

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

LEGAL PROFESSION
(DEPOSIT INTEREST)
RULES

ARRANGEMENT OF RULES

Rule

1. Citation
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[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

4. Nothing in these Rules shall —

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