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### LEGAL PROFESSION ACT 1966

# LEGAL PROFESSION (CONDITIONAL FEE AGREEMENT) REGULATIONS 2022

#### ARRANGEMENT OF REGULATIONS

## Regulation

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In exercise of the powers conferred by section 115B(7) of the Legal Profession Act 1966, the Minister for Law makes the following Regulations:

#### Citation and commencement

**1.** These Regulations are the Legal Profession (Conditional Fee Agreement) Regulations 2022 and come into operation on 4 May 2022.

## **Definitions**

- **2.** In these Regulations, unless the context otherwise requires
  - "arbitration agreement" has the meaning given by section 4 of the Arbitration Act 2001 or section 2A of the International Arbitration Act 1994, as the case may be;
  - "award"
    - (a) in relation to the Arbitration Act 2001, has the meaning given by section 2(1) of that Act; and

- (b) in relation to the International Arbitration Act 1994, has the meaning given by section 2(1) of that Act;
- "conditional fee agreement" has the meaning given by section 115A(1) of the Act;
- "court" means a court of competent jurisdiction;
- "foreign award" has the meaning given by section 27(1) of the International Arbitration Act 1994;
- "Singapore International Commercial Court" has the meaning given by section 36O(1) of the Act.

## Prescribed proceedings

- **3.** For the purposes of the definition of "prescribed proceedings" in section 115A(1) of the Act, the following are contentious proceedings to which a conditional fee agreement may relate:
  - (a) arbitration proceedings, whether in Singapore or any state or territory outside Singapore;
  - (b) proceedings before a court (whether in Singapore or any state or territory outside Singapore) arising from or out of or in any way connected with any arbitration proceedings mentioned in paragraph (a);
  - (c) application for a stay of proceedings mentioned in section 6 of the Arbitration Act 2001 or section 6 of the International Arbitration Act 1994 and any other application for the enforcement of an arbitration agreement;
  - (d) proceedings for or in connection with the enforcement of an award under the Arbitration Act 2001 or an award or a foreign award under the International Arbitration Act 1994;
  - (e) any proceeding or application that is similar or equivalent to the proceeding or application mentioned in paragraph (c) or (d) (as the case may be) in any state or territory outside Singapore;

- (f) mediation proceedings arising out of or in any way connected with
  - (i) the proceedings mentioned in paragraph (a), (b), (d) or (e); or
  - (ii) any application mentioned in paragraph (c) or (e);
- (g) proceedings commenced in the Singapore International Commercial Court for so long as those proceedings remain in the Singapore International Commercial Court;
- (h) appeal proceedings arising from any decision made in proceedings commenced in the Singapore International Commercial Court while those proceedings remained in the Singapore International Commercial Court;
- (i) mediation proceedings arising out of the proceedings mentioned in paragraph (g) or (h).

### Provision of information

- **4.**—(1) Before a conditional fee agreement is entered into, a solicitor, a foreign lawyer or a law practice entity must ensure that
  - (a) the information specified in paragraph (2) is provided in plain language to the client; and
  - (b) the client signs and dates an acknowledgment that the client has received and understood the information mentioned in sub-paragraph (a).
- (2) The information mentioned in paragraph (1)(a) is all of the following:
  - (a) the nature and operation of the conditional fee agreement, including but not limited to the terms of the agreement mentioned in regulation 5;
  - (b) the client's right to seek independent legal advice before entering into the conditional fee agreement;
  - (c) that the uplift fee (if any) is not recoverable from the person mentioned in section 115C(1) of the Act;

- (d) that despite the existence of the conditional fee agreement, the client continues to be liable for any costs orders that may be made against the client by a court of justice or an arbitral tribunal (whichever is relevant).
- (3) The solicitor, foreign lawyer or law practice entity must ensure that the acknowledgment mentioned in paragraph (1)(b) must be kept together with the conditional fee agreement.

## Terms and conditions of conditional fee agreement

- **5.** Every conditional fee agreement must include terms relating to all of the following:
  - (a) the particulars of the specified circumstances mentioned in the definition of "conditional fee agreement" in section 115A(1) of the Act for the purposes of the agreement;
  - (b) if the agreement provides for an uplift fee, the particulars of the basis of calculation and an estimate or a range of estimates of the resulting quantum of the uplift fee;
  - (c) a cooling-off period of 5 days starting immediately after the date the agreement is entered into, during which either party may by written notice terminate the agreement;
  - (d) any variation of the agreement must be in writing and expressly agreed to by all parties to the conditional fee agreement;
  - (e) a cooling-off period of 3 days starting immediately after the date a variation of the agreement is entered into which relates to the issue of costs (including where relevant the particulars mentioned in paragraph (a) or (b)) during which either party may by written notice terminate the variation agreement;
  - (f) that to avoid doubt, the termination of the variation agreement mentioned in paragraph (e) will not affect the validity of the conditional fee agreement or constitute a ground for the termination of the conditional fee agreement;

(g) that on the termination of the agreement mentioned in paragraph (c) or (e), the client is not liable for any remuneration or costs incurred during the cooling-off period except for the remuneration or costs incurred for any service performed during the cooling-off period that was expressly instructed by or agreed to by the client.

Made on 18 April 2022.

LOH KHUM YEAN
Permanent Secretary,
Ministry of Law,
Singapore.

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(To be presented to Parliament under section 185 of the Legal Profession Act 1966).