

# SOLICITORS' GROUP PRACTICE



THE  
**LAW SOCIETY**  
OF HONG KONG  
香 港 律 師 會

# **GROUP PRACTICE**

## **1. Reason for introducing group practice**

Before the introduction of “group practice”, a solicitor’s practice, be it a sole proprietorship or a partnership, must be conducted in self-contained premises. Staff and facilities must be under the exclusive control of the sole proprietor or partners of the firm. Subject to certain exceptions, a firm is not allowed to share premises, facilities or staff with other firms.

Group practice is introduced to enable firms to pool their resources and reduce their operation cost through the sharing of overheads.

## **2. What is a group practice?**

A group practice is not a legal entity. Neither is it a law firm.

“Group practice” is a term used to describe a mode of operation whereby 2 or more solicitors or law firms conduct their businesses from the same address as separate practices but co-operating with each other in sharing the use of facilities and unqualified staff.

## **3. Status of a member of a group practice**

By joining a group practice as a member, a firm does not lose its identity or change its status. Each member of a group practice remains a separate and independent practice. Members of a group practice are not to be regarded as practising in partnership, save in circumstances expressly provided for in the relevant legislation, including matters relating to conflict of interest and confidentiality.

#### 4. **Conflict of interest**

When determining whether there is a conflict of interest, all members of the same group practice will be regarded as practising in partnership. A conflict check before acceptance of instructions by a member should therefore cover all members of the same group practice and not just within the member itself.

By way of example, if a member of a group practice is already acting for a plaintiff in a litigation matter, another member of the same group practice, although a different firm, cannot act for the defendant in the same case. The reason is that on the issue of conflict of interest, members of the same group practice will be regarded as practising in partnership and solicitors of the same firm obviously cannot act for opposing parties in the same matter.

## **5. Confidentiality**

The members of a group practice are allowed to share facilities and unqualified staff. To the extent necessary, a member of the group practice may have to disclose its client's affairs to an unqualified staff who is at the same time working for other members of the group practice. When applying the rules of confidentiality to a group practice situation, members of the same group practice shall be regarded as if they are practising in partnership with each other.

## **6. Effect on the way legal services are provided**

“Group practice” does not affect the way legal services are to be provided by solicitors to clients. The sharing of premises, staff and facilities introduced by the concept of “group practice” are aspects of internal office administration.

A client of a member of a group practice remains the client of that member. No solicitor-client relationship will be created between the client and other members of the same group practice.

## **7. Effect on the quality of legal services**

The concept of “group practice” does not affect the quality of legal services to be provided to clients. It does not change the way legal services are provided by solicitors to their clients.

They should be providing legal services in the same way as they have been before practising as members of a group practice.

There is thus no basis to infer that the quality of legal services will be adversely affected by the fact that a solicitor or a firm has become a member of a group practice.

## **8. Statutory provisions**

The relevant legislation governing group practice arrangements is the Solicitors (Group Practice) Rules. A copy of the Rules can be downloaded from the Society's web-site at [www.hklawsoc.org.hk](http://www.hklawsoc.org.hk). The provisions that may be relevant to potential clients of members of a group practice are summarised below:

- (a) Sharing of solicitors among members of a group practice is prohibited.
- (b) Members of a group practice are not to be regarded as practising in partnership save for the purposes of :
  - (i) any rule of professional practice, conduct or discipline relating to conflict of interest or confidentiality;
  - (ii) rule 5C of the Solicitors' Practice Rules which deals with representation in conveyancing transactions.

- (c) Group practice is not a law firm or a legal entity.
- (d) Any practice promotion by the members of a group practice in a manner which gives the impression that the group practice is a firm or legal entity of any kind or that any member of the group practice is in partnership with any other member of the same group practice is prohibited.
- (e) A solicitor practising within a group practice who wishes to instruct another solicitor within the same group practice to undertake work entrusted to him by a client must obtain the prior written authorisation of the client.

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