
First published in the Government *Gazette*, Electronic Edition, on 24 February 2017 at 5 pm.

No. S 69

LEGAL PROFESSION ACT (CHAPTER 161)

LEGAL PROFESSION (PROFESSIONAL CONDUCT) (AMENDMENT) RULES 2017

In exercise of the powers conferred by section 71(2) of the Legal Profession Act, the Professional Conduct Council makes the following Rules:

Citation and commencement

1. These Rules are the Legal Profession (Professional Conduct) (Amendment) Rules 2017 and come into operation on 1 March 2017.

Amendment of rule 2

2. Rule 2(1) of the Legal Profession (Professional Conduct) Rules 2015 (G.N. No. S 706/2015) (called in these Rules the principal Rules) is amended —

(a) by inserting, immediately after the definition of “debt collection business”, the following definitions:

““dispute resolution proceedings” has the same meaning as in section 5B of the Civil Law Act (Cap. 43);

“funded party” has the same meaning as in section 5B of the Civil Law Act;” and

(b) by inserting, immediately after the definitions of “relevant appeal” and “relevant proceedings”, the following definitions:

““Third-Party Funder” has the same meaning as in section 5B of the Civil Law Act;

“third-party funding contract” has the same meaning as in section 5B of the Civil Law Act;”.

Amendment of rule 3

3. Rule 3 of the principal Rules is amended by inserting, immediately after paragraph (7), the following paragraph:

“(8) Part 5A applies —

(a) to the following legal practitioners:

(i) every solicitor who has in force a practising certificate or is registered under section 36F of the Act;

(ii) every person admitted under section 15 of the Act;

(iii) every regulated foreign lawyer;

(b) to every Singapore law practice; and

(c) to every other law practice licensed under the Act.”.

New rule 8A

4. The principal Rules are amended by inserting, immediately after rule 8, the following rule:

“Conduct of alternative dispute resolution process

8A.—(1) A legal practitioner must always be respectful of the alternative dispute resolution process and the adjudicator, mediator or other person conducting the process.

(2) A legal practitioner must always be courteous in the conduct or presentation of his or her client’s case in an alternative dispute resolution process.

(3) A legal practitioner must act in good faith throughout the alternative dispute resolution process.

(4) A legal practitioner must not knowingly mislead or attempt to mislead in any way an adjudicator, a mediator or other person conducting the alternative dispute resolution process.

(5) A legal practitioner must not knowingly assist or permit his or her client to mislead an adjudicator, a mediator or other person conducting the alternative dispute resolution process.”.

Amendment of rule 17

5. Rule 17(2) of the principal Rules is amended by deleting sub-paragraph (e), and substituting the following sub-paragraph:

- “(e) must, in an appropriate case, together with his or her client —
- (i) evaluate whether any consequence of a matter involving the client justifies the expense of, or the risk involved in, pursuing the matter; and
 - (ii) evaluate the use of alternative dispute resolution processes; and”.

Amendment of rule 35

6. Rule 35 of the principal Rules is amended by deleting paragraph (8) and substituting the following paragraph:

- “(8) In this rule, “management”, in relation to a law practice, means —
- (a) the sole proprietor of the law practice;
 - (b) the partners or directors of the law practice who have been notified to the Society under paragraph (2); or
 - (c) all the partners or directors of the law practice where no notification under paragraph (2) has been made.”.

New Part 5A

7. The principal Rules are amended by inserting, immediately after rule 49, the following Part:

“PART 5A**RULES APPLICABLE TO THIRD-PARTY FUNDING****Disclosure of third-party funding**

49A.—(1) When conducting any dispute resolution proceedings before a court or tribunal, a legal practitioner must disclose to the court or tribunal, and to every other party to those proceedings —

- (a) the existence of any third-party funding contract related to the costs of those proceedings; and
 - (b) the identity and address of any Third-Party Funder involved in funding the costs of those proceedings.
- (2) The disclosure under paragraph (1) must be made —
- (a) at the date of commencement of the dispute resolution proceedings where the third-party funding contract is entered into before the date of commencement of those proceedings; or
 - (b) as soon as practicable after the third-party funding contract is entered into where the third-party funding contract is entered into on or after the date of commencement of the dispute resolution proceedings.

Prohibition against financial and other interests in Third-Party Funder

49B.—(1) A legal practitioner or a law practice must not, directly or indirectly, hold any share or other ownership interest in a Third-Party Funder —

- (a) which the legal practitioner or law practice has introduced or referred to a client of the legal practitioner or law practice in relation to dispute resolution proceedings; or

(b) which has a third-party funding contract with a client of the legal practitioner or law practice.

(2) A legal practitioner or a law practice must not receive any commission, fee or share of proceeds from the Third-Party Funder mentioned in paragraph (1).

(3) Paragraph (2) does not prohibit receiving any fee, disbursement or expense payable by the client mentioned in paragraph (1) for the provision of legal services by the legal practitioner or law practice to that client.”.

Made on 21 February 2017.

SUNDARESH MENON
Chairman,
Professional Conduct Council.

[SUPCT.RNJ.007.0400; AG/LEGIS/SL/161/2015/19 Vol. 1]

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