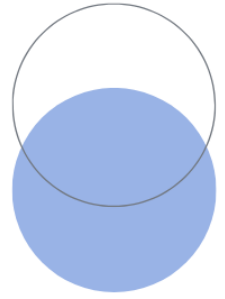




THE
LAW SOCIETY
OF HONG KONG
香港律師會



2022

Standing Committee on Standards and Development



STANDING COMMITTEE ON STANDARDS AND DEVELOPMENT



The Standing Committee on Standards and Development is responsible for establishing standards and rules and formulating policies on the education, training and regulation of solicitors and foreign lawyers, and on their conduct and practice.

The Standing Committee convened 12 meetings.

Businesses dealt with by the Standing Committee during meetings and by paper circulation are categorized into the following:

- (a) Formulating policies on regulating solicitors, foreign lawyers and their practice:
- Formulating proposal for the Council to deal with remote work arrangements for law firms under the COVID-19 pandemic. It was suggested that the Council should grant a waiver (“WFH Waiver”) from the statutory requirements in *Practice Direction D 5* and rule 7 of the *Foreign Lawyers Practice Rules* (Cap.159R), which mandate practitioners to practise in self-contained premises, and a waiver from the statutory requirement in rule 3(2) of the *Solicitors (Group Practice) Rules* (Cap.159X) which prohibits solicitors and firms from practising from the same address unless they are members of the same firm or they are members of the same group practice. As a result, the Council resolved in March to grant the WFH waiver. The WFH Waiver was regularly reviewed by Council and extended from time to time. At the same time, keeping under review the waiver granted by the Council in relation to all the trainee solicitors from requirements to have their training in the offices of their principals (“TS Waiver”), which has operated with retrospective effect since 1 January 2020, in light of the continuous development of the pandemic;
 - Consideration of the terms of reference and composition of the Working Party on Cessation of Practice. The terms of reference are as follows:
 - (i) To review comparative study of the practices and policies of other jurisdictions;
 - (ii) To review the appointment of cessation agents and substitute agents;
 - (iii) To prepare a report to the Standing Committee and the Council on the issues and problems encountered by law firms in cessation;
 - Review of the regulatory regime of overseas lawyers working in corporations;
 - Consideration of a proposal for an Anti-Money Laundering (“AML”) Review of Hong Kong law firms and registered foreign firms, approval of the documentation set and the logistics for the rollout of the AML Review;
- (b) Keeping under regular review the *Legal Practitioners Ordinance* (Cap.159) (“LPO”) and its subsidiary legislation, The Law Society’s *Practice Directions* and the *Hong Kong Solicitors’ Guide to Professional Conduct*, Volume 1 (“*Conduct Guide*”):
- Consideration of the feasibility of allowing law firms to practise in a brick-and-mortar office with an integrated virtual practice as a facility to serve clients;
 - Interpretation of rule 9(1) of the *Trainee Solicitors Rules* (Cap.159J);

- Interpretation of rules 13(1) and 13(3) of the *Foreign Lawyers Registration Rules* (Cap.159S);
 - Consideration of the *Overseas Lawyers (Qualification for Admission) (Fees) (Amendment) Rules*;
 - Consideration of response to the comments of the Department of Justice (“DOJ”) on the amendments proposed by The Law Society to section 55 of the *LPO* and formulation of further amendments to section 55;
 - Consideration of the policy intent of section 53(1) of the *LPO*, proposed amendments to section 53(1)(a), comments of DOJ on the proposed amendments and views of the Standing Committee on Compliance;
 - Review of the amendments proposed to the Notes for completing Form 1B (Application for a Certificate of Eligibility for Admission as a Solicitor on the basis of Compliance with Section 4(1)(a) – Barristers), the Notes for Completing Form 1C (Application for a Certificate of Eligibility for Admission as a Solicitor under Section 4(1)(b)) and the Notes for completing Form 4 (Application for a Certificate of Eligibility for Admission as a Solicitor on the basis of Compliance with Section 4(1)(a) – Trainee Solicitors);
 - Review of the fees set out in Schedule 3 to the *Solicitors (General) Costs Rules* (Cap.159G);
 - Consideration of proposals to update the *Conduct Guide* to align with the implementation of the regime on outcome related fee structures for arbitration in Hong Kong on 16 December;
- (c) Overseeing the administration of the *Continuing Professional Development* (“CPD”) *Scheme* and the *Risk Management Education* (“RME”) *Programme*:
- Consideration of CPD exemption in mediation training;
 - Review and approval of the draft checklists on the ethical requirements set out in the course materials of the RME core courses and electives proposed by College of Law, Australia and New Zealand;
 - Consideration of the recommendation to implement a quality management system for the *RME Programme* and to incorporate Lexcel instead of ISO 31000 into the RME course materials;
 - Review and approval of the amendments to the Statement of Compliance with CPD/RME Requirements (“Statement of Compliance”) and Explanatory Notes for completing the Statement of Compliance;
 - Sections 6(6B) and 6(6C) of the *LPO* stipulates that in addition to the 2-year employment requirement under section 6(6) of the *LPO*, a solicitor applying for the first issue of an unconditional practising certificate is required to complete a

mandatory practice management course (“Mandatory Course”) provided or approved by The Law Society. The Law Society will bring the above provisions into legal effect in 2023. The Mandatory Course will be offered by the Academy of Law. It is a half-day course and is free of charge. The Mandatory Course consists of five topics: practice structures, financial management, talent management, client development and business planning. Since 2019, a practice management course, with identical content as that of the Mandatory Course, has been offered as a RME elective course (“RME Elective”) as a pilot run of the Mandatory Course by the Academy of Law. A working party was formed to formulate the exemption guidelines under the new section 6(6C) of the *LPO*. The Law Society considered the framework of the Mandatory Course and the draft exemption guidelines under subsection 6(6C) and suggested the commencement date of sections 6(6B) and 6(6C). The Law Society will also formulate the automatic exemption guidelines for those participants who have successfully completed the relevant RME Elective;

(d) Overseeing the administration of the *Overseas Lawyers Qualification Examination* (“*OLQE*”):

- Approval of the logistics of the 2021 Head V *OLQE* and the 2022 *OLQE*;
- Consideration and review of the results of the 2021 *OLQE*;
- Consideration of the modes of examination of the 2022 *OLQE*;
- Approval of the documentation of the 2022 *OLQE* including the 2022 *OLQE* Information Package and Supplementary Information Package;
- Approval of the logistics of the 2022 *OLQE* including the preventive measures to be taken in the light of the COVID-19 pandemic and subsequent developments, taking into consideration the amendments to the provisions in the *Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation* (Cap.599F), the *Prevention and Control of Disease (Prohibition on Gathering) Regulation* (Cap.599G), the *Prevention and Control of Disease (Wearing of Mask) Regulation* (Cap.599I), the advice of the Centre for Health Protection, the advice of the Food and Health Bureau and the measures taken by the Hong Kong Examinations and Assessment Authority;
- Approval of the amendments to the Health Declaration Forms to be completed by candidates and Examination personnel;
- Review the marking arrangements of *OLQE* for whether allowing Examiners who are outside Hong Kong to conduct the marking via SharePoint upon request;
- Consideration and renewal of appointment of the incumbent Examiners and incumbent Panel Convenors;
- Appointment of the *OLQE* Co-Chief Examiners;

- Review of the fees of the *OLQE* Co-Chief Examiners and Examiners for the 2022 and 2023 *OLQE*;
 - Determination of the applications for review under rule 9 of the *Overseas Lawyers (Qualification for Admission) Rules* (Cap.159Q) (“*OLQE Rules*”);
 - Consideration of the proposal to allow *OLQE* candidates to take the written heads of the *OLQE* in examination venues in Hong Kong by using laptop computers;
 - Consideration of the use of Zoom to conduct the Head V *OLQE* on Principles of Common Law;
 - Guidelines on dealing with late arrival of candidates in the Head V *OLQE* on Principles of Common Law;
 - Review of the fees of the *OLQE* Co-Chief Examiners and Examiners of the 2022 *OLQE*;
- (e) Overseeing legal education:
- Consideration of the consultation on the amendments proposal by the Education Bureau to the common descriptions for associate degree and higher diploma programmes;
 - Renewal of appointment of External Examiners of the *Postgraduate Certificate in Laws (“PCLL”) Programmes* of the City University of Hong Kong (“CityU”), the Chinese University of Hong Kong (“CUHK”) and The University of Hong Kong (“HKU”), and appointment of new External Examiners;
 - Renewal of appointment of representatives of The Law Society on the *PCLL* Academic Board of HKU;
 - Consideration of renewal of appointment of the *PCLL* Chief External Examiner;
 - Consideration of the draft Paper on the Law Society Examination (“LSE”) Syllabus and Outcomes;
 - Approval of change of name of the legal executive course to “Higher Diploma in Business and Legal Studies” proposed by the Hong Kong Institute of Vocational Education (“IVE”);
 - Nomination of two representatives to speak at the “Professional Conduct and Practice” Module of the *PCLL Programme* at CityU on “The Admission and Legal Firms in Hong Kong”;
- (f) Overseeing trainee solicitor training of trainee solicitors:
- Approval of the amendments to the Training Checklist for Trainee Solicitors;

- Review of the minimum wages prescribed by The Law Society for trainee solicitors;
 - Consideration of proposals to remind sole principal who has employed or was acting as the principal of a trainee solicitor must make suitable alternative arrangement for the trainee solicitor to be properly supervised by another solicitor during a prolonged period of absence;
 - Review of the amendments proposed to the Notes for completing Form AA (Application for Registration of Trainee Solicitor Contract);
 - Consideration of the restructure of the *Legal Trainee Scheme* proposed by DOJ to include the Inclusive Dispute Avoidance and Resolution Office and the Law Reform Commission Secretariat within the Secretary for Justice’s Office as government agencies to provide training to trainees under the *Legal Trainee Scheme*, and approval of the amendments proposed by DOJ on the Application for a Certificate for Admission as a Solicitor, the Trainee Solicitor Contract – Form B and the Training Checklist for Trainee Solicitors;
 - Review of the *Code of Good Practice in the Recruitment of Trainee Solicitors*;
- (g) Supervising the work and the operation of the Committees, Working Parties and Sub-Committees under its umbrella and reviewing their recommendations and proposals:
- Review on a regular basis all the minutes of the meetings of the Committees and Working Parties under its umbrella;
 - Review of the composition of the Committees and Working Parties, renewal of appointment of their members and appointment of new members;
 - Consideration of the terms of reference and composition of the Working Party on Cessation of Practice;
 - Review of the roadmap of the work of the AML Committee;
 - Review of the progress of the legislative amendment exercise to enable solicitors to incorporate their practices, including the progress in the drafting of the *Solicitor Corporation Rules* (“*SC Rules*”), the *Foreign Lawyer Corporation Rules* (“*FLC Rules*”), the amendments to the *LPO* and the consequential amendments to the subsidiary legislation of the *LPO* and the estimated timeline for completion of the exercise;
 - To establish of the Working Party on Schedule 3 to the *Solicitors (General) Costs Rules* and its terms of reference.

AML COMMITTEE

The main terms of reference of the AML Committee are to review the guidelines on Money Laundering (“ML”), Terrorist Financing (“TF”) and Proliferation Financing (“PF”), to revise those guidelines, to liaise with the governmental, law enforcement and other regulatory bodies on ML and TF/PF related topics, consider emerging risks, threats, legislative developments, as well as best practice internationally, in order to combat ML and TF within legal sector. The Committee oversees compliance of legal professionals with the requirements of *Practice Direction P* (“PDP”) and the *Anti-Money Laundering* (“AML”) and *Counter-Terrorist Financing* (“CTF”) Ordinance (Cap.615) (“AMLO”).

The Committee held seven meetings, including two with the Narcotics Division of the Security Bureau and one with the Commerce and Economic Development Bureau.

The Committee worked closely with the Narcotics Division of the Security Bureau over the course of 2022 to address the Financial Action Task Force (“FATF”) recommendations in its 2019 *Mutual Evaluation Report on Hong Kong* (“MER 2019”), largely focusing on enhancement of the AML/CTF oversight capabilities. The Committee has taken a series of measures towards developing a robust risk-based supervision of legal professionals’ compliance with the AML and CTF requirements, these include rolling out sector-wide AML risk assessment (“AML Review”) to all law firms in Hong Kong, developing AML/CTF learning materials, best practice templates and guidance, and delivering extensive AML/CTF workshops and forums. Those efforts were acknowledged by the Security Bureau as well as FATF, and contributed to re-rating of Recommendation 28 (Regulation and Supervision of Designated Non-Financial Businesses and Professions) from “Partially Compliant” in MER 2019 to “Largely Compliant”.

In May 2022, The Law Society completed Phase I of the AML Review involving an initial sample set of 50-member firms. Phase II of the AML Review was rolled out to all law firms, including foreign registered law firms, on 6 October 2022. This desk-based evaluation entailed completion of the AML Risk Assessment Questionnaire designed in accordance with FATF and market practice standards, as well as a submission of the firm’s written AML policy. 82% of law firms participated in this exercise. The aim of the AML Review was to:

- (a) develop a ML/TF risk assessment specific to the Hong Kong legal profession, through identifying general and specific ML/TF risks in the sector;
- (b) understand ML/TF risks applicable to individual member firms;
- (c) perform an initial assessment of firms’ efforts to comply with the AML/CTF regulatory requirements under the *PDP* and *AMLO*;
- (d) identify gaps and challenges facing law firms in meeting such requirements; and
- (e) proactively assist law firms with guidance and support to effectively combat ML/TF.

The AML Review will form a foundation for determining frequency and intensity of AML/CTF supervision commensurate with the ML/TF risks impacting legal sector. Further steps regarding AML supervision of legal professionals are under deliberation of the Committee and the Council.

The Committee developed a Toolkit, comprising AML learning materials, best practice templates and guidance to support legal professionals with the application of AML/CTF requirements, including:

- (a) an AML Policy Template;
- (b) Guidance on Alternative Processes to Verify a Client's Identity;
- (c) an AML Leaflet for Clients;
- (d) Client Due Diligence Forms (Full version for Legal Persons and Individual clients respectively);
- (e) Client Due Diligence Forms (Short version for Legal Persons and Individual clients respectively); and
- (f) Answers to Frequently Asked Questions.

A new AML webpage was launched in September 2022 on The Law Society's website to keep legal professionals up-to-date with the latest regulatory developments and learning resources, including the AML Toolkit materials. The Law Society further enhanced its outreach capacity by launching digital platforms on social media such as Facebook, Instagram, LinkedIn and YouTube. Those platforms are utilised to share AML/CTF related news and updates impacting legal professionals.

The Committee considered and discussed the following Consultation Papers and documents issued by FATF, the Government and other regulatory bodies during the year:

- (a) Amendments to *PDP* in light of changes to the *AMLO* introduced by the *AML and CTF (Amendment) Bill 2022*;
- (b) Hong Kong legislation regarding combat of PF and FATF's recommendations as part of the *PDP* amendment exercise;
- (c) Digital Transformation of AML/CTF for Operational Agencies issued by FATF;
- (d) Application of FATF Recommendation 18 (Group-wide programmes) to operations of law firms in Hong Kong;
- (e) 2nd Hong Kong Risk Assessment issued by the Hong Kong Government;
- (f) A licensing regime for Virtual Asset Service Providers and a registration regime for Dealers in Precious Metals and Stones;
- (g) Launch of the alternative payment arrangement for property transactions by the Hong Kong Association of Banks and impact on AML risks regarding conveyancing transactions;

- (h) Statement on Development of Virtual Assets in Hong Kong issued by the Financial Services and the Treasury Bureau and AML/CTF risks associated with use of digital assets; and
- (i) Judgment of *Tam et al v Commissioner of Police* [2021] HKCFI 3118 regarding legality of the “No Consent Letter” applied by the Hong Kong Police to freeze client’s funds and its wider implications to the outcomes following submission of the Suspicious Transactions Report.

In April 2022, the Committee became a member of the Crime Alert Network established by the Financial Intelligence and Investigation Bureau (“FIIB”) of the Hong Kong Police Force to receive financial crime alerts and to identify ML/TF emerging risks.

Two AML seminars for legal practitioners were conducted on 8 July and 21 November covering the following topics:

- (a) Major provisions and amendments to *AMLO*;
- (b) Latest developments in international and domestic AML/CTF trends and regulations;
- (c) Legal practitioners’ statutory obligations with respect to Suspicious Transaction Reporting (“STR”), including STR case studies and statistics; and
- (d) Customer due diligence and record keeping requirements for legal professionals.

Guest speakers included representatives of the Security Bureau, DOJ and FIIB. These seminars were attended by a total of 1,112 participants.

The joint webinar of The Law Society and German Federal Bar was held on 19 December attracting over 100 members from the two associations. Speakers from Germany and Hong Kong provided detailed presentations on AML/CTF regulations and the supervision of the advocacy in the two jurisdictions.

The Committee held an AML Forum on 30 September chaired by the President of The Law Society, to assist member firms with the preparation for the AML Review and to explicate the content of the AML Toolkit guidance materials. The AML Forum provided detailed explanation of the AML supervisory requirements expected of The Law Society, key developments and actions taken by The Law Society to implement a robust supervision of law firms’ compliance with AML requirements. The AML Forum was attended by 705 participants.

A total of four experience sharing AML/CTF workshops were organised from October to December, focusing on the practical application of the AML/CTF requirements and the AML Toolkit guidance materials, how they may be applied in the practice of a law firm and answer any enquiries on them. These workshops were attended by 616 participants.

The core AML/CTF three-hour *RME Programme* was revised in September to include and focus on the practical application of the AML/CTF requirements, ML, TF, and PF risks. Three participant-oriented AML/CTF *RME* courses with the maximum capacity of 32 participants per session were delivered and attended by 93 participants.

In addition, the accredited *RME* course providers of The Law Society delivered another five courses for practitioners on AML under The Law Society's *RME Provider Accreditation Scheme*. 1,636 participants attended the courses.

CPD COMMITTEE

The main terms of reference of the CPD Committee are to formulate policies, procedures, guidelines, to monitor the implementation and administration of the *CPD Scheme* and to keep under review the relevant policies, procedures and guidelines.

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 the Hong Kong Academy of Law Ltd. (“Academy”) conducted a total of 305 CPD and RME courses during the year. Of the 305 courses, 13 courses were conducted in Cantonese and the remainder in English. The courses attracted an attendance of 27,077 participants.

The Law Society and the Academy are grateful to the 133 presenters who contributed by sharing their valuable experiences and expertise.

As a result of the COVID-19 pandemic and mutant strains and to reduce the risk of transmission, the majority of the CPD and RME on-site courses of The Law Society and the Academy were conducted by webinars.

Some of the highlights of The Law Society and the Academy's courses are:

Personal Data Privacy

The *Personal Data (Privacy) (Amendment) Ordinance 2021* (“*Amendment Ordinance*”) came into effect on 8 October 2021 to criminalise malicious doxxing acts so as to protect the public's personal data privacy. The Academy conducted a webinar entitled “*Personal Data (Privacy) (Amendment) Ordinance 2021 – Criminalisation of Doxxing Acts*” on 11 January. The webinar apprised attendees of the scope of the *Amendment Ordinance*, including the introduction of a two-tier structure of doxxing offences, the new criminal investigation, the prosecution powers and the power of the Privacy Commissioner for Personal Data (“Privacy Commissioner”) to issue cessation notices to remove doxxing messages. The speakers were Ms Ada Chung Lai-ling, the Privacy Commissioner and Mr Dennis Ng, Senior Legal Counsel of the Office of the Privacy Commissioner for Personal Data. Mr Amirali Nasir, Vice-President of The Law Society was the moderator of the webinar. The webinar attracted about 130 participants.



Intellectual Property

The Government launched a three-month public consultation on updating the copyright regime in light of the digital environment on 24 November 2021. In the consultation document, the Government proposes to use the *Copyright (Amendment) Bill 2014* (“2014 Bill”) as the basis and starting point for updating Hong Kong’s copyright regime.

The Academy conducted a webinar entitled “Consultation Paper on the Copyright Regime in Hong Kong” on 19 January. The attendees were briefed on the background and contents of the consultation document including the five key legislative proposals of the *2014 Bill* and other issues relevant to the stakeholders. The speakers were Mr Thomas Tsang, Deputy Director of Intellectual Property (Designate), Ms Sandra Hui, Acting Assistant Director (Copyright) of the Intellectual Property Department and Professor Kenny Wong, Chairman of the Intellectual Property Committee of The Law Society. The webinar attracted over 100 participants.



AML

AMLO came into effect on 1 March 2018. The Law Society and the Academy held two webinars entitled “AML Seminar for Lawyers” jointly with the Narcotics Division, Security Bureau of the HKSAR Government on 8 July and 21 November. The webinars briefed practitioners on the major provisions of *AMLO*, their statutory client due diligence and record keeping requirements when they are engaged in specified transactions, and their statutory obligations on suspicious

transaction reporting. The webinars also provided practitioners with an overview of the latest developments on international and domestic AML and CTF. The webinars were delivered by representatives from The Law Society, the Security Bureau, the Department of Justice, the Hong Kong Police Force and the Commerce and Economic Development Bureau. Over 1,100 participants attended the webinars.

Besides, the Academy conducted a webinar entitled “Forum on the AML Review” on 30 September. The speakers discussed the impact of the changing AML landscape on the legal profession, the AML supervisory requirements expected of The Law Society, the background to key changes and the actions taken by The Law Society to implement robust supervision of law firms’ compliance with AML requirements, including the AML Review to be conducted by The Law Society. The speakers were Mr C. M. Chan, President of The Law Society, Ms Careen Wong, Council Member and Chairperson of the Standing Committee on Standards and Development of The Law Society, Mr Michael Lintern-Smith and Mr Alan Linning, Chairman and Member of the AML Committee of The Law Society respectively. The Forum attracted over 800 participants.



Forum on the AML Review



Forum on the AML Review

In addition, the Academy conducted four AML workshops on “Practical Application of the Client Due Diligence Templates and other AML Guidance Materials issued by The Law Society of Hong Kong” on 20 and 26 October, 16 November and 7 December. The workshops briefed participants on the requirements in *AML and CTF Ordinance Cap. 615, Practice Direction P* and other relevant legislation, and how to use the AML guidance materials to meet those requirements. Over 610 participants attended the workshops.

Professional Ethics

Professional ethics are of paramount importance to the legal profession and practitioners.

The Law Society conducted a seminar on “Professional Ethics in Practice” jointly with the Independent Commission Against Corruption (“ICAC”) on 13 August. Topics covered included the overview of Hong Kong’s endeavours to combat corruption and the part played by The Law Society and the Society’s members in such endeavours, the work of ICAC, the common ethical risks in the business sector, the *Prevention of Bribery Ordinance (Cap.201)* with case illustrations, and how firms could build an effective anti-corruption programme. A guided tour of the Exhibition Hall of the ICAC was provided at the end of the seminar. The speakers of the seminar were Ms Evalina Yim, Assistant Director of the Community Relations Department of ICAC, Mr Bryan Chong, Assistant Director of the Operations Department of ICAC, Ms Anna Lam, Executive Director of the Hong Kong Business Ethics Development Centre of ICAC, Mr C. M. Chan, President of The Law Society and Ms Careen Wong, Council Member and Chairperson of the Standing Committee on Standards and Development of The Law Society. Mr Amirali Nasir, Vice-President of The Law Society was the moderator of the seminar. The seminar attracted over 110 participants.



Seminar on “Professional Ethics in Practice”

The Academy also conducted a webinar entitled “Guardian Role of Professionals in Upholding Ethical Governance” on 31 October. The webinar briefed practitioners on relevant provisions of the *Prevention of Bribery Ordinance, Cap. 201*, the role of professionals in corruption prevention and ethical governance, and discussed the ethical issues encountered by professionals with ICAC case illustrations. Over 250 participants attended the webinar.

Mental Health Law

The Academy conducted a webinar entitled “Risks in Preparing Enduring Power of Attorney” on 14 October. Topics discussed included the “three instruments of peace” and emerging Continuing Power of Attorney, practical considerations when taking instructions on the preparation of Enduring Powers of Attorney (“EPA”) under the *Enduring Powers of Attorney Ordinance* (Cap.501), points to ponder when instructing doctors to conduct assessment on mental capacity for EPA, registration, de-registration and revocation of EPA, comparison of EPA and similar regimes in other jurisdictions, and potential professional risks in preparing EPAs and how to avoid them. Representatives from the Mental Health Law Committee, Probate Committee and Working Party on EPA of The Law Society were the speakers of the webinar. The webinar attracted over 250 participants.

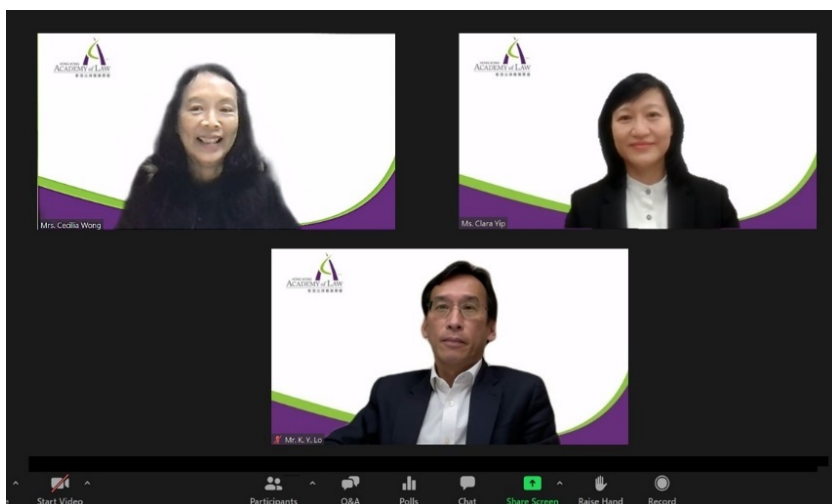


Webinar on “Risks in Preparing Enduring Power of Attorney”

Mediation

The Academy organised six webinars on mediation in 2022 which were attended by over 830 participants.

One of the webinars was entitled “Pilot Scheme of Case Settlement Conference in the District Court” on 1 December. The Pilot Scheme of Case Settlement Conference (“CSC”) in Civil Cases has started in the District Court since 2021. CSC, which forms part of the case management process, assists the parties to reach settlement during the Conference and promotes use of alternative dispute resolution in civil litigation. The webinar provided practitioners with an understanding of the actual operation of CSC and prepared them to attend CSC. The speakers were Ms Clara Yip, Solicitor, Accredited Family Mediation Supervisor, General Mediator and Counsellor, Mr K. Y. Lo, Consultant of Ho & Ip and Mrs Cecilia Wong, Chairlady of the Mediation Committee and the Mediator and Parenting Co-ordinator Admission Committee of The Law Society. The webinar attracted over 100 participants.



Webinar on “Pilot Scheme of Case Settlement Conference in the District Court”

Other topics on mediation covered mediator-assisted financial dispute resolution and children’s dispute resolution, the mediation procedure – why this so important, international commercial mediations with Mainland Chinese Parties, and ad hoc mediation of administered mediation.

Legal Tech

To enable practitioners to capitalise on the latest developments in legal technology, the Academy conducted 28 webinars on Legal Tech. Topics covered included:

- metaverse – why we lawyers care?;
- non-fungible tokens;
- development of Hong Kong Legal Cloud and online dispute resolution services;
- guidance on the ethical development and use of artificial intelligence (AI);
- cryptocurrency: a practical guide to cryptocurrency tracing;
- cryptocurrency focus: a practical guide to cryptocurrency in matrimonial disputes;
- security token offerings in Hong Kong;
- demystifying electronic and digital signatures;
- introduction to AI in law;
- forensic collections in an ever-changing world and how to handle mobile phone and chat data;
- briefing session on the use of Integrated Court Case Management System;
- briefing session on the use of e-bundle;
- email frauds in the modern age – a need for speed;
- fraud using email – attack typologies and investigation considerations, digital property and probate;
- legal challenges in NFT;
- cryptocurrency and metaverse;
- applied natural language processing (NLP) in law;
- legal innovation and technology skillsets and mindsets to succeed in the 21st century legal practice – LITE Lab framework and recent developments;
- AI and other new technologies in the insurance industry;
- handling investigation in the digital era: a legal update covering cybercrime and virtual asset;

- cryptocurrency and cryptoasset disputes;
- bitcoin and blockchain basics for lawyers;
- big data in eDiscovery and document review;
- blockchain for lawyers – what lawyers could do in the crypto bear market?;
- re-imagining the practice of law: a practical guide for in-house counsel and law firms;
- legal technologies: what they are and how they will affect the practice of law;
- new cyber ID in the expanding digital market.

Over 4,000 participants attended the webinars.



Webinar on “Artificial Intelligence and Other New Technologies in the Insurance Industry”



Webinar on “Non-Fungible Tokens”

The CPD Scheme

Pursuant to rule 9 of the *Continuing Professional Development Rules* (Cap.159W) (“*CPD Rules*”), 263 legal practitioners were granted suspension from the *CPD Scheme* during the year. Pursuant to rule 8 of the *CPD Rules*, 61 solicitors and 45 trainee solicitors were granted an exemption from complying with the CPD requirements. Nine trainee solicitors whose duration of trainee solicitor training had been reduced from the statutory two-year training period were granted partial exemption from participation in the *CPD Scheme*.

589 Statements of Compliance with CPD/RME requirements completed by solicitors were reviewed. CPD audit was conducted on 571 solicitors and trainee solicitors during the year.

The following matters were dealt with by the Committee by paper circulation:

- (a) Applications for exemption from complying with the CPD requirements on the basis of old age;

- (b) An application from a practitioner for exemption from her CPD requirement for a second time;
- (c) Proposed amendments to the standard form of Statement of Compliance with CPD/RME Requirements for solicitors and draft Explanatory Notes; and
- (d) Possible enhancements to the *CPD Scheme*.

CPD ACCREDITATION SUB-COMMITTEE

The main terms of reference of the Sub-Committee are to determine applications for accreditation of CPD courses and activities, to determine the number of CPD points awarded on accreditation, to review the criteria for accreditation and to monitor the providers of accredited courses.

A total of 3,945 courses, compared with 3,857 courses in 2021, were accredited as CPD courses. In terms of applications, 1,071 of the 3,945 courses were accredited on a course-by-course basis and 2,569 were accredited under the *Provider Accreditation Scheme*. In terms of course providers, 53 of the 3,945 courses were provided by The Law Society, 295 were provided by the Academy of which 210 were provided under the *RME Programme*, 288 were provided by commercial providers, and the remaining 3,309 were provided by in-house providers such as universities, professional bodies and law firms.

Matters resolved by the Sub-Committee by paper circulation included applications for accreditation of courses, applications for renewal of accredited provider status, accreditation of providers, accreditation of committees and working parties and accreditation of other legal activities including writing articles, books and conducting legal researches.

The total number of accredited providers under the *Provider Accreditation Scheme* at the end of the year was 62. The Sub-Committee approved 17 legal journals and books and 115 pieces of legal research 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. 15 courses were monitored during the year.

GUIDANCE COMMITTEE

The main terms of reference of the Committee are to provide guidance and advice to the solicitors' profession and others on professional conduct and ethics, including the *Conduct Guide*.

The Committee dealt with 4 enquiries from members and 8 referrals from the other Committees or Departments within the Secretariat on the following issues of professional conduct:

- (a) consultation on the *Arbitration and Legal Practitioners Legislation (Outcome Related Fee Structures for Arbitration) (Amendment) Bill 2022* and The Law Society's Submission;
- (b) consultation on the draft *Arbitration (Outcome Related Fee Structures for Arbitration) Rules*;
- (c) an authorisation letter from a law firm's overseas client requesting for release of funds to a third party;
- (d) duties of a solicitor when administering oaths and affirmations or taking declarations under Principle 13.08 of the *Conduct Guide*;
- (e) review of Circular 12-475 on the storage and destruction of old files;
- (f) significant risk of conflict of interests in a scenario whereby a solicitor intended to act for a client in a divorce case after he has acquired information from an opposing party during a preliminary enquiry on potential engagement;
- (g) client's confidentiality and conflict of interests in a scenario whereby a solicitor intended to act for a client in a divorce case whilst his former law firm acted for the opposing party;
- (h) legal advice provided by an in-house solicitor to his employer, employer's group of companies and employer's clients;
- (i) consideration of Circular 22-608 on digitisation of documents;
- (j) co-option of members to the Committee;
- (k) consideration of Circular 22-718 on payment arrangements for residential mortgage refinancing transactions; and
- (l) consideration of Circular 22-661 on "Guide to Good Practice on Family Law".

LEGAL EDUCATION COMMITTEE

The main terms of reference of the Committee are to monitor the *PCLL*, to set education standards for the solicitors' profession, to monitor the entrants to the profession including the need for a qualifying examination for such entrants.

Matters considered and dealt with by the Committee by paper circulation included:

- (a) Proposal of CityU, CUHK and HKU to continue to conduct *PCLL* examinations online;
- (b) Consideration of the proposal of HKU SPACE to conduct the examination of the Higher Diploma for Legal Executive online;

- (c) Consideration of the proposal of IVE to conduct the assessments and examinations of the Higher Diploma in Law and Administration and Professional Diploma for Legal Executives online;
- (d) Renewal of appointment of incumbent Law School Board member of CityU;
- (e) Consideration of the Education Bureau's draft revised Common Descriptions for Associate Degree and Higher Diploma Programmes under the New Academic Structure;
- (f) Renewal of appointment of incumbent *PCLL* External Examiners at CUHK, HKU and CityU.

Past President Mr Dieter Yih and Mr Brian Gilchrist served as representatives of The Law Society on the Standing Committee on Legal Education and Training ("SCLET"), the statutory body established by the HKSAR Government to oversee legal education in Hong Kong under section 74A of the *LPO*. SCLET held two meetings during the year.

MEDIATOR AND PARENTING CO-ORDINATOR ADMISSION COMMITTEE

The main terms of reference of the Committee are to establish and maintain panels of mediators and parenting co-ordinators, to approve the applications for admission of mediators and parenting co-ordinators to the panels, to review and safeguard the standards of mediators and parenting co-ordinators and their training, and to liaise with other relevant organisations on issues pertaining to the development and training of mediators and parenting co-ordinators.

Matters considered by the Committee by paper circulation included:

- (a) Applications for admission as General Mediators;
- (b) Applications for admission as Family Mediators;
- (c) Applications for renewal of membership on the Panels of General Mediators, Family Mediators and Family Mediation Supervisors;
- (d) Applications for an extension of time to complete the CPD requirements in mediation training;
- (e) Approval of an extension of the exemption granted in 2020 to solicitor-mediators on the Panels of General Mediators, Family Mediators and Family Mediation Supervisors of The Law Society to comply with their CPD requirements in mediation training to cover all solicitor-mediators on the Panels whose term of membership expired at the end of the 2020/21 CPD practice year, or will expire at the end of the 2021/22 and 2022/23 CPD practice years, on the basis that their Panel membership is renewable on a 4-year basis and the term of membership of these solicitor-mediators covers the 2019/20 CPD practice year;
- (f) Engagement of external mediators by DOJ;

- (g) Development of a Stage I General Mediation training course;
- (h) Preparation of the agreement for the appointment of a course provider to conduct a Stage I General Mediation training course and consideration of the amendments counter-proposed by the course provider to the draft agreement;
- (i) Membership of the Committee;
- (j) Proposal for the development of online applications for admission to the Panels of Mediators and Panel of Parenting Co-ordinators;
- (k) Updating the Circular on the guidelines on the use of the title “Accredited Mediator of The Law Society” or “Admitted Mediator of The Law Society” to include the use of titles of the International General Mediators and International Family Mediators of The Law Society.

The *Mediator Accreditation Scheme* was formally launched in August 2005. The Law Society joined the 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 two mediator assessments by 15 July 2013 and accrediting applicants as mediators by 15 September 2013. Thereafter, all accreditation of mediators must be conducted by HKMAAL.

In August 2015, The Law Society implemented the *Mediator Admission Scheme (General Mediators)*.

In November 2017, The Law Society further extended the *Mediator Admission Scheme (General Mediators)* to cover the admission of family mediators and family mediation supervisors and the *Mediator Admission Scheme (General Mediators)* was renamed as the *Mediator Admission Scheme*.

Solicitors who were not accredited by The Law Society as General Mediators, Family Mediators and Family Mediation Supervisors prior to September 2013 under the *Mediator Accreditation Scheme* of The Law Society may seek admission, subject to the requirements in the *Mediator Admission Scheme*, onto the Panel of Admitted General Mediators, Panel of Admitted Family Mediators and Panel of Admitted Family Mediation Supervisors through the *Mediator Admission Scheme*. Applications are considered and approved by the Committee on a case-by-case basis.

As of the end of the year, there were 177 solicitors on the Panel of General Mediators, 42 solicitors on the Panel of Family Mediators and nine solicitors on the Panel of Family Mediation Supervisors.

36 applications for renewal of membership on the Panel of General Mediators, 8 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 during the year. 26 applications for renewal were approved and 29 applications for renewal were granted an extension of time until 31 December 2023.

In November 2017, The Law Society also established the Panel of Parenting Co-ordinators. Parenting Co-ordination is an alternative dispute resolution process whereby a Parenting Co-ordinator is appointed either by the courts or the parties in high-conflicts matrimonial disputes to resolve child-related issues. As of the end of the year, there were 17 Parenting Co-ordinators on the Panel.

In January 2020, The Law Society established the Panel of International General Mediators and the Panel of International Family Mediators to assist parties with mediation on international and cross-border disputes. As of the end of the year, there were 19 solicitors on the Panel of International General Mediators and seven solicitors on the Panel of International Family Mediators.

OLQE COMMITTEE

The main terms of reference of the Committee are to establish, keep under review and resolve the standards required of overseas lawyers sitting the *OLQE*, to establish and review the syllabi and reading lists of each Head of the *OLQE*, to prepare the *OLQE* Information and Supplementary Information Packages, to formulate policies on all procedural matters and logistics of the *OLQE*, and to supervise the Examination Panels.

The Committee conducted its business by way of meetings and by paper circulation. The Committee convened four meetings including a joint meeting with the *OLQE* Co-Chief Examiners, Panel Convenors and Examiners.

Matters considered and dealt with by the Committee in meetings and by paper circulation included:

- (a) Results of the 2021 *OLQE*;
- (b) Feedback of the candidates on the conduct of the 2021 *OLQE* set out in their responses to the *OLQE* Questionnaire;
- (c) Logistical arrangements for the 2022 *OLQE*;
- (d) Modes of examination of the 2022 *OLQE*;
- (e) The 2022 and 2023 *OLQE* Information Packages, the 2022 *OLQE* Supplementary Information Package and related documents;
- (f) The syllabus and reading list of each Head of the 2022 *OLQE*;
- (g) Appointment of Examiners and Panel Convenors;
- (h) Appointment of the *OLQE* Co-Chief Examiners;
- (i) Review of the fees of the *OLQE* Co-Chief Examiners, Panel Convenors and Examiners;
- (j) Consideration of reviewing the Marking Procedures of the *OLQE*;

- (k) Membership of the Committee;
- (l) Preventive measures for the 2022 *OLQE* in the light of the COVID-19 pandemic and subsequent developments.

***OLQE* ELIGIBILITY AND EXEMPTION COMMITTEE**

The main terms of reference of the Committee are to determine the applications for eligibility to sit for the *OLQE*, the applications for exemption from sitting all or part of the *OLQE*, the guidelines for approving such applications and any amendments to the *OLQE* Rules.

The Committee conducted its business by way of meetings and by paper circulation. The Committee convened four meetings to resolve the applications to sit the *OLQE* and applications for exemptions and amendments to the *OLQE* Information Package.

During the year, there were 216 *OLQE* applications. Of these, there were:

- (a) 72 applications for exemption from sitting all or part of the 2022 *OLQE*;
- (b) 140 applications for eligibility to sit or re-sit the *OLQE*; and
- (c) 4 applications for direct admission as a solicitor.

157 eligible candidates sat the 2022 *OLQE*.

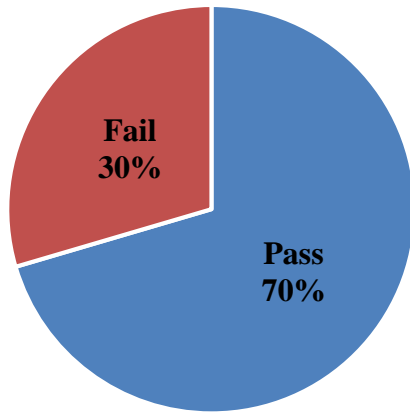
OLQE

The 28th *OLQE* commenced on 25 October. A total of 157 candidates sat one or more written Heads of the Examination, 152 out of 157 candidates came from 19 jurisdictions outside the HKSAR, nine of which were non-common law jurisdictions. The remaining five out of the 157 candidates were Hong Kong barristers.

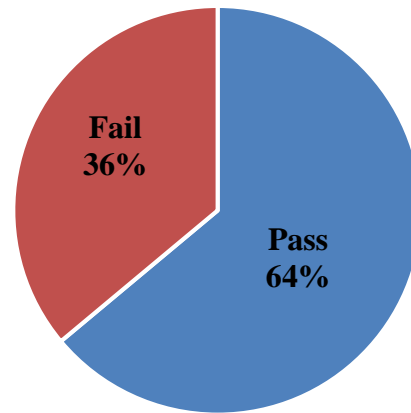
Of the 157 candidates, 31 candidates (20%) passed the Examination, having passed each of the Heads that they were required to sit. 126 candidates (80%) failed the Examination, having failed one or more of the Heads that they were required to sit.

Figures 1 – 6: Examination results with respect to each Head of the OLQE

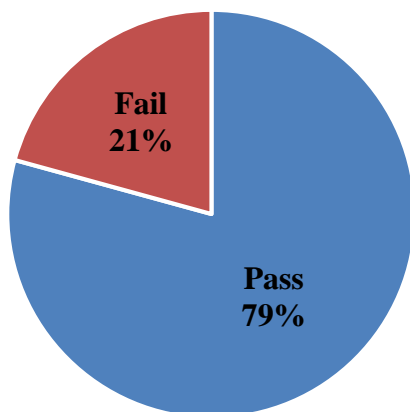
*Figure 1:
Head I – Conveyancing*



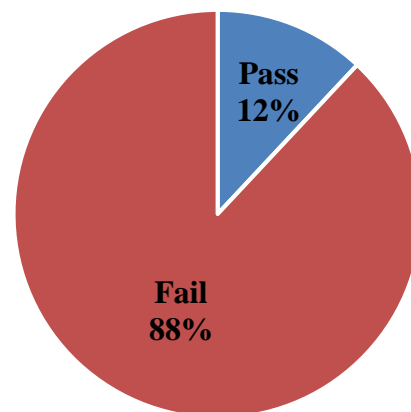
*Figure 2:
Head II – Civil and Criminal Procedure*



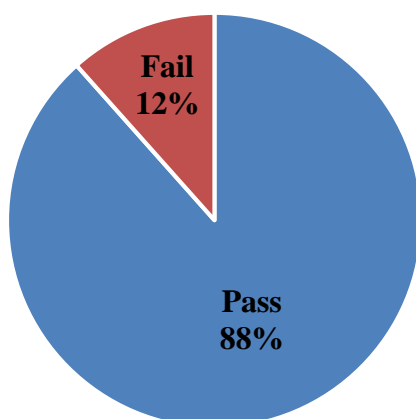
*Figure 3:
Head III – Commercial and Company Law*



*Figure 4:
Head IV – Accounts and Professional Conduct*



*Figure 5:
Head V – Principles of Common Law*



*Figure 6:
Head VI – Hong Kong Constitutional Law*

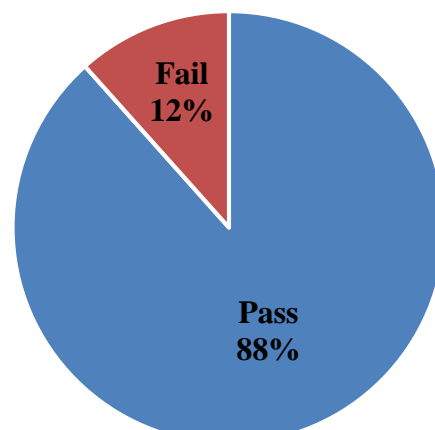
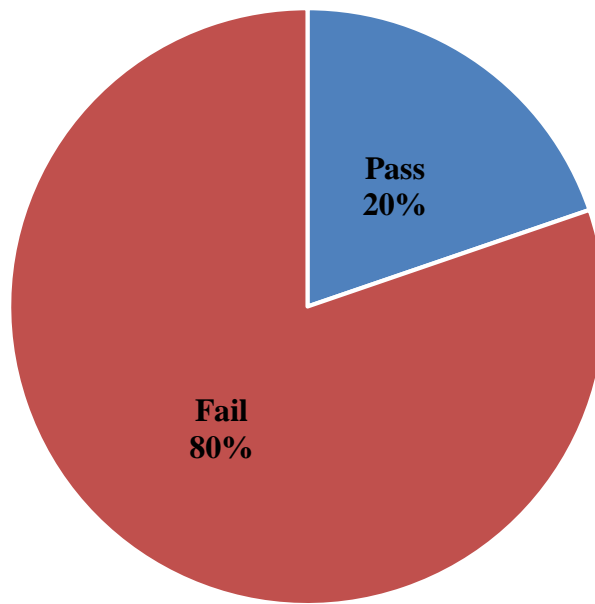


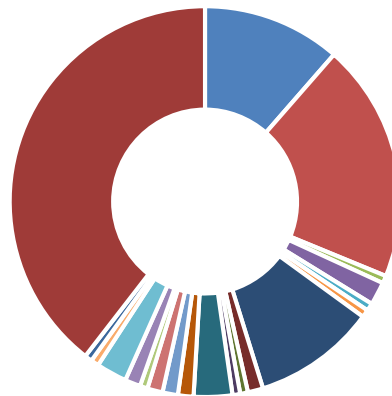
Figure 7: Overall Examination Result



	No. of Candidates						Overall Result
	Head I	Head II	Head III	Head IV	Head V	Head VI	
Pass	62	39	42	14	7	61	31
Fail	26	22	11	103	1	8	126
Total	88	61	53	117	8	69	157

Written Heads Head I – Head IV & Head VI
 Oral Head Head V

Figure 8: Jurisdictions of the candidates



- Australia
- Mainland PRC¹
- Belgium¹
- Malaysia
- Canada
- Nepal¹
- England and Wales
- New Zealand
- France¹
- Northern Ireland
- Hong Kong²
- Philippines¹
- India
- Russia¹
- Ireland
- Singapore
- Japan¹
- Sweden¹
- Korea¹
- U.S.A.

Jurisdictions	No. of Candidates	%*	Jurisdictions	No. of Candidates	%*
Australia	18	11.5%	Mainland PRC ¹	31	19.7%
Belgium ¹	1	0.6%	Malaysia	3	1.9%
Canada	1	0.6%	Nepal ¹	1	0.6%
England and Wales	16	10.2%	New Zealand	2	1.3%
France ¹	1	0.6%	Northern Ireland	1	0.6%
Hong Kong ²	5	3.2%	Philippines ¹	2	1.3%
India	2	1.3%	Russia ¹	2	1.3%
Ireland	1	0.6%	Singapore	2	1.3%
Japan ¹	4	2.5%	Sweden ¹	1	0.6%
Korea ¹	1	0.6%	U.S.A.	62	39.5%
			Total	157	

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%

RME COMMITTEE

The main terms of reference of the Committee are to formulate and to keep under review the policies, procedures and guidelines of the *RME Programme* and to monitor the implementation and administration of the *RME Programme*.

The *RME Programme* 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 18 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.

Six Module 1A, six Module 1B, six Module 2A and six Module 2B of principals' core courses, two Module 1 and two Module 2 of non-principals' core courses, six Module 1 and six Module 2 of registered foreign lawyers' core courses, 18 Module 1 and 18 Module 2 of trainee solicitors' core courses, 19 Compulsory First Elective courses for trainee solicitors, and 82 elective courses were held during the year. The majority of the courses were delivered via webinars.

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. Core courses have also been offered by the Academy free of charge to all trainee solicitors since 1 November 2009. Since 1 November 2014, subject to certain exceptions all courses within the *RME Programme* have been offered free of charge to participants.

The Committee has given consideration to the checklists of RME courses as revised by the College of Law, Australia and New Zealand, after taking into account comments of the specialists Committees.

45 applications for exemption from complying with the RME requirements made under rule 8A of the *Legal Practitioners (Risk Management Education) Rules* (Cap.159Z) were processed during the year.

RME ACCREDITATION SUB-COMMITTEE

The main terms of reference of the Sub-Committee are to determine the applications for accreditation of RME courses and activities, to review the criteria for accreditation and to monitor the providers of accredited courses.

72 applications for accreditation of courses were processed, out of which 44 elective courses offered by law firms and other institutions and 25 elective courses offered by commercial providers were accredited.

Course provider accreditation of RME elective courses was introduced in 2007. 14 law firms accredited as RME elective course providers conducted 88 elective courses within their firms and another 14 elective courses for the benefit of the general membership of The Law Society during the year.

The Sub-Committee also considered and accredited one application for conducting legal research.

SOLICITORS' ACCOUNTS RULES COMMITTEE

The main term of reference of the Committee is to handle enquiries arising from the *Solicitors' Accounts Rules* (Cap.159F) (“*SA Rules*”).

The Committee reviewed rule 7A of the *SA Rules* relating to authority required for drawing money from client account. The Committee proposed to introduce a new rule 7B setting out methods of payment from client account. Upon conclusion of the review, the Committee will submit its recommendations to the Standing Committee for its consideration.

TRAINEE SOLICITORS COMMITTEE

The main terms of reference of the Committee are to monitor the system of trainee solicitor contracts and the training of trainee solicitors, to consider all policies relating to them and to make recommendations on any changes in policies.

The Committee conducted its business by way of meetings and by paper circulation. The Committee convened one meeting. Matters considered and dealt with by the Committee in meeting and by paper circulation included:

- (a) Chairmanship and membership of the Committee;
- (b) Regulatory regime of trainee solicitors, particularly those trainees who are looking for training positions after commencement of training and before registration of training contracts;
- (c) Restructure of the *Legal Trainee Scheme* proposed by DOJ;
- (d) Amendments to the Application for Registration of Trainee Solicitor Contract (“Form AA”) and the Notes for completing Form AA;
- (e) Proposal to amend the *Conduct Guide* and Circular on Trainee Solicitor Training concerning the supervision of trainee solicitor during absence of principal;
- (f) Anonymous complaints against law firms in relation to different aspects of trainee solicitor training.

GUIDE WORKING PARTY

The main term of reference of the Working Party is to review and update the *Conduct Guide*.

The Working Party conducted its business by way of meetings and by paper circulation. The Working Party convened four meetings. Matters considered and dealt with by the Working Party in meetings and by paper circulation included:

- (a) Review of the principles and commentaries in the *Conduct Guide* including consideration and review of suggestions made by the general membership, specialist Committees and Working Parties of The Law Society;
- (b) Formulation of proposed amendments to the *Conduct Guide* arising from the promulgation of Part 10A (Third Party Funding of Arbitration) and Part 10B (Outcome Related Fee Structure Agreement for Arbitration) of the *Arbitration Ordinance* (Cap.609) and the enactment of the *Arbitration (Outcome Related Fee Structures for Arbitration) Rules* (Cap.609D);
- (c) Formulation of proposed amendments to the *Conduct Guide* arising from the draft *Solicitor Corporation Rules*, the draft *Foreign Lawyer Corporation Rules*, the related amendments to the *LPO* which have already been gazetted but have not yet come into operation and the draft consequential amendments to the subsidiary legislation of the *LPO*;
- (d) Two enquiries involving the interpretation of Principle 10.09 of the *Conduct Guide* and its Commentaries referred from the Guidance Committee;
- (e) Consultation document of the Judiciary on “Remote Hearing: Draft *Courts (Remote Hearing) Bill*, *Practice Directions* and *Operational Guidelines*”;
- (f) Legal practice of Hong Kong solicitors as Greater Bay Area lawyers;
- (g) *International Principles on Conduct for the Legal Profession* adopted by the International Bar Association (“IBA”) in 2018, which was confirmed by IBA to be the latest edition.

WORKING PARTY ON SOLICITOR CORPORATION RULES

The main terms of reference of the Working Party are to prepare the *SC Rules* and the *Foreign Lawyer Corporation Rules* (“*FLC Rules*”), the amendments to the *LPO* and the consequential amendments to the subsidiary legislation to the *LPO* to enable law firms to incorporate.

The Working Party convened two meetings discussing issues relating to solicitor corporations and foreign lawyer corporations including:

- (a) Amendments to the draft *FLC Rules* setting out provisions for renewal of registration of foreign lawyer corporations and the fees payable for renewal of registration;

- (b) Amendments to *Practice Directions* arising out of the implementation of the *SC Rules* and the *FLC Rules*;
- (c) Progress of the consequential amendments to the subsidiary legislation to the *LPO* arising from the draft *SC Rules* and the *FLC Rules*;
- (d) Chinese texts of the *SC Rules*, the *FLC Rules*, the *Accountant's Report (Amendment) Rules*, the *Solicitors' Accounts (Amendment) Rules* and the *Solicitors' Practice (Amendment) Rules*;
- (e) Estimated timeline for completion of the legislative amendment exercise;
- (f) Comments of Hong Kong Bar Association on the amendments proposed by the Working Party to section 31(1)(e) and section 31(1)(f) of the *LPO*;
- (g) Amendments to the *Barristers (Qualification) Rules* (Cap.159E);
- (h) Amendments to the *Barristers (Qualification for Admission and Pupillage) Rules* (Cap.159AC);
- (i) Grounds for winding up of solicitor corporations and foreign lawyer corporations with reference to the *Companies (Winding Up and Miscellaneous Provisions) Ordinance* (Cap.32); and
- (j) The circumstances in which The Law Society may intervene a solicitor corporation or a foreign lawyer corporation and the different roles of liquidator and intervention agent.

The legislative amendment exercise has been finalized by the Working Party through their strenuous efforts and diligent works for the last 20 years on this subject. The Working Party aimed to seek for a time slot in the Legislative Council to pass the *Rules* by the end of the legislative year of 2023.

WORKING PARTY ON THE *PRACTISING CERTIFICATE (SPECIAL CONDITIONS) RULES*

The main term of reference of the Working is to consider the amendments to the *Practising Certificate (Special Conditions) Rules* (Cap.159Y) (“*PC Rules*”).

The Working Party liaised with and explained to DOJ the rationale for introducing a new section 53(3A) of the *LPO*, the period of suspension of practising certificate of the solicitors concerned, the mechanism for the solicitors concerned to apply for lifting the suspension of practising certificates as well as related policy issues. The Working Party also followed up with DOJ regarding the progress of the relevant proposed amendments to the *PC Rules* and the *Solicitors' Practice Rules* (Cap.159H).

The Working Party will continue to liaise with DOJ to clarify its queries on the proposed amendments.

GUIDANCE SUB-COMMITTEE TO REVIEW RULE 5AA OF THE SOLICITORS' PRACTICE RULES

The main term of reference of the Sub-Committee is to review rule 5AA of the *Solicitors' Practice Rules* and its application.

The Sub-Committee conducted its business by way of paper circulation. The Sub-Committee is reviewing the scope of rule 5AA of the *Solicitors' Practice Rules* as to the management of a practice upon the death of a sole proprietor pending cessation of the practice. It is also considering a scenario whereby the solicitor manager appointed under rule 5AA of the *Solicitors' Practice Rules* refused to take up the role upon the death of a sole proprietor. It will make recommendations to the Guidance Committee upon completion of its task.

SUB-COMMITTEE ON PRACTICE VENUES

The main terms of reference of the Sub-committee are to carry out a feasibility study for legal practitioners to practise in service centres, at home, in domestic premises or by virtual offices and to consider the different types of flexible work arrangements adopted by firms in response to the COVID-19 pandemic including the technological implications. The Sub-committee is also tasked with reviewing the relevant rules and regulations and to make recommendations on whether and, if so, how to allow legal practitioners to practise in the aforementioned practice venues.

The Sub-committee conducted its business by way of meetings and by paper circulation. The Sub-committee convened one meeting. Matters considered and dealt with in meeting and by paper circulation included:

- (a) Draft Circular on work from home arrangements of Hong Kong firms and registered foreign firms during the COVID-19 pandemic;
- (b) Legal practice in virtual offices for Hong Kong firms and registered foreign firms;
- (c) Changes in membership of the Sub-Group for Legal Practice in Virtual Offices;
- (d) Participation in the Sit-In Programme of the Young Solicitors' Group.

There are four Sub-Groups under the Sub-committee to focus on a different tasks:

- (a) Sub-Group for Work Arrangements under COVID-19;
- (b) Sub-Group for Legal Practice in Virtual Offices;
- (c) Sub-Group for Legal Practice at Home or in Domestic Premises; and
- (d) Sub-Group for Legal Practice in Service Centres.

The Sub-Group for Work Arrangements under COVID-19 and the Sub-Group for Legal Practice

in Virtual Offices each convened one meeting to review the relevant rules and regulations and to make recommendations to the Sub-committee on the work from home arrangements adopted by firms in response to the COVID-19 pandemic and the feasibility of legal practice in virtual offices respectively.

WORKING PARTY ON EXEMPTION GUIDELINES FOR THE MANDATORY PRACTICE MANAGEMENT COURSE

The main terms of reference of the Working Party are to consider, formulate and recommend to the Standing Committee and the Council the exemption guidelines for the Mandatory Practice Management Course under section 6 of the *LPO*.

To be eligible to apply for exemption, an applicant must prove to the satisfaction of The Law Society that he/she has, prior to the date of commencement of amendments to section 6 of the *LPO*, completed a practice management course that is acceptable to The Law Society as being equivalent to the course(s) conducted or approved by The Law Society; or demonstrates to the satisfaction of The Law Society that he/she has had related management experience in legal services either in Hong Kong or overseas. The applications for exemption will be considered on a case-by-case basis. The exemption guidelines proposed by the Working Party have been approved by the Standing Committee and the Council.