisted of members from a spectrum of expertise and experience. After studying the consultation document, the Working Party produced a detailed submission in April.

Members of the Working Party

Simon H. BERRY (*Chair*)
Alan J. EWINS
Stephen M. FLETCHER
Eliof S.W. FONG
Keith M.K. HO

Nicholas D. HUNSWORTH
Jason C.Y. LEE
Martin C.V.M. LISTER
Sara S.M. OR

Secretary: Director of Practitioners Affairs (*until February*)
Assistant Director, Practitioners Affairs (II) (*since March*)

WORKING PARTY ON ENDURING POWERS OF ATTORNEY

A Working Party on Enduring Power of Attorney was set up upon, among other things, an initiative from the DOJ to promote the awareness and understanding of EPAs. The DOJ related their proposal to an earlier LRC report in 2008, which recommended that the Government, in partnership with relevant professional bodies and non-governmental organizations, to take steps to promote the awareness and the understanding of EPAs.

The Working Party had a meeting in July, and is now considering the organisation of a seminar on EPAs.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Working Party:

Billy W.Y. MA (*Chair*)
E. John DAVISON

Herbert H.K. TSOI
Cecilia K.W. WONG

Secretary: Director of Practitioners Affairs (*September to October*)
Assistant Director of Practitioners Affairs (I) (*January to August, November and December*)

WORKING PARTY ON LITIGATION FUNDING

A Working Party on Litigation Funding was set up to consider the proposed introduction of litigation funding to Hong Kong and to also revisit the conditional fees and contingency fees. The Working Party consisted of members with experience and specialties in arbitration, liquidation, civil litigation, insurance, insolvency, matrimonial practices, criminal practices, legal aid and personal injuries practices. It met twice this year.

In the course of deliberation, the Working Party took note of the celebrated judgment of Kaplan J in *Cannonway Consultants Limited v Kenworth Engineering Limited* [1995] 2 HKLR 475, as well as the more recent judgments including *Re Cyberworks Audio Video Technology Limited* [2010] 2 HKLRD 1137 and in *Re Po Yuen (To's) Machine Factory* [2012] HKLRD 815. It also noted the suggestion that Hong Kong might be losing its competitiveness as an international dispute resolution centre to other jurisdictions where litigation funding for arbitration and liquidation cases were allowed. The Working Party is consolidating the various views received and preparing a recommendation to Council for deliberation.

Members of the Working Party:

Denis G. BROCK (*Chair*)
Patrick M. BURKE
Christopher J. DOBBY
Warren P. GANESH
Cameron D. HASSALL
Barbara A. HUNG

Jason D. KARAS
Paul M.W. LI
Gary MEGGITT
Amirali B. NASIR
Mark F. REEVES
Sylvia W.Y. SIU

Secretary: Director of Practitioners Affairs



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

WORKING PARTY ON RECOVERY AGENTS

The Working Party met once and conducted the rest of its business by email.

The Working Party noted the following judgments on the offences of champerty and maintenance:

- (a) *Secretary for Justice v Ip Hong Ming* (HCA3/2014)
- (b) *HKSAR v Mui Kwok Keung* (CACC133/2013)

It also took note of the discussion by the Panel of the AJLS of the Legislative Council in March on the proposed abolition on champerty offence. Various issues arising from unethical touting were discussed, including the Solicitors Promotion Code and the declaration system launched by the Legal Aid Department. The Working Party proposed to meet various government departments.

Members of the Working Party:

Ludwig S.W. NG (*Chair*)
Patrick M. BURKE
Szwina S.K. PANG

Thomas S.T. SO
WONG Tommy K.M.

Secretary: Director of Practitioners Affairs

WORKING PARTY ON SHANGHAI LAND CASE

The Working Party had a meeting with the Secretary for Justice in December 2013 and exchanged views with him on various issues important to the legal profession. The issues raised for discussion included the maintaining of a level-paying field between prosecution and defence, avoidance of delay in the prosecution, discovery of and the proper disposal of unused materials by the prosecution, recovery of costs by successful defendants and the setting up of an independent body to look into compensation for acquitted parties.

The Working Party met this year to follow up with the above discussion and recommended to the Council to continue to keep in view of the developments. It also invited the Criminal Law and Procedure Committee of The Law Society to look into the issues. The Working Party was dissolved after the meeting.

Members of the Working Party:

Huen WONG (*Chair*)
Simon H. BERRY
Brian GILCHRIST
Stephen W.S. HUNG

Ambrose S.K. LAM
Gavin P. NESBITT
Dieter YIH

Secretary: Director of Practitioners Affairs



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

HONG KONG SOLICITORS INDEMNITY FUND LIMITED

Hong Kong Solicitors Indemnity Fund Limited (“HKSIFL”) was established by The Law Society and empowered by the *Solicitors (Professional Indemnity) Rules* (“the *SPI Rules*”) to manage and administer the Professional Indemnity Scheme (“the PIS”) and the Solicitors Indemnity Fund (“HKSIF”) subject to direction from the Council.

The HKSIFL held a total of eight Board meetings during the year and an Annual General Meeting.

The HKSIFL considered a number of matters including:

- Issues in relation to the conduct of claims
- Contribution reduction
- The performance of the PIS Broker and Manager
- The performance and potential diversification of PIS investments
- Review and update of PIS investment guidelines
- Proposed reforms to the PIS and amendments to the *SPI Rules*
- Ceased firms which failed to submit the final Gross Fee Income Report and/or Quarterly Return and/or pay their final PIS contributions
- Investigation of understatement of Gross Fee Income
- The monthly management accounts and the audited accounts of HKSIF and HKSIFL
- Renewal of Directors’ and Officers’ liability and Professional Indemnity insurance for HKSIFL and the Directors
- Renewal of Reinsurance Programme and Insolvency Insurance Programme of the PIS
- Matters arising from the liquidation of HHH Casualty and General Insurance Ltd. and FAI General Insurance Company Ltd. and the provisional liquidation of FAI First Pacific Insurance Co. Ltd.
- Enquiries relating to the PIS

A total of 147 notifications of claims were received by the Claims Manager, ESSAR Insurance Services Ltd. (“ESSAR”) during the 2013/2014 indemnity year, i.e. from 1 October 2013 to 30 September 2014 and the grace period from 1 October 2014 to 29 November 2014. As at 30 September 2014, 17 of the notifications resulted in proceedings, 6 were closed without payment, 1 was settled with payment and 130 remained as notifications.

STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

The number of claims for the last 28 indemnity years and the number of members holding practising certificates as at 30 September of each of those years are as follows:

Indemnity Year	Number of Claims	Percentage Increase/ Decrease from previous year	No of members
1986/1987	64	—	1,384
1987/1988	58	–9%	1,625
1988/1989	126	117%	1,754
1989/1990	178	41%	2,060
1990/1991	72	–60%	2,350
1991/1992	93	29%	2,572
1992/1993	118	27%	2,847
1993/1994	143	21%	3,161
1994/1995	151	6%	3,451
1995/1996	150	–1%	3,784
1996/1997	176	17%	4,197
1997/1998	336	91%	4,494
1998/1999	483	44%	4,612
1999/2000	263	–46%	4,771
2000/2001	230	–13%	4,946
2001/2002	215	–7%	5,086
2002/2003	269	25%	5,191
2003/2004	165	–39%	5,317
2004/2005	159	–4%	5,498
2005/2006	165	4%	5,666
2006/2007	142	–14%	5,831
2007/2008	309	118%	6,092
2008/2009	147	–52%	6,341
2009/2010	139	–5%	6,670
2010/2011	174	25%	7,041
2011/2012	126	–28%	7,381
2012/2013	240	90%	7,717
2013/2014	147	–39%	8,111

* Number of Claims includes claims notified within the grace period.

+ Percentage of increase or decrease has been calculated to the nearest decimal point.

STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Claims notified in the 2013/2014 indemnity year were categorised as follows:

Company/Commercial	20
Conveyancing	40
Landlord & Tenant	4
Litigation	51
Miscellaneous	8
Patents and Trademarks	11
Probate	12
Breach of Confidential Information	1
	147

Four fraud claims were received in the 2013/14 indemnity year.

As at 30 September 2014, the total liability of the PIS for the 2013/2014 indemnity year, calculated on the basis of claims paid and claims reserved, was HK\$39,308,417 of which HK\$5,364,438 consisted of claims paid (including costs) and HK\$33,943,979 consisted of claims reserved.

The total amount of claims paid (including costs) since the inception of the self-insured PIS in 1986 amounted to HK\$1,775,742,484 and the amount reserved was HK\$191,364,617. The total claims paid and reserved was HK\$1,967,107,101.

A detailed account of the operation of the PIS and claims data as well as the audited accounts of the HKSIF as at 30 September 2014 will be published in the PIS Annual Report for the 2013/2014 indemnity year.

Directors of HKSIFL:

Peter R. GRIFFITHS (*Chair*)
Denis G. BROCK
Albert B.K. DAN
Brian W. GILCHRIST
Christopher G. HOWSE
Peter C.L. LO

Patrick R. MOSS
Arnirali B. NASIR
NG Wai Yan
Kevin C.K. SHUM
David G. SMYTH
Norris H.C. YANG

Company Secretary: ESSAR

PIS CLAIMS COMMITTEE

Claims are handled by the Claims Committee pursuant to the *SPI Rules* and with the assistance of the Claims Manager, ESSAR. The Claims Committee held five meetings during the year to discuss both new and ongoing claims.

STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Committee:

Brian W. GILCHRIST (*Chair*)
Colin B. COHEN (*Vice-Chair*)
Charles W. ALLEN
Keith M. BRANDT
Tony K.W. CHOW

Simon P. CLARKE
George D. LAMPLOUGH
Jeffrey H. LANE
Ronald W.T. TONG

Secretary: ESSAR

PIS INVESTMENT SUBCOMMITTEE

The PIS Investment Subcommittee met quarterly.

At each meeting, the Subcommittee invites HKSIFL's investment consultant, Mercer Investment Consulting Limited and two of the four investment managers to report on the HKSIF performance and to provide their outlook on market trends.

The current investment managers of the HKSIF are as follows:

- Amundi Hong Kong Limited ("Amundi")
- AllianceBernstein Hong Kong Ltd. ("AllianceBernstein")
- MFS Investment Management ("MFS")
- Grantham Mayo van Otterloo ("GMO")

HKSIF adopts a conservative investment strategy where the investments are predominantly placed in fixed income securities. The investment objectives are to:

- achieve, in the long term, a rate of return over and above the Hong Kong consumer price inflation;
- preserve capital; and
- achieve, in the long term, a rate of return over the performance benchmark.

The net returns on the portfolios managed by the investment managers for the 12-month period ended 31 December 2013 and 2014 were as follows:

		Net Return	
Type of portfolio		2013	2014
Amundi	Equity and bonds	6.44%	3.40%
AllianceBernstein	Bonds	0.27%	7.22%
MFS*	Equity	29.55%	7.46%
GMO*	Equity	19.95%	-1.84%

* MFS and GMO were appointed in December 2011.

A review of the PIS investment guidelines is currently underway.



STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Subcommittee:

Peter C.L. LO (*Chair*)
John S. GALE
IP Shing Hing
Elen LAU

Kher Sheng LEE
Kevin C.K. SHUM
Norris H.C. YANG

Secretary: Assistant Director, Professional Indemnity Scheme

PROFESSIONAL INDEMNITY ADVISORY COMMITTEE

This Committee is responsible for reviewing and advising on any issue relating to professional indemnity cover referred to it by the Council, HKSIFL or the Claims Committee.

The Working Party of the Committee held one meeting during the year and considered various amendments to the *SPI Rules* by email circulations.

Members of the Committee:

Robin S. PEARD* (*Chair until November*)
David G. SMYTH* (*Chair from November*)
Kevin R. BOWERS
Richard KEADY (*joined in January*)
Lawrence Y.H. LEE (Aon Holdings Hong Kong Limited)
(*retired in November*)

Susan P.S.K. LIANG
NG Wai Yan
Peter K.H. NGAI
Fiona J. STEWART*
Gareth H. THOMAS
Norris H.C. YANG (*retired in November*)

Secretary: Assistant Director, Professional Indemnity Scheme

* Members of the Working Party of the Committee

PIS PANEL SOLICITORS SELECTION BOARD

The Selection Board was established by the Council to resolve all matters relating to the tender for appointment as Panel Solicitors, to consider the tender applications and to make recommendations to the Council on the appropriate firms to be appointed to the Panel.

The retainer of the current Panel runs from 1 February 2013 to 31 January 2018.

The firms which served as Panel Solicitors in 2014 were:

Bird & Bird
Deacons
Fred Kan & Co.
Gall

Howse Williams Bowers
P.C. Woo & Co.
Reed Smith Richards Butler
Smyth & Co.

STANDING COMMITTEE ON PRACTITIONERS AFFAIRS

Members of the Selection Board:

Huen WONG (*Chair*)
Stephen W.S. HUNG

Kenneth S.Y. NG
Amirali B. NASIR

Secretary: Assistant Director, Professional Indemnity Scheme

WORKING PARTY ON PIS GROSS FEE INCOME REPORTS AND CONTRIBUTIONS

The Working Party is responsible for considering and making recommendations to the Council on the appropriate action to be taken against those firms which failed, in breach of the *SPI Rules*, to submit the application for indemnity and/or the gross fee income report on or before 15 August, or pay their annual contributions on or before 30 September in each year. The Working Party is also responsible for approving the applications for an extension of time to submit the application for indemnity and/or the gross fee income report.

During the year, the Working Party considered a number of defaults and applications for time extensions and resolved recommendations to the Council by email circulations.

Members of the Working Party:

IP Shing Hing (*Chair*)
Albert B.K. DAN

NG Wai Yan
Huen WONG

Secretary: Assistant Director, Professional Indemnity Scheme



Practitioners Affairs Department



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

The Standing Committee is responsible for establishing standards and rules and formulating policies on the education, training and regulation of solicitors, and on their conduct.

The Standing Committee convened 12 meetings to oversee the activities of the Department of Standards and Development, and to consider recommendations of the Committees and Working Parties under its umbrella.

LEGISLATIVE AMENDMENTS

The Standing Committee considered amendments to the *Legal Practitioners Ordinance* (“LPO”) and its subsidiary legislation, *The Law Society’s Practice Directions* (“PD”), *Information Packages* and *The Hong Kong Solicitors’ Guide to Professional Conduct, second and third editions, Volume 1* (“Conduct Guide”).

The following legislative amendments were made during the year:

LPO, Solicitors’ Practice Rules (“SPR”), Solicitors (Professional Indemnity) Rules (“SPI Rules”), Trainee Solicitors Rules, Solicitors (Group Practice) Rules

With the coming into operation of the new *Companies Ordinance* on 3 March, incidental amendments were made to references to the new *Companies Ordinance* in the *LPO*, *SPR*, *SPI Rules*, *Trainee Solicitors Rules* and *Solicitors (Group Practice) Rules*.

LPO, Legal Services Legislation (Miscellaneous Amendments) Ordinance 1997 (94 of 1997) (“1997 Ordinance”), Barristers (Admission) Rules

The *Statute Law (Miscellaneous Provisions) Ordinance* came into operation on 5 December and it:

- (a) repealed item 29 of Schedule 1 to the *1997 Ordinance* to retain the definition of “controlled trust” for the purposes of Part IIA of and Schedule 2 to the *LPO*;
- (b) amended Section 8A of the *LPO* to empower the Council of The Law Society to revoke and restore a suspension of a solicitor’s practice or a foreign lawyer’s registration pending a decision of the Solicitors Disciplinary Tribunal. Amendments were also made to the *1997 Ordinance* to provide for similar powers;
- (c) repealed the name of “The Federation for Continuing Education in Tertiary Institutions” in Section 74A(3)(a)(ix) of the *LPO* and substituting it with “the Federation for Self-financing Tertiary Education”; and
- (d) amended Form 2 in Schedule 2 to the *Barristers (Admission) Rules*.

Overseas Lawyers (Qualification for Admission) Rules (“OLQE Rules”)

The amendments to the *OLQE Rules* were passed by the Legislative Council on 28 May and came into operation on 2 January 2015. The major amendments are as follows:

- (a) Rule 7 of the *OLQE Rules* was amended to include “*Hong Kong Constitutional Law*” as an additional written Head of the *Overseas Lawyers Qualification Examination* (“OLQE”);



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

- (b) Rule 4(1) of the *OLQE Rules* was amended to clarify that in calculating the five years of experience in the practice of law in an application for exemption under that Rule, the experience in the practice of law in all the common law jurisdictions in which the common law applicants were qualified to practise is counted;
- (c) Rule 5(1) of the *OLQE Rules* was amended to clarify that in calculating the five years of experience in the practice of law in an application for exemption under that Rule, the experience in the practice of law in all the non-common law jurisdictions in which the non-common law applicants were qualified to practise is counted;
- (d) Rule 4(2)(b) of the *OLQE Rules* was amended to state that the practical legal training in lieu of traineeship which satisfies the admission criteria in an applicant's jurisdiction of admission can be recognised as experience in the practice of law for the purpose of the *OLQE*. The period of pupillage however cannot be recognised as post-admission experience to satisfy the eligibility criteria to sit the *OLQE*;
- (e) Rule 5(2) of the *OLQE Rules* was amended to extend recognition to part-time study of Contract, Torts, Property, Criminal Law, Equity, Constitutional and Administrative Law for a non-common law jurisdiction applicant to fulfil the requirements for admission as a Hong Kong solicitor; and
- (f) Rule 8 of the *OLQE Rules* was amended to enable an applicant who has been admitted in more than one jurisdiction to elect any one of those jurisdictions as his jurisdiction of admission for the purpose of the *OLQE Rules*.

OTHER MATTERS

Apart from reviewing the proposed legislative amendments and making recommendations to the Council as appropriate, the work of the Standing Committee included the following:

- (a) overseeing the administration of the *Continuing Professional Development ("CPD") Scheme*, the *Risk Management Education ("RME") Programme* and the *OLQE*;
- (b) approving the documentation and logistics for the *OLQE*;
- (c) appointment of *OLQE* Examiners and reviewing their fees;
- (d) reviewing the results of the *OLQE*;
- (e) considering applications for review under rule 9 of the *OLQE Rules*;
- (f) considering amendments to the *OLQE Rules*;
- (g) appointing External Examiners of the Postgraduate Certificate in Laws ("PCLL") Programmes of the Chinese University of Hong Kong ("CUHK"), City University of Hong Kong ("CityU") and the University of Hong Kong ("HKU") and considering their term of office;
- (h) considering the appointment of the Chairman and Members of the PCLL Academic Board of CityU;
- (i) considering S8A, S11(3), amendments to S6(6) and S9A(2), and introduction of S25(1)(c) of the *LPO*;
- (j) considering the *Solicitors' Practice Promotion Code*;
- (k) considering rule 11 of the *Trainee Solicitors Rules*;



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

- (l) considering the revised *Standing Order 5.2.1*, the terms of reference and membership of the Standing Committee, the terms of reference, chairmanship and membership of its Committees and Working Parties, and appointing Members of the Anti-Money Laundering (“AML”) Committee, the Foreign Lawyers Committee, the Guidance Committee, the Legal Education Committee and the Working Party on Practice in Service Centres, At Home, In Domestic Premises or by Virtual Offices;
- (m) considering the provisions of the *Competition Ordinance* and the minimum wage of trainee solicitors prescribed by The Law Society;
- (n) considering the feasibility of online payment of costs on account and settlement of solicitors’ fees by clients through reputable operators;
- (o) considering a proposal for referral fees to be paid by estate agents to solicitors;
- (p) approving amendments to the Professional Diploma for Legal Executives course conducted by the Hong Kong Institute of Vocational Education (“IVE”) and amendments to the Advanced Diploma in Legal Studies (Professional Stream) course conducted by HKU SPACE;
- (q) considering consequential amendments to the *SPI Rules* arising from the *Solicitor Corporation Rules*;
- (r) approving amendments to the *CPD and RME Information Packages*;
- (s) considering the availability of reciprocal arrangements from other jurisdictions to allow Hong Kong law firms and lawyers to practise overseas;
- (t) considering the draft *Solicitors (Higher Rights of Audience Certificates) Rules*;
- (u) considering the accreditation of RME courses;
- (v) considering the proposal for maintaining a list or a panel of bookkeepers;
- (w) considering CPD points in mediation training;
- (x) reviewing the CPD points awarded under *CPD Guideline 15* of the *CPD Information Package*;
- (y) considering the Books Suggestion Scheme of the Leisure and Cultural Services Department of the HKSAR Government;
- (z) considering amendments to the *Manual on Solicitors’ Accounting*;
- (aa) considering amendments to the Application Forms for Renewal of Registration as a Foreign Lawyer;
- (bb) reviewing the progress on updating the *RME Programme* and development of new RME elective courses;
- (cc) considering the Spokesman Policy of The Law Society;
- (dd) considering amendments to the *CPD/RME Training Record Form*; and
- (ee) considering the subject of nullity of CPD suspension.

STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Members of the Standing Committee and their meeting attendance during the year are:

Amirali B. NASIR (<i>Chair</i>)	11/12	Ivan C.K. NG	4/12
Bonita B.Y. CHAN	8/12	Peter K.P. SIT	1/12
Heidi H.Y. CHUI (<i>joined in March</i>)	5/9	Thomas S.T. SO	2/12
Warren P. GANESH	12/12	Simon S.P. TANG	6/12
Stephen W.S. HUNG	7/12	Adamas K.S. WONG	6/12
Doreen Y.F. KONG	8/12	Dieter YIH	3/12
IP Shing Hing	8/12		

Secretary: Director of Standards & Development

AML COMMITTEE

The AML Committee held three meetings.

In view of the increasing importance of the AML issues, the AML Committee was expanded to include members from a cross section of the legal profession.

The Committee reviewed Section 18(3)(a) of Schedule 2 to the *Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance* allowing practising solicitors as specified intermediaries to carry out customer due diligence measures for the financial institutions. The Committee has no objection and strong view for the HKSAR Government to extend the 3-year expiry date under this Section.

The Committee discussed the implication of the judgment made by the Court of Final Appeal in *HKSAR v Pang Hung Fai* (FACC No. 8 of 2013).

The Committee considered electronic payment of solicitors' fees and clients' costs on account from the AML perspective.

The Committee co-organised a seminar on AML issues with the HKSAR Government in October. Mr. Michael Lintern-Smith, Chairman of the Committee, was a speaker at the seminar. The seminar was well received and was attended by more than 190 participants.

Members of the Committee:

Michael J. LINTERN-SMITH (<i>Chair</i>)	Jeffrey H. LANE (<i>retired in June</i>)
Jason D. CARMICHAEL (<i>joined in October</i>)	LEE Kher Sheng (<i>joined in October</i>)
CHAN Wing Leung (<i>joined in October</i>)	Angela W.Y. LEE
Lily S.M. CHANG (<i>joined in October</i>)	Danny C.M. LEUNG (<i>joined in October</i>)
Andrew J. DALE (<i>retired in June</i>)	Alan H. LINNING (<i>joined in October</i>)
Simon R. DEANE (<i>joined in October</i>)	Kareena P.G. TEH (<i>joined in October</i>)
Serge G. FAFALEN	

Secretary: Assistant Director, Regulation & Guidance

STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

THE CPD SCHEME

The *CPD Scheme* aims at providing a convenient framework for the legal profession to meet the changing demands of clients and society by updating the practitioners on legal knowledge and skills.

The Law Society and Hong Kong Academy of Law Ltd. (“Academy”) conducted a total of 510 CPD and RME courses during the year. Of the 510 courses, nine courses were conducted in Putonghua and/or Cantonese and the remainder in English. The courses attracted the attendance of 18,703 participants.

The Law Society and the Academy are grateful to the 123 presenters who contributed by sharing their valuable experiences and expertise.

Some of the highlights of these courses are:

Civil Justice Reform (“CJR”)

CJR has been implemented since April 2009. The Academy and Hong Kong Bar Association (“Bar Association”) jointly organised a session on an update on CJR, as part of the CJR Training Programme, in July. Over 350 practitioners attended the session.

The Academy also organised two series of free specialised training sessions on CJR each consisting of five modules covering topics such as case management, originating process and pleadings, offers to settle, evidence, trials, appeals and costs. About 1,550 participants attended the specialised training sessions.



Seminars on the New Companies Ordinance

The new *Companies Ordinance* came into effect on 3 March. The Academy conducted a total of 21 seminars from January to October, presented separately by Ms. Judith Sihombing, Visiting Scholar of CUHK, and Ms. Elizabeth Mo, Consultant (Legal) of Hong Kong Monetary Authority and former Deputy Principal Solicitor of Hong Kong Companies Registry (Companies Bill Team) on the *Companies Ordinance*. Over 2,900 participants attended the seminars.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Mediation

With the introduction of *Practice Direction 31*, mediation has increasingly been used as a means of alternative dispute resolution. The Academy and the Mediation Committee of The Law Society conducted seven free sharing sessions on mediation. Nine speakers were invited to share their experiences with the participants on topics including financial dispute mediation, victim-offender mediation, the way to develop practice as a solicitor-mediator, conversion from general to family mediation and the importance of pre-mediation sessions. The sharing sessions attracted over 300 participants.

In addition, a panel of experienced solicitor-mediators conducted a seminar entitled “Promotion and Risk Management in Mediation Practice” on 30 April. The seminar attracted 169 participants.

The third edition of the *Conduct Guide*

The third edition of the *Conduct Guide* came into effect on 1 January. The Academy organised two seminars in March and May to brief members on the new provisions of the *Conduct Guide*. Over 250 participants attended the seminars.

Reverse Mortgage

The Reverse Mortgage Programme was launched by the Hong Kong Mortgage Corporation Limited in 2011 with the aim of providing elderly homeowners with an additional financial planning option to enhance their quality of life. The Academy conducted a course on reverse mortgage in August to provide attendees with an overview of the Programme and an introduction of the life-insurance policy-linked enhancement. Over 250 practitioners attended the course.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Training Programme on the Convention Against Torture Claims and Refugee Law (“CAT”)

The Academy organised its 4th CAT training programme on 21–22 and 24–25 February to assist practitioners in handling CAT claims made under Article 3 of the *United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment* and update them on the latest developments on CAT including the unified screening mechanism. Over 200 participants attended the programme.

In addition to the 4th CAT Training Programme, a seminar entitled “The Law of Refugee Status — Focus on the Assessment of Credibility” to examine the international and comparative framework for the assessment of the credibility of persons seeking refugee and other internationally protected status was held on 30 September. Professor James C. Hathaway, the James E. and Sarah A. Degan Professor of Law and Director of the Programme in Refugee and Asylum Law at the University of Michigan, was the speaker of the seminar.

Higher Rights of Audience (“HRA”)

The Academy organised training courses on advocacy in October to facilitate solicitors who wished to take the HRA assessments conducted by the Higher Rights Assessment Board. The Academy conducted two courses on civil written advocacy and four courses on civil practical advocacy. 26 solicitors attended the courses which were conducted by trainers from the University of Law, London.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Probate Practice

A seminar on probate practice was conducted on 3 April to facilitate practitioners to understand the procedures and practice on probate applications. Registrar K.W. Lung, Registrar of the High Court together with Master K. Levy and Master J. Wong, Masters of the High Court, were the speakers of the seminar. Mr. Billy Ma, Chairman of the Probate Committee and Council Member of The Law Society, was the moderator. The seminar attracted around 400 participants.



Seminars on Personal Data Privacy

The Academy organised two seminars, one conducted by Mr. Roderick B. Woo, former Privacy Commissioner for Personal Data ("PCPD") and Past President of The Law Society, and the other conducted by Ms. Margaret Chiu, former Legal Counsel of PCPD, on data privacy in October. The topics discussed included data protection principles and their applications to data users, exemptions and offences under the *Personal Data (Privacy) Ordinance*, transfer and use of personal data in due diligence exercises in business transactions, use of personal data for promotion of goods and services, changes introduced by the *Personal Data Privacy (Amendment) Ordinance 2012* and points for solicitors to ponder when advising clients. A total of 244 participants attended the seminars.



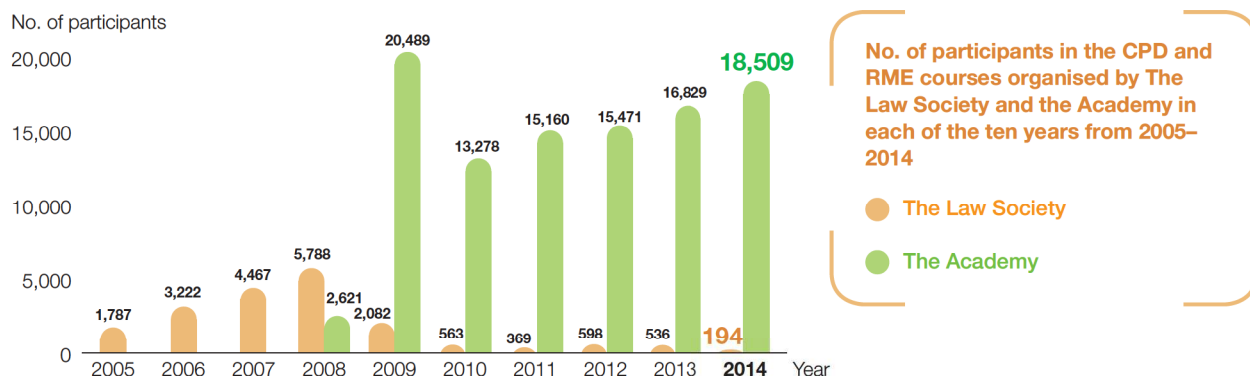
Joint Courses with other professions

To facilitate interaction with other professions and government departments, The Law Society and the Academy jointly organised courses of common interest with the Bar Association and the Narcotics Division of the Security Bureau. Two such courses were held over the year and there were over 440 participants in these courses.



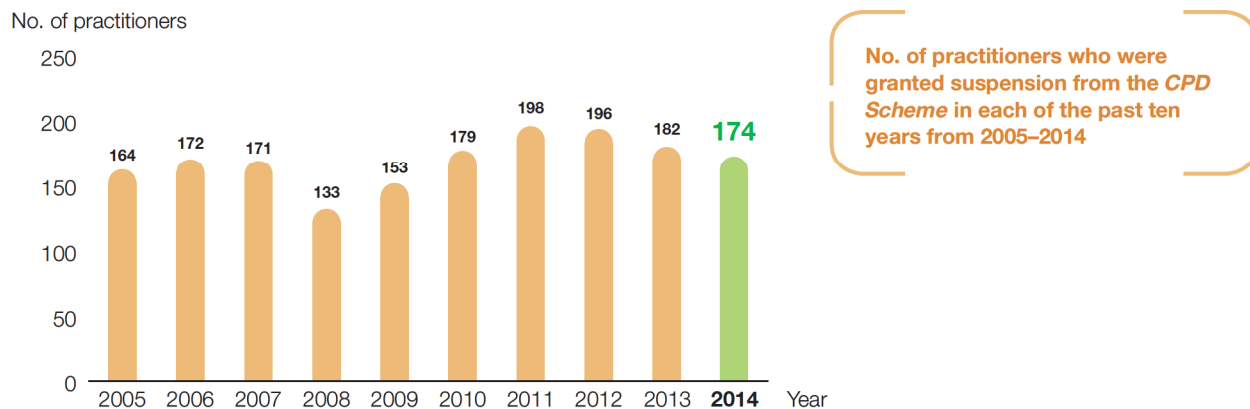
STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

The attendance rates of the participants in the CPD and RME courses organised by The Law Society and the Academy in each of the 10 years from 2005–2014 are as follows:



Pursuant to rule 9 of the *CPD Rules*, 174 practitioners were granted suspension from the *CPD Scheme* during the year.

The number of practitioners who were granted suspension from the *CPD Scheme* in each of the past 10 years from 2005–2014 are as follows:



668 Statements of Compliance with CPD/RME requirements were reviewed and CPD audit was conducted on 489 trainee solicitors and solicitors. Arising from general enquiries and reports made by practitioners on their own initiatives, 16 solicitors and 18 trainee solicitors were found to have failed to comply with the *CPD Rules*. All cases of default were referred to the Compliance Department to be dealt with in accordance with the Council's sanction policy.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

CPD COMMITTEE

The Committee met on one occasion. The issues considered by the CPD Committee in the meeting and by paper circulation included:

- (a) amendments to the 2013/14 *CPD Information Package* and the *CPD/RME Training Record Form*;
- (b) a retrospective application for CPD accreditation of an overseas course;
- (c) membership of *CPD Alliance*;
- (d) review of the annual CPD requirement for practitioners;
- (e) review of the CPD points awarded under *CPD Guideline 15* of the *CPD Information package*;
- (f) CPD points awarded to courses in mediation training;
- (g) amendments to the *CPD Information Package* to alert practitioners to the circumstances which may lead to nullity of the CPD suspension granted;
- (h) applications for exemption from CPD requirements;
- (i) an application for CPD accreditation of legal research;
- (j) guidelines for accreditation of skills courses; and
- (k) proposal to introduce a cap on the maximum number of CPD points for attending skills courses.

The Committee granted three full exemption from participation in the *CPD Scheme* to practitioners on the ground of age and three partial exemption from participation in the *CPD Scheme* to practitioners on fair and reasonable ground. The Committee also granted a partial exemption from participation in the *CPD Scheme* to a trainee solicitor whose term of trainee solicitor contract had been reduced from the standard two-year period.

Members of the Committee:

Sylvia W.Y. SIU (*Chair*)

Douglas ARNER

Ram D. BIALA

Iris CHEUNG

Gerard W.H. CHUNG (*retired in June*)

Alex K.L. LAU

Alexandra D.W. LO

Michael A. OLESNICKY

Adamas K.S. WONG

Victor C.K. YAU (*retired in June*)

Secretary: Director of Standards & Development



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

CPD ACCREDITATION SUB-COMMITTEE

There were a total of 4,766 accredited courses this year, compared with 4,712 courses in 2013. In terms of applications, 1,168 of the 4,766 courses were accredited on a course-by-course basis and 3,088 were accredited under the Provider Accreditation Scheme. The remaining 510 courses were conducted by The Law Society and the Academy. In terms of course providers, 23 of the 4,766 courses were provided by The Law Society, 509 were provided by the Academy, of which 388 were provided under the *RME Programme*, 469 were provided by commercial providers, and the remaining 3,765 were provided by in-house providers such as universities, professional bodies and law firms.

Apart from dealing with the applications for accreditation of the courses by paper circulation, the Sub-Committee met on one occasion to consider, inter alia, the irregularities of course providers, applications for renewal of accredited provider status and accreditation of skills courses.

The Sub-Committee accredited three new providers under the Provider Accreditation Scheme during the year. The total number of accredited providers was 58 as at the end of the year. The Sub-Committee approved nine postgraduate or other law courses and 13 legal journals and books, 88 legal researches, and accredited six committees and working parties for the purpose of compliance with the CPD requirements during the year.

Members of the Sub-Committee continued to monitor the standard of accredited CPD courses by reviewing course evaluation records and attending selected accredited courses. 39 courses were monitored during the year.

Members of the Sub-Committee:

Sylvia W.Y. SIU (*Chair*)
Douglas ARNER
Ram D. BIALA
Simon M.Y. CHAN
Francis K.W. CHEN
Johnny C.M. FEE
John D.S. HO

Stephen W.K. LAU
Albert K.M. LEUNG
Clara G.Y. LI (*resigned in January*)
Christie K.S. MOK
Christopher H.W. SO
WAN Charn Wing
Sandy H.Y. WONG

Secretary: Acting Assistant Director, Professional Development

FOREIGN LAWYERS COMMITTEE

There were 216 candidates sitting the 2014 *OLQE*.

The Committee convened nine meetings. The Law Society dealt with 149 applications for exemption from sitting all or part of the 2014 *OLQE* in accordance with the guidelines issued by The Law Society, 113 applications for eligibility to sit or re-sit the *OLQE* and one application for admission as a solicitor.

Members of the Committee attended a meeting of a Sub-committee established by the House Committee of the Legislative Council on the *Overseas Lawyers (Qualification for Admission) (Amendment) Rules 2014* ("Amendment Rules") in November to explain the *Amendment Rules* and to answer questions of the Subcommittee.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

The *OLQE Rules* as amended by the *Amendment Rules* came into effect on 2 January 2015. The Committee will review and issue a new Information Package including the exemption guidelines for sitting the 2015 *OLQE*.

Members of the Committee:

Angela W.Y. LEE (*Chair until September*)
Denis G. BROCK (*Chair from September*)
John C.K. CHAN
Philip M.J. CULHANE (*resigned in September*)
Alexander R. DE NERÉE TOT BABBERICH
(*joined in October*)
Hannah C.L. HA (*resigned in June*)

LI Huanting
Carmel A. NYE (*joined in October*)
SIN Ping Kwan (*joined in October*)
Rupert C. SKRINE
William August WILSON III (*joined in October*)

Secretary: Assistant Director, Regulation & Guidance

GUIDANCE COMMITTEE

The Committee met twice and dealt with nine enquiries from members and eight referrals from other Committees or Departments within the Secretariat on matters relating to professional conduct including the following in the meetings and by paper circulation:

- (a) grounds for withdrawal by solicitors during criminal proceedings;
- (b) setting up of a Hong Kong firm by a foreign firm which is not a branch of an overseas firm;
- (c) conflict of interest between different clients in separate divorce proceedings;
- (d) duty of confidentiality and legal professional privilege owed by a solicitor who is subject to a Securities and Futures Commission Notice;
- (e) conflict of interest between clients of three Associated law firms;
- (f) conflict of interest between clients of two Associated firms;
- (g) duty of confidentiality and factoring arrangement in an insurance policy;
- (h) referral fees paid by estate agents to solicitors;
- (i) matters arising out of pro bono legal services rendered by solicitors;
- (j) payment of fees for services rendered by overseas lawyers;
- (k) on-line payment of legal fees and clients' costs on account;
- (l) use of the title of "Accredited Mediator" by solicitors who have been removed from The Law Society's Panels of Mediators;
- (m) duty of confidentiality and conflict of interests between existing and former clients in divorce proceedings;
- (n) Toolkit on Directors' Ethics prepared by the Independent Commission Against Corruption;



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

- (o) suitability of a person who had criminal conviction for employment as a trainee solicitor;
- (p) setting up of an expert sourcing company by solicitors; and
- (q) informed consent by the relevant parties to waive breach of confidentiality.

Members of the Committee:

Amirali B. NASIR (<i>Chair until June</i>)	Patrick R. MOSS
Stephanie S.Y. CHEUNG (<i>Chair from October</i>)	Amirali B. NASIR (<i>joined in October</i>)
James J. BERTRAM	Kenneth S.Y. NG
Victor K.S. CHIU	Gregory D. PAYNE (<i>joined in April</i>)
Richard CULLEN (<i>resigned in February</i>)	SHUM Ka Ming (<i>joined in October</i>)
Alex K.I. I AU	Johnson M.H. TSANG
Joseph C.W. LI (<i>resigned in January</i>)	Benny Y.B. YEUNG

Secretary: Assistant Director, Regulation & Guidance

LEGAL EDUCATION COMMITTEE

The Committee convened three meetings including one joint meeting with the Working Party on Common Entrance Examination. It considered the following:

- (a) consultation document on the Common Entrance Examination (“CEE”);
- (b) appointment of External Examiners of CityU, CUHK and HKU;
- (c) term of office of External Examiners;
- (d) complaints against PCLL;
- (e) amendments to the Professional Diploma for Legal Executives course proposed by IVE and amendments to the Advanced Diploma in Legal Studies (Professional Stream) course proposed by HKU SPACE;
- (f) chairmanship and membership of the PCLL Academic Board of CityU;
- (g) terms of reference and membership of the Committee;
- (h) responses to the consultation, comments of the consultants on the responses and draft report of the consultants; and
- (i) comprehensive study on legal education and training proposed by the Standing Committee on Legal Education and Training (“SCLET”).

A sharing session with the interns of law firms was organised in July. Senior legal practitioners in different fields were invited to share their valuable experiences with new entrants to the profession. About 117 participants took part in the sharing session.

Past Presidents of The Law Society served as representatives of The Law Society on SCLET, which met on four occasions. The Secretary of the Committee continued to serve as Secretary of SCLET and as Secretary of the Sub-Committee of the Standing Committee on English Language Proficiency.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Members of the Committee:

Stephen W.S. HUNG (*Chair*)
Bonita B.Y. CHAN
Michael P.K. CHAN (*joined in December*)
Nick CHAN
Charles C.C. CHAU (*resigned in October*)
John J. CLANCEY
HA Yiu Fai

Nancy B.Y. LEUNG
Isaac S.L. TAM (*resigned in March*)
Michelle W.T. TSOI (*joined in December*)
Adrian K.M. WONG
Kenny K.S. WONG (*joined in December*)
Felix K.Y. YAU

Secretary: Director of Standards & Development

MEDIATOR ADMISSION COMMITTEE

The Committee convened five meetings.

The Committee considered the following in the meetings:

- (a) draft mediator admission scheme;
- (b) retention of the title of “Accredited Mediator” and “Admitted Mediator” by solicitors who have been removed from the Panels of Mediators and Family Mediation Supervisors;
- (c) applications for renewal of membership on the Panels of General and Family Mediators and Family Mediation Supervisors;
- (d) accreditation requirements of family mediators in other jurisdictions; and
- (e) CPD points in mediation training and amendments to the *CPD Information Package*.

The *Mediator Accreditation Scheme* was formally launched in August 2005. The Law Society joined Hong Kong Mediation Accreditation Association Ltd. (“HKMAAL”) as a Founder Member and HKMAAL commenced operation on 2 April 2013. HKMAAL resolved that all Founder Members including The Law Society should stop conducting its stage 2 mediator assessments by 15 July 2013 and accredit applicants as mediators by 15 September 2013. Thereafter, all accreditation of mediators must be conducted by HKMAAL.

The Law Society is considering a mediator admission scheme to enable those mediators accredited by HKMAAL since September 2013 to apply for admission to The Law Society’s Panels.

As of the end of the year, there were 225 solicitors on the Panel of General Mediators, 46 solicitors on the Panel of Family Mediators and 11 solicitors on the Panel of Family Mediation Supervisors.

55 applications for renewal of membership on the Panel of General Mediators, 11 applications for renewal of membership on the Panel of Family Mediators and one application for renewal of membership on the Panel of Family Mediation Supervisors were processed. Audit on 13 cases was conducted. 57 applications for renewal were approved.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Members of the Committee:

Cecilia K.W. WONG (*Chair*)
Michael H. BECKETT
CHAN Bing Woon

Junius K.Y. HO
Maureen E. MUELLER
Jody K.Y. SIN

Secretary: Director of Standards & Development

OLQE COMMITTEE

The Committee met on two occasions including a joint meeting with the Chief Examiner and Examination Panel Convenors and Examiners.

The issues considered by the Committee in the meetings and by paper circulation included:

- (a) results of the 2013 *OLQE*;
- (b) feedback of the candidates on the 2013 *OLQE*;
- (c) the format and the logistical arrangements for the 2014 *OLQE*;
- (d) the 2014 *OLQE Information Package* and related documentation;
- (e) appointment of the Chief Examiner, Examiners and Panel Convenors and their fees;
- (f) the syllabus and reading list of each head of the *OLQE*;
- (g) applications for special arrangements to sit the *OLQE*;
- (h) the procedures for handling applications for review of the examination results;
- (i) the structure of the Head IV examination paper; and
- (j) establishment of a Head VI Panel, appointment of its Convenors and Examiners for the 2015 *OLQE*.

Members of the Committee:

John R. BUDGE (*Chair*)
Eugene C. GREGOR
Mark LIN

Arthur McINNIS
Sylvia W.Y. SIU
Donna L. WACKER

Secretary: Director of Standards & Development

Convenors and Members of the *OLQE* Panels:

HEAD I : Conveyancing

Myrette J. FOK (*Convenor*)
Wilson W.S. CHOW (*joined in February*)
Alisa W.C. KWAN
Alexander H.S. LEUNG
Michael LOWER
George S.K. NGAI
Simon J. REID-KAY



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

HEAD II : Civil and Criminal Procedure

James E. JAMISON (*Convenor*)
Amanda WHITFORT (*Convenor*)
Melville T.C. BOASE
William S. CLARKE
Christopher ELLIS
Louis K.L. FUNG
Julienne JEN
Nancy B.Y. LEUNG
Martin D. ROGERS
Bernard K.F. SIU

HEAD III : Commercial and Company Law

Mark J. STEVENS (*Convenor*)
Mary W.Y. AU-YUENG
Felix W.H. CHAN
Peter C.H. CHAN (*joined in June*)
Shirley S.L. CHUA
Dennis H.F. HIE
Michelle P.Y. LIU (*joined in August*)
Alexandra D.W. LO
Daphne F.Y. LO (*joined in August*)
Thelma TONG (*resigned in July*)
Adrian K.M. WONG

HEAD IV : Accounts and Professional Conduct

Colin B. COHEN (*Convenor*)
Michael WILKINSON (*Convenor*)
Adrian J. HALKES
Ludwig S.W. NG
Peter K.P. SIT

HEAD V : Principles of Common Law

Michael C. JENKINS (*Convenor*)
Adrian K.M. WONG (*Convenor*)
Shirley S.L. CHUA
Julianne P. DOE
Alex K.L. LAU
Anthony F. NEOH, S.C.
Peter F. RHODES

OLQE

The 20th OLQE was held from 28 October to 11 November. A total of 216 candidates sat one or more written heads of the Examination. 207 candidates were from 19 overseas jurisdictions, six of which were non-common law jurisdictions. Nine candidates were Hong Kong barristers.

Of the 216 candidates, 127 candidates (59%) passed the Examination, having passed each of the heads that they were required to sit. 89 candidates (41%) failed the Examination, having failed one or more of the heads that they were required to sit. Seven candidates registered to sit the Head V Examination but none of them passed all the written heads they were required to sit to qualify for taking the Head V examination paper.

STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Figure 1: Examination results with respect to each head of the Examination

	Head I		Head II		Head III		Head IV		Head V		The Exam	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Pass	134	73	46	75	46	77	49	52	0	0	127	59
Fail	50	27	15	25	14	23	45	48	0	0	89	41
Total	184		61		60		94		0		216	

Written Heads

Head I	Conveyancing
Head II	Civil and Criminal Procedure
Head III	Commercial and Company Law
Head IV	Accounts and Professional Conduct

Oral Head:

Head V	Principles of Common Law
--------	--------------------------

Figure 2: Jurisdictions of the candidates

Jurisdictions		Number of Candidates	Percentage*
1	Australia	40	18.5
2	Belgium ¹	1	0.5
3	Canada	2	0.9
4	England and Wales	58	26.9
5	Hong Kong ²	9	4.2
6	India	3	1.4
7	Israel	1	0.5
8	Italy ¹	2	0.9
9	Japan ¹	2	0.9
10	Mainland China ¹	20	9.3
11	Malaysia	1	0.5
12	New Zealand	7	3.2
13	Pakistan	1	0.5
14	Quebec ¹	1	0.5
15	Scotland	1	0.5
16	Singapore	13	6.0
17	Republic of South Africa	1	0.5
18	Sri Lanka	1	0.5
19	Sweden ¹	1	0.5
20	U.S.A.	51	23.6
Total		216	

¹ Non-common law jurisdiction

² Barrister

* The percentages have been calculated to the nearest decimal point. Therefore the aggregation of the percentages may not add up to 100%.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

RME COMMITTEE

The Committee oversees the administration of the *RME Programme* which aims at raising the awareness of risk issues and promoting good risk management of legal practice.

Since its implementation in November 2004, the *RME Programme* has been in operation for over 10 years extending its application gradually to all Hong Kong solicitors practising as sole practitioners, partners, associates, consultants, trainee solicitors, and registered foreign lawyers working in Hong Kong law firms.

With the establishment of the Academy, the RME courses are all offered through the Academy.

Eight Module 1A, eight Module 1B, six Module 2A and six Module 2B of principals' core courses, five Module 1 and five Module 2 of non-principals' core courses, 13 Module 1 and 13 Module 2 of registered foreign lawyers' core courses, 23 Module 1 and 23 Module 2 of trainee solicitors' core courses, 23 compulsory first elective courses for trainee solicitors, and 234 elective courses were held during the year. The Committee monitored closely the evaluation of these courses by the course participants.

RME electives have since 1 November 2008 been offered free of charge to those participants who have to fulfil their RME obligations in the relevant RME practice year and who have not attended any other RME electives during that year. Free core courses have also been offered by the Academy to all trainee solicitors since 1 November 2009. With effect from 1 November, to mark the 10th Anniversary of the *RME Programme*, the principals' core courses, non-principals' core courses, registered foreign lawyers' core courses and the compulsory first elective courses for trainee solicitors are also offered free of charge. Accordingly, with effect from 1 November, all courses within the *RME Programme* are offered free to participants.

RME courses are generally conducted in English. However, since 2010 the Academy has offered RME core courses in Putonghua to registered foreign lawyers.

The RME Committee convened one meeting during the year. Matters considered by the Committee in the meeting and by paper circulation included:

- (a) the appointment of part-time RME course tutors;
- (b) review of the progress in updating the *RME Programme* and developing new electives;
- (c) amendments to the Application Forms for Renewal of Registration as a Foreign Lawyer;
- (d) amendments to the *RME Information Package*;
- (e) applications for exemption from complying with the RME requirements; and
- (f) topics for new RME elective courses.

The Committee considered 85 applications for exemption from complying with the RME requirements pursuant to rule 8A of the *Legal Practitioners (RME) Rules*.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Members of the Committee:

Cecilia K.W. WONG (*Chair*)
CHUNG Lai Ming
Warren P. GANESH

Alex K.L. LAU
Joseph C.W. LI

Secretary: Director of Standards & Development

RME ACCREDITATION SUB-COMMITTEE

The Sub-Committee is tasked with the responsibility to review applications for accreditation of RME course providers, courses and activities in accordance with the accreditation criteria.

The Sub-Committee considered 83 applications for accreditation and accredited 50 elective courses offered by law firms and other institutions and 18 elective courses offered by commercial providers.

Course provider accreditation for RME elective courses was introduced in 2007. The Sub-Committee considered 10 applications for renewal of accredited providers status, and one new application for accreditation as a provider. 11 law firms accredited as RME elective course providers offered a total of 123 in-house elective courses during the year.

The Sub-Committee also considered one application for writing article and two applications for conducting legal research for accreditation as RME elective activities.

Members of the Sub-Committee:

Joseph C.W. LI (*Chair*)
CHUNG Lai Ming
Heather DOUGLAS

Christopher KNIGHT
Alan M.B. LAM

Secretary: Director of Standards & Development

WORKING PARTY ON SOLICITOR CORPORATION RULES

The Working Party convened two meetings to consider:

- (a) consequential amendments to the *SPI Rules*;
- (b) questions raised by the Department of Justice ("DOJ") on the *Practising Certificate (Special Conditions) Rules*;
- (c) Part 5 of the *Statute Law (Miscellaneous Provisions) Bill 2014*; and
- (d) top-up professional indemnity insurance and identification of the overall supervising partner in a solicitor corporation.



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Members of the Working Party attended a meeting of the Panel on Administration of Justice and Legal Services of the Legislative Council in May to discuss the progress of the implementation of the *Solicitor Corporation Rules*, the consequential amendments to *LPO* and its subsidiary legislation, consumer protection, whether it was necessary for top-up profession indemnity insurance and notification to clients of the identity of the overall supervising partner in a solicitor corporation.

Members of the Working Party:

Junius K.Y. HO (*Chair*)

Anthony W.K. CHOW

IP Shing Hing

Frederick K.C. KAN

Christopher E. LAMBERT

Joseph C.W. LI

Ivan C.K. NG

Peter K.P. SIT

Cecilia K.W. WONG

Secretary: Director of Standards & Development

WORKING PARTY ON COMMON ENTRANCE EXAMINATION (“CEE”)

The Working Party conducted two fora, one in January for members of The Law Society and the other in February for students, to explain the purpose of the consultation on CEE, to answer questions raised on the consultation, and to solicit views of the members and students. A total of 180 participants attended the two fora.

The Working Party conducted one joint meeting with the Legal Education Committee to consider the responses to the consultation on the CEE, and the comments of the consultants on the responses.

Members of the Working Party:

Stephen W.S. HUNG (*Chair*)

Bonita B.Y. CHAN

Charles C.C. CHAU (*resigned in October*)

Anthony W.K. CHOW

CHUI Pak Ming

HA Yiu Fai

Lester G. HUANG

Nadine LAI

Felix K.Y. YAU

Dieter YIH

Secretary: Director of Standards & Development

WORKING PARTY ON PRACTISING CERTIFICATE (SPECIAL CONDITIONS) RULES (“SPECIAL CONDITIONS RULES”)

The Working Party held one meeting to discuss the proposed amendments to the *Special Conditions Rules* and the incidental amendments to the *SPR* prepared by the DOJ. Upon conclusion of the legislative drafting exercise in consultation with DOJ, The Law Society will apply to the Chief Justice for his final approval of the proposed amendments.

STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT

Members of the Working Party:

Joseph C.W. LI (*Chair*)
IP Shing Hing
Thomas S.T. SO

Dieter YIH
Margot TUNG

Secretary: Assistant Director, Regulation and Guidance

WORKING PARTY TO VET THE CHINESE TRANSLATION OF THE GUIDE

The newly formed Working Party is tasked with vetting the Chinese translation of the *Conduct Guide* and it held one meeting.

The Working Party took note and agreed that the Chinese translation of the *Conduct Guide* was for reference only. In the event of any discrepancy between the English and Chinese versions of the *Conduct Guide*, the English version shall prevail.

The Working Party has so far reviewed the Chinese translations of the Foreword, Chapters 3, 5, 6, 7, 8, 9 and 10 of the *Conduct Guide*. Upon completion of the review, the Chinese translation of the *Conduct Guide* will be submitted to the Standing Committee and the Council for approval.

Members of the Working Party:

Huen WONG (*Chair*)
Joseph C.W. LI

Amirali B. NASIR
Tony Y.H. YEN

Secretary: Assistant Director, Regulation & Guidance



Standards and Development Department



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

ADVISORY COMMITTEE ON CODE OF PRACTICE FOR RECOGNISED CERTIFICATION AUTHORITIES

Pamela F. KU

ADVISORY GROUP ON MODERNISATION OF CORPORATE INSOLVENCY LAW

Keith M.K. HO

BUSINESS OF INTELLECTUAL PROPERTY ASIA STEERING COMMITTEE

Rebecca M.C. LO
Kenny K.S. WONG

CADASTRAL SURVEY CONSULTATIVE COMMITTEE

E. John DAVISON

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Ambrose S.K. LAM

CITY UNIVERSITY OF HONG KONG — PCLL ACADEMIC BOARD

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Joseph C.W. LI
Sylvia W.Y. SIU
Huen WONG
Dieter YIH (*until 31 August 2014*)

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COMPETITION TRIBUNAL USERS' COMMITTEE

Kenneth S.Y. NG

COSTS COMMITTEE

Brian W. GILCHRIST
Stephen W.S. HUNG
Ambrose S.K. LAM (*until 19 August 2014*)
Dieter YIH
Thomas S.T. SO



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

COURT OF FINAL APPEAL RULES COMMITTEE

Brian W. GILCHRIST
Thomas S.T SO

CRIMINAL PROCEDURE RULES COMMITTEE

Kenneth H.S NG

CSD/LAW SOCIETY LIAISON COMMITTEE

Bucky K.H. CHAN
Paul M.W. LI
Kenneth H.S. NG
Anthony R. UPHAM (*until June 2014*)

DEPARTMENT OF JUSTICE — MEDIATION TASK FORCE

John R. BUDGE

DEPARTMENT OF JUSTICE — STEERING COMMITTEE ON MEDIATION

Thomas S.T. SO

DEPARTMENT OF JUSTICE — WORKING GROUP ON CLASS ACTION

Huen WONG

DISTRICT COURT RULES COMMITTEE

Denis G. BROCK

DUTY LAWYER SERVICE COUNCIL

Sun Wai BUT
Bucky K.H. CHAN
Stephen W.S. HUNG
Joseph C.W. LI
Cecilia K.W. NG

HIGH COURT RULES COMMITTEE

D. Nigel FRANCIS
Brian W. GILCHRIST

HIGHER RIGHTS ASSESSMENT BOARD

Brian W. GILCHRIST
Lester G. HUANG
Stephen W.S. HUNG



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HONG KONG COUNCIL OF VOLUNTEERING

Melissa K. PANG

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Huen WONG

HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS — ETHICS COMMITTEE

Amirali B. NASIR

HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS — INVESTIGATION PANEL

Sylvia W.Y. SIU

HONG KONG INTERNATIONAL ARBITRATION CENTRE — APPOINTMENT ADVISORY BOARD

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HONG KONG INTERNET REGISTRATION CORPORATION LIMITED

Steven K. LEE

HONG KONG LEGISLATION DATABASE USER LIAISON GROUP

Stephen W.S. HUNG

HONG KONG MEDIATION ACCREDITATION ASSOCIATION LIMITED

Cecilia K.W. WONG

Dieter YIH

HONG KONG MEDIATION ACCREDITATION ASSOCIATION LIMITED — MEDIATION ACCREDITATION COMMITTEE

Cecilia K.W. WONG



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

HONG KONG MEDIATION ACCREDITATION ASSOCIATION LIMITED — COMMUNICATIONS AND PUBLICITY COMMITTEE

Sylvia W.Y. SIU

HONG KONG TRADE DEVELOPMENT COUNCIL — PROFESSIONAL SERVICES ADVISORY COMMITTEE

Huen WONG

INTELLECTUAL PROPERTY DEPARTMENT — FOCUS GROUP ON REVIEW OF THE PATENT SYSTEM IN HONG KONG

Kenny K.S. WONG (*from November 2014*)

Henry J.H. WHEARE (*from November 2014*)

INTERNATIONAL BAR ASSOCIATION — BAR ISSUES COMMISSION

Heidi K.P. CHU

Stephen W.S. HUNG

Ambrose S.K. LAM

INTERNATIONAL BAR ASSOCIATION — BAR ISSUES COMMISSION POLICY COMMITTEE

Ambrose S.K. LAM

INTERNATIONAL BAR ASSOCIATION — COUNCIL

Stephen W.S. HUNG

Ambrose S.K. LAM

INTERNATIONAL BAR ASSOCIATION — YOUNG LAWYERS' COMMITTEE NATIONAL REPRESENTATIVE

Nadine LAI

JOINT LIAISON COMMITTEE ON TAXATION

Simon J.G. REA

William A. THOMSON

JOINT MEDIATION HELPLINE OFFICE

Sylvia W.Y. SIU (*from December 2014*)

Cecilia K.W. WONG

Huen WONG (*until November 2014*)



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

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Huen WONG

JUDICIARY — CIVIL JUSTICE REFORM MONITORING COMMITTEE

Brian W. GILCHRIST

JUDICIARY — WORKING GROUP ON CHILDREN AND ANCILLARY RELIEF PROCEDURES IN FAMILY PROCEEDINGS

Dennis C.K. HO

JUDICIARY — WORKING PARTY ON MEDIATION

Cecilia K.W. WONG

LAND REGISTRY CUSTOMER LIAISON GROUP (PRIVATE SECTOR)

AU Kin Man
AU Man Chun
Alson CHAI
LAM Man Yee
Billy W.Y. MA
WONG Yee Mei

LAND REGISTRY JOINT STANDING COMMITTEE

Ambrose S.K. LAM (*until July 2014*)
Sylvia W.Y. SIU (*from July 2014*)
Emily Y.M. LAM
Vincent W.S. LIANG
Andy O.T. NGAN

LAND SURVEY ORDINANCE (CH.473) DISCIPLINARY BOARD PANEL

Amirali B. NASIR

LAND TITLES ORDINANCE STEERING COMMITTEE

E. John DAVISON
Vincent W.S. LIANG

LAWASIA COUNCIL

Melissa K. PANG
Huen WONG



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

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LEGAL AID SERVICES COUNCIL

Joseph C.W. LI

Billy W.Y. MA

LEGAL AID SERVICES COUNCIL — INTEREST GROUP ON SCOPE OF LEGAL AID AND INTEREST GROUP ON PROCESSING, ASSIGNMENT AND MONITORING OF ASSIGNED-OUT CASES

Patrick M. BURKE

Rebecca HO

LEGAL AID SERVICES COUNCIL — WORKING PARTY ON FUNDAMENTAL ISSUES

Junius K.Y. HO (*until November 2014*)

Ambrose S.K. LAM (*until November 2014*)

MR. JUSTICE PICKERING MEMORIAL FUND

Billy W.Y. MA

OFFICIAL RECEIVER'S OFFICE SERVICES ADVISORY COMMITTEE

Junius K.Y. HO

Keith M.K. HO

ORGANISING COMMITTEE OF THE 2013/2014 FAMILY-FRIENDLY EMPLOYERS AWARD SCHEME

Sylvia W.Y. SIU

POLICE/LAW SOCIETY LIAISON COMMITTEE

BUT Sun Wai

Junius K.Y. HO

Ambrose S.K. LAM

MA Shiu Ngok

Melissa K. PANG

Kevin STEEL

Anthony UPHAM (*until June 2014*)



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

SOCIAL WORKERS REGISTRATION BOARD — ASSESSMENT PANEL

C.M. CHAN

STANDING COMMITTEE ON LEGAL EDUCATION AND TRAINING

Vivien LEE
Huen WONG
Dieter YIH

STEERING COMMITTEE ON THE PROVISION OF LEGAL ADVICE FOR LITIGANTS IN PERSON

Stephen W.S. HUNG

SUBCOMMITTEES OF THE PCLL ACADEMIC BOARD OF THE UNIVERSITY OF HONG KONG

(i) ADMISSION SUBCOMMITTEE

Stephen W.S. HUNG

(ii) CURRICULUM SUBCOMMITTEE

Nick CHAN

(iii) HUMAN RESOURCES SUBCOMMITTEE

Felix K.Y. YAU

SUB-COMMITTEE OF THE STANDING COMMITTEE ON LEGAL EDUCATION AND TRAINING ON ENGLISH LANGUAGE PROFICIENCY

Huen WONG

THE CHINESE UNIVERSITY OF HONG KONG-PCLL ACADEMIC BOARD

Stephen W.S. HUNG
Huen WONG

THE HONG KONG COALITION OF SERVICE INDUSTRIES — EXECUTIVE COMMITTEE

Ambrose S.K. LAM (*until August 2014*)
Stephen W.S. HUNG (*from August 2014*)



LAW SOCIETY REPRESENTATIVES ON STATUTORY OR OFFICIAL COMMITTEES

THE HONG KONG INSTITUTE OF ARCHITECTS — ADVISORY BOARD

Joseph C.W. LI

THE HONG KONG INSTITUTE OF SURVEYORS — ADVISORY BOARD

Joseph C.W. LI

THE JOINT PROFESSIONAL CENTRE LIMITED

Heidi K.P. CHU

Sylvia W.Y. SIU

THE UNIVERSITY OF HONG KONG — BOARD OF FACULTY OF LAW

Ambrose S.K. LAM

THE UNIVERSITY OF HONG KONG — PCLL ACADEMIC BOARD

Nick CHAN

HA Yiu Fai

Stephen W.S. HUNG

Felix K.Y. YAU

WORKING GROUP ON THE REVIEW OF CRIMINAL LEGAL AID FEES SYSTEM

Kenneth H.S. NG

Stephen H.S. HUNG

YOUNG COALITION PROFESSIONAL GROUP OF THE HONG KONG COALITION OF PROFESSIONAL SERVICES

Bonnie J.Y. CHAN

Charles C.C. CHAU (*until November 2014*)



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAW SOCIETY OF HONG KONG

(Incorporated in Hong Kong and limited by guarantee)

We have audited the financial statements of The Law Society of Hong Kong ("the Society") set out on pages 195 to 217, which comprise the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Council Members' responsibility for the financial statements

The Council Members of the Society are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance and for such internal control as the Council Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 80 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAW SOCIETY OF HONG KONG

(Incorporated in Hong Kong and limited by guarantee)

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Society's affairs as at 31 December 2014 and of its surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

31 March 2015

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2014
(Expressed in Hong Kong dollars)

	Note	2014	2013
Income	3	\$ 88,972,155	\$ 85,931,367
Staff costs	4(a)	(47,345,680)	(45,580,409)
Office expenses	4(b)	(5,285,883)	(4,981,658)
Depreciation	7	(2,524,798)	(2,459,958)
Members' expenses	4(c)	(6,628,899)	(6,021,247)
Other operating expenses	4(d)	(22,068,779)	(22,919,744)
Surplus before taxation	4	\$ 5,118,116	\$ 3,968,351
Income tax	6(a)	(531,025)	(407,639)
Surplus and total comprehensive income for the year		\$ 4,587,091	\$ 3,560,712

The notes on pages 199 to 217 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

At 31 December 2014

(Expressed in Hong Kong dollars)

	Note	2014	2013
Non-current assets			
Property, plant and equipment	7	\$ 88,851,696	\$ 90,481,178
Investments in subsidiaries	8	22	22
Deferred tax assets	13(b)	612,742	672,941
		\$ 89,464,460	\$ 91,154,141
Current assets			
Deposits, prepayments and other receivables	9	\$ 3,163,498	\$ 6,790,087
Amounts due from related companies	10	3,680,915	3,475,738
Amounts due from subsidiaries	10	338,135	288,700
Cash and deposits with banks	11	199,455,318	187,188,963
Current tax recoverable	13(a)	—	1,215,276
		\$ 206,637,866	\$ 198,958,764
Current liabilities			
Membership, practising certificate and other fees received in advance		\$ 54,964,538	\$ 52,782,239
Creditors and accrued charges	12	8,968,539	9,793,249
Current tax payable	13(a)	44,741	—
		\$ 63,977,818	\$ 62,575,488
Net current assets		\$ 142,660,048	\$ 136,383,276
Net assets		\$ 232,124,508	\$ 227,537,417
Representing:			
Accumulated surpluses		\$ 232,124,508	\$ 227,537,417

Approved and authorised for issue by the Council on 31 March 2015.

STEPHEN W.S. HUNG)	
THOMAS S.T. SO)	Council Members
)	
)	
HEIDI CHU)	Secretary General
)	

The notes on pages 199 to 217 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014
(Expressed in Hong Kong dollars)

	2014	2013
Balance at 1 January	\$ 227,537,417	\$ 223,976,705
Surplus and total comprehensive income	4,587,091	3,560,712
Balance at 31 December	\$ 232,124,508	\$ 227,537,417

The notes on pages 199 to 217 form part of these financial statements.

CASH FLOW STATEMENT

For the year ended 31 December 2014
(Expressed in Hong Kong dollars)

	Note	2014	2013
Operating activities			
Cash generated from operations	11(b)	\$ 10,448,588	\$ 10,473,348
Hong Kong profits tax refunded/(paid)		789,191	(2,089,242)
Net cash generated from operating activities		\$ 11,237,779	\$ 8,384,106
Investing activities			
Decrease in deposits with banks with maturity of more than three months at acquisition		\$ 14,363,090	\$ 63,778,292
Interest received		1,923,892	1,521,915
Payment for the purchase of property, plant and equipment		(895,316)	(396,999)
Net cash generated from investing activities		\$ 15,391,666	\$ 64,903,208
Net increase in cash and cash equivalents		\$ 26,629,445	\$ 73,287,314
Cash and cash equivalents at 1 January	11(a)	132,262,968	58,975,654
Cash and cash equivalents at 31 December	11(a)	\$ 158,892,413	\$ 132,262,968

The notes on pages 199 to 217 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

1 Status of the Society

The Society is a company limited by guarantee with no share capital. The liability of each member is limited to an amount not exceeding \$50. As at 31 December 2014, the Society had 9,422 members (2013: 8,967).

2 Significant accounting policies

(a) Statement of compliance

These financial statements comply with the applicable requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with the transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance.

The Society has not prepared consolidated financial statements as the Council Members consider that the Society's subsidiaries, which constituted 0.2% and 1.4% of the net assets at the end of the reporting period and surplus for the year of the Society, respectively, are immaterial, and the Council Members consider that such consolidated financial statements would be of no real value to the members of the Society in view of the insignificant amounts involved.

For the purposes of compliance with section 78 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), with reference to sections 122 and 123 of the predecessor Hong Kong Companies Ordinance (Cap. 32), these financial statements have been prepared to present a true and fair view of the state of affairs and income and expenditure of the Society only. Consequently, they have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong and the requirements of the predecessor Hong Kong Companies Ordinance (Cap. 32) which apply to the preparation of separate unconsolidated financial statements.

These financial statements do not comply with HKFRS 10, *Consolidated financial statements*, so far as the preparation of consolidated financial statements is concerned. As a consequence, the financial statements do not give all the information required by HKFRS 10 about the economic activities of the group of which the Society is the parent. Full compliance with HKFRS 10 would require the Society to produce consolidated financial statements which disclose this information, as the Society does not have a parent which produces consolidated financial statements which are available for public use.

A summary of the significant accounting policies adopted by the Society is set out below.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

2 Significant accounting policies (Continued)

(a) Statement of compliance (Continued)

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Society. Of these, none of them is relevant to the Society's financial statements.

The Society has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Subsidiaries

Subsidiaries are entities controlled by the Society. The Society controls an entity when it is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Society has power, only substantive rights (held by the Society and other parties) are considered.

In the Society's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(f)).

(d) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses (see note 2(f)).

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

2 Significant accounting policies (Continued)

(d) Property, plant and equipment (Continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Leasehold land classified as being held for own use under a finance lease is depreciated over the unexpired terms of lease;
- Buildings situated on leasehold land are depreciated over the shorter of their estimated useful lives, being 25 years from the date of purchase, and the unexpired terms of lease;
- Furniture, fixtures and equipment 3–5 years
- Leasehold improvements 5 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

(e) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Society determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Assets that are held by the Society under leases which transfer to the Society substantially all the risks and rewards of ownership are classified as being held under a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to the Society are classified as operating leases.

Where the Society has the use of other assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

2 Significant accounting policies (Continued)

(f) Impairment of assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment; and
- investments in subsidiaries.

If any such indication exists, the asset's recoverable amount is estimated.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses are recognised to reduce the carrying amount of the asset or assets in the cash-generating unit on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal, or value in use, if determinable.

(iii) Reversal of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

2 Significant accounting policies (Continued)

(g) Disciplinary proceedings and ancillary costs

Disciplinary proceedings and ancillary costs are recognised in profit or loss in the year in which they are incurred. Whilst every effort is made by the Society to secure reimbursement of such amounts, due to the uncertainty as to whether such costs will be recovered by reference to the provisions of section 25(1) of the Legal Practitioners Ordinance, reimbursements of such costs are recognised in profit or loss only to the extent that they have been received. Also included in the financial statements under this heading are the costs incurred in respect of interventions within solicitors' practices. Such costs are only recoverable from the solicitors concerned and, in view of their nature, such costs are unlikely to be recovered in full.

(h) Deposits, prepayments and other receivables

Deposits, prepayments and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

Impairment losses for bad and doubtful debts are recognised when there is objective evidence of impairment and are measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the asset's original effective interest rate where the effect of discounting is material. Objective evidence of impairment includes observable data that comes to the attention of the Society about events that have an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor.

Impairment losses for receivables whose recovery is considered doubtful but not remote are recorded using an allowance account. When the Society is satisfied that recovery is remote, the amount considered irrecoverable is written off against receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(i) Creditors and accrued charges

Creditors and accrued charges are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

2 Significant accounting policies (Continued)

(k) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(l) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in profit or loss or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

(m) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Society has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

2 Significant accounting policies (Continued)

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Society and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit or loss as follows:

- (i) Annual membership subscriptions, practising certificate fees, registration fees and other fees are recognised on a time-apportioned basis over the period to which they relate.
- (ii) Tuition fees for continuing professional development are recognised over the period of instruction.
- (iii) Interest income from bank deposits is recognised as it accrues using the effective interest method.

(o) Related parties

- (a) A person, or a close member of that person's family, is related to the Society if that person:
 - (i) has control or joint control over the Society;
 - (ii) has significant influence over the Society; or
 - (iii) is a member of the key management personnel of the Society or the Society's parent.
- (b) An entity is related to the Society if any of the following conditions applies:
 - (i) The entity and the Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Society or an entity related to the Society.
 - (vi) The entity is controlled or jointly-controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

3 Income

The principal activity of the Society is to act as the professional and regulatory body for solicitors in Hong Kong.

Income consists of:

	Note	2014	2013
Annual membership fees		\$ 7,372,800	\$ 7,008,000
Practising certificate fees		41,045,000	38,965,000
Foreign lawyer registration fees		14,359,500	13,950,000
Foreign law firm registration fees		1,302,500	1,249,000
Other fees	3(a)	8,824,355	8,015,173
Disciplinary proceedings and ancillary costs reimbursed	2(g)	4,574,711	6,387,906
Continuing professional development		1,732,278	1,959,808
Miscellaneous income	3(b)	7,837,119	6,874,565
Bank interest income	11(b)	1,923,892	1,521,915
		\$ 88,972,155	\$ 85,931,367

- (a) Other fees include fees received for applications for waivers from compliance with guidelines on drafting Deeds of Mutual Covenant, applications and registration for examinations and applications for certificates of standing.
- (b) Miscellaneous income comprises principally income from advertisements in the Society's circulars, recharges to the Professional Indemnity Scheme for the Society's salaries and overheads incurred during the year in administering the Scheme and to the Hong Kong Academy of Law Limited for services provided by the Society during the year.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

4 Surplus before taxation

Surplus before taxation is arrived at after charging:

	Note	2014	2013
(a) Staff costs			
Salaries and allowances		\$ 41,969,986	\$ 41,209,011
Contributions to defined contribution retirement plan		4,863,173	4,868,648
Provident fund contribution forfeitures		(561,914)	(694,721)
Recruitment and training		1,074,435	197,471
		\$ 47,345,680	\$ 45,580,409
(b) Office expenses			
Operating lease charges: minimum lease payments in respect of property rentals		\$ 1,284,000	\$ 1,203,516
Rates and service charges		1,098,850	1,047,450
Electricity and telephone		537,201	527,427
Postage		205,669	184,544
Printing and stationery		1,803,863	1,706,858
Repairs and maintenance		356,300	311,863
		\$ 5,285,883	\$ 4,981,658
(c) Members' expenses			
Issue of membership cards		\$ 107,540	\$ 97,870
Functions		4,648,014	4,866,433
Meetings		1,873,345	1,056,944
		\$ 6,628,899	\$ 6,021,247
(d) Other operating expenses			
Conferences and overseas visits		\$ 356,231	\$ 623,419
Disciplinary proceedings and ancillary costs*	2(g)	6,451,428	4,950,728
Professional education		31,000	222,480
Professional and consultancy fees		1,813,170	3,938,498
Professional development		8,253,061	8,294,598
Auditor's remuneration		157,200	136,000
Annual subscriptions		54,995	41,096
Donations		—	5,100
Insurance and medical		2,009,239	1,446,938
Sundry		2,942,455	3,260,887
		\$ 22,068,779	\$ 22,919,744

* \$1,114,544 (2013: \$2,009,606) was incurred in respect of interventions within solicitors' practices, and \$2,513,639 (2013: \$Nil) was incurred in respect of litigation cases.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

5 Remuneration of Council Members

Remuneration of Council Members disclosed pursuant to section 78 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), with reference to section 161 of the predecessor Hong Kong Companies Ordinance (Cap. 32), is as follows:

	2014	2013
Council Members' fees	\$ —	\$ —
Salaries, allowances and benefits in kind	—	—
Discretionary bonuses	—	—
Retirement scheme contributions	—	—
	\$ —	\$ —

6 Income tax in the statement of profit or loss and other comprehensive income

(a) Taxation (credited)/charged to profit or loss:

	2014	2013
Current tax — Hong Kong Profits Tax		
Provision for the year	\$ 475,995	\$ 426,423
Over-provision in respect of prior years	(5,169)	(3,142)
	\$ 470,826	\$ 423,281
Deferred tax		
Origination and reversal of temporary differences	60,199	(15,642)
	\$ 531,025	\$ 407,639

The provision for Hong Kong Profits Tax for 2014 is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the year, taking into account a reduction granted by the Hong Kong SAR Government of 75% of the tax payable for the year of assessment 2013–14 subject to a maximum reduction of \$10,000 (2013: the same statutory concession was granted for the year of assessment 2012–13 and was taken into account in calculating the provision for 2013).

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

6 Income tax in the statement of profit or loss and other comprehensive income (Continued)

(b) Reconciliation between tax expense charged to profit or loss and accounting surplus at the applicable tax rate:

	2014	2013
Surplus before taxation	\$ 5,118,116	\$ 3,968,351
Notional tax on surplus before taxation, calculated at the Hong Kong Profits Tax rate 16.5% (2013: 16.5%)	\$ 844,489	\$ 654,777
Tax effect of non-deductible expenses	13,978	13,978
Tax effect of non-taxable income	(317,442)	(251,116)
Statutory tax concession	(10,000)	(10,000)
Under-provision in prior years	4,831	6,858
Tax effect of unrecognised temporary differences	(4,831)	(6,858)
Actual tax expense charged to profit or loss	\$ 531,025	\$ 407,639

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

7 Property, plant and equipment

	Interest in leasehold land held for own use under a finance lease	Building held for own use	Leasehold improvements	Furniture, fixtures and equipment	Total
Cost:					
At 1 January 2014	\$ 76,666,667	\$38,333,333	\$ 12,613,997	\$ 6,877,760	\$ 134,491,757
Additions	—	—	204,400	690,916	895,316
Disposals	—	—	—	(389,543)	(389,543)
At 31 December 2014	\$ 76,666,667	\$38,333,333	\$ 12,818,397	\$ 7,179,133	\$ 134,997,530
Accumulated depreciation:					
At 1 January 2014	\$ 1,355,440	\$24,533,329	\$ 11,859,765	\$ 6,262,045	\$ 44,010,579
Charge for the year	84,715	1,533,333	302,349	604,401	2,524,798
Written back on disposals	—	—	—	(389,543)	(389,543)
At 31 December 2014	\$ 1,440,155	\$26,066,662	\$ 12,162,114	\$ 6,476,903	\$ 46,145,834
Net book value:					
At 31 December 2014	\$ 75,226,512	\$ 12,266,671	\$ 656,283	\$ 702,230	\$ 88,851,696
Cost:					
At 1 January 2013	\$ 76,666,667	\$38,333,333	\$ 12,454,197	\$ 6,644,741	\$ 134,098,938
Additions	—	—	159,800	237,199	396,999
Disposals	—	—	—	(4,180)	(4,180)
At 31 December 2013	\$ 76,666,667	\$38,333,333	\$ 12,613,997	\$ 6,877,760	\$ 134,491,757
Accumulated depreciation:					
At 1 January 2013	\$ 1,270,725	\$22,999,996	\$ 11,589,837	\$ 5,694,243	\$ 41,554,801
Charge for the year	84,715	1,533,333	269,928	571,982	2,459,958
Written back on disposals	—	—	—	(4,180)	(4,180)
At 31 December 2013	\$ 1,355,440	\$24,533,329	\$ 11,859,765	\$ 6,262,045	\$ 44,010,579
Net book value:					
At 31 December 2013	\$ 75,311,227	\$ 13,800,004	\$ 754,232	\$ 615,715	\$ 90,481,178

The leasehold land and building are held in Hong Kong under a long term lease.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

8 Investments in subsidiaries

	2014	2013
Unlisted shares, at cost	\$ 22	\$ 22

Details of the subsidiaries are as follows:

Name of company	Place of incorporation and operation	Proportion of ownership interest held by the company	Principal activity
The Law Society of Hong Kong Publications Limited *	Hong Kong	50%	Publishing the journal of the Society
The Law Society Clubhouse Limited *	Hong Kong	50%	Club services for members of the Society

* Not audited by KPMG.

The profit of the subsidiaries for the year ended 31 December 2014 amounting to \$74,238 (2013: \$17,318) and the subsidiaries' accumulated losses of \$415,593 (2013: \$489,831) have not been dealt with in the financial statements of the Society.

9 Deposits, prepayments and other receivables

	2014	2013
Deposits and prepayments	\$ 2,613,418	\$ 6,335,136
Other receivables	550,080	454,951
	\$ 3,163,498	\$ 6,790,087

Deposits, prepayments and other receivables are expected to be recovered or recognised as an expense within one year.

10 Amounts due from subsidiaries and related companies

The amounts due from subsidiaries and related companies are unsecured, interest-free and have no fixed terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

11 Cash and deposits with banks

(a) Cash and deposits with banks comprise:

	2014	2013
Deposits with banks with maturity within three months at acquisition	\$ 132,126,449	\$ 114,675,952
Cash at bank and in hand	26,765,964	17,587,016
Cash and cash equivalents in the cash flow statement	\$ 158,892,413	\$ 132,262,968
Deposits with banks with maturity of more than three months at acquisition	40,562,905	54,925,995
Cash and deposits with banks in the statement of financial position	\$ 199,455,318	\$ 187,188,963

(b) Reconciliation of surplus before taxation to cash generated from operations:

	Note	2014	2013
Surplus before taxation		\$ 5,118,116	\$ 3,968,351
Adjustments for:			
Bank interest income	3	(1,923,892)	(1,521,915)
Depreciation	7	2,524,798	2,459,958
Changes in working capital:			
Decrease/(increase) in deposits, prepayments and other receivables		3,626,589	(703,442)
(Increase)/decrease in amounts due from related companies		(205,177)	1,925,441
Increase in amounts due from subsidiaries		(49,435)	(26,409)
(Decrease)/increase in creditors and accrued charges		(824,710)	1,854,128
Increase in membership, practising certificate and other fees received in advance		2,182,299	2,517,236
Cash generated from operations		\$ 10,448,588	\$ 10,473,348

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

11 Cash and deposits with banks (Continued)

(b) Reconciliation of surplus before taxation to cash generated from operations: (Continued)

As at 31 December 2014, the Society had \$16,372,179 (2013: \$16,568,028) cash and deposits with banks which were held on behalf of law firms in respect of their unclaimed clients' monies or law firms under intervention. The Council Members are of the opinion that these monies were deposited in specific bank accounts set up solely for these purposes and the Society is not entitled to use these monies. Therefore, the amounts have not been recognised in the statement of financial position of the Society.

12 Creditors and accrued charges

Creditors and accrued charges are expected to be settled within one year or are repayable on demand.

13 Income tax in the statement of financial position

(a) Current taxation in the statement of financial position represents:

	2014	2013
Provision for Hong Kong Profits Tax for the year	\$ 475,995	\$ 426,423
Provisional Profits Tax paid	(431,254)	(1,641,699)
Current tax payable/(recoverable)	\$ 44,741	\$ (1,215,276)

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

13 Income tax in the statement of financial position (Continued)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax assets recognised in the statement of financial position and the movements during the year are as follows:

	Depreciation in excess of the related depreciation allowances
Deferred tax arising from:	
At 1 January 2013	\$ 657,299
Credited to profit or loss	15,642
At 31 December 2013	\$ 672,941
At 1 January 2014	\$ 672,941
Charged to profit or loss	(60,199)
At 31 December 2014	\$ 612,742

The Society has no significant unrecognised deferred tax assets and liabilities at 31 December 2013 and 2014.

14 Capital management

The Society is a company limited by guarantee and has no share capital. The Society considers its capital to be the accumulated surplus. The Society's primary objectives when managing its accumulated surplus is to safeguard the Society's ability to continue as a going concern, so that it can continue to provide support and protect the interest of its members.

Adjustments are made to the capital structure in light of changes in economic conditions affecting the Society to the extent that these do not conflict with the Council Members' fiduciary duties towards the Society or the requirements of the Hong Kong Companies Ordinance.

There has been no change in the Society's capital management practices as compared to prior year and the Society is not subject to any externally imposed capital requirements in both current and prior years.



NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

15 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Society's operation. The Society's exposure to these risks and the financial risk management policies and practices used by the Society to manage these risks are described below.

(a) Credit risk

The Society does not have any significant credit risk with respect to other receivables as they relate to a wide range of entities with no recent history of default.

The major exposure to credit risk is represented by deposits with banks. The Society's policy is to place its deposits with banks with major financial institutions with good credit rating.

(b) Liquidity risk

The Society's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

(c) Interest rate risk

The Society's interest rate risk arises primarily from deposits with bank at fixed rates that expose the Society to fair value interest rate risk. The Society's bank deposits have an effective interest rate of 1.12% (2013: 0.99%).

At 31 December 2014, it is estimated that a general decrease/increase of 100 basis points (2013: 100 basis points) in interest rates, with all other variables held constant, would have decreased/increased the Society's surplus and equity by approximately \$1,429,066 (2013: \$1,416,176).

The sensitivity analysis above has been determined assuming the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The analysis has been performed on the same basis as for 2013.

(d) Fair value measurement

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2014 and 2013.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

16 Operating lease commitments

At 31 December 2014, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2014	2013
Within one year	\$ 802,500	\$ 1,284,000
After one year but within five years	—	925,147
	\$ 802,500	\$ 2,209,147

The Society is the lessee in respect of a number of properties held under short-term operating leases. The leases typically run for an initial period of two years, at the end of which period all terms are renegotiated. None of the leases includes contingent rentals.

17 Professional Indemnity Insurance Scheme

It is the opinion of the Council that the assets and liabilities of the Professional Indemnity Insurance Scheme are not those of the Society and, accordingly, these assets and liabilities have not been included in these financial statements.

18 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in the financial statements, the Society entered into the following material related party transactions.

- (a) Charges for legal services in relation to intervention, disciplinary and litigation proceedings rendered to the Society by the firms of solicitors in which Council Members are interested totalled \$2.6 million (2013: \$0.8 million) for the year ended 31 December 2014.

Amounts due to these firms of solicitors as at 31 December 2014 amounted to \$0.8 million (2013: \$0.3 million) which are included in creditors and accrued charges.

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars)

18 Material related party transactions (Continued)

(b)

	2014	2013
Expenses borne on behalf of a subsidiary	\$ 402,181	\$ 415,974
Recharge of office expenses to related entities	5,320,230	4,972,902

19 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2014

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2014 and which have not been adopted in these financial statements. These include the following which may be relevant to the Society.

	Effective for accounting periods beginning on or after
<i>Annual improvements to HKFRSs 2010–2012 Cycle</i>	1 July 2014
<i>HKFRS 9, Financial instruments</i>	1 January 2018

The Society is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Society's results of operations and financial position.

In addition, the requirements of Part 9, "Accounts and Audit", of the new Hong Kong Companies Ordinance (Cap. 622) came into operation from the Society's first financial year commencing after 3 March 2014 (i.e. the Society's financial year which began on 1 January 2015) in accordance with section 358 of that Ordinance. The Society is in the process of making an assessment of the expected impact of the changes in the Companies Ordinance on the financial statements in the period of initial application of Part 9. So far it has concluded that the impact is unlikely to be significant and will primarily only affect the presentation and disclosure of information in the financial statements.

ABBREVIATED TERMS USED IN THIS REPORT

AAC	Arbitrators Admission Committee
ABA	American Bar Association
ABS	Alternative Business Structure
Academy	Hong Kong Academy of Law Limited
ACAN	Action Committee Against Narcotics
AEOI	Automatic Exchange of Information
AJJA	International Association of Young Lawyers
AJLS	Administration of Justice and Legal Services
AML	Anti-Money Laundering
AVD	Ad valorem stamp duty
Bar Association	Hong Kong Bar Association
BIP	Business of Intellectual Property
BO	Bankruptcy Ordinance
BSD	Buyer's Stamp Duty
BSPP	Business-School Partnership Programme
CAT	Convention Against Torture Claims and Refugee Law
CEE	Common Entrance Examination
CFA	Court of Final Appeal
CityU	City University of Hong Kong
CJR	Civil Justice Reform
CO	Competition Ordinance
Conduct Guide	The Hong Kong Solicitors' Guide to Professional Conduct (Volume 1, 2nd and 3rd editions)
CPD	Continuing Professional Development
CRC	Community Relations Committee
CUHK	The Chinese University of Hong Kong
DMC	Deed of Mutual Covenants
DOJ	Department of Justice
ECAS	Employee Compensation Assistance Scheme
Editorial Board	Hong Kong Lawyer Editorial Board
EOC	Equal Opportunities Commission
EPAs	Enduring Powers of Attorney
FDRC	Financial Dispute Resolution Centre
FSTB	Financial Services and the Treasury Bureau
FTA	Free Trade Agreements
GCLAC	Greater China Legal Affairs Committee
HAB	Home Affairs Bureau
HFA	Harbourfront Authority
HFC	Harbourfront Commission
HKCSS	The Hong Kong Council of Social Services
HKEJ	Hong Kong Economic Journal
HKIAC	Hong Kong International Arbitration Centre
HKMAAL	Hong Kong Mediation Accreditation Association Limited
HKMC	Hong Kong Mortgage Corporation Limited

ABBREVIATED TERMS USED IN THIS REPORT

HKSAR	Hong Kong Special Administrative Region
HKSIF	Hong Kong Solicitors' Indemnity Fund
HKSIFL	Hong Kong Solicitors' Indemnity Fund Limited
HKTDC	Hong Kong Trade Development Council
HKU	The University of Hong Kong
HKU SPACE	The University of Hong Kong School of Professional and Continuing Education
HRA	Higher Rights of Audience
IBA	International Bar Association
ICAC	Independent Commission Against Corruption
ICCAC	International Council for Commercial Arbitration Congress
IHLs	In-House Lawyers
IHLC	In-House Lawyers Committee
IIA	Independent Insurance Authority
ILAC	International Legal Affairs Committee
INTA	International Trademark Association
IP	Intellectual Property
IPBA	The Inter-Pacific Bar Association
IPD	Intellectual Property Department
ISDA	International Swaps and Derivatives Association, Inc.
ITSP	Information Technology Strategy Plan
IVE	Hong Kong Institute of Vocational Education
JFBA	Japan Federation of Bar Association
JLCT	Joint Liaison Committee on Taxation
JMHO	Joint Mediation Helping Office
KBA	Korean Bar Association
LACO	Legal Advisory and Conveyancing Office
LASC	Legal Aid Services Council
LLP	Limited Liability Partnerships
LPO	Legal Practitioners Ordinance
LRC	Law Reform Commission
LTOSC	Land Title Ordinance Steering Committee
MFA	Ministry of Foreign Affairs
MOU	Memorandum of Understanding
MPF	Mandatory Provident Fund
MPFA	Mandatory Provident Fund Schemes Authority
NGO	Non-governmental organisation
NPCSC	National People's Congress Standing Committee
OLQE	Overseas Lawyers Qualification Examination
OLQE Rules	Overseas Lawyers (Qualification for Admission) Rules
OLY	Opening of Legal Year
ORO	Official Receiver's Office
PCLL	Postgraduate Certificate in Laws

ABBREVIATED TERMS USED IN THIS REPORT

PCPD	Privacy Commissioner for Personal Data
PD	Practice Direction
PIS	Professional Indemnity Scheme
PMAC	Property Management Advisory Centre
POLA	Presidents of Law Association in Asia
PPC	Public Policy Committee
PRC	People's Republic of China
RME	Risk Management Education
SAR	Solicitors' Accounts Rules
SCEA	Standing Committee on External Affairs
SCLET	Standing Committee on Legal Education and Training
SDO	Sex Discrimination Ordinance
SME	Small and Medium-Sized Enterprise
SPI Rules	Solicitors (Professional Indemnity) Rules
SPR	Solicitors' Practice Rules
SSD	Special Stamp Duty
* The Law Society	The Law Society of Hong Kong
The Tribunal Convenor	The Tribunal Convenor of Solicitors Disciplinary Tribunal Panel
TVB	Television Broadcasts Limited
TWGH	Tung Wah Group of Hospitals
UIA	Union Internationale des Avocats
YBA	Yangon Bar Association
YCPG	Young Coalition Professional Group
YPR	Young Partners' Roundtable
YSG	Young Solicitors' Group

* Except for the Council's Report and the Independent Auditor's Report when The Law Society of Hong Kong was referred to as "The Society" from page 4 to 6 and from page 193 to 217.



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