



THE
LAW SOCIETY
OF HONG KONG
香港律師會

2024

Standing Committee on Compliance

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.

The Standing Committee met 11 times during the year and considered 163 agenda items (134 agenda items in 2023). A further 19 matters were dealt with by circulation of 3 agenda (28 matters in 2023).

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

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 2024, it handled 972 complaints (882 in 2023), of which 456 complaints (399 in 2023) were lodged or referred by members of the public and government organisations and 32 complaints (25 in 2023) were made by solicitors.

Particulars about the subject matters of the complaints and the nature of the alleged professional misconduct are set out in the charts below. Complaints against a respondent which involved the same subject matter and nature of professional conduct are counted as one complaint.

1,064 files were closed during the year; of which 549 were closed without seeking an explanation.

Since September 2024, the Conduct Section has undertaken reform initiatives regarding its complaint handling procedures. In particular, the Conduct Section has adopted streamlined procedures for some straightforward complaints of a miscellaneous nature which revealed a *prima facie* case of professional misconduct as well as simplified workflow for complaints not revealing a *prima facie* case of professional misconduct. Of the 549 cases closed without seeking an explanation, 102 cases were closed after applying the streamlined procedures and one case was closed after applying the simplified workflow.

INVESTIGATION COMMITTEE

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.

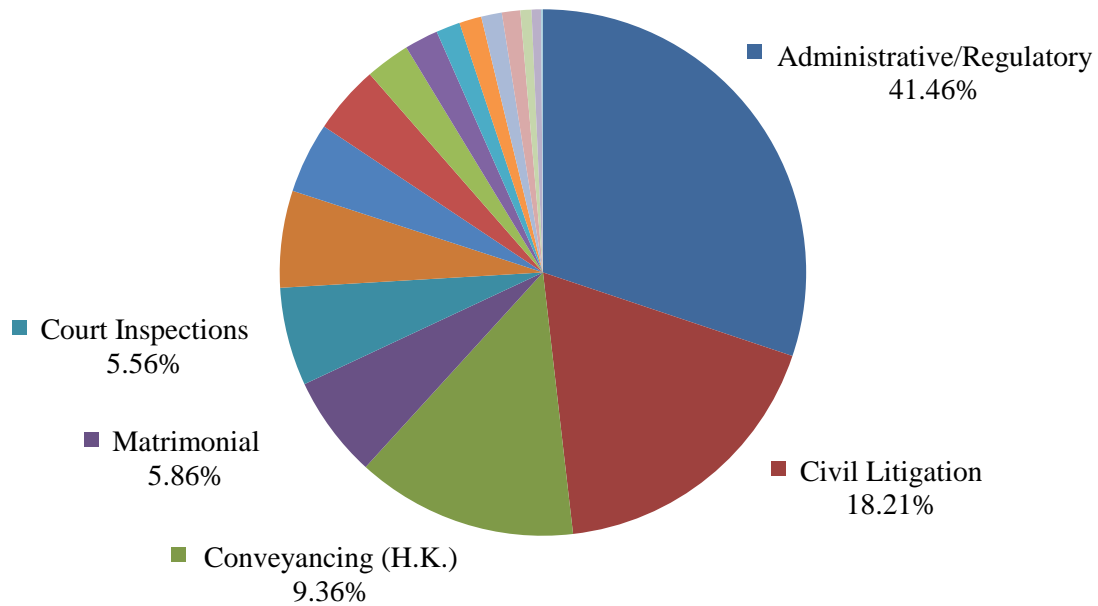
Investigation Committees may recommend to the Standing Committee to issue letters of good practice, regret or disapproval, and to submit matters to the Tribunal Convenor of the Solicitors Disciplinary Tribunal Panel.

In 2024, Investigation Committees considered 311 complaints by circulation of 311 agenda. (In 2023, 305 complaints were considered by circulation of 305 agenda.)

In 2024, the Standing Committee reviewed and upheld 12 decisions of the Investigation Committees. (In 2023, two decisions were reviewed).

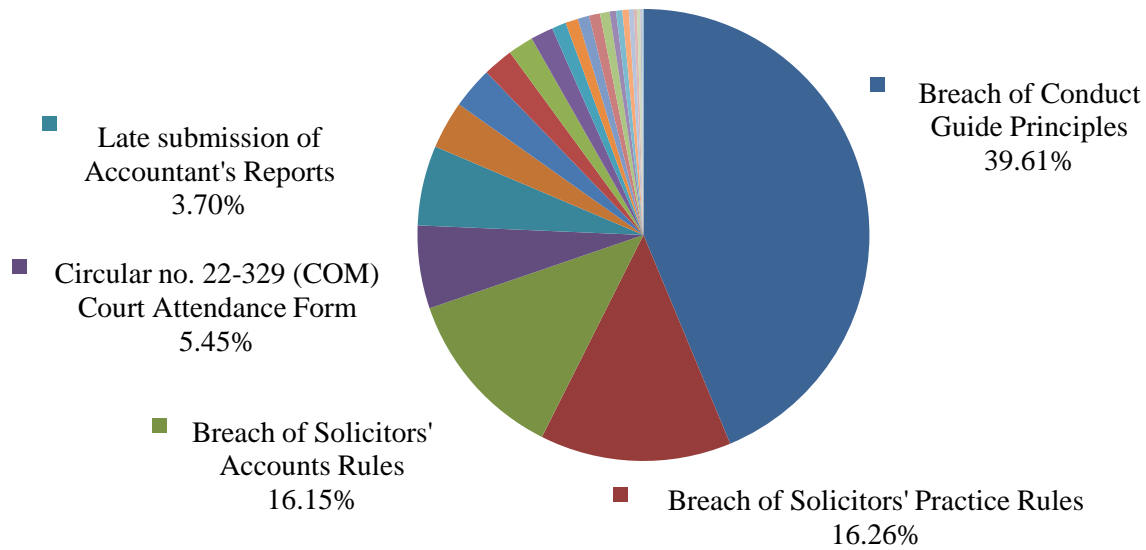
Determination of Complaints in 2024

Figure 1: Subject matters of complaints



Subject Matters of Complaints	2024	2023	2022
Administrative/regulatory	41.46%	39.68%	30.14%
Civil litigation	18.21%	20.86%	18.04%
Conveyancing (H.K.)	9.36%	7.48%	13.58%
Matrimonial	5.86%	4.20%	4.34%
Court inspections	5.56%	9.18%	5.94%
Miscellaneous	4.22%	2.83%	6.05%
Probate	4.22%	2.49%	2.74%
Criminal	3.09%	3.85%	6.28%
Civil Celebrant	1.23%	1.36%	4.22%
Company/commercial	1.23%	1.81%	2.05%
Contract	1.23%	0.57%	0.68%
Reports of purported law firms	1.03%	1.93%	1.14%
Owners'/incorporated owners' disputes	0.93%	1.36%	1.37%
Bankruptcy	0.72%	1.59%	1.48%
Landlord & tenant	0.72%	0.23%	1.26%
Solicitors' clerks (s.53 LPO)	0.62%	—	—
Conveyancing (other than H.K.)	0.10%	0.23%	0.57%
Recovery Agents	0.10%	—	—
Mediation	0.10%	0.11%	—
Media/promotion	—	0.23%	0.11%

Figure 2: Nature of professional misconduct



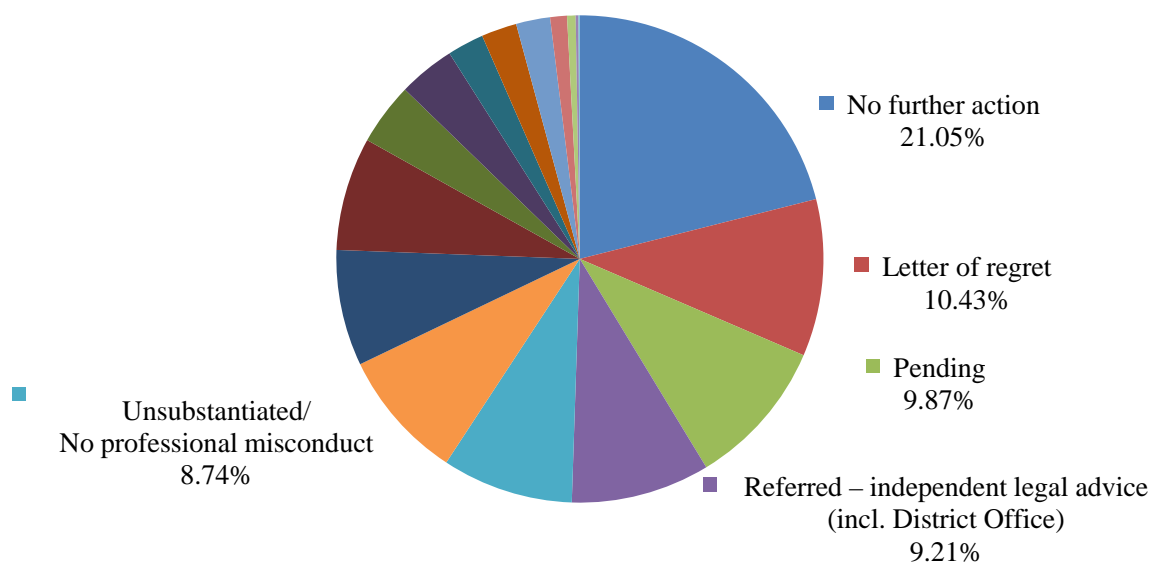
Nature of professional misconduct	2024	2023	2022
Breach of <i>Conduct Guide Principles</i>	39.61%	28.46%	43.72%
Breach of <i>Solicitors' Practice Rules</i>	16.26%	18.03%	12.33%
Breach of <i>Solicitors' Accounts Rules</i>	16.15%	12.70%	13.70%
Circular 22-329 (COM) (Court attendance form)	5.45%	8.84%	5.94%
Late submission of Accountant's Reports	3.70%	5.10%	2.17%
Miscellaneous	3.60%	6.69%	5.71%
Breach of <i>Foreign Lawyers Registration Rules</i>	2.47%	0.34%	0.34%
Misbehaviour	1.95%	2.61%	1.83%
Breach of <i>Foreign Lawyers Practice Rules</i>	1.95%	2.38%	0.80%
Breach of <i>Practice Directions</i>	1.95%	1.13%	0.91%
Dishonesty	1.75%	0.79%	2.97%
Unqualified persons acting or pretending to be a solicitor (ss.45-48 <i>LPO</i>)	1.34%	1.81%	1.03%
Breach of <i>Solicitors' Practice Promotion Code</i>	0.72%	0.57%	0.46%
Failure to reply to letters on behalf of a client or to inquiries from The Law Society	0.72%	3.29%	0.23%
Inadequate service	0.62%	0.79%	0.46%
Overcharging	0.41%	1.70%	0.80%
Breach of undertaking	0.31%	1.02%	1.60%
Negligence	0.31%	0.79%	0.68%
Non-payment of barristers' fees	0.31%	0.34%	0.11%
Improper profit sharing	0.10%	1.36%	3.42%
Conflict of interest	0.10%	0.23%	0.23%
Breach of <i>Solicitors (Group Practice) Rules</i>	0.10%	—	—
Offences in relation to foreign lawyers, etc. (s.50B <i>LPO</i>)	0.10%	—	—
Delay	—	0.79%	0.46%
Practising without a practising certificate	—	—	0.11%

Nature of professional misconduct	2024	2023	2022
Breach of <i>Solicitors (Professional Indemnity) Rules</i> (general)	—	0.11%	—
Property fraud	—	0.11%	—

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

“LPO” = *Legal Practitioners Ordinance* (Cap.159)

Figure 3: Analysis of closed files



	2024	2023	2022
No further action	21.05%	15.37%	22.96%
Letter of regret	10.43%	7.68%	10.87%
Pending	9.87%	7.57%	8.09%
Referred – independent legal advice (incl. District Office)	9.21%	13.50%	9.39%
Unsubstantiated/No professional misconduct	8.74%	7.03%	6.69%
Letter of disapproval	8.65%	5.82%	5.39%
Letter of good practice	7.71%	11.53%	16.91%
Referred – relevant authorities	7.52%	6.15%	2.51%
Referred – enforcement agencies	4.14%	4.72%	2.60%
Unpursuable	3.67%	5.05%	3.25%
Withdrawn	2.44%	4.83%	2.32%
Strong letter of disapproval	2.35%	2.20%	1.86%
Referred – Tribunal Convenor	2.26%	5.05%	4.83%
Referred – taxation	1.13%	1.54%	0.74%
Resolved amicably	0.56%	0.88%	1.39%
Summary Disposal	0.19%	0.22%	—
Referred – Joint Tribunal	0.09%	0.11%	0.19%
Referred – other departments of The Law Society	—	0.22%	—
Referred – inspection by the Monitoring Account	—	0.55%	—

Applications to the Chief Judge under section 9A(2) of the *Legal Practitioners Ordinance* (Cap.159) (“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 2024, the Chief Judge refused to refer an application made under section 9A(2) of the *LPO* to the Tribunal Convenor.

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.

In 2024, the Investigation Counsel conducted 20 visits to 11 law firms. (26 visits to 18 law firms in 2023). In addition, two 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* (Cap.159H) (“SPR”) 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.

The Monitoring Accountants paid visits to law firms to assist them with the improvement of their accounting procedures/systems, give advice on the best use of the Manual on Solicitors’ Accounting and inspect their books and accounts to ensure their compliance with the rules relating to solicitors’ accounting. In 2024, 88 visits were made to 48 solicitors’ firms and foreign law firms; some firms required more than one visit (83 visits to 42 firms in 2023).

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 section 26A, 26B or 26C of the *LPO* are set out in Schedule 2 to the *LPO*. Once a firm has been intervened, it effectively ceases practice. To elaborate further on the steps that The Law Society takes thereafter, as a measure to protect public interest, The Law Society first takes control of the office and clients’ monies of the intervened firms and takes possession of the intervened firms’ documents. Where necessary, The Law Society may need to commence court applications to implement the Council’s resolution to intervene. On the documents, existing clients of the intervened firm would be invited to retrieve their files or instruct other solicitors’ firms to have the files transferred and the intervention agents would need to then expediently return or transfer the files. As to the money, the process of distributing clients’ money of the intervened firms could potentially be a long process as it involves verification of claims by the intervention agents and if there are disputes, The Law Society may be involved in court proceedings. Documents in the possession of the Council are indexed and kept in storage in accordance with the guidelines in Law Society Circular 24-872(PA) or until there is a court order as to disposal or destruction of the same.

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.

Although the Council did not intervene in the practice of any law firm in 2024, with respect to the ongoing interventions, The Law Society continued to give instructions and support to the intervention agents, organise the indexing and storage of files of the intervened firms, make court applications, and deal with taxation in relation to the current interventions. Additionally, during the year The Law Society obtained a bankruptcy order against the former principal of one intervened firm.

INVESTIGATION COMMITTEE ON DISCIPLINARY MATTERS

The Investigation Committee (Disciplinary Matters) is the only Investigation Committee with a fixed membership drawn from members of the Standing Committee. The Committee's work includes monitoring the progress of disciplinary proceedings, appeals against the orders of the Solicitors Disciplinary Tribunal and enforcement 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 enforcement proceedings.

In 2024, the Committee considered 104 matters by circulation of 64 agenda. (In 2023, 76 matters were considered by circulation of 46 agenda.)

Disciplinary proceedings and summary disposals

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 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.

In 2024, the Council resolved to submit two matters to the Tribunal Convenor under sections 8A(3) and 9A(1) of the *LPO* concerning the conduct of three solicitors (five matters concerning five solicitors in 2023), and the Standing Committee on Compliance resolved to submit to the Tribunal Convenor (i) seven matters concerning the conduct of seven solicitors, one foreign lawyer and two clerks under section 9A(1) of the *LPO* (five matters concerning four solicitors in 2023); and (ii) two matters concerning one solicitor and one foreign lawyer under section 9AB of the *LPO* (one matter concerning one solicitor in 2023).

A total of nine matters were submitted to the Tribunal Convenor in 2024 including (i) six matters concerning five solicitors and one clerk (two matters concerning two solicitors and one clerk in 2023), and (ii) three matters concerning two solicitors and one foreign lawyer under section 9AB of the *LPO* (no submissions were made under this section in 2023).

Four disciplinary proceedings were determined by the Solicitors Disciplinary Tribunal in 2024, of which one decision is subject to appeal (four disciplinary proceedings were determined in 2023). On the decisions not subject to appeal, the following orders were made:

Respondent	Position	Charge(s)	Penalty	Fine
2	Solicitor	<ul style="list-style-type: none"> • 1 count of rule 6 of the <i>SAR</i> • 1 count of rule 7 of the <i>SAR</i> • 1 count of rules 10(1)(a) and 10(2) of the <i>SAR</i> • 1 count of rules 10(1) and 10(2) of the <i>SAR</i> • 1 count of rules 10A(a) and (b) of the <i>SAR</i> • 1 count of Principle 13.02 of the <i>Guide</i> (2nd ed.) and rule 2(d) of the <i>SPR</i> 	<ul style="list-style-type: none"> • censured • to pay costs 	<ul style="list-style-type: none"> • HK\$160,000 in respect of Complaint 1 • HK\$100,000 in respect of Complaint 2 • HK\$80,000 in respect of Complaints 3, 4 and 5 • HK\$160,000 in respect of Complaint 6
	Solicitor	<ul style="list-style-type: none"> • 1 count of rule 6 of the <i>SAR</i> • 1 count of rule 7 of the <i>SAR</i> • 1 count of rules 10(1)(a) and 10(2) of the <i>SAR</i> • 1 count of rules 10(1) and 10(2) of the <i>SAR</i> • 1 count of rules 10A(a) and (b) of the <i>SAR</i> • 1 count of Principle 13.02 of the <i>Guide</i> (2nd ed.) and rule 2(d) of the <i>SPR</i> 	<ul style="list-style-type: none"> • censured • to pay costs 	<ul style="list-style-type: none"> • HK\$160,000 in respect of Complaint 1 • HK\$100,000 in respect of Complaint 2 • HK\$80,000 in respect of Complaints 3, 4 and 5 • HK\$160,000 in respect of Complaint 6
1	Clerk	<ul style="list-style-type: none"> • 5 counts of section 2(2) of the <i>LPO</i> 	<ul style="list-style-type: none"> • prohibited from being employed in any capacity by any solicitor or firm or any foreign solicitor or firm for 25 years • to pay costs 	N/A

1	Solicitor	<ul style="list-style-type: none"> • 1 count of Principles 5.02, 5.12, 6.01 and Commentary 4 under Principle 2.01 of the <i>Guide</i> (3rd ed.), section 45 of the <i>LPO</i> and rules 2(a), (c), (d), (e) and/or (f) of the <i>SPR</i> 	<ul style="list-style-type: none"> • censured • to pay costs 	HK\$10,000
---	-----------	--	--	------------

“Guide” = *The Hong Kong Solicitors’ Guide to Professional Conduct (Volume 1)*

“LPO” = *Legal Practitioners Ordinance (Cap.159)*

“SAR” = *Solicitors’ Accounts Rules (Cap.159F)*

“SPR” = *Solicitors’ Practice Rules (Cap.159H)*

In 2024, the Tribunal Convenor summarily disposed of three matters by making orders requiring each of the two solicitors and one foreign lawyer concerned to pay respective sums of HK\$10,000 as fixed fine and HK\$15,000 as fixed costs (no summary order was made by the Tribunal Convenor in 2023).

Appeals and other litigation proceedings

Appeal proceedings

In August 2024, the Court granted leave to The Law Society to appeal against an order of the Solicitors Disciplinary Tribunal.

In August 2024, The Law Society applied for leave to appeal to the Court of Appeal against the findings and order of the Solicitors Disciplinary Tribunal concerning a clerk.

Bankruptcy proceedings

In May and November 2024, The Law Society obtained two bankruptcy orders against two respondents respectively, as a result of disciplinary proceedings instituted against them.

Litigation proceedings

In February 2024, the Court granted a solicitor’s application to amend the Roll of Solicitors by a change of name.

CONSENTS COMMITTEE

The Consents Committee is a sub-committee of the Standing Committee on Compliance.

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.

In 2024, the Committee met 23 times and considered 482 items (21 meetings and 430 items in 2023). A further 16 matters were dealt with by circulation of one agenda (45 matters by circulation of three agenda in 2023).

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.

Nature of applications

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

Nature of applications	2024	2023	2022
Admissions	647	654	792
Certificates of eligibility for admission	655	653	617
Practising certificates	11,758	11,589	11,457
Practising certificates – removal of conditions under s.6(6) <i>LPO</i> (solicitors)	158	234	200
Membership	13,387	13,234	13,144
First registration as a foreign law firm	16	2	3
First registration as a foreign lawyer	359	251	222
Renewal of registration as a foreign lawyer	1,478	1,502	1,500
Removal of conditions on certificates of registration (foreign lawyers)	86	102	84
Registration as an Association	10	5	4
Removal of name from the Roll of Solicitors	4	6	7
Restoration of name to the Roll of Solicitors	1	-	1
Qualifications for admission s.4(1A) <i>LPO</i>	69	46	74
Employment of staff: s.53(1) <i>LPO</i>	4	6	1
s.53(3) <i>LPO</i>	3	7	2
Practising certificates – removal of conditions under s.6(6A) <i>LPO</i>	25	25	29
Practising certificates – Special Conditions	20	10	1
Registration of first trainee solicitor contracts	534	546	556
Registration of subsequent trainee solicitor contracts	105	93	131
Special leave to employ trainee solicitors	13	12	10
Other trainee solicitor matters (e.g. rules 8, 9, 9A, 11 <i>TSR</i>)	195	186	151
Law costs draftsmen	3	1	2
Accountant's report – solicitors' firms	947	939	949

Nature of applications	2024	2023	2022
Accountant's report / statutory declaration – foreign law firms	77	79	89
Firm name and letterhead	29	16	10
Waiver applications – under <i>SPR</i>	2	2	5
Waiver applications – under <i>PD</i>	5	2	2
Registration of new associate member	3	3	4
Certificates of standing for solicitors or foreign lawyers	1,405	1,253	1,227
Certificates of standing for solicitors' firms or foreign law firms	34	20	15
Letters regarding employment or training visas	149	214	217
Authorised solicitors' clerks	40	24	37

“LPO” = *Legal Practitioners Ordinance (Cap.159)*

“SPR” = *Solicitors' Practice Rules (Cap.159H)*

“TSR” = *Trainee Solicitors Rules (Cap.159J)*

“PD” = *The Law Society's Practice Directions*

Figure 4: Admission of solicitors 2015 – 2024

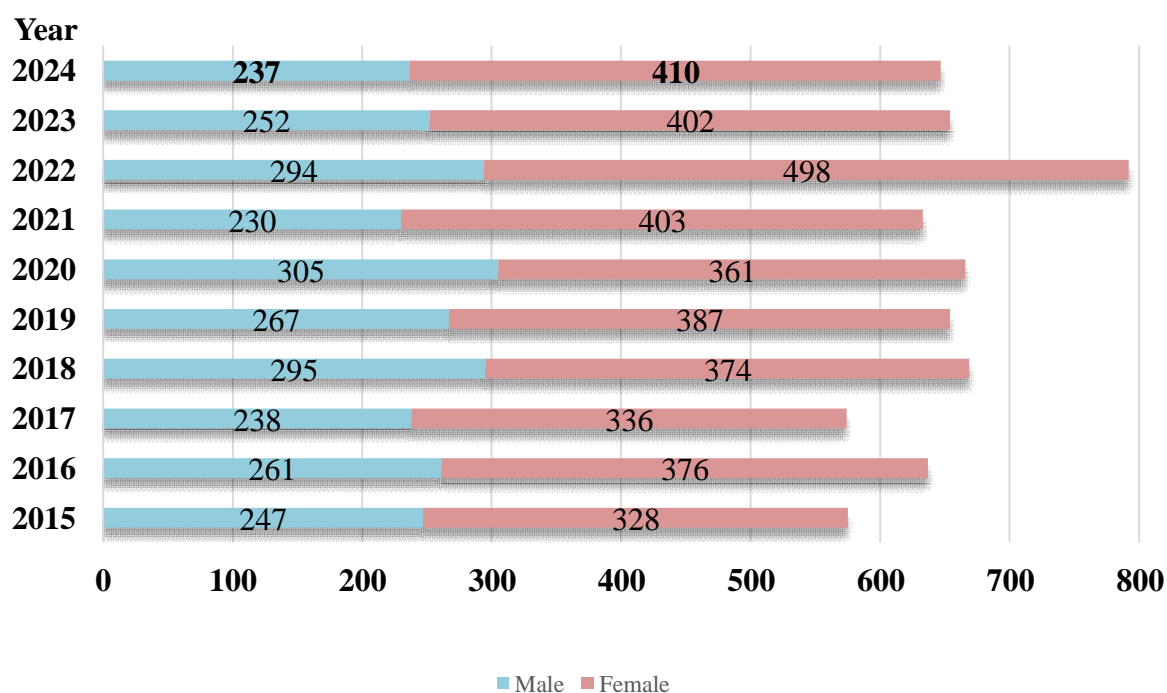


Figure 5: Solicitors holding practising certificates 2015 – 2024

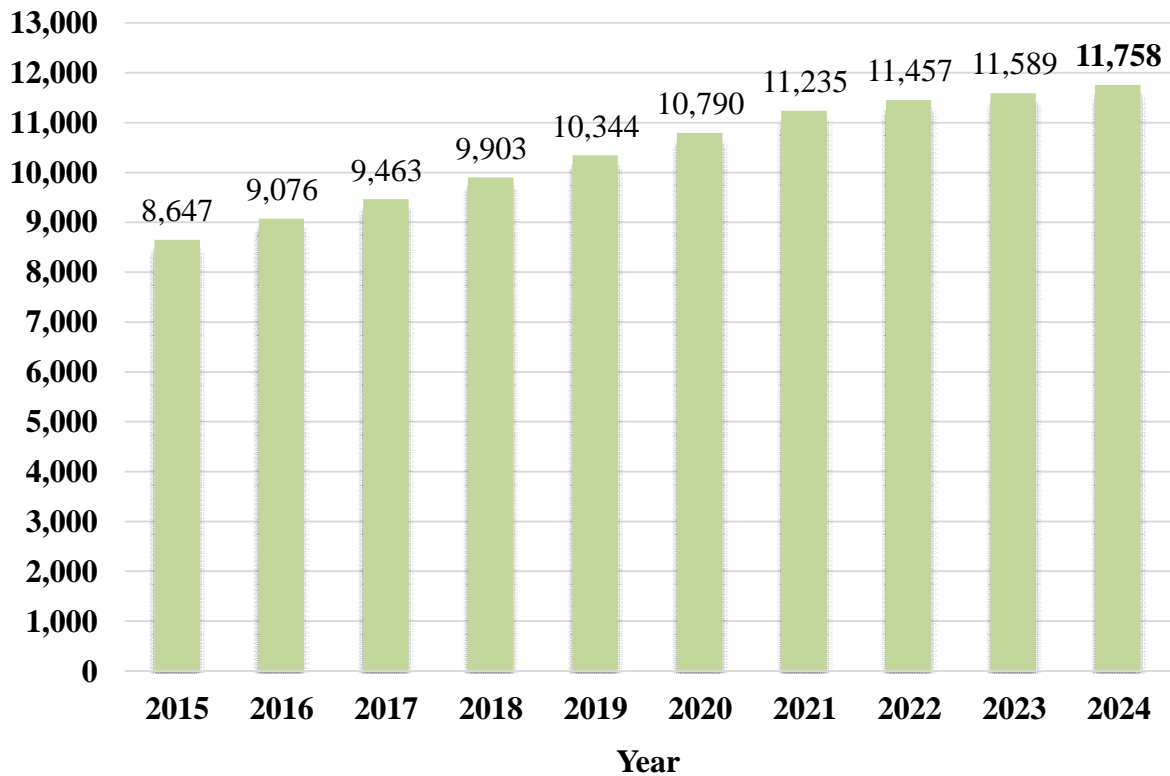


Figure 6: Years of admission – solicitors holding a 2024 practising certificate

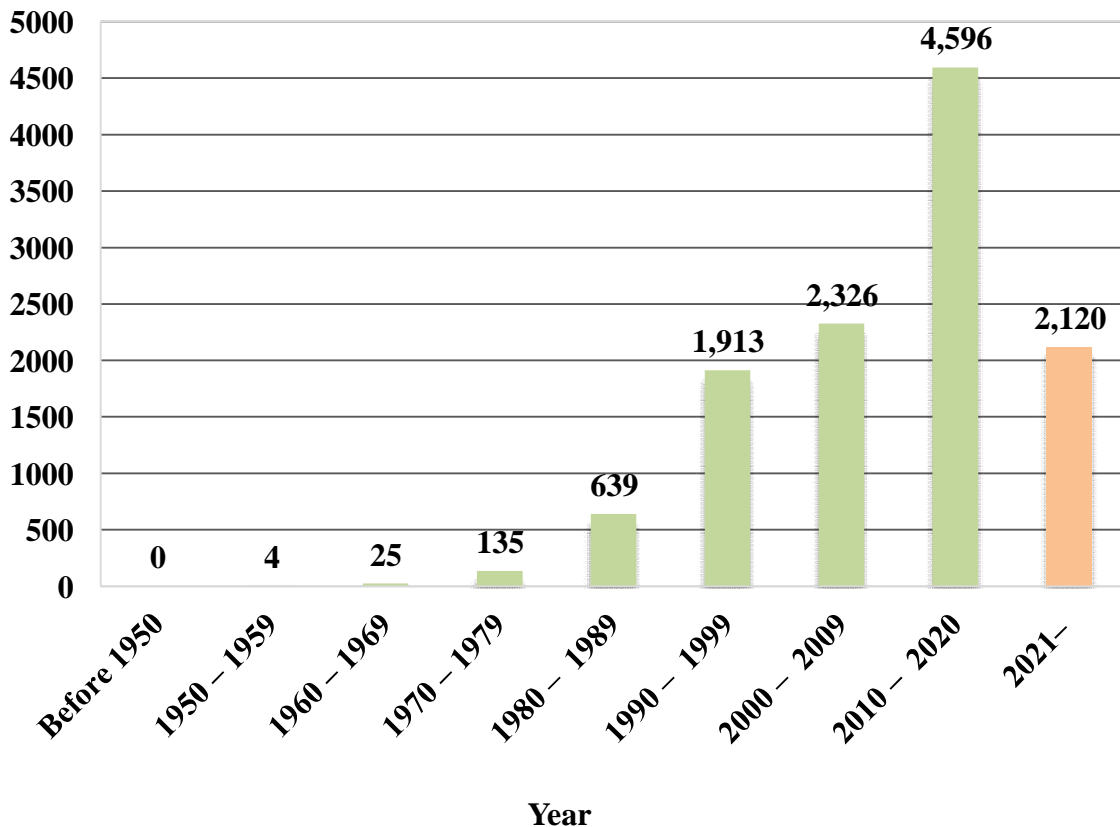


Figure 7a: Gender ratio – Solicitors holding a practising certificate (2017 – 2024)

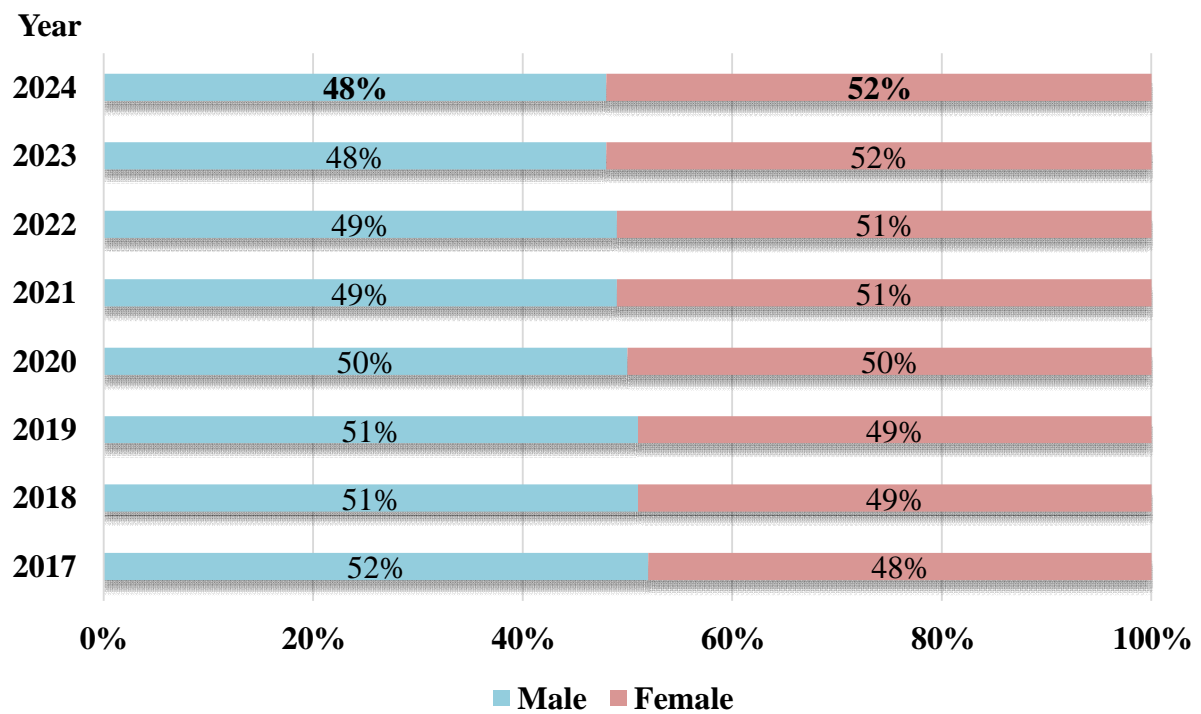


Figure 7b: Gender ratio – Trainee solicitors 2017 – 2024

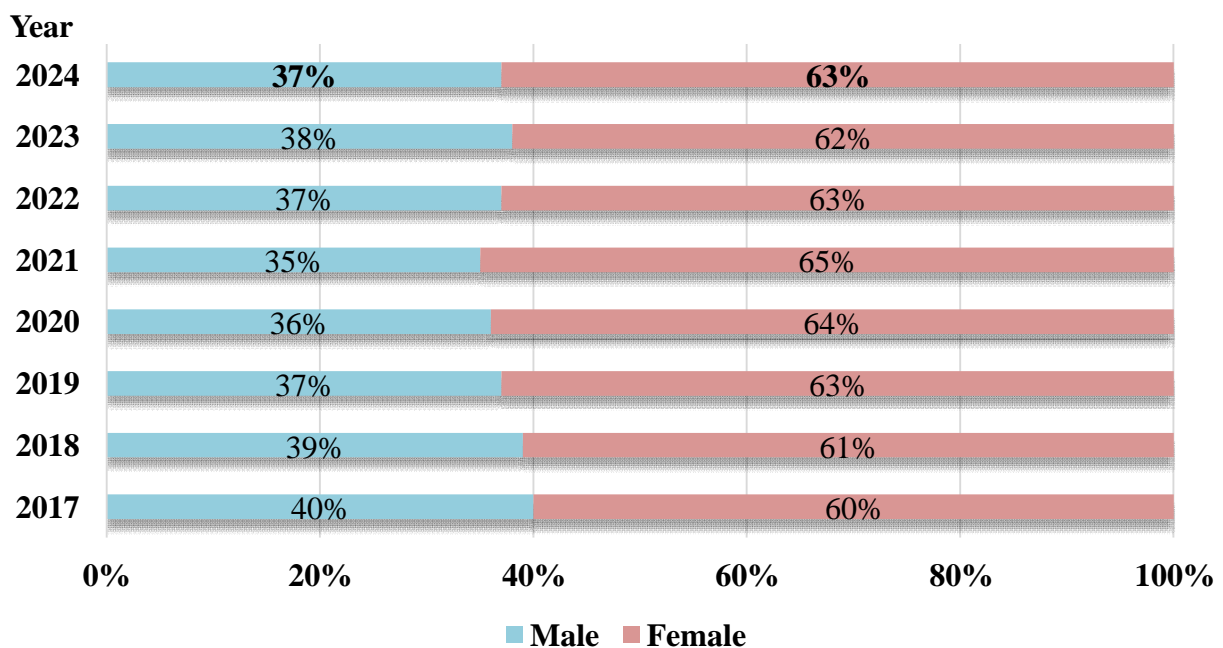


Figure 7c: Gender ratio – Partners 2017 – 2024

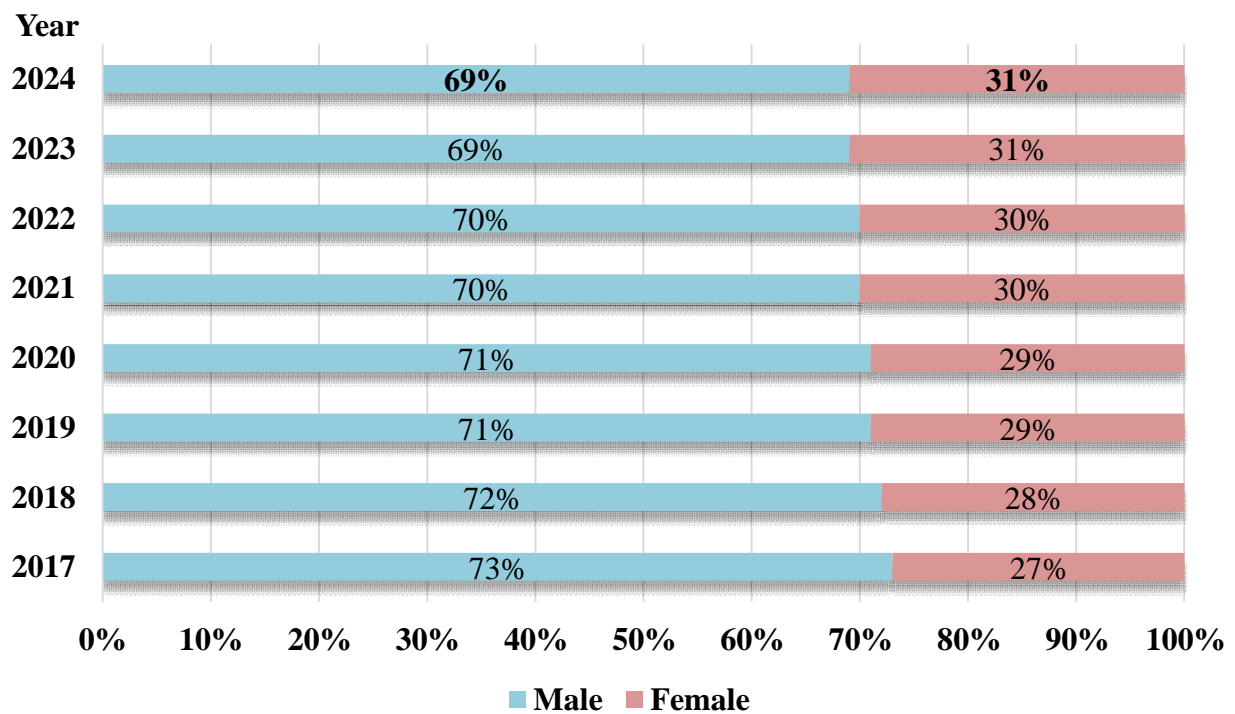


Figure 8: Size of solicitors' firms and number of trainee solicitors in 2024

Size of firm	No. of firms		No. of trainee solicitors	
	2024	2023	2024	2023
Sole practitioners	421	430	68	66
2 – 5 partners	393	384	276	276
6 – 10 partners	46	51	150	174
11 – 20 partners	48	45	296	287
Over 20 partners	15	16	221	245
Total	923	926	1,011*	1,048[#]

[#] excluding 26 in government and 4 working “in-house”

* excluding 23 in government and 6 working “in-house”

Figure 9: Home jurisdictions of registered foreign lawyers

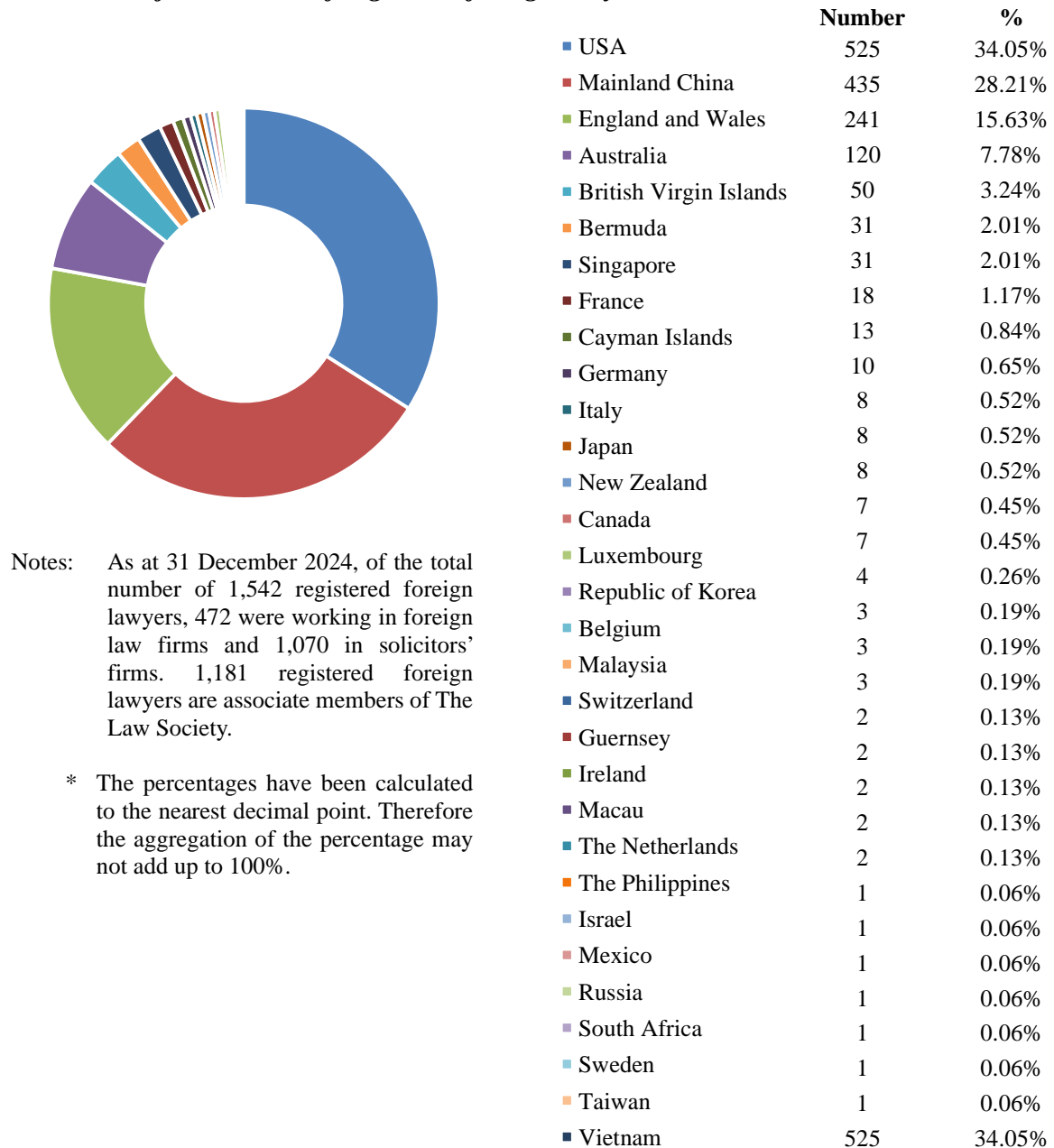
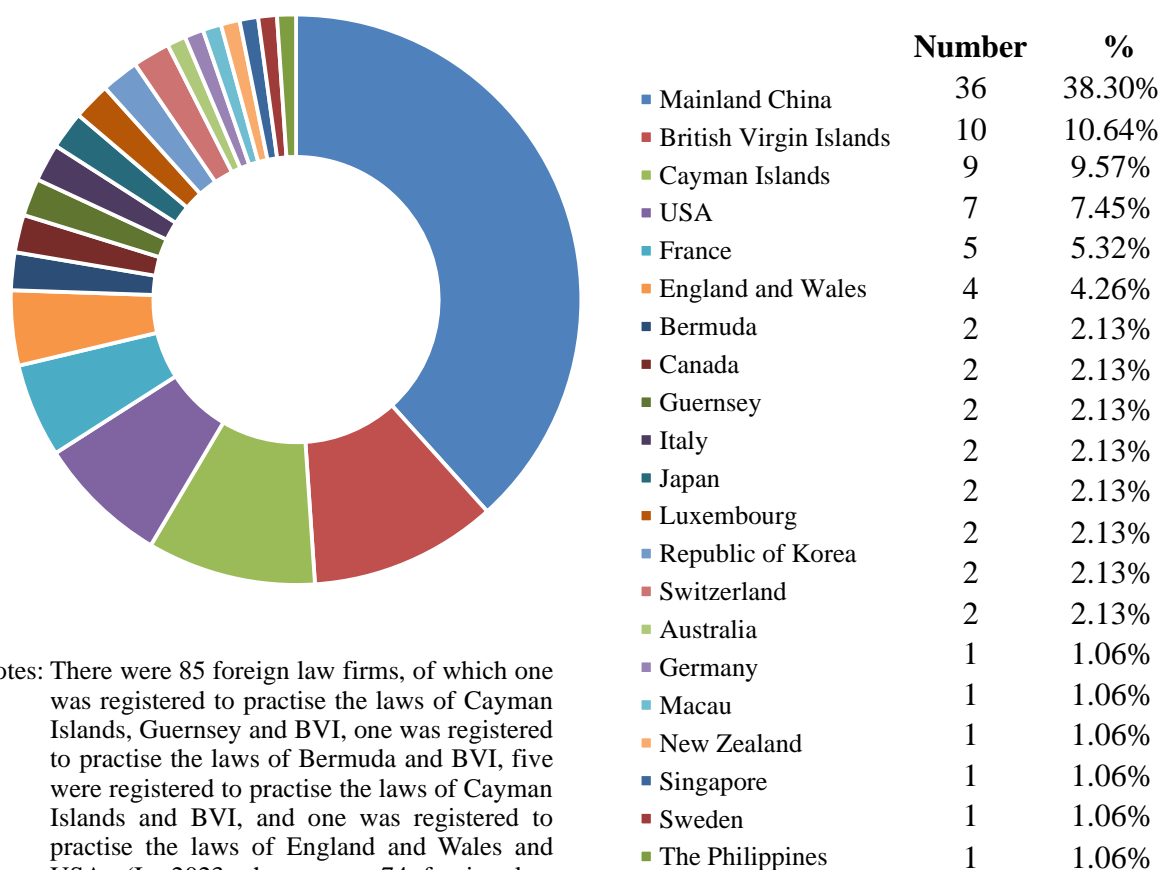


Figure 10: Home jurisdictions of foreign law firms



Notes: There were 85 foreign law firms, of which one was registered to practise the laws of Cayman Islands, Guernsey and BVI, one was registered to practise the laws of Bermuda and BVI, five were registered to practise the laws of Cayman Islands and BVI, and one was registered to practise the laws of England and Wales and USA. (In 2023, there were 74 foreign law firms.)

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

In 2024, there were 33 Associations registered between foreign law firms and solicitors' firms (33 in 2023). 15 new foreign law firms commenced practice (two in 2023). Four foreign law firms were closed, none of which established local practice. (In 2023, five foreign law firms were closed, four of which established local practice.)

There were 14,403 unqualified staff members employed by solicitors' firms at the end of 2024 (14,769 at the end of 2023). In addition, there were 665 unqualified staff members employed by foreign law firms at the end of 2024 (658 in 2023).

The Standing Committee oversees the work of the Conduct Section in administrating the authorised solicitors' clerks scheme and has delegated its power to the Consents Committee to consider applications. At the end of December 2024, there were 618 authorised solicitors' clerks (629 in 2023).

The Law Society continued to waive subscription fees for student members in 2024. By the end of the year, there were 338 student members registered with The Law Society (405 in 2023).

At the end of December 2024, the number of Law Society Approved Law Costs Draftsmen was 39 (38 in 2023).