## 立法會 Legislative Council

LC Paper No. CB(4)328/15-16 (These minutes have been seen by the Law Society of Hong Kong)

Ref: CB4/SS/18/14

Subcommittee on Commencement Notices related to Five Sets of Amendment Rules made under Sections 73 and 73A of the Legal Practitioners Ordinance and Gazetted on 17 July 2015

Minutes of the meeting held on Tuesday, 10 November 2015, at 5:30 pm in Conference Room 2B of the Legislative Council Complex

**Members**: Dr Hon Priscilla LEUNG Mei-fun, SBS, JP (Chairman)

**present** Hon Dennis KWOK

Hon CHUNG Kwok-pan

Members : Hon Paul TSE Wai-chun, JP absent

Attendance by : Agenda item I invitation

The Law Society of Hong Kong

Mr Colin COHEN

Chairman

Working Party on Solicitors' Accounts Rules

Mr Amirali B. NASIR

Council Member and Member of Working Party on

Solicitors' Accounts Rules

Ms Helen MACKENZIE

Member

Working Party on Solicitors' Accounts Rules

Miss Angela LI Assistant Director

Regulation and Guidance of the Law Society

Clerk in attendance

Mr Anthony CHU

Chief Council Secretary (4)1

Staff in attendance

Miss Carrie WONG

Assistant Legal Adviser 4

Ms Wendy JAN

Senior Council Secretary (4)7

Ms Margie LI

Senior Legislative Assistant (4)3

Action

## I. Meeting with the Law Society of Hong Kong

((Issued by the Law Society of Hong -- Legislative Council Brief Kong in July 2015)

L.N. 161 of 2015

-- Solicitors' Accounts

(Amendment) Rules 2012 (Commencement) Notice

L.N. 162 of 2015

-- Accountant's Report

(Amendment) Rules 2012 (Commencement) Notice

L.N. 163 of 2015

-- Solicitors (Professional

Indemnity) (Amendment) Rules 2012 (Commencement) Notice

L.N. 164 of 2015

-- Solicitors' Practice

(Amendment) Rules 2012 (Commencement) Notice

L.N. 165 of 2015

-- Foreign Lawyers Practice

(Amendment) Rules 2012 (Commencement) Notice

LC Paper No. LS77/14-15

-- Legal Service Division Report

LC Paper No. CB(4)182/15-16(01)

-- Letter from the Law Society of Hong Kong dated 5 November 2015 (English version only))

The Subcommittee deliberated (index of proceedings attached at Annex).

- 2. <u>The Subcommittee</u> completed the scrutiny of the above subsidiary legislation and would not propose any amendment to the subsidiary legislation.
- 3. <u>Members</u> noted that the scrutiny period of the subsidiary legislation had been extended to 2 December 2015. <u>Members</u> further noted that the Chairman would report the Subcommittee's deliberations to the House Committee on 20 November 2015, and the deadline for giving notice of amendments to the subsidiary legislation was 25 November 2015.

## II. Any other business

4. There being no other business, the meeting ended at 5:47 pm.

Council Business Division 4
<u>Legislative Council Secretariat</u>
9 December 2015

## Proceedings of the meeting of the Subcommittee on Commencement Notices related to Five Sets of Amendment Rules made under Sections 73 and 73A of the Legal Practitioners Ordinance and Gazetted on 17 July 2015 on Tuesday, 10 November 2015, at 5:30 pm in Conference Room 2B of the Legislative Council Complex

Time marker	Speaker(s)	Subject(s)	Action required				
Agenda item I - Meeting with the Law Society of Hong Kong							
000100 - 000559	Chairman Law Society	The Chairman's enquiry on the time taken for bringing the five sets of amendment rules ("the Amendment Rules") made under sections 73 and 73A of the Legal Practitioners Ordinance into operation since they were gazetted on 12 October 2012.					
		The Law Society of Hong Kong ("the Law Society") advised that it had appointed 1 July 2016 as the commencement date of the Amendment Rules with an intention of allowing ample time for its members to familiarize themselves with the operation of the Amendment Rules and to update the computer systems in order to comply with the requirements under the Amendment Rules. The Law Society had also completed the following preparatory work prior to the commencement of the Amendment Rules:					
		(a) putting in place a waiver application system and preparing new waiver guidelines for the amended Solicitors' Accounts Rules (Cap. 159F);					
		(b) reviewing and revising the existing Manual on Solicitors' Accounting to align it with the new provisions in the amended Cap. 159F;					
		(c) liaising with the Hong Kong Association of Banks and the Hong Kong Monetary Authority on the requirements of opening a "client account" under the amended Cap. 159F; and					
		(d) organizing seminars for its members to highlight the relevant amendments and practical issues.					

Time marker	Speaker(s)	Subject(s)	Action required
000600 - 001127	Chairman Mr Dennis KWOK Law Society	In reply to Mr Dennis KWOK's enquiry on the examination of overseas lawyers on the new requirements under the amended Cap. 159F, the Law Society advised that the new requirements would be examined under the subject "Accounts and Professional Conduct" in the Overseas Lawyers Qualification Examination starting from 2016.	
		Mr KWOK further enquired on whether foreign law firms operating in Hong Kong were also regulated by the Amendment Rules as in the case of local law firms to ensure that all law firms were on the same level playing field under the Amendment Rules.	
		The Law Society advised that solicitors practising in Hong Kong would be subject to the Amendment Rules after they were brought into operation on 1 July 2016. According to the amended Cap. 159F, the definition of "solicitor" had been expanded to include, apart from a solicitor of the Court and a firm of solicitors, a solicitor corporation, a foreign lawyer and a foreign firm.	
		The Law Society further advised that Chapter 1 of Volume 1 of The Hong Kong Solicitors' Guide to Professional Conduct addressed conflicts between the ethical rules in the jurisdictions of the foreign law firms and those in Hong Kong.	
001128 - 001421	Chairman Mr CHUNG Kwok- pan Law Society	In response to Mr CHUNG Kwok-pan's enquiry about the deposit of clients' money in overseas bank accounts by solicitors practising in Hong Kong, the Law Society advised that under the new requirements, a solicitor must keep other people's money in bank account identifiable as a client account at a bank located and licensed in Hong Kong. This could address the problems with access to information on the client account concerned if the account was maintained at an overseas bank or an overseas branch of a bank licensed in Hong Kong.	
001422 – 001548	Chairman	The Subcommittee completed the scrutiny of the subsidiary legislation.  Legislative timetable and extension of the scrutiny period	

Time marker	Speaker(s)	Subject(s)	Action required				
Agenda item II - Any other business							
001549- 001624	Chairman	Closing remarks					

Council Business Division 4
<u>Legislative Council Secretariat</u>
9 December 2015