

**For discussion on  
14 March 2025**

**Legislative Council Panel on  
Administration of Justice and Legal Services**

**Recent Development of Solicitors Practising as a Solicitor Corporation**

1. This submission sets out the recent development of solicitors practising as a Solicitor Corporation.
2. Law firms in Hong Kong typically operate in the form of a sole proprietorship or a partnership. Partnership can be a general partnership or a limited liability partnership (“**LLP**”).
3. Solicitor Corporation, together with sole proprietorship, general partnership and LLP, will offer a comprehensive range of options of organisational forms for legal practice in Hong Kong. Allowing different organisational forms of legal practice would enhance flexibility and promote the development of the legal profession, aligning Hong Kong with global trends in the legal service sector.
4. Solicitor Corporation is an additional choice of mode of practice for solicitors. Some major features of a Solicitor Corporation are as follows:
  - (a) A Solicitor Corporation is a limited company approved by the Law Society to carry on the business and practice of solicitors;
  - (b) A Solicitor Corporation is a company formed and registered under the Companies Ordinance (Cap. 622) (“**CO**”) or under a former Companies Ordinance as defined by Section 2(1) of CO which is limited by shares, with separate legal personality;
  - (c) The shares of a Solicitor Corporation cannot be publicly listed, but they can be freely transferred to holders that satisfy the safeguards to be provided in the Solicitor Corporation Rules, e.g a transferee must be a

solicitor holding an unconditional practising certificate and a director or an employee of the Solicitor Corporation; and

- (d) As the Solicitor Corporation is a separate legal entity, it will continue irrespective of the personal circumstances of its directors and members. This prevents any disruption that might be caused by the incapacity, retirement, death, bankruptcy, or withdrawal of a partner.
- 5. Introduction of Solicitor Corporation as a new mode of practice requires legislative amendments. The necessary amendments to the principal legislation, the Legal Practitioners Ordinance (Cap. 159) (“**LPO**”), have already been passed. A new Part IIAA on Solicitor Corporation has been added to the LPO. It sets out the principles according to which a Solicitor Corporation is to be formed, administered and wound up.
- 6. The amendments however have not come into operation yet because in addition to the amendments to the LPO, new subsidiary rules are needed to put in place a regulatory framework for the Solicitor Corporation. Further, since the existing subsidiary rules cover legal practice in the form of partnership and sole proprietorship, substantial consequential amendments are required to cover Solicitor Corporation. Any rules drawn up by the Law Society will have to be approved by the Chief Justice and placed before the Legislative Council for negative vetting and form part of the subsidiary legislation.
- 7. The Solicitor Corporation Rules (“**SC Rules**”) and Foreign Lawyer Corporation Rules (“**FLC Rules**”), together with the consequential amendments to the LPO and its 17 pieces of subsidiary legislation require the approval-in-principle and the final approval of the Chief Justice (“**CJ**”), the approval by the Law Drafting Division of the Department of Justice (“**DOJ**”) of the format and styles of the proposed legislation and related amendments, and the resolution of all policy issues raised by the Constitutional and Policy Affairs Division of DOJ.
- 8. The legislative process is now in its final stage. Bilingual texts of the draft SC Rules and FLC Rules and all other relevant amendment rules have been sent to the Judiciary for the CJ’s final approval. Safeguards have also been put into place in the legislation to protect the public interest. The Judiciary has recently raised some questions relating to consumer protection where the Law Society has fully addressed through a detailed reply.

9. The Law Society expresses its appreciation to the Judiciary and the DOJ for their support in advancing the implementation of the Solicitor Corporation proposal. We trust that all outstanding questions have now been duly addressed, and we therefore anticipate that all relevant ordinance and subsidiary legislation will come into effect in the near future.

**The Law Society of Hong Kong**  
**March 2025**