SPECIMEN CLAUSES

[***Note****: Please note that these sample clauses that law corporations may insert into their Constitution are for the purposes of complying with the requirements of the Legal Profession Act and any rules made thereunder. The sample clauses/regulations are not the comprehensive set of clauses/regulations required before persons can set up a law corporation in Singapore and should not be taken as such. Persons who intend to set up a law corporation must still comply with all applicable provisions of the Companies Act (Cap. 50).***]**

THE COMPANIES ACT (CAP. 50)

PRIVATE COMPANY LIMITED BY SHARES

CONSTITUTION

### OF

**[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ LAW CORPORATION / LLC\*]**

# *[Section 154 (3), Legal Profession Act (“LPA”)]*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\* *Delete as appropriate*

1. The name of the Company is "[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Law Corporation / LLC\*] ". The name of the Company shall not be changed without the prior written approval of the Director of Legal Services.

*[Section 154(3) & 154(5), LPA]*

2. The registered office of the Company is situated in the Republic of Singapore.

3. The objects for which the Company is established are:

1. To carry on, in Singapore and elsewhere, as its primary business, the provision and supply of legal services and such other class(es) of services as from time to time may be prescribed by (or pursuant to) the Legal Profession Act, and subject to the Legal Profession Act, to carry on any other businesses which may be in connection therewith or incidental thereto and whether or not the same be carried on in association with other qualified persons or organisations from any other jurisdictions.

# *[Section 153 LPA & the Second Schedule to the Legal Profession (Law Practice Entities) Rules 2015 (LPER), paragraph 1]*

(2) To accept offices and appointments incidental to the provision and supply of legal services and such other class(es) of services as from time to time may be prescribed by (or pursuant to) the Legal Profession Act or in the course of legal practice generally, including but not limited to appointments as executors, trustees, liquidators, receivers and managers and the provision of appointees as directors and corporate secretaries of other companies.

[*Insert other object clauses, if desired*.]

4. In so far as they relate to the matters specified in the Legal Profession Act and/or any rules made thereunder, the Constitution of the Company shall not be amended without the prior approval of the Director of Legal Services.

*[The Second Schedule to the LPER, paragraph 16]*

5. The liability of the members is limited.

1. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise.
2. We, the persons whose names and occupations are set out in this Constitution, desire to form a company in pursuance of this Constitution, and we each agree to take the number of shares in the capital of the Company set out against our respective names.

|  |  |
| --- | --- |
| **Names, Addresses and Occupations of Subscribers** | **Number of Shares Taken by Each Subscriber** |
| [*Name of Subscriber*]  [*Address of Subscriber*]  Director |  |
| [*Name of Subscriber*]  [*Address of Subscriber*]  Director |  |
| **Total Number of Shares Taken:** |  |

8. INTERPRETATION. In this Constitution, unless the context otherwise requires:

"the Act" means the Companies Act (Cap. 50) or any statutory modification thereof for the time being in force and includes any subsidiary legislation made thereunder;

“Director of Legal means the Director of Legal Services as appointed under the

Services” Legal Profession Act;

"Directors" means the Directors for the time being of the Company or "the Board" as a body or a quorum of the Directors present at a meeting of the Directors or signing a written resolution;

"law corporation" means a company licensed as a law corporation under section 153 of the Legal Profession Act;

### "Legal Profession means the Legal Profession Act (Cap. 161) or any statutory

### Act" modification thereof for the time being in force and includes any subsidiary legislation made thereunder;

"member" means a member of the Company;

"month" means a month of the Gregorian calendar;

"office" means the registered office of the Company;

"seal" means the common seal of the Company;

"Secretary" means a secretary of the company appointed under section 171 of the Act;

“solicitor” means a solicitor as defined in the Legal Profession Act;

"$" refers to the lawful currency of Singapore;

expressions referring to writing shall, unless the contrary intention appears, be construed to include references to printing, lithography, photography and other modes of representing or reproducing words in a visible form;

words or expressions contained in this Constitution shall be interpreted in accordance with the provisions of the Interpretation Act (Cap. 1) and of the Act;

words denoting the singular number only shall include the plural number and vice versa; words denoting the masculine gender only shall include the feminine and neuter genders; and words denoting persons shall include any individual, company and other bodies of persons, whether corporate or unincorporated; and

the headings in this Constitution are inserted for convenience of reference only and are in no way designed to limit or circumscribe the scope of this Constitution.

#### PRIVATE COMPANY

9. PRIVATE COMPANY. Pursuant to the Act and the Legal Profession Act, the Company is a private company, and accordingly:

[Section 165 LPA]

(a) no invitation shall be issued to the public to subscribe for any shares or debentures of the Company;

(b) the right to transfer the shares of the Company shall be restricted in the manner hereinafter appearing; and

(c) no invitation shall be issued to the public to deposit money with the Company for fixed periods or payable at call, whether bearing or not bearing interest.

#### SHARES

10. (1) Subject to and save as otherwise permitted under the Legal Profession Act and any

rules made thereunder, shares in the Company shall only be held by solicitors who

have in force a practising certificate.

*[Section* *159(2), LPA & the Second Schedule to the LPER, paragraph 7]*

1. Unless otherwise allowed under the Legal Profession Act or approved by the Director of Legal Services, any person who ceases to be eligible to hold shares in the Company pursuant to the Legal Profession Act or the rules made thereunder, shall transfer or dispose of such shares in accordance with the Legal Profession Act and the rules made thereunder.

*[The Second Schedule to the LPER, paragraphs 8, 9 and10]*

11. COMPANY TO HAVE POWER TO PURCHASE OR ACQUIRE ITS OWN SHARES. The Company shall have power (subject to, and in accordance with the provisions of, the Act) to purchase or otherwise acquire any of its own shares on such terms as the Company may think fit.

#### TRANSFER OF SHARES

12. RIGHT TO DECLINE TO ACCEPT TRANSFER. The Directors may decline to register the transfer of any share or accept any instrument of transfer in favour of any person (not being an existing member) of whom they do not approve.

[*Insert other restrictions on transfers of shares, if desired*.]

13. RESTRICTIONS ON SHARE TRANSFERS & DIRECTORS' OBLIGATION TO REFUSE TRANSFER OF SHARES.

No person shall transfer or dispose of any shares in the Company without the prior approval of the Directors. The Directors shall not grant their approval and shall not register the transfer of any share if the same would result in a contravention of any requirement of the Legal Profession Act or any rules made thereunder on the holding, transfer or disposal of shares in a law corporation.

###### [Section 159, LPA & the Second Schedule to the LPER, paragraphs 12 and 13]

[*Insert the manner and terms of the transfer or disposal of any shares in the Company* *in the event that the person holding the shares contravenes section 159(4) of the Legal Profession Act, ceases to be eligible to hold the shares under the Legal Profession Act, or is required to divest those shares under the Legal Profession Act*. *Please note that the arrangements below are only suggestions which you may choose to adopt or adapt, provided the requirements set out in section 159 of the Legal Profession Act are met. Any such provisions are subject to the approval of the Director of Legal Services.*]

*[The Second Schedule to the LPER, paragraphs 14 and 15]*

#### COMPULSORY TRANSFER OF SHARES

14. COMPULSORY TRANSFER EVENT.

(1) Except in circumstances prescribed in the Legal Profession Act and any rules made thereunder, upon the occurrence of any of the following events (“Compulsory Transfer Events”):

1. a member being suspended from practice or struck off the roll pursuant to disciplinary proceedings under the Legal Profession Act as are applicable to the member;
2. a member granted approval by the Director of Legal Services under the Legal Profession Act to be a shareholder, ceases to be eligible to hold those shares or is required under the Legal Profession Act to divest those shares;
3. a member ceasing to hold a practising certificate for any reason unless otherwise granted such grace period that the Director of Legal Services may deem fit;
4. a member holding shares in any other law corporation;
5. a member becoming a director or consultant or an employee of any other law corporation;
6. a member becoming a partner or consultant or an employee of any law firm or limited liability law partnership;
7. a member commencing practice as a solicitor on his own account;

the Company shall within fourteen (14) days after it becomes aware of the occurrence of any of the Compulsory Transfer Events give a transfer notice (“Transfer Notice”) to the affected member concerned (or to the person(s) entitled to the rights of the affected member concerned under a transmission by operation of law) that the shares of the affected member shall be subject to transfer as provided for in this Constitution.

(2) Upon giving the Transfer Notice, the Company shall be deemed to be the agent of the affected member or the person(s) entitled to the affected member’s rights under a transmission by operation of law (both herein referred to as “the Transferor”) and the Company shall be empowered to sell the shares referred to in the Transfer Notice (together with all rights attached to them) at the Prescribed Price (as defined below) to any member in the manner appearing below.

1. If, not more than fourteen (14) days after the date on which the Transfer Notice was given, the Transferor and the Directors shall have agreed in writing to a price per share as representing its fair value, or as being acceptable to the Transferor, then such price shall be the Prescribed Price. In the absence of any agreement having been reached within the said period of fourteen (14) days, the Directors shall immediately [request the auditors for the time being of the Company to determine and certify in writing to the Company the sum per share considered by them to be fair value as between a willing seller and a willing purchaser (ignoring the fact, if such be the case, that the said shares do not carry effective control of the Company) as at the date of occurrence of the earliest of the Compulsory Transfer Events in respect of the member to whose shares the Transfer Notice relates and the sum per share so determined and certified shall be the Prescribed Price. The auditors shall act at the cost and expense of the Transferor as experts and not as arbitrators, and their determination shall be final and binding for all purposes (save in respect of manifest error) *[or specify other basis for determining the Prescribed Price]*].

(4) Within seven (7) days of the Prescribed Price being so agreed or determined and fixed, all members holding shares in the Company shall be notified in writing by the Company of the Prescribed Price and the portion thereof payable by each of them (each such portion hereinafter referred to as “the Purchase Money”) on the basis that the shares to be acquired by each shall, in accordance with but subject to regulation 14(5), be in proportion (as nearly as may without involving fractions) to their existing holdings of shares.

(5) Each of the members holding shares in the Company (other than the Transferor) shall be obliged to acquire such number of the shares as specified in the Company’s notification to be issued pursuant to regulation 14(4) and each shall pay the Purchase Money in respect thereof to, or to the order of the Transferor within [*specify period(s) within which the Purchase Money must be paid, whether the same be payable in installments (and if so, specify proportion of each installment) and whether interest is payable (and if so, specify rate of interest)*].

(6) The Transferor shall be bound to transfer the shares specified in the Transfer Notice to the respective members acquiring the shares within [*specify period by which transfer must be affected (and, if shares are to be transferred in installments, the proportions of each installment) and conditions (if any) to be satisfied before obligation to transfer arises*].

(7) If a Transferor fails or refuses to transfer any shares of the Company as aforesaid under this Constitution, the Directors may authorise some other person to execute the necessary transfer and deliver such shares on the Transferor’s behalf and the Company may receive and hold the Purchase Money on trust for the Transferor (which it shall pay into a separate bank account in the Company’s name) and cause the respective members acquiring the shares to be registered as the holders of such shares. The receipt by the Company of the Purchase Money shall be a good discharge to the respective members acquiring the shares, and after the respective members acquiring the shares have been registered in purported exercise of the said powers, the validity of the proceedings shall not be questioned by any person.

*[Section 159, LPA & the Second Schedule to the LPER, paragraph 14]*

#### DIRECTORS

15. NUMBER OF DIRECTORS.

1. There shall be at least one Director.
2. Subject to regulation 16, every Director of the Company shall be a solicitor who has in force a practising certificate and has fulfilled the requirements of the Legal Profession Act, or any other person who is registered and approved under the Legal Profession Act.

The first Director(s) shall be [*specify name of directors:*  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_].

*[The Second Schedule to the LPER, paragraph 3]*

16. CHAIRMAN AND MANAGING DIRECTOR. The chairman and the managing director of the law corporation shall each be a solicitor who has in force a practising certificate.

*[The Second Schedule to the LPER, paragraph 2]*

[*If desired, insert other provisions dealing with the appointment, qualifications, tenure, remuneration, removal etc. of Directors.*]

17. VACATION OF OFFICE OF DIRECTOR.

1. The office of the Chairman, the managing Director or a Director who is a solicitor shall become vacant if the solicitor:

(a) ceases to be a Director by virtue of the Act; or

1. ceases to practise as a solicitor.

###### [Section 166, LPA & the Second Schedule of the LPER, paragraph 4]

1. The office of a Director who is a foreign lawyer becomes vacant if the registration of the foreign lawyer under the Legal Profession Act is cancelled or suspended, or the approval under the Legal Profession Act in respect of the foreign lawyer lapses, is cancelled or suspended.

###### [The Second Schedule to the LPER, paragraph 5]

1. The office of a Director who is a regulated non-practitioner becomes vacant if the registration of the regulated non-practitioner is cancelled or suspended under the Legal Profession Act, or the regulated non-practitioner is ordered under the Legal Profession Act to divest himself of any shares he may have in the Company.

*[The Second Schedule to the LPER, paragraph 6]*

[*If desired, insert other provisions dealing with the vacation of the office of Directors*.]

18. CHAIRMAN OF DIRECTORS. Subject to regulation 16, the Directors may elect one of their number (who shall be a solicitor who has in force a practising certificate) to be Chairman of their meetings and determine the period for which he is to hold office; but if at any time there is no Chairman or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the meeting, the Directors present may choose another of their number to be Chairman of the meeting.

###### [The Second Schedule to the LPER, paragraph 2]

[*If desired, insert other provisions dealing with proceedings of Directors.*]

19. The business of the Company, in so far as it relates to legal services, shall be under the control and management of all the Directors.

###### [The Second Schedule to the LPER, paragraph 11]

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## Names, Addresses and Occupations Witnesses to Signatures

of Subscribers

[*Name of Subscriber*] [*Name of Witness*]

[*Address of Subscriber*] [*Occupation of Witness*]

[*Address of Witness*]

Director

[*Name of Subscriber*] [*Name of Witness*]

[*Address of Subscriber*] [*Occupation of Witness*]

[*Address of Witness*]

Director

Dated this day of 20 .