# LEGAL PROFESSION ACT (CHAPTER 132)

# ADVOCATES AND SOLICITORS (REMUNERATION) RULES

S 28/90

Amended by S 30/90 S 10/94

**REVISED EDITION 2006** 



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#### SUBSIDIARY LEGISLATION

# ADVOCATES AND SOLICITORS (REMUNERATION) RULES

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B.L.R.O. 3/2006

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#### SUBSIDIARY LEGISLATION

#### Rules under section 41 of the Act

# ADVOCATES AND SOLICITORS (REMUNERATION) RULES

Commencement: 1st January 1991

#### Citation.

- 1. (1) These Rules may be cited as the Advocates and Solicitors (Remuneration) Rules.
- (2) These Rules shall apply to any person to whom a practising certificate is issued under the Legal Profession Act (Chapter 132) (hereafter referred to as the principal Act) for 1991 or thereafter.

[S 30/90]

#### Interpretation.

2. In these Rules, unless the context otherwise requires, "solicitor" means any person to whom the principal Act applies.

#### Remuneration generally First Schedule to Thirteenth Schedule.

- 3. The remuneration of a solicitor for business, other than contentious business, shall be—
  - (a) for sales, purchases and charges for completing any transaction, in accordance with the First Schedule;
  - (b) for sale and purchase agreements and transfers for housing and commercial estates of 15 units and more, in accordance with the Second Schedule;
  - (c) for leases and agreements for leases, or agreements reserving rent, in accordance with the Third Schedule;
  - (d) for satisfaction pertaining to charged properties, in accordance with the Fourth Schedule;
  - (e) for Debentures by way of a fixed or floating charge, in accordance with the Fifth Schedule;
  - (j) for the witnessing of miscellaneous documents, in accordance with the Sixth Schedule;
  - (g) for lodgement, renewal and removal of Caveats, in accordance with the Seventh Schedule;

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- (h) for searches at the Land Registry, District Land Offices and Companies Registry, in accordance with the Eighth Schedule;
  - (i) for the administration of estates, in accordance with the Ninth Schedule;
  - (j) for partnership agreements, in accordance with the Tenth Schedule;
  - (k) for the collection of debts, in accordance with the Eleventh Schedule;
- (1) for the incorporation of companies, in accordance with the Twelveth Schedule;
- (m) for any non-contentious work for which provision is not made by these Rules, in accordance with the Thirteenth Schedule.

#### **Exclusions.**

- 4. (1) The remuneration prescribed by these Rules does not include
  - (a) any fees payable on the registration of documents requiring registration, stamp fees, counsel's fees, auctioneer's or valuer's charges, travelling or hotel expenses, fees paid on searches or registration, costs of extracts from any register or record, or other disbursements reasonably and properly paid;
    - (b) the cost of any extra work, or any business of a contentious nature;
    - (c) any proceedings in any Court.
- (2) Such remuneration shall include allowances for the time of the solicitor and his clerk, and charges for normal copying and stationery and all other similar disbursements.

#### Speedy business.

5. In respect of any business which is required to be, and is, carried through in an exceptionally short space of time, the solicitor may charge additional remuneration for the special exertion involved, according to the circumstances, and having regard to the Thirteenth Schedule.

#### Security.

**6.** A solicitor may accept from his client, and a client may give to his solicitor, security for the fees due to the solicitor for business, to be transacted by him and for interest on such fees

#### Interest.

7. A solicitor may charge interest at 14 per cent on his disbursements and fees due to him from the client. If the same are payable by any infant, or out of a fund not presently

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available, such demand may be made on the parent or guardian, the trustee or the other person liable.

#### Breach of Rules.

- **8.** (1) Any person, whether or not a solicitor, may draw the attention of the Chief Justice to any alleged breach of these Rules.
- (2) The Chief Justice may, if an alleged breach is reported to him, take such steps as he may consider proper in relation thereto.

#### FIRST SCHEDULE

#### CONSIDERATION OR AMOUNT SECURED

Up to	\$ 10,000	2.50%
For the next	\$ 40,000	1.25%
For the next	\$ 50,000	1.00%
For the next	\$ 200,000	0.8 %
For the next	\$ 400,000	0.7 %
For the next	\$ 500,000	0.6 %
For the next	\$1,000.000	0.5 %
For the next	\$3,000,000	0.4 %
For the next	\$5,000,000	0.3 %

If the consideration or amount secured is in excess of \$10,200,000 the remuneration shall be negotiable.

There shall be a minimum scale charge of \$250.

#### **RULES**

- 1. Where the same solicitor acts for both the Vendor and the Purchaser and the transaction includes the Sale and Purchase Agreement and the Memorandum of Transfer to complete the sale, the solicitor shall charge full scale as the Purchaser's solicitor and one-half as the Vendor's solicitor. Where he represents only the Purchaser, he shall charge the full scale, and where he represents only the Vendor, he shall charge one-half of the scale.
- 2. Where the same solicitor acts for both the Vendor and Purchaser and the transaction involves only the Sale and Purchase Agreement the advocate shall charge three-quarters of the scale as the Purchaser's advocate and one-quarter as the Vendor's solicitor. Where he represents only the Purchaser, he shall charge three-quarters of the scale, and where he represents only the Vendor, he shall charge one-quarter of the scale. This rule also applies where the transaction involves the Memorandum of Transfer only.

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#### FIRST SCHEDULE — (continued)

- 3. Where the same solicitor acts for the Vendor, the Purchaser and the Sub-Purchaser in the same transaction, he shall charge one-quarter of the scale as the Vendor's solicitor (on the sale consideration), three-quarters of the scale as the Purchaser's solicitor (on the purchase consideration) and three-quarters of the scale as the Sub-Purchaser's solicitor (on the sub-purchase consideration).
- **4.** Where the same solicitor acts on behalf of the Purchaser and the Sub-Purchaser but not on behalf of the Vendor, he shall charge three-quarters of the scale as the Purchaser's solicitor (on the purchase consideration) and three-quarters of the scale as the Sub-Purchaser's solicitor (on the sub-purchase consideration).
- 5. Where the same solicitor acts on behalf of the Vendor and the Purchaser but not on behalf of the Sub-Purchaser in a sale, purchase and sub-purchase, he shall charge one-quarter of the scale as the Vendor's solicitor (on the sale consideration) and one and one-quarter of the scale as the Purchaser's solicitor being full scale (on the purchase consideration) and one-quarter of the scale on the sub-sale consideration.
- **6.** Where the same solicitor acts on behalf of both the Charge and the Chargee or the Chargee only he shall charge full scale.
- 7. Where the transaction includes an assignment and loan agreement in addition to the Charge in escrow, the solicitor shall charge a further sum equivalent to one-quarter of the scale.
- **8.** Where the same solicitor acts for the Vendor, Purchaser, Chargor and the Chargee, he shall charge one-quarter of the scale as the Vendor's solicitor and full scale as the Purchasers' solicitor (both on the amount of the Charge).
- **9.** Where a solicitor acts for the Chargor only, he shall charge one-quarter of the scale.
- 10. Where a solicitor is instructed to put up a property for sale by public auction
  - (a) the Vendor's solicitor shall charge full scale on the sale price for conducting the sale including drafting and settling conditions of sale if the property is sold; but if the property is not sold, he shall charge one-half of the scale on the reserve price, or if there is no reserve price, one-half of the scale on the highest bid as certified in writing by the auctioneer but if there is no reserve price and no bid, the advocate shall charge according to the Thirteenth Schedule;
  - (b) the fee of one-half of the scale for investigating title and perusing and completing transfer on a scale by auction is to be chargeable on each lot of property, except that where a property heal under the same title is divided into lots for convenience of sale and the same Purchaser buys several such lots and takes on transfer, one-half of the scale is to chargeable by the Vendor's solicitor upon the aggregate prices of the lots and full scale is to be chargeable by the Purchaser's solicitor upon the aggregate prices of the lots; and
  - (c) the fee on an attempted sale by auction of lots is to be chargeable on the aggregate of the reserve prices (for if there be no reserve prices, the aggregate of the

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#### FIRST SCHEDULE — (continued)

highest bids). When property offered for sale is not sold by or on behalf of the owner of a third party and terms are afterwards negotiated and arranged by the same solicitor, he shall charge full scale on the reserve price where the property is not sold and also one-half of the scale for negotiating the sale. When property is bought in and afterwards offered for auction by the same solicitor, he shall charge only full scale for the first attempted sale and for each subsequent sale ineffectually attempted he shall charge according to the Thirteenth Schedule. In case of a subsequent effectual sale by auction he shall charge full scale less one-half of the fee previously charged on the first attempted sale.

- 11. The scale in the First Schedule shall apply to transfer of charge based on the consideration for such transfer.
- 12. Where a property is sold subject to incumbrances, the amount of the incumbrances shall be deemed a part of the purchase money, except where the Chargee purchases the charged property, and the same solicitor who prepared the charge acts for the Chargee upon such purchase, in which case the fee of the solicitor shall be calculated on the price of the equity of redemption.
- 13. In addition to the other fees payable to a solicitor under these Rules, where a solicitor negotiates any transaction he shall be entitled to charge a negotiating fee. The scale for negotiating shall be in accordance with the scale prescribed by the First Schedule and shall apply to cases where the solicitor for a Vendor or Purchaser arranges the sale or purchase and the price and terms and conditions thereof and no commission is paid by the client to an auctioneer or estate or other agent. A Chargor's solicitor shall also be entitled to a negotiating fee where he arranges and obtains a loan for the Chargor. The negotiating fee payable pursuant to this rule shall be full scale based on the amount of the consideration or loan.
- 14. When completion of a transfer of property takes place simultaneously with a charge of the same property, the Chargee's scale fee under the First Schedule shall include charges for attending to the stamping and registration of the transfer or other documents by the solicitor on behalf of the Chargee and for attendance at the office of another solicitor for completion, except the actual transport charges incurred for such attendance.
- 15. Where additional facilities are granted on the security of an existing charge, which is being stamped additionally to cover such facilities, the solicitor in charge of such stamping and other attendant work shall be entitled to charge on the above scale at the appropriate rate as if the additional facilities formed part of the original facilities.

#### SECOND SCHEDULE

#### HOUSING AND COMMERCIAL ESTATES OF 15 UNITS AND MORE

This Schedule applies where a solicitor acts for the Vendors or Developers of housing or commercial estates of 15 units and more. It does not apply to solicitors of the Purchasers of the houses therein whose fees shall be governed by the First Schedule.

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#### **SECOND SCHEDULE** — (continued)

#### **RULES**

- 1. Where a solicitor attends to the Sale and Purchase Agreement only, he shall charge one-half of the First Schedule scale.
- **2.** Where the solicitor also attends to the Memorandum of Transfer, he shall charge a further one-quarter of the said scale.
- **3.** Where the same solicitor who acts for the Vendor or Developer also acts for the Purchaser in respect of the Sale and Purchase Agreement only, he shall charge three-quarters of the said scale.
- **4.** Where the same solicitor who acts for the Vendor or Developer also acts for the Purchaser in respect of both the Sale and Purchase Agreement and Transfer, he shall charge the said scale.

#### THIRD SCHEDULE

#### LEASES ETC.

#### **SCALE**

Monthly rent not Exceeding	Annual rent not Exceeding	Scale Charges
\$ 50	\$ 600	\$150
\$ 100	\$ 1,200	\$200
\$ 150	\$ 1,800	\$220
\$ 200	\$ 2,400	\$260
\$ 250	\$ 3,000	\$300
\$ 300	\$ 3,600	\$320
\$ 350	\$ 4,200	\$360
\$ 400	\$ 4,800	\$380
\$ 450	\$ 5,400	\$420
\$ 500	\$ 6,000	\$460
\$ 550	\$ 6,600	\$480
\$ 600	\$ 7,200	\$500
\$ 650	\$ 7,800	\$520
\$ 700	\$ 8,400	\$550
\$ 750	\$ 9,000	\$580
\$ 800	\$ 9,600	\$600
\$ 850	\$10,200	\$620
\$ 900	\$10,800	\$640
\$ 950	\$11,400	\$680
\$1,000	\$12,000	\$700

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#### THIRD SCHEDULE — (continued)

Between an annual rent of \$12,000 and \$120,000, there shall be charged \$1.75 on each \$100 of annual rent. After an annual rent of \$120,000, there shall be charged \$1 on each subsequent \$100 of annual rent.

There shall be a minimum scale charge of \$150 on all transactions.

#### **RULES**

- 1. Where a solicitor represents only the Lessor, he shall charge full scale.
- **2.** Where a solicitor represents only the Lessee, he shall charge three-quarters of the scale.
- **3.** Where the same solicitor acts for the Lessor and the Lessee, he shall charge the full scale as the Lessor's solicitor and one-quarter of the scale as the Lessee's solicitor.
- **4.** Where a solicitor represents the Lessor in respect of leases of parts of a building in which there are 10 or more leaseable units and a standard form of lease is used, or where a lease is renewed upon substantially the same terms and conditions, the fees to be charged by the Lessor's solicitor in respect of these leases shall be one-half of the fees chargeable under rules 1, 2 and 3.
- 5. Any consideration in the lease or tenancy agreement expressed to be chargeable other than by way of rent (eg. service charges, hire or furnitures and fixtures) shall be deemed to be rent.
- **6.** Where a varying rent is payable, the remuneration shall be charged on the highest amount of rent payable.
- 7. Where a lease is partly in consideration of a money payment or premium and partly of a rent, then, in additional to the remuneration prescribed in respect of rent, there shall be paid a further sum equal to the remuneration on a purchase at a price equal to such money payment or premium in accordance with the scale prescribed under the First Schedule, and for these purposes, the Landlord or Lessor shall be regarded as Purchaser and the Tenant or Lessee shall be regarded as Purchaser and the Tenant or Lessee shall be regarded as Vendor and rules 1, 2, 3, 4, 5 and 6 shall apply to such further remuneration.

#### FOURTH SCHEDULE

#### SATISFACTION OF CHARGES

Chargor \$200 Chargee \$150

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#### FOURTH SCHEDULE — (continued)

#### **RULES**

- 1. Where the same solicitor acts for both parties, he shall charge \$300.
- **2.** The scale charge are inclusive of all necessary attendances.
- **3.** This scale applies only where the solicitor is not required to give an undertaking to pay the redemption sum. If he is required to do so, his fees shall be one-half of the First Schedule scale and calculated on the amount of the redemption sum.

#### FIFTH SCHEDULE

#### DEBENTURES AND FIXED AND FLOATING CHARGES

#### **SCALE**

(a)	For the first \$100,000	1.5%
(b)	For the next \$200,000	1.0%
(c)	For the next \$500,000	0.8%
(d)	For the next \$4,000,000	0.6%
(e)	For the next \$5,000,000	0.4%

Where the amount secured is in excess of \$10,000,000 the remuneration shall be negotiable.

The scale does not extend to any additional instructions to investigate the title to immovable property to be secured thereunder or by a collateral instrument.

#### RULES

- 1. Where the same solicitor acts for both the Lender and the Borrower or the Lender only, he shall charge full scale.
- **2.** Where a solicitor represents only the Borrowers, he shall charge one-quarter of the scale.
- **3.** Where the security documents include, in addition to a Debenture, a fixed charge on immovable property and the title is investigated, the solicitor having the conduct of the business shall charge under the First Schedule on the value of the immovable property as fixed by the Lender and on the balance of the loan in accordance with this Schedule commencing from items (a) of the scale.
- **4.** Where the charge by way of collateral security to the Debenture secures immovable property but without any additional loan, the solicitor having the conduct of the business

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#### FIFTH SCHEDULE — (continued)

shall charge a fee under the Fifteenth Schedule. Where an additional loan is secured, the First Schedule shall apply.

- 5. Where additional facilities are granted on the security of an existing charge which is being stamped additionally to cover such facilities, the solicitor in charge of such stamping and other attendant work shall be entitled to charge on the above scale at the appropriate rate as if the additional facilities formed part of the original facilities.
- **6.** Where security documents consist of a debenture and a fixed charge on immovable property and the title is investigated, the solicitor having the conduct of the business shall charge one-quarter of the fees according to the First Schedule in respect of the Charge and full fee under the Fifth Schedule in respect of the Debenture.

#### SIXTH SCHEDULE

#### WITNESSING OF DOCUMENTS

Witnessing of documents (including the giving of an attestation certificate, if any).

(a)	For witnessing execution of a document.	\$25 for first and \$5 for each subsequent copy
<i>(b)</i>	For witnessing execution of a document and giving an attestation certificate (if any).	\$50 for first and \$5 for each subsequent copy

#### **RULES**

- 1. The above witnessing fee is not chargeable when the solicitor has prepared, settled or approved the document and where he has made other charges under these Rules.
- 2. If the witnessing solicitor is asked to advise on the content of any document not prepared by him, he shall be entitled to charge therefor in accordance with the Thirteenth Schedule.

#### SEVENTH SCHEDULE

#### **CAVEATS**

1.	For lodgement of Caveat against each title, inclusive of all necessary attendances and perusal of documents	_	\$300
2.	For Caveat against each subsequent title based on the same grounds		\$100
3.	For renewal of Caveats — against each title		\$100
4.	Removal of Caveat		\$100

[CAP. 132, R 5

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### EIGHTH SCHEDULE

#### **SEARCHES**

For searches at the Land Registry or District Land Registry or Companies Registry and giving solicitor's Certificate of Search.

1.	For each title	_	\$200
2.	For each company	_	\$300

#### NINTH SCHEDULE

# ADMINISTRATION OF ESTATES

Gross Value of estate not exceeding —

		Work done up to Grant of Letters of Administration or Probate	Distribution and Winding-Up to Interstate Estate	Distribution and Winding-Up of Testate Estate
1.	\$ 5,000	\$ 500	\$ 400	\$ 400
2.	\$ 10,000	\$ 700	\$ 500	\$ 500
3.	\$ 25,000	\$1,000	\$1,000	\$ 600
4.	\$ 50,000	\$2,000	\$1,000	\$ 800
5.	\$ 75,000	\$2,500	\$2,000	\$1,000
6.	\$100,000	\$3,000	\$2,000	\$1,500
7.	\$150,000	\$3,250	\$2,500	\$2,000
8.	\$200,000	\$4,250	\$3,000	\$2,500
9.	\$250,000	\$5,250	\$3,500	\$3,000
	eeding — 0,000			
		Discretionary but not less than \$5,250	Discretionary but not less than \$3,500	Discretionary but not less than \$3,000

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#### TENTH SCHEDULE

#### PARTNERSHIP AGREEMENT

CAPITAL		SCALE
1.	Up to 1st \$100,000	2.0%
2.	For the next \$100,000	1.5%
3.	For the next \$500,000	1.0%

Where the capital exceeds \$700,000 the remuneration shall be negotiable. Where no capital is provided, as in a joint-venture agreement to tender for a contract, the solicitor's fee shall be based on the Thirteenth Schedule.

#### ELEVENTH SCHEDULE [S 10/94]

#### **DEBT COLLECTION**

Where the amount recovered is —	FEES
Up to \$100,000	10%
For the next \$400,000	5%
For the next \$500,000	3%
For the next \$1,000,000	2%
Above \$2,000,000	1%

#### **RULES**

- 1. The fee shall be charged on the amount actually recovered by a solicitor.
- 2. A debt is recovered by a solicitor when payment by a debtor is made through the solicitor or directly to the solicitor's client.
- **3.** Where a debt has not been recovered, in whole or in part, the solicitor may charge in respect thereof, a fee not in excess of one-half of the scale provided above for a recovery.
- **4.** If a debt is recovered upon receipt of a letter of demand from a creditor's solicitor, the fee shall be one per cent of the amount so recovered.
- **5.** The amounts specified above are the amounts which are due to a solicitor, subject to rule 6.
- **6.** Notwithstanding anything contained in these Rules, a solicitor may agree with his client a fee less than the amounts so specified.

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#### TWELVETH SCHEDULE

#### INCORPORATION OF COMPANIES

Authorised capital —	FEES
Up to \$100,000	1.5%
For the next \$400,000	0.3%
For the next \$500,000	0.1%
Above \$1,000,000	0.5%

#### **RULES**

- 1. The above fee is for drawing up the Memorandum and Articles of Association and the preparation of all forms up to the issue of the Certificate of Incorporation.
- 2. All other costs are to be charged for separately and at a reasonable fee.
- 3. There shall be a minimum scale charge of \$1,500.

#### THIRTEENTH SCHEDULE

#### CIRCUMSTANCES TO BE REGARDED FOR NON-CONTENTIOUS WORK

Non-contentious work for which no provision is made by a scale or fixed sum shall be such sum as is fair and reasonable, having regard to all the circumstances of the case and in particular to the following —

- (a) the importance of the matter of the client;
- (b) the skill, labour, specialised knowledge and responsibility of the solicitor;
- (c) the complexity of the matter or the difficulty or novelty of the question raised or both;
  - (d) where money or property is involved, the amount or value thereof;
  - (e) the time expended by the solicitor;
- (f) the number, and importance of the documents prepared or perused without regard to length; and
- (g) the place where and the circumstances under which the services or any part thereof are rendered by the solicitor.