

**BRIEF OVERVIEW OF THE CONVEYANCING AND LAW OF PROPERTY  
(CONVEYANCING) (AMENDMENT NO. 2) RULES 2011**  
(Effective from 25 November 2011)

**(A) INTRODUCTION**

1. The key changes made by the Conveyancing and Law of Property (Conveyancing) (Amendment No. 2) Rules 2011 to the Conveyancing and Law of Property (Conveyancing) Rules (“**CLPR**”) are:

- (i) unclaimed conveyancing money in client’s account;
- (ii) treatment of post-completion money; and
- (iii) other operational amendments.

**(B) UNCLAIMED CONVEYANCING MONEY (Rule 23)**

2. Law firms may continue to hold any unclaimed conveyancing money standing in their client’s account after the end of the transition period, i.e. with effect from 1 January 2012.

3. “Unclaimed conveyancing money” is defined in the new Rule 17 of the recently amended Legal Profession (Solicitors’ Accounts) (“**SAR**”) Rules 2011 to mean any conveyancing money or anticipatory conveyancing money deposited into a solicitor’s client account before 1 August 2011, which the solicitor is unable to pay to the person entitled to be paid the money for the various reasons set out in the new Rule 17.

**(C) POST-COMPLETION MONEY (Rules 2 & 5(9))**

4. The requirement to hold post-completion money in a conveyancing account applies only to lawyers who had acted for the parties to the conveyancing transaction<sup>1</sup>. **[See amendment to the definition of “conveyancing money” read with Rule 5(9) of CLPR].**

**(D) OTHER OPERATIONAL AMENDMENTS**

***Inclusion of Singapore Academy of Law as a Category A payee (Rule 2)***

5. The list of Category A payees has been extended to include the Singapore Academy of Law (“**SAL**”) in the case where conveyancing money is payable to the SAL as stakeholder<sup>2</sup>.

***“Vendor” & “purchaser” include their attorney acting under a power of attorney (Rule 2)***

6. The respective definitions of “vendor” and “purchaser” have been amended to include a person authorised by them to act on their behalf in the sale and purchase of land pursuant

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<sup>1</sup> Where a conveyancing transaction is completed and the sale proceeds are, with the consent of the vendor, handed over to another lawyer (who did not act for vendor in the conveyancing transaction), that lawyer may receive and hold the money in his client’s account.

<sup>2</sup> This may be payable to SAL as stakeholder pursuant to the (a) Housing Developers Rules; (b) Sale of Commercial Properties Rules; (c) Housing and Development (Design-Build-and-Sell Scheme – Form of Contract) Rules; or (d) Executive Condominium Housing Scheme Regulations.

to a power of attorney. Following this amendment, the list of Category B payees is accordingly extended to include such an attorney<sup>3</sup>.

***New payment modes (Rules 2, 6(1) & 7(13))***

7. Appointed banks may pay conveyancing money from a conveyancing account by way of bank drafts (including foreign currency bank drafts) issued by them. Local electronic funds transfer via MEPS+ may also be used to directly transfer funds from a client to a law firm's conveyancing account.

***Use of float (Rules 5(3) & 5(4)) and reimbursements made to lawyers (Rule 5(6))***

8. The float may be used for payment of any amount payable for the purposes of the completion of a conveyancing transaction, and may also be applied to other types of conveyancing transactions such as refinancing or redemption of an existing mortgage. In collective sale cases, money earmarked for the float may be paid directly to the vendor's lawyer for deposit into his client account.

9. Any money received by a lawyer from any person towards reimbursement of actual expenses incurred by the lawyer may be paid directly into the lawyer's office account.

***Transfer of money between conveyancing accounts held by the same law firm with the same appointed bank (new Rule 11(5))***

10. Transfer of conveyancing moneys between conveyancing accounts held by the same law firm within the same appointed bank may be effected administratively by giving written notice to the appointed bank.

***Right to request for documents and to re-direct payment to vendor (Rule 18)***

11. **Rule 18** places an obligation on the purchaser's lawyer to verify the instructions from the vendor's lawyer, whether or not the money passes through a conveyancing account. It is clarified that where the purchaser makes payment directly to the vendor, the purchaser's lawyer (or the purchaser himself if he is acting in person) has a corresponding right, where necessary, to request for documents and exercise the right to re-direct payment from the vendor's nominee to the vendor.

***Counter-signing parties for full or partial repayment of loans (First Schedule)***

12. The First Schedule has been amended to include full or partial repayment of loans (which are not secured by a mortgage) granted for or in connection with a conveyancing transaction and provides specifically who the relevant counter-signing parties are.

**This brief overview outlines the key amendments made to the Conveyancing and Law of Property (Conveyancing) Rules. Please note that while all efforts have been made to ensure the accuracy of the contents of this overview, readers should refer directly to the relevant text of the legislation and ensure that the relevant provisions are applicable to the reader's specific circumstances before dealing with any money relating to a conveyancing transaction.**

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<sup>3</sup> In the case of a lawyer who is appointed (in his professional capacity) as an attorney, the question as to whether the conveyancing money received by him should be paid into his conveyancing account or client's account would depend on whether the lawyer is also acting for the donor in the conveyancing transaction and whether the money is received in the course of the conveyancing transaction or after the completion of the same.