

FORMAL LAW ALLIANCES – FREQUENTLY ASKED QUESTIONS

This document sets out answers to frequently-asked questions about the Formal Law Alliance (“FLA”) scheme. It is not intended to be legal advice and does not purport to be complete. Law practices remain responsible for their own compliance.

No.	Frequently Asked Question	Answer
1.	What are the key legislative provisions relating to FLAs?	<p>Please refer to the Legal Profession Act and its subsidiary legislation. Key provisions include:</p> <ul style="list-style-type: none"> • Legal Profession Act, sections 170, 174 and 176; • Legal Profession (Law Practice Entities) Rules 2015, rules 3, 50, 54, 55, 70, 71, 72, 81, and the First Schedule; • Legal Profession (Regulated Individuals) Rules 2015; • Legal Profession (Modified Application of Act for International Services) Rules 2015; and • Legal Profession (Professional Conduct) Rules 2015.
2.	Where can we find a list of licensed FLAs?	All licensed law practice entities, including FLAs, can be found on the LSRA’s search function .
3.	How do we apply for an FLA licence?	All licence applications must be submitted via LSRA e-Services . Please see our webpages , User Guide and other FAQs for more information.
4.	How many member law practices can an FLA comprise?	An FLA must comprise at least one Singapore law practice (“SLP”) and one foreign law practice (“FLP”), and typically comprises only one of each. Qualifying Foreign Law Practices are also eligible to form an FLA with an SLP.
5.	What are some of the benefits of being in an FLA?	<p>Under section 170(7) of the Legal Profession Act and rule 55 of the Legal Profession (Law Practice Entities) Rules 2015:</p> <ul style="list-style-type: none"> • The member law practices of an FLA may share office premises, profits or client information with respect to the legal practice of the FLA; • The FLA may market or publicise itself as a single service provider competent to provide legal services in all areas which its member law practices are qualified to provide; • The FLA may bill its clients as if it were a single law practice (except for matters governed by Singapore law falling outside the prescribed areas of legal practice); and

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		<ul style="list-style-type: none"> • The FLA’s partners or directors may hold equity interests and concurrent appointments in the member law practices in certain circumstances (see below).
6.	What are the conditions applicable to an FLA application?	<p>The conditions that apply to an application for an FLA licence are set out in rule 54 of the Legal Profession (Law Practice Entities) Rules 2015. In brief:</p> <ol style="list-style-type: none"> a. Each law practice must have relevant legal expertise and experience in prescribed practice areas, e.g. banking law, arbitration, maritime law; b. Each FLP must have at least 5 foreign lawyers resident in Singapore, each of whom has at least 5 years of relevant legal expertise and experience (excluding any period spent studying or training) in any of the prescribed practice areas; c. At least 2 of the above 5 foreign lawyers must hold equity interests in the FLP; d. Each SLP must have at least 5 Singapore solicitors, each of whom has at least 5 years of relevant legal expertise and experience (excluding any period spent studying or training) in any of the prescribed practice areas; e. At least 2 of the above 5 Singapore solicitors must hold equity interests in the SLP; f. The applicants must enter into a written agreement to form an FLA; and g. The applicants must submit an agreed written business plan describing the objectives of the FLA and the implementation of the business plan. <p>Under rule 55(8) of the Legal Profession (Law Practice Entities) Rules 2015, the above conditions continue to apply for so long as the FLA licence is in force.</p> <p>Under rule 55(7) of the Legal Profession (Law Practice Entities) Rules 2015, no material modification is to be made to the written agreement or business plan without the prior written approval of the Director of Legal Services.</p>
7.	Can Singapore solicitors be transferred from the FLP to make up the numbers in the SLP?	<p>To comply with the requirement to have at least 5 Singapore solicitors in the SLP, the SLP is advised to ensure it has a sufficient number of Singapore solicitors who have a track record that is independent of the FLP.</p> <p>Singapore solicitors who are transferred from the FLP to the SLP will be regarded as nominees of the FLP and will not be counted towards the minimum number of Singapore solicitors required in the SLP.</p>
8.	Are there any naming requirements for the FLA?	The name of the FLA must include the names of both the member SLP and member FLP.

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		<p><u>Application process:</u></p> <ul style="list-style-type: none"> For new FLA applications, you can propose three names for the FLA (in order of preference) in the application form. For existing FLAs that wish to change their name, please seek approval by submitting an update application via LSRA e-Services, indicating the proposed name in the form.
9.	Can the member law practices share office premises?	<p>Under section 170(7) of the Legal Profession Act, the member law practices of an FLA are allowed to share office premises with each other.</p> <p><u>Application process:</u></p> <ul style="list-style-type: none"> For new FLA applications, please complete the ‘Sharing of Premises’ section in the application form. For existing FLAs whose members wish to share premises with each other, each member law practice should submit an application via LSRA e-Services to update the ‘Sharing of Premises’ section in their licence record. <p>Please note that the Director of Legal Services’ approval under rule 81 of the Legal Profession (Law Practice Entities) Rules 2015 will be required if any member law practice of the FLA proposes to share, occupy or use premises jointly with an ‘unauthorised person’. Please see our webpage on Approval to Share Premises.</p>
10.	Can the member FLP have an equity interest in the member SLP?	<p>Under section 176(9) of the Legal Profession Act, read with rule 72 of the Legal Profession (Law Practice Entities) Rules 2015, an FLP can, with the approval of the Director of Legal Services, be a shareholder in or share in the profits of an SLP, provided that the SLP satisfies the threshold requirements under rule 3 of the Legal Profession (Law Practice Entities) Rules 2015.</p> <p><u>Application process:</u></p> <ul style="list-style-type: none"> The SLP will need to submit an application via LSRA e-Services for approval for the FLP to hold interests in the SLP.
11.	Can the member SLP have an equity interest in the member FLP?	<p>There are no restrictions on the member SLP, as an entity, having an equity interest in the member FLP.</p>
12.	Can the member FLP’s foreign lawyers have an equity interest in the member SLP?	<p>Under section 176(1) of the Legal Profession Act, read with rules 70 and 71 of the Legal Profession (Law Practice Entities) Rules 2015, a foreign lawyer registered under section 36B, 36C or 36D of the Act can, with the approval of the Director of Legal Services, be a shareholder in or share in its profits of an SLP provided that:</p> <ol style="list-style-type: none"> The SLP satisfies the threshold requirements under rule 3 of the Legal Profession (Law Practice Entities) Rules 2015; and

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		<p>b. The foreign lawyer has successfully completed the legal practice management course offered by the Law Society of Singapore (unless s/he can satisfy the Director of Legal Services that s/he has equivalent qualifications, accreditation or experience).</p> <p><u>Application process:</u></p> <ul style="list-style-type: none"> • The SLP will need to submit an application via LSRA e-Services for approval for the foreign lawyer to hold interests in the SLP. • If the foreign lawyer is not registered with the LSRA, the FLP will first need to submit an application via LSRA e-Services to register the foreign lawyer under section 36B, 36C or 36D of the Legal Profession Act. • The applications can be assessed concurrently by the LSRA.
13.	Can the member SLP's Singapore solicitors have an equity interest in the member FLP?	<p>Under rules 55(3) to (6) of the Legal Profession (Law Practice Entities) Rules 2015, a Singapore solicitor may, with the approval of the Director of Legal Services, concurrently be:</p> <ol style="list-style-type: none"> a. A partner, director or shareholder of an SLP which is a member of an FLA; and b. A partner, director or shareholder of an FLP which is a member of the FLA; <p>provided that:</p> <ol style="list-style-type: none"> a. The SLP satisfies all the threshold requirements set out in rule 3 of the Legal Profession (Law Practice Entities) Rules 2015 so long as the approval is in force; and b. The Director of Legal Services is satisfied that there will be no actual or potential conflict of interests. <p>Singapore solicitors who are not partners, directors or shareholders of the SLP are not permitted to be partners, directors or shareholders of the FLP.</p> <p><u>Application process:</u></p> <ul style="list-style-type: none"> • For new FLA applications, please add the Singapore solicitor to the 'Concurrent Practice' section in the application form. • For existing FLAs, the FLP will need to apply via LSRA e-Services to register the Singapore solicitor under section 36E of the Legal Profession Act, indicating the proposed concurrent appointment in the 'Concurrent Practice' section of the form.
14.	Can the member SLP's Singapore solicitors hold concurrent appointments	<p>Under rules 55(3) to (6) of the Legal Profession (Law Practice Entities) Rules 2015, a Singapore solicitor may, with the approval of the Director of Legal Services, concurrently be:</p> <ol style="list-style-type: none"> a. A partner or director of an SLP which is a member of an FLA; and b. A partner or director of an FLP which is a member of the FLA;

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	in both the member SLP and member FLP?	<p>provided that:</p> <ol style="list-style-type: none"> a. The SLP satisfies all the threshold requirements set out in rule 3 of the Legal Profession (Law Practice Entities) Rules 2015 so long as the approval is in force; and b. The Director of Legal Services is satisfied that there will be no actual or potential conflict of interests. <p>Singapore solicitors who are not partners, director or shareholders in the SLP cannot hold concurrent appointments in the FLP.</p> <p><u>Application process:</u></p> <ul style="list-style-type: none"> • For new FLA applications, please add the Singapore solicitor to the ‘Concurrent Practice’ section in the application form. • For existing FLAs, the FLP will need to submit an application via LSRA e-Services to register the Singapore solicitor under section 36E of the Legal Profession Act, indicating the proposed concurrent appointment in the ‘Concurrent Practice’ section of his/her lawyer registration form.
15.	Can lawyers be seconded from one member law practice to another?	<p>Lawyers in a member law practice can be seconded to another member law practice, but this must be on a formal, full-time, and time-limited basis. Ad hoc, part-time, or open-ended secondments where the lawyer is practising at both member law practices are not permitted as this would circumvent the restrictions on concurrent appointments.</p> <p><u>Application process:</u></p> <ul style="list-style-type: none"> • Singapore solicitors and foreign lawyers seconded from the member SLP to the member FLP will need to be registered with the LSRA under the FLP. Foreign lawyers will additionally need to have their registrations under the SLP terminated, and Singapore solicitors will need to file a notice of change of particulars with the Supreme Court via eLitigation. • Foreign lawyers seconded from the member FLP to the member SLP will need to be registered with the LSRA under the SLP, and have their registrations under the FLP terminated. Singapore solicitors seconded from the member FLP to the member SLP will need to have their registrations under the FLP terminated, and will need to file a notice of change of particulars with the Supreme Court via eLitigation.
16.	What are the threshold requirements for SLPs?	<p>All SLPs must satisfy the threshold requirements under rule 3 of the Legal Profession (Law Practice Entities) Rules 2015 for so long as their licence is in force. To summarise the threshold requirements briefly:</p> <ol style="list-style-type: none"> a. At least two-thirds of the lawyers practising in the SLP must be Singapore solicitors; b. At least two-thirds of the partners or directors in the SLP must be Singapore solicitors;

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		<p>c. The managing partner or director must be a Singapore solicitor;</p> <p>d. At least two-thirds* of the voting rights and equity interests in the SLP must be held by Singapore solicitors;</p> <p>e. At least two-thirds* of the SLP's profits must be paid to Singapore solicitors; and</p> <p>f. The Singapore solicitors must not be a nominee of any FLP or foreign lawyer.</p> <p>(*Or at least 65% if there are regulated non-practitioners and foreign lawyers in the SLP.)</p> <p>Please note that foreign lawyers from the member FLP who are granted approval by the Director of Legal Services to concurrently be partners or directors in the member SLP will be counted towards the one-third cap on non-Singapore solicitors.</p>
17.	What are the FLA licence conditions?	<p>The standard FLA licence conditions include the following (summarised):</p> <ul style="list-style-type: none"> • Matters governed by Singapore law falling outside the prescribed areas of legal practice may only be undertaken by the member SLP and must be billed by and in the name of the member SLP. The revenue from such matters may only accrue to the member SLP. • The FLA and each of the member law practices must maintain separate accounts. • The FLA must submit an annual report to the LSRA. • All marketing or communications must include the full names of the member law practices and the fact that they are in an FLA. • The FLA's name cannot be changed without the Director of Legal Services' prior approval. <p>Please also note that, under section 170(3) of the Legal Profession Act, the Director of Legal Services may issue an FLA licence subject to such conditions she may think fit to impose in any particular case.</p>
18.	What regulatory control does the Director of Legal Services have over an FLA?	Please refer to section 174 of the Legal Profession Act.
19.	What are the reporting requirements for an FLA?	Under rule 55(9) of the Legal Profession (Law Practice Entities) Rules 2015, an FLA must submit an annual report of its performance. The LSRA will provide the FLA with a report template.
20.	What supporting documents do we need to	<p>The supporting documents required can be found in the online FLA application form in LSRA e-Services. Generally, they include:</p> <ul style="list-style-type: none"> • The FLA's business plan;

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	submit with our application for an FLA licence?	<ul style="list-style-type: none"> • The written agreement between the member law practices to form an FLA; • The CVs of 5 Singapore solicitors (for the SLP) and 5 foreign lawyers (for the FLP) who meet the FLA requirements under the legislation; and • The layout of shared premises (if applicable).
21.	What are the fees for an FLA licence?	Please refer to the list of fees in the First Schedule of the Legal Profession (Law Practice Entities) Rules 2015.
22.	How long does it take to process an FLA licence application?	<p>It can take up to 16 weeks for an FLA licence application to be processed, depending on the completeness and complexity of the application. Applications that are submitted during our peak period from January to March may take longer to process.</p> <p>The applicant law practices must keep the FLA application confidential and should not pre-emptively publicise the FLA in any marketing and communications materials (including press releases, media interviews, websites and sponsorships) unless and until final approval is granted by the Director of Legal Services.</p>
23.	How long is an FLA licence valid for? Does it need to be renewed?	Under section 178(2) of the Legal Profession Act, read with rule 75(1)(b) of the Legal Profession (Law Practice Entities) Rules 2015, an FLA licence remains valid until it is suspended, revoked or cancelled by the Director of Legal Services.
24.	How do we replace a member law practice of an FLA?	As the FLA licence was issued on the basis of the application by the original member law practices, the existing FLA will need to be terminated , and a new FLA licence application submitted.
25.	Can we meet with the LSRA to discuss our proposals?	<p>We regret that the LSRA is generally unable to accommodate meeting requests save for exceptional matters. If you would like to request a meeting, please email us setting out the issues you wish to discuss, so that we can see how best to assist.</p> <p>The answers to most of the enquiries we receive can be found by referring to the relevant legislation, User Guide, FAQs and sample application forms available on LSRA e-Services.</p> <p>Please note that the LSRA does not give legal advice or business advice on how to structure FLAs. Law practices may propose a structure that meets their commercial objectives, but should ensure that they comply with the letter and the spirit of the relevant requirements.</p>