

Serial 142

Legal Practitioners Amendment (Incorporated Legal Practices and
Multi-disciplinary Partnerships) Bill 2003

Dr Toyne

**A BILL
for
AN ACT**

to amend the *Legal Practitioners Act* and repeal the *Legal Practitioners
(Incorporation) Act*, and for related purposes

NORTHERN TERRITORY OF AUSTRALIA

LEGAL PRACTITIONERS AMENDMENT (INCORPORATED LEGAL
PRACTICES AND MULTI-DISCIPLINARY PARTNERSHIPS) ACT 2003

No. of 2003

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NORTHERN TERRITORY OF AUSTRALIA

No. of 2003

AN ACT

to amend the *Legal Practitioners Act* and repeal the *Legal Practitioners (Incorporation) Act*, and for related purposes

[Assented to 2003]
[Second reading 2003]

The Legislative Assembly of the Northern Territory enacts as follows:

1. Short title

This Act may be cited as the *Legal Practitioners Amendment (Incorporated Legal Practices and Multi-disciplinary Partnerships) Act 2003*.

2. Commencement

This Act comes into operation on the date, or respective dates, fixed by the Administrator by notice in the *Gazette*.

3. Principal Act

The *Legal Practitioners Act* is in this Act referred to as the Principal Act.

4. Interpretation

Section 6 of the Principal Act is amended –

- (a) by inserting in subsection (1) after the definition of "home state" the following:

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- (d) a prescribed body corporate or a body corporate that is a member of a prescribed class of bodies corporate;

'corresponding law' means –

- (a) a corresponding law as defined in section 6(1); or
(b) the provisions of a law of a participating State that have the same or substantially the same effect as this Part;

'director' has the same meaning as in the Corporations Act 2001;

'disqualified person' means a person –

- (a) whose name has (whether or not at his or her own request) been removed from the Roll of Legal Practitioners or a roll of lawyers kept under a corresponding law and who has not subsequently been enrolled or re-enrolled as a lawyer in the Territory or a participating State; or
(b) whose practising certificate has been suspended under this Act or whose interstate practising certificate has been suspended under a corresponding law;

'interstate regulatory authority' means a person or body in a participating State who or which may exercise a power or perform a function that may be exercised or performed by the Law Society under this Part;

'lawyer' means a natural person who is a legal practitioner or an interstate legal practitioner;

'lawyer director' means a director of an incorporated legal practice who is a lawyer who holds an unrestricted practising certificate or an interstate practising certificate that is equivalent to an unrestricted practising certificate;

'lawyer partner' means a partner of a multi-disciplinary partnership who is a lawyer who –

- (a) holds an unrestricted practising certificate or an interstate practising certificate that is equivalent to an unrestricted practising certificate; and
(b) provides legal services as part of the partnership business;

'legal services' means work done, or business transacted, that is generally done or transacted, or is required to be done or transacted, by a lawyer who is entitled to practise as a solicitor;

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(d) this Part or the Regulations exempt the corporation from this Part.

"(3) This Part does not affect or apply to the provision of legal services by an incorporated legal practice in a participating State.

"35AE. Non-legal services and businesses of incorporated legal practices

"(1) An incorporated legal practice may provide any service and conduct any business that the corporation may lawfully provide or conduct except as provided by this section.

"(2) An incorporated legal practice must not conduct a managed investment scheme within the meaning of Chapter 5C of the Corporations Act 2001.

"(3) The Regulations may prohibit an incorporated legal practice (or a related body corporate of the incorporated legal practice) from providing a service or conducting a business of a kind specified in the Regulations.

"35AF. Corporations eligible to be incorporated legal practices

"(1) Any corporation is eligible to be an incorporated legal practice.

"(2) Subsection (1) does not authorise a corporation to provide legal services if the corporation is prohibited from doing so by an Act or other law of the Commonwealth or a State or Territory of the Commonwealth under which it is incorporated or its affairs are regulated.

"(3) An incorporated legal practice is not required to hold a practising certificate.

"35AG. Notice of intention to commence incorporated legal practice

"A corporation must not provide legal services in the Territory before it has given notice in writing to the Law Society –

- (a) that it intends to operate as an incorporated legal practice;
- (b) containing the name and address of its lawyer director or, if more than one, each of its lawyer directors; and
- (c) containing any other prescribed information.

Penalty: 500 penalty units.

"35AH. Incorporated legal practice must have lawyer director

"(1) Subject to subsection (2), an incorporated legal practice must have at least one lawyer director.

"35AI. Obligations of lawyer director relating to misconduct

"(1) Each of the following is capable of constituting professional misconduct by a lawyer director:

- (a) professional misconduct of a lawyer employed by the incorporated legal practice;
- (b) conduct of any other director (not being a lawyer) of the incorporated legal practice that adversely affects the provision of legal services by the practice;
- (c) the unsuitability of any other director (not being a lawyer) of the incorporated legal practice to be a director of a corporation that provides legal services.

"(2) A lawyer director of an incorporated legal practice must ensure that all reasonable action available to the lawyer director is taken to deal with any professional misconduct of a lawyer employed by the practice.

"(3) It is professional misconduct if a lawyer director contravenes or fails to comply with subsection (2).

"35AJ. Incorporated legal practice without lawyer director

"(1) An incorporated legal practice contravenes or fails to comply with this section if it does not have any lawyer directors for a period exceeding 7 days.

Penalty: 500 penalty units.

"(2) If an incorporated legal practice ceases to have any lawyer directors, the incorporated legal practice must notify the Law Society as soon as possible.

Penalty: 20 penalty units.

"(3) The Law Society may, if it thinks it appropriate, appoint a lawyer who is an employee of the incorporated legal practice or another person nominated by the Law Society to, in the absence of a lawyer director, exercise or perform the functions or duties conferred or imposed on a lawyer director under this Part.

"(4) A lawyer is not eligible to be appointed under subsection (3) unless he or she is entitled to hold an unrestricted practising certificate or an interstate practising certificate equivalent to an unrestricted practising certificate.

"(5) A person appointed under subsection (3) must not exercise or perform functions or duties of a director of the incorporated legal practice, other than those referred to in that subsection, unless he or she has been appointed a

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"(4) The directors of an incorporated legal practice do not breach their duties as directors only because legal services are provided pro bono by the lawyers engaged by the incorporated legal practice.

"35AM. Conflicts of interest

"(1) For the purposes of the application of a law, the general principles of professional conduct under section 44(1) or the professional conduct rules relating to conflicts of interest to the conduct of a lawyer director, or a lawyer who is an officer or employee of an incorporated legal practice, the interests of –

- (a) the incorporated legal practice or a related body corporate of the incorporated legal practice; or
- (b) any other officer of the incorporated legal practice (whether or not a lawyer),

are also taken to be those of the lawyer concerned (in addition to any interests that the lawyer has apart from this subsection).

"(2) Professional conduct rules may be made for or with respect to additional duties and obligations in connection with conflicts of interest arising out of the conduct of an incorporated legal practice.

"35AN. Disclosure of obligations

"(1) In this section –

'legal services' means work done, or business transacted, that is generally done or transacted, or is required to be done or transacted, by a lawyer.

"(2) If a person engages an incorporated legal practice to provide legal services, each lawyer director of the incorporated legal practice, and any lawyer who provides legal services on behalf of the incorporated legal practice, must ensure that a disclosure, complying with the requirements of this section and the Regulations made for the purposes of this section, is made to the person in connection with the provision of legal services.

Penalty: 100 penalty units.

"(3) The disclosure is to be made by giving the person a notice in writing setting out the following:

- (a) the legal services to be provided;
- (b) the non-legal services (if any) to be provided in connection with the provision of legal services;

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practice to provide legal services that does not comply with the requirements of this section and the Regulations made for the purposes of this section.

Penalty: 20 penalty units.

"(8) A lawyer director of an incorporated legal practice or a lawyer who provides legal services on behalf of an incorporated legal practice must not, in purporting to comply with this section, make a disclosure in connection with the provision of legal services to a person who has engaged the incorporated legal practice to provide the legal services that is false or misleading in a material particular.

Penalty: 500 penalty units.

"35AO. Effect of non-disclosure of provision of certain services

"(1) In this section –

'legal services' means work done, or business transacted, that is generally done or transacted, or is required to be done or transacted, by a lawyer.

"(2) If –

- (a) a legal service provided by an incorporated legal practice is of a kind that may legally be provided by a person other than a lawyer; and
- (b) no disclosure is made under section 35AN(3)(c) that the officer or employee providing the service is not a lawyer,

the standard of care owed by the incorporated legal practice in respect of the service is the standard of care that would be applicable if the service had been provided by a lawyer.

"35AP. Advertising with respect to legal services

"(1) Any restrictions imposed by or under this Act in respect of advertising by legal practitioners (if any) applies to advertising by incorporated legal practices that relates to the provision of its legal services in the Territory.

"(2) For the purposes of disciplinary proceedings under this Act, any advertising by an incorporated legal practice relating to the provision of legal services is taken to be authorised by each lawyer director of the incorporated legal practice.

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"(3) For the purposes of subsection (1) –

- (a) Part VII applies to an incorporated legal practice only to the extent that it applies in relation to the legal services provided by the incorporated legal practice; and
- (b) money received by a legal practitioner on behalf of another person in the course of his or her legal practice includes money received by an officer or employee of an incorporated legal practice on behalf of another person in the course of providing legal services on behalf of the incorporated legal practice.

"(4) The Regulations may further modify the application of Part VII to incorporated legal practices.

"(5) If the application of Part VII is modified under subsection (4), each incorporated legal practice must comply with Part VII as modified.

"(6) The Law Society may lay a charge of professional misconduct against a lawyer director of an incorporated legal practice before the Complaints Committee for failing to comply with Part VII as applied or modified by or under this section and Part VI, Division 6 applies to and in relation to the charge as if references in that Division to a legal practitioner include references to an incorporated legal practice.

"35AS. Requirements relating to fidelity fund: compliance with Part VIII

"(1) Subject to this section, Part VIII applies to an incorporated legal practice as if it were a legal practitioner.

"(2) Part VIII applies to an incorporated legal practice only to the extent that it applies in relation to the legal services provided by the incorporated legal practice, and accordingly –

- (a) a failure to account by a legal practitioner includes a failure to account by an incorporated legal practice in connection with the provision of legal services;
- (b) a dishonest default by a legal practitioner includes a dishonest default by an incorporated legal practice that occurs in connection with the provision of legal services; and
- (c) a reference to a firm of legal practitioners includes a reference to an incorporated legal practice.

"(3) The amounts payable to the Fidelity Fund by an incorporated legal practice are to be determined on the basis of the number of lawyers that are

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be liable for the act or omission if the incorporated legal practice and those officers and employees were carrying on business in partnership, the incorporated legal practice is taken to be vicariously liable for the act or omission.

"35AV. Disqualified lawyers

"(1) An incorporated legal practice is guilty of an offence if a person who is a disqualified person –

- (a) is an officer or employee of the incorporated legal practice (whether or not the person provides legal services) or is an officer or employee of a related body corporate of the incorporated legal practice;
- (b) is a partner of the incorporated legal practice in a business that includes the provision of legal services;
- (c) shares the receipts of the provision of legal services by the incorporated legal practice; or
- (d) is engaged or paid in connection with providing legal services by the incorporated legal practice.

Penalty: 500 penalty units.

"(2) It is professional misconduct if a lawyer director of an incorporated legal practice fails to ensure that the incorporated legal practice complies with subsection (1).

"35AW. Audit of incorporated legal practice

"(1) The Law Society may conduct an audit of –

- (a) the compliance of an incorporated legal practice (and of its officers and employees) with the requirements of –
 - (i) this Part; or
 - (ii) the Regulations, general principles of professional conduct under section 44(1) or the professional conduct rules, so far as they relate specifically to incorporated legal practices; and
- (b) the management of the provision of legal services by the incorporated legal practice (including the supervision of officers and employees providing legal services).

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"(3) Sections 22(2) and (3), 25(2) and (2A), 26 and 27 of the ASIC Act do not apply in respect of the exercise of the powers conferred on the Law Society by this section.

"35AZ. Inspection of books

"(1) The Law Society may exercise the powers conferred on ASIC by sections 30(1), 34, 37, 38 and 39 of the ASIC Act.

"(2) Those provisions of the ASIC Act apply to and in respect of the exercise of those powers, with the following modifications (and any other necessary modifications):

- (a) a reference to ASIC (however expressed) is a reference to the Law Society;
- (b) a reference to a body corporate (including a body corporate that is not an exempt public authority) is a reference to an incorporated legal practice;
- (c) a reference to an eligible person in relation to an incorporated legal practice is a reference to an officer or employee of the incorporated legal practice;
- (d) a reference to a member or staff member is a reference to the Law Society or a person authorised by the Law Society who is an officer or employee of the Law Society;
- (e) a reference in section 37 of the ASIC Act to a proceeding is a reference to an investigation.

"35AZA. Power to hold hearings

"(1) The Law Society may hold hearings for the purposes of an investigation.

"(2) Sections 52, 56(1), 58, 59(1), (2), (5), (6) and (8) and 60 (except for section 60(b)) of the ASIC Act apply to and in respect of a hearing held under subsection (1), with the following modifications (and any other necessary modifications):

- (a) a reference to ASIC (however expressed) is a reference to the Law Society;
- (b) a reference to a member or staff member is a reference to the Law Society or a person authorised by the Law Society who is an officer or employee of the Law Society;

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- (b) subject to conditions as to when or in what circumstances the order is to take effect; or
- (c) together with orders to safeguard the interests of clients or employees of the incorporated legal practice.

"(4) Action may be taken against an incorporated legal practice on any of the following grounds:

- (a) that a lawyer director or a lawyer who is an officer or employee of the corporation is found guilty of professional misconduct under a law of the Territory, the Commonwealth or a State or another Territory of the Commonwealth;
- (b) that the Law Society is satisfied, after conducting an audit of the incorporated legal practice, that the incorporated legal practice has failed to implement satisfactory management and supervision of its provision of legal services;
- (c) that the incorporated legal practice (or a related body corporate of the incorporated legal service) has contravened or failed to comply with section 35AE or a regulation made under that section;
- (d) that the incorporated legal practice has contravened or failed to comply with section 35AV;
- (e) that a person who is an officer of the incorporated legal practice and who is the subject of an order under –
 - (i) section 35AZD or under provisions of a corresponding law that correspond to that section; or
 - (ii) section 35AZZB or under provisions of a corresponding law that correspond to that section,

and is acting in the management of the incorporated legal practice.

"(5) If a corporation is disqualified under this section, the Law Society must promptly notify each interstate regulatory authority.

"(6) If a corporation is disqualified from providing legal services in another jurisdiction under a corresponding law, the Law Society may determine that the corporation is disqualified from providing legal services in the Territory for the same period, but nothing in this subsection prevents the Law Society from instead applying for an order under this section.

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"(2) The Law Society may conduct a review under subsection (1) whether or not a complaint has been made in respect of legal services provided by the incorporated legal practice.

"(3) In conducting the review, the Law Society may exercise the powers conferred on it in sections 35AY and 35AZ and section 35AZA applies in relation to the exercise of those powers for the purposes of this section.

"(4) On completing a review of the compliance of an incorporated legal practice, the Law Society must provide a report of the review to –

- (a) the incorporated legal practice; and
- (b) the Attorney-General.

"(5) A report of a review under this section may be taken into account in connection with the issue of a practising certificate under Part IV or in any disciplinary proceedings under Part VI.

"35AZF. Disclosure of information to ASIC

"(1) The Law Society may disclose to ASIC information concerning an incorporated legal practice or a former incorporated legal practice that it has acquired in the course of the operation of this Act or the Regulations.

"(2) Subsection (1) has effect despite sections 74 and 78 and any other law relating to secrecy or confidentiality.

"35AZG. External administration proceedings under Corporations Act 2001

"(1) In this section –

'proceedings' means proceedings in any court under Chapter 5 of the Corporations Act 2001 that relate to –

- (a) a corporation that is or was an externally-administered body corporate under that Act; or
- (b) a corporation becoming an externally-administered body corporate under that Act.

"(2) The Law Society is entitled to be a party to proceedings, unless the court determines that the proceedings do not concern or affect the provision of legal services by the incorporated legal practice concerned.

"(3) In any proceedings, a court may have regard to the interests of the clients of the incorporated legal practice concerned who have been, are being or are to be provided with legal services by the incorporated legal service (even if those interests conflict with the interests of creditors or shareholders).

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behalf of an incorporated legal practice, to contravene or fail to comply with this Act, the Regulations, the general principles of professional conduct under section 44(1), the professional conduct rules or his or her professional obligations as a lawyer.

Penalty: 400 penalty units or imprisonment for 2 years.

"Division 3 – Multi-disciplinary partnerships

"35AZK. Application of Division

"This Division does not affect or apply to the provision by a multi-disciplinary partnership of legal services in a participating State under the corresponding law of the participating State:

"35AZL. Conduct of multi-disciplinary partnerships

"(1) A lawyer may be in partnership with a person who is not a lawyer.

"(2) The Regulations may prohibit a lawyer from being in partnership with a person providing a service or conducting a business in the Territory of a kind specified in the Regulations.

"(3) This section applies only if the business of the partnership concerned includes providing legal services.

"35AZM. Notice of intention to commence practice in multi-disciplinary partnership

"(1) A lawyer partner must, before commencing to provide legal services in the Territory as a member of a multi-disciplinary partnership, notify the Law Society in writing of his or her intention to do so.

"(2) The notice is to contain the prescribed particulars.

"35AZN. General obligations of lawyer partners

"(1) Each lawyer partner of a multi-disciplinary partnership is, for the purposes only of this Act, responsible for the management of the legal services provided in the Territory by the partnership.

"(2) Each lawyer partner must ensure that appropriate management systems are implemented and maintained to enable the provision of legal services by the multi-disciplinary partnership –

- (a) in accordance with the professional obligations of lawyers and the other obligations imposed by this Act, the Regulations and the professional conduct rules; and

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"35AZQ. Application of general principles of professional conduct and professional conduct rules to multi-disciplinary partnerships

"(1) Subject to subsection (2), the general principles of professional conduct specified in section 44(1) and the professional conduct rules apply to lawyers who are lawyer partners or employees of a multi-disciplinary partnership.

"(2) The general principles of professional conduct under section 44(1) and the professional conduct rules are not to apply to or regulate or prohibit any of the following matters:

- (a) services that members of a multi-disciplinary partnership may provide or conduct (other than the provision of legal services or other services in circumstances where a conflict of interest relating to providing legal services may arise);
- (b) the conduct of partners or employees of a multi-disciplinary partnership (other than in connection with providing legal services or other services in circumstances where a conflict of interest relating to providing legal services may arise).

"35AZR. Professional obligations and privileges of lawyers who are partners or employees of multi-disciplinary partnerships

"(1) A lawyer who provides legal services in the capacity of a partner or an employee of a multi-disciplinary partnership is not excused from compliance with the professional obligations of a lawyer, or any other obligations of a lawyer under any law, and does not lose the professional privileges of a lawyer.

"(2) To avoid doubt, the law relating to client legal privilege or other legal professional privilege is not excluded or otherwise affected because a lawyer who provides legal services is acting in the capacity of a partner or employee of a multi-disciplinary partnership.

"35AZS. Conflicts of interest

"(1) For the purposes of the application of a law (including the general principles of professional conduct specified in section 44(1) and the professional conduct rules) relating to conflicts of interest to the conduct of a lawyer partner, or a lawyer who is an employee of a multi-disciplinary partnership, the interests of –

- (a) a partner of the multi-disciplinary partnership; or
- (b) an employee of the partnership (whether or not a lawyer),

are also taken to be those of the lawyer concerned (in addition to any interests that the lawyer has apart from this subsection).

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"(4) The Regulations may provide for or with respect to the following:

- (a) the manner in which disclosure is to be made;
- (b) additional matters required to be disclosed in connection with the provision of legal services or non-legal services by a multi-disciplinary partnership.

"(5) Without limiting subsection (4)(b), the additional matters may include the kind of services provided by the multi-disciplinary partnership and whether those services are or are not covered by the insurance or other provisions of this Act.

"(6) A disclosure under this section to a person about the provision of legal services may relate to –

- (a) the provision of legal services on one occasion; or
- (b) the provision of legal services on more than one occasion, including where the services are provided in respect of different matters involving –
 - (i) the person to whom the disclosure is made;
 - (ii) clients of that person; or
 - (iii) persons in another form of relationship with that person (for example, persons insured with an insurer).

"(7) A lawyer partner of a multi-disciplinary partnership or a lawyer employed by a multi-disciplinary partnership must not, in purporting to comply with this section, make a disclosure in connection with the provision of legal services to a person who has engaged the multi-disciplinary partnership to provide the legal services that does not comply with the requirements of this section or the Regulations made for the purposes of this section.

Penalty: 20 penalty units.

"(8) A lawyer partner of a multi-disciplinary partnership or a lawyer employed by a multi-disciplinary partnership must not, in purporting to comply with this section, make a disclosure in connection with the provision of legal services to a person who has engaged the multi-disciplinary partnership to provide the legal services that is false or misleading in a material particular.

Penalty: 500 penalty units.

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"(2) For the purposes of subsection (1) –

(a) Part VII applies to a lawyer who is a lawyer partner or employee of a multi-disciplinary partnership only in connection with the provision of legal services by the multi-disciplinary partnership; and

(b) money received by a legal practitioner on behalf of another person in the course of his or her legal practice includes money received by a lawyer who is a lawyer partner or employee of a multi-disciplinary partnership on behalf of another person in the course of providing legal services.

"(3) The Regulations may further modify the application of Part VII to lawyers who are lawyer partners or employees of multi-disciplinary partnerships.

"(4) If the application of Part VII is modified under subsection (3), each lawyer who is a lawyer partner or employee of a multi-disciplinary partnership must comply with Part VII as modified.

"(5) The Attorney-General or Law Society may lay a charge of professional misconduct against a lawyer who is a lawyer partner or employee of a multi-disciplinary partnership for failing to comply with Part VII as applied or modified by or under this section and Part VI, Division 6 applies to and in relation to the charge as if a reference in that Division to a legal practitioner includes a reference to a lawyer who is a lawyer partner or employee of a multi-disciplinary partnership.

"35AZY. Requirements relating to fidelity fund: compliance with Part VIII

"(1) Subject to this section, Part VIII applies to and in relation to the provision of legal services in the Territory by a multi-disciplinary partnership.

"(2) For the purposes of subsection (1) –

(a) a failure to account by a legal practitioner includes a failure to account by a partner or an employee of a multi-disciplinary partnership, whether or not he or she is a lawyer, but only to the extent that the failure to account occurs in connection with the provision of legal services;

(b) a dishonest default by a lawyer includes a dishonest default by a partner or an employee of a multi-disciplinary partnership, whether or not he or she is a lawyer, but only if the dishonest default occurs in connection with the provision of legal services; and

(c) a reference to a firm of legal practitioners includes a reference to a multi-disciplinary partnership.

"35AZZB. Prohibition on partnerships with certain non-legal partners

"(1) In this section –

'specified person' means a person who –

- (a) is not a lawyer; and
- (b) is or was a partner of a lawyer.

"(2) The Court may, on its own motion or on application by the Attorney-General or Law Society, make an order prohibiting a lawyer from being a partner of a specified person in a business that includes a legal practice if –

- (a) the Court is satisfied that the specified person is not a fit and proper person to be a partner in the business;
- (b) the Court is satisfied that the specified person has acted in a manner that, if the specified person were a lawyer, would have constituted professional misconduct; or
- (c) the specified person is a corporation and the Court is satisfied that –
 - (i) the corporation has been disqualified from providing legal services in the Territory; or
 - (ii) there are grounds for disqualifying the corporation from providing legal services in the Territory.

"(3) An order made under subsection (2) may be revoked by the Court on application by the Attorney-General, Law Society or the specified person against whom the order was made.

"(4) The death of a lawyer does not prevent an application being made for, or the making of, an order under this section in relation to a person who was a partner of the deceased lawyer.

"(5) The Regulations may provide for the publication and notification of orders made under this section.

"35AZZC. Undue influence

"A partner or employee of a multi-disciplinary partnership must not cause or induce a lawyer partner, or an employee of a multi-disciplinary partnership who provides legal services, to contravene or fail to comply with this Act, the Regulations, the general principles of professional conduct under section 44(1), the professional conduct rules or his or her professional obligations as a lawyer.

Penalty: 400 penalty units or imprisonment for 2 years.

6. Payment of contributions

Section 90B of the Principal Act is amended by adding at the end the following:

"(8) If a legal practitioner fails to pay the contribution payable by the legal practitioner by the date specified in subsection (2), the Committee must notify the Law Society of the legal practitioner's failure to do so as soon as practicable after that date."

7. Payment of levy

Section 101A of the Principal Act is amended by adding at the end the following:

"(7) If a legal practitioner fails to pay the amount of levy payable by the legal practitioner by the date determined under section 101(1)(b) or, if the Committee allows the legal practitioner further time to pay under subsection (5), within the further time allowed, the Committee must notify the Law Society of the legal practitioner's failure to do so as soon as practicable after that date or the further time expires."

8. Unqualified persons not to hold themselves out to be qualified etc.

Section 131 of the Principal Act is amended –

(a) by omitting all the words before "other than a legal practitioner" and substituting "(1) Except in accordance with Part XII, a natural person"; and

(b) by adding at the end the following:

"(2) A body corporate, other than an incorporated legal practice, must not do a thing, or act in a manner, that is calculated to imply that the body corporate is qualified to act as a legal practitioner.

Penalty: 500 penalty units.

"(3) A director, officer or employee of a body corporate, other than an incorporated legal practice, must not –

(a) do a thing or act in a manner; or

(b) cause the body corporate to do a thing or act in a manner,

that is calculated to imply that the body corporate is qualified to act as a legal practitioner.

Penalty: 20 penalty units.

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- (aa) if the legal practitioner is a lawyer partner (within the meaning of Part IVAA) of a multi-disciplinary partnership – a person who is or was a partner or employee of the partnership (but not if the person is a disqualified person referred to in section 35AZZA);
- (ab) a person with whom he or she formerly carried on practice in partnership as a firm of legal practitioners;"
- (b) by omitting from subsection (2)(c) "practitioner; or" and substituting "practitioner;"
- (c) by omitting from subsection (2)(d) "person." and substituting "person; or"; and
- (d) by adding at the end the following:
- "(e) any other prescribed person."

13. Repeal

The *Legal Practitioners (Incorporation) Act 1989* (Act No. 58, 1989) is repealed.

14. Savings

(1) In this section –

"practising company" has the same meaning as in the repealed Act;

"repealed Act" means the *Legal Practitioners (Incorporation) Act*, and any instruments of a legislative or administrative character made under that Act, as in force immediately before the commencement of section 13.

(2) A practising company continues in existence on and after the commencement of section 13.

(3) On and after the commencement of this Act, the repealed Act continues to apply to a practising company as if the repealed Act had not been repealed.