

LEGAL PROFESSION ACT
(CHAPTER 161, SECTION 72(1))

LEGAL PROFESSION (DEPOSIT INTEREST) RULES

ARRANGEMENT OF RULES

Rule

1. Citation
 2. Fixed deposits and their management
 3. Client's remedies
 4. Saving and application
-

[15th August 1970]

Citation

1. These Rules may be cited as the Legal Profession (Deposit Interest) Rules.

Fixed deposits and their management

2.—(1) Subject to rule 4, when a solicitor holds or receives money for or on account of a client, the solicitor shall —

- (a) deposit such money separately in a bank or an approved finance company by way of fixed deposit repayable on demand in the name of the solicitor or his firm or the limited liability law partnership of which he is a partner or an employee or the law corporation of which he is a director or an employee and the name of the client or the matter concerned, and account to the client for any interest earned thereon; or
- (b) pay to the client out of his own money the sum equivalent to the interest which would have accrued for the benefit of the client if the money had been deposited separately in a bank or an approved finance company by way of fixed deposit as provided in sub-paragraph (a).

(2) Nothing in paragraph (1) shall require a solicitor to deposit or to account to a client for interest or to pay interest to a client unless —

- (a) the sum of money received by the solicitor exceeds \$5,000 at the time of receipt; and
- (b) the instructions to the solicitor at the time of receipt are such that he knows that the sum of money so received will not, within 4 months thereafter, be either wholly disbursed or reduced to a sum below \$5,000 and the sum of money so received is not in fact within such period so disbursed or reduced.

(3) In this rule, “approved finance company” means any finance company registered under the Finance Companies Act (Cap. 108) which is approved by the Minister to accept deposits of client’s money for the purpose of these Rules.

Client’s remedies

3.—(1) Without prejudice to any other remedy which may be available to him, any client who feels aggrieved that interest, or a sum equivalent thereto, has not been paid to him under these Rules shall be entitled to require the solicitor to obtain a certificate from the Council as to whether or not interest ought to have been earned for him.

(2) If so, the amount of such interest and on the issue of such a certificate the sum certified to be due shall be payable by the solicitor to the client.

Saving and application

4.—(1) Nothing in these Rules shall affect any arrangement in writing whenever made between a solicitor and his client as to the application of the client’s money or interest thereon.

(2) These Rules do not apply to —

- (a) money received by a solicitor which is subject to a trust of which the solicitor is a trustee; or
- (b) conveyancing money received by a solicitor.

(3) In this rule, “conveyancing money” has the same meaning as in rule 2(2) of the Conveyancing and Law of Property (Conveyancing) Rules 2011 (G.N. No. S 391/2011)

[S 394/2011 wef 01/08/2011]

[G. N. Nos. S 194/70; S 379/98; S 658/2006]

LEGISLATIVE HISTORY
LEGAL PROFESSION (DEPOSIT INTEREST) RULES
(CHAPTER 161, R 5)

This Legislative History is provided for the convenience of users of the Legal Profession (Deposit Interest) Rules. It is not part of these Rules.

1. G. N. No. S 194/1970 — Legal Profession (Deposit Interest) Rules 1970

Date of commencement : 15 August 1970

2. 1990 Revised Edition — Legal Profession (Deposit Interest) Rules

Date of operation : 25 March 1992

3. G. N. No. S 379/1998 — Legal Profession (Deposit Interest) (Amendment) Rules 1998

Date of commencement : 1 August 1998

4. 1999 Revised Edition — Legal Profession (Deposit Interest) Rules

Date of operation : 1 January 1999

5. G. N. No. S 658/2006 — Legal Profession (Deposit Interest) (Amendment) Rules 2006

Date of commencement : 1 January 2007

6. 2010 Revised Edition — Legal Profession (Deposit Interest) Rules

Date of operation : 31 May 2010

7. G.N. No. S 394/2011 — Legal Profession (Deposit Interest) (Amendment) Rules 2011

Date of commencement : 1 August 2011