
17. Solicitors (General) Costs Rules

ARRANGEMENT OF RULES

Rule

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1. Citation

These rules may be cited as the Solicitors (General) Costs Rules.

2A. Interpretation

- (1) In these rules, unless the context otherwise requires -

"Flat for Sale Scheme" means the Flat for Sale Scheme of the Hong Kong Housing Society which complements the Home Ownership Scheme;

"Home Ownership Scheme" means a scheme under which residential units in estates constructed by the Housing Authority are sold to purchasers nominated by the Housing Authority under section 17AA of the Housing Ordinance (Cap.283);

"Private Sector Participation Scheme" means a scheme under which residential units in privately constructed estates are sold to home owners nominated under the relevant Conditions of Sale;

"Sandwich Class Housing Scheme" means the Sandwich Class Housing Scheme of the Hong Kong Housing Society under which flats directly comparable to those built by private developers are constructed by the Hong Kong Housing Society and sold at a discount to families within determined income levels.

- (2) For the purpose of these rules, a residential unit which is the subject of an intended sale and purchase is comprised in the Home Ownership Scheme, the Private Sector Participation Scheme, the Flat For Sale Scheme or the Sandwich Class Housing Scheme if upon completion of the intended sale and purchase, resale of the residential unit will be subject to restrictions imposed by the Housing Authority or by the Hong Kong Housing Society, as the case may be.

2. Application

These rules apply to all solicitors' non-contentious business except for any such business which is provided for or regulated by any other rules made under section 74(3) of the Ordinance.

3. Scales of costs in certain non-contentious matters

- (1) The scales of costs set out in Parts I, II and III of the First Schedule shall be the costs chargeable in relation to the non-contentious business to which they are respectively expressed to apply.
- (2) If the same non-contentious business is chargeable under more than one of the scales of costs set out in the First Schedule, the higher scale of costs shall apply.
- (3) The costs specified in the Second Schedule shall be the costs chargeable in relation to the matters specified in that Schedule.
- (4) In the case of any non-contentious business to which the First or Second Schedule applies which is uncompleted, a solicitor may charge therefor under rule 5.
- (5) In any case to which the First or Second Schedule applies, a solicitor may, before undertaking any non-contentious business, by writing under his hand, communicated to the client, elect that his remuneration shall be in accordance with rule 5, but such remuneration shall not be charged at a rate less than that chargeable under the scale applicable to that non-contentious business; but if no such election shall be made, his remuneration shall be according to the scales set out in these rules.

- (6) The costs set out in the First and Second Schedules are those chargeable in relation to the work normally associated with the non-contentious business involved, but do not relate to any additional work undertaken by a solicitor including negotiations by a solicitor whether by means of a conference, correspondence or otherwise.
- (7) For the purposes of paragraph (6), a dispute as to whether any work is normally associated with the non-contentious business involved shall be resolved by the taxing master of the High Court, who may, before resolving the dispute, consult the Council.

4. Costs for copying, etc. documents

The costs for-

- (a) copying, attesting and the production of documents;
- (b) administering and receiving any oath, affidavit or other affirmation including the marking of each exhibit referred to in any oath, affidavit or other affirmation,

shall be those set out in the Third Schedule.

5. Costs in other non-contentious business

In the case of any non-contentious business to which neither the First or Second Schedule nor any other rules apply or in the event of a solicitor making an election under rule 3(5), costs shall be such sum as may be fair and reasonable, having regard to all the circumstances of the case and, in particular, to-

- (a) the complexity of the matter or the difficulty or novelty of the questions raised;
- (b) the skill, labour, specialized knowledge and responsibility involved on the part of the solicitor;
- (c) the number and importance of the documents prepared or perused without regard to length;
- (d) the place where and circumstances in which the business or any part thereof is transacted;
- (e) the time expended by the solicitor;
- (f) where money or property is involved, its amount or value; and
- (g) the importance of the matter to the client.

FIRST SCHEDULE

[rule 3.]

PART I

SCALE OF COSTS APPLICABLE TO BUSINESS TO WHICH THIS PART APPLIES

Consideration			Charge
Exceeding \$	Not Exceeding \$		\$
	100,000		1,800
100,000	150,000		2,450
150,000	200,000		3,100
200,000	250,000		3,750
250,000	500,000	For the first \$250,000	3,750
		thereafter per \$10,000 or part thereof	100
500,000	1,000,000	For the first \$500,000	6,250
		thereafter per \$10,000 or part thereof	75
1,000,000	5,000,000	For the first \$1,000,000	10,000
		thereafter per \$10,000 or part thereof	50
5,000,000	50,000,000	For the first \$5,000,000	30,000
		thereafter per \$10,000 or part thereof	25
50,000,000	100,000,000	For the first \$50,000,000	142,500
		thereafter per \$10,000 or part thereof	12.50
100,000,000		For the first \$100,000,000	205,000
		thereafter discretionary	

1. Save as provided in paragraph 5, the scale of costs set out in this Part shall apply to the following non-contentious business, namely-
 - (a) assignments (including deeds of exchange) of leasehold property or interests therein;
 - (b) mortgages and agreements for mortgage of leasehold property or interests therein;
 - (c) debentures and agreements for debenture of any kind incorporating a charge on leasehold property or interests therein; and
 - (d) further charges incorporating leasehold property or interests therein to the extent of the additional amount secured.
2.
 - (a) In all deeds of exchange of leasehold property the costs shall be based on the value of whichever property or set of properties exchanged has the higher value, as assessed by the Collector of Stamp Revenue, provided that, where properties or sets of properties exchanged are assessed as of equal value, then the costs shall be based on the value of either property or set of properties as so assessed.
 - (b) For the purpose of ascertaining the costs payable on assignments by a liquidator distributing in specie leasehold property or interests therein to a shareholder, the value, as assessed by the Collector of Stamp Revenue, of the leasehold property or interests therein assigned shall be taken as the consideration for the assignment.
 - (c) For the purpose of ascertaining the costs payable on mortgages and agreements for mortgage of leasehold property or interests therein for an unspecified amount, the maximum amount to be advanced as advised by the mortgagee on or before the execution of the mortgage or agreement for mortgage shall be taken as the consideration therefor.

3. In all mortgages, agreements for mortgage, debentures, or agreements for debenture, by way of collateral security incorporating leasehold property or interests therein, the costs shall be-
 - (a) where the consideration stated in the principal security exceeds \$100,000.00, one half of the costs set out in this Part on the consideration so stated but nothing in this sub-paragraph shall be construed as to require a solicitor to charge more than \$3,000.00; and
 - (b) where the consideration stated in the principal security does not exceed \$100,000.00, a discretionary amount not exceeding \$900.00.
4. (a) In the case of replacement securities the costs shall be-
 - (i) where the consideration stated in the original security exceeds \$100,000.00, one half of the costs set out in this Part on the consideration so stated but nothing in this sub-paragraph shall be construed as to require a solicitor to charge more than \$3,000.00; and
 - (ii) where the consideration stated in the original security does not exceed \$100,000.00, a discretionary amount not exceeding \$900.00.

(b) "Replacement securities" means mortgages prepared by solicitors solely to meet the requirements of the Land Registry consequent upon the grant of a new Crown lease or conditions of exchange, renewal or regrant where immediately prior to such grant owners of leasehold properties have to clear all encumbrances.
5. The scale of costs in this Part shall not apply to the following non-contentious business, which shall be chargeable under rule 5-
 - (a) a legal mortgage or debenture incorporating leasehold property or interests therein, executed pursuant to an agreement for a mortgage or debenture already charged for under this Part;
 - (b) the approval of the form of a second or subsequent mortgage or debenture incorporating leasehold property or interests therein on behalf of a mortgagee or debenture holder having priority;
 - (c) all deeds or agreements for an extension of time for repayment of a mortgage or debenture unless such extension is contained in or is incidental to a further charge;
 - (d) all deeds and assignments by way of gift;
 - (e) all assents and assignments by personal representatives or by trustees for which there is no consideration; and
 - (f) all settlements and deeds of family arrangement.
6. For the approval only of documents in any non-contentious business referred to in any of paragraphs 1 to 4 the costs shall be one half of the costs set out in this Part or where the relevant consideration does not exceed \$100,000.00, a discretionary amount not exceeding \$900.00.
7. In all assignments, mortgages, agreements for mortgage, debentures, agreements for debenture and further charges incorporating Letter "A" or Letter "B" land exchange entitlements, the costs shall be 80% of the costs set out in this Part.
8. In all assignments of residential units comprised in the Home Ownership Scheme, the costs shall be 50% of the costs set out in this Part.
9. In all assignments of residential units comprised in the Private Sector Participation Scheme, the Flat For Sale Scheme or the Sandwich Class Housing Scheme, the costs shall be 60% of the costs set out in this Part.

PART II

SCALE OF COSTS APPLICABLE TO BUSINESS TO WHICH THIS PART APPLIES

<i>Consideration</i>			<i>Charge</i>
<i>Exceeding</i> \$	<i>Not Exceeding</i> \$		\$
	100,000		1,800
100,000	150,000		2,450
150,000	200,000		3,100
200,000	250,000		3,750
250,000	500,000	For the first \$250,000	3,750
		thereafter per \$10,000 or part thereof	75
500,000	1,000,000	For the first \$500,000	5,625
		thereafter per \$10,000 or part thereof	50
1,000,000	5,000,000	For the first \$1,000,000	8,125
		thereafter per \$10,000 or part thereof	25
5,000,000	50,000,000	For the first at \$5,000,000	18,125
		thereafter per \$10,000 or part thereof	12.50
50,000,000	100,000,000	For the first \$50,000,000	74,375
		thereafter per \$10,000 or part thereof	7.50
100,000,000		For the first \$100,000,000	111,875
		thereafter discretionary	

1. Save as provided in paragraph 3, the scale of costs set out in this Part shall apply to the following non-contentious business-
 - (a) debentures and agreements for debenture, of any kind not incorporating a charge on leasehold property or interests therein;
 - (b) bills of sale by way of security for the payment of money; and
 - (c) further charges not incorporating leasehold property or interests therein to the extent of the additional amount secured.

2. In all debentures, and agreements for debenture, by way of collateral security not incorporating leasehold property or interests therein the costs shall be-
 - (a) where the consideration stated in the principal security exceeds \$100,000.00, one half of the costs set out in this Part on the consideration so stated; and
 - (b) where the consideration stated in the principal security does not exceed \$100,000.00, a discretionary amount not exceeding \$900.00.

3. The scale of costs set out in this Part shall not apply to the following non-contentious business, which shall be chargeable under rule 5-
 - (a) a debenture not incorporating leasehold property or interests therein, executed pursuant to an agreement for a debenture already charged for under this Part;
 - (b) the approval of the form of a second or subsequent debenture not incorporating leasehold property or interests therein on behalf of a debenture holder having priority;

- (c) all deeds or agreements for an extension of time for repayment of a debenture not incorporating leasehold property or interests therein unless such extension is contained in or is incidental to a further charge; and
 - (d) all debentures, mortgages and agreements affecting or relating to vessels.
4. For the approval only of documents in any non-contentious business referred to in paragraph 1 or 2 the costs shall be one half of the costs set out in this Part or where the relevant consideration does not exceed \$100,000.00, a discretionary sum not exceeding \$900.00.

PART III

SCALE OF COSTS APPLICABLE TO BUSINESS TO WHICH THIS PART APPLIES
Charge

1. Where the average annual rental does not exceed \$6,000 \$ 800
 2. Where the average annual rental exceeds \$6,000 but does not exceed \$12,000 \$1,000
 3. Where the average annual rental exceeds \$12,000 \$1,000 and 1% of the average annual rental in excess of \$12,000
1. Save as provided in paragraph 5, the scale of costs set out in this Part shall apply to all leases, agreements for lease and tenancy agreements.
 2. Where a premium is payable under a lease, agreement for a lease or a tenancy agreement, whether in addition to the rent payable or not, a solicitor shall charge in addition to costs on the scale set out in this Part a further sum, namely-
 - (a) in the case of a premium not exceeding \$100,000.00 a sum of \$180.00 per \$10,000.00 or part thereof, and
 - (b) in the case of a premium exceeding \$100,000.00 a sum calculated under Part I as if the premium were the consideration for an assignment.
 3. (a) In all replacement leases the costs shall be one half of the costs set out in this Part, provided that a solicitor shall charge not less than \$800.00 in any event.
(b) "Replacement leases" means leases, agreements for lease and tenancy agreements prepared by solicitors solely to meet the requirements of the Land Registry consequent upon the grant of a new Crown lease or conditions of exchange, renewal or regrant where immediately prior to such grant owners of leasehold properties have to clear all encumbrances.
 4. Where an agreement for sale and purchase, lease, agreement for lease, tenancy agreement or an renewal thereof is required to be registered in the Land Registry a solicitor shall in addition to the costs herein set out charge an additional fee of \$300.00 in respect of such registration.
 5. The scale of costs in this Part shall not apply to the following non-contentious business, which shall be chargeable under rule 5 -
 - (a) a renewal of a lease or tenancy agreement by endorsement; and
 - (b) (Repealed)
 - (c) a lease executed pursuant to an agreement for lease or tenancy agreement already charged for by the solicitor concerned in accordance with this Part.
 6. Where the parties to a document in any non-contentious business referred to in paragraph 1, 2 or 3 are separately represented, the solicitor for each party shall charge 75% of the costs set out in this Part and the solicitor attending to the registration of the document in the Land Registry shall charge an additional fee of \$300.00 in respect of such registration.

SECOND SCHEDULE**[rule 3.]**

1. The costs chargeable in relation to agreements for sale and purchase of leasehold property or any interests therein shall be as follows -

<i>Consideration</i>		<i>Charge</i>
Exceeding \$	Not Exceeding \$	\$
	100,000	800
100,000	250,000	1,000
250,000	500,000	1,250
500,000	1,000,000	1,500
1,000,000	2,000,000	1,750
2,000,000	5,000,000	2,000
5,000,000	10,000,000	2,500
10,000,000		3,000

- 1A. The costs chargeable in relation to agreements for sale and purchase of residential units comprised in the Private Sector Participation Scheme, the Flat For Sale Scheme or the Sandwich Class Housing Scheme shall be 60% of the costs set out in paragraph 1.
2. The costs chargeable in relation to reassignments of property and releases, including the release of a bill of sale by way of security, shall be as follows-

<i>Original Consideration</i>		<i>Charge</i>
Exceeding \$	Not Exceeding \$	\$
	100,000	1,100
100,000	250,000	1,300
250,000	500,000	1,600
500,000		1,800
Unlimited consideration		1,800

The above costs include charges for the registration of the documents in the appropriate Land Registry, the Companies Registry and the High Court Registry.

3. The costs chargeable in relation to all deeds of covenant, deeds of mutual covenant and deeds of mutual covenant and grant as customary in all flatted developments or developments of town houses or developments of a similar nature shall be \$750 in respect of each first assignment of any undivided share or shares in the property:

Provided that-

(a) where a building consists of more than 50 units the costs chargeable shall be as follows-

- | | | |
|-------|------------------------|----------------------|
| (i) | for the first 50 units | \$750 for each unit |
| (ii) | for the next 25 units | \$650 for each unit |
| (iii) | thereafter | \$500 for each unit. |

The average costs chargeable to each unit shall be computed by dividing the total costs chargeable under this paragraph by the number of units in the building;

(b) where there is a development of town houses or a similar development, the costs chargeable shall be as follows-

- | | | |
|-------|---|-------------------|
| (i) | for the first 50 houses or self-contained units | \$1,500 for each |
| (ii) | for the next 25 houses or self-contained units | \$1,300 for each |
| (iii) | thereafter | \$1,000 for each. |

The average costs chargeable to each house or self-contained unit shall be computed by dividing the total amount of costs chargeable under this paragraph by the number of houses or self-contained units in the development.

- 3A. The costs chargeable in relation to such documents as are referred to in paragraph 3 in respect of residential units comprised in the Home Ownership Scheme shall be 50% of the costs set out in that paragraph.
- 3B. The costs chargeable in relation to such documents as are referred to in paragraph 3 in respect of residential units comprised in the Private Sector Participation Scheme, the Flat For Sale Scheme or the Sandwich Class Housing Scheme shall be 60% of the costs set out in that paragraph.
4. For the approval only of documents in any non-contentious business referred to in paragraph 1, 2 or 3 the costs chargeable shall be one half of the charges set out in this Schedule.

THIRD SCHEDULE

[rule 4]

1. Copy of document—
 - (a) photographic copy, printed (including laser printed) copy or scanned printed copy, in black ink on white or other colour paper, for each page or portion of a page—
 - (i) for the first 100 pages \$3.00
 - (ii) for subsequent pages, discretionary but not exceeding \$3.00
 - (b) photographic copy, printed (including laser printed) copy or scanned printed copy, in colour ink on white or other colour paper, for each page or portion of a page—
 - (i) for the first 100 pages \$8.00
 - (ii) for subsequent pages, discretionary but not exceeding \$8.00
2. Fee for certifying copies of documents—for each certification. \$50.00
3. Production fee for producing deeds, chargeable upon request therefor. \$300.00
4. Fee for administering and receiving any oath, affidavit or affirmation. \$50.00
5. Fee for marking each exhibit referred to in any oath, affidavit or affirmation \$5.00
6. Fee for certifying any power of attorney—
 - (a) for the first page \$50.00
 - (b) for each subsequent page \$20.00
subject to a maximum fee of \$100
- 6A. For the purpose of paragraph 1, if a document is reduced in size during the copying process so that 2 or more pages of the document are combined into 1 page, the costs for copying under that paragraph is to be charged as 1 page.
7. The costs chargeable in relation to such items as are referred to in paragraphs 1, 2 and 6 in respect of residential units comprised in the Home Ownership Scheme shall be 50% of the costs set out in those paragraphs.
8. The costs chargeable in relation to such items as are referred to in paragraphs 1, 2 and 6 in respect of residential units comprised in the Private Sector Participation Scheme, the Flat For Sale Scheme or the Sandwich Class Housing Scheme shall be 60% of the costs set out in those paragraphs.

