

Practice Rules Compliance Committee

Commissions - Practice Standard

Law Society Rules Part VIII - Professional Practice Rules

Sharing of Fees

8.12(2) A member shall not provide to or receive from any title insurer, agent or intermediary, any financial or other reward, direct or indirect for directing or receiving clients to or from the title insurer, agent or intermediary.

Code of Professional Conduct (2013) - Chapter 3, Section 3.6 Fees and Disbursements

Reasonable Fees and Disbursements rule 3.6-1, commentary [2]

[2] The fiduciary relationship between lawyer and client requires full disclosure in all financial dealings between them and prohibits the acceptance by the lawyer of any hidden fees. No fee, extra fees, reward, costs, commission, interest, rebate, agency or forwarding allowance, or other compensation related to professional employment may be taken by the lawyer from anyone other than the client without full disclosure to and the consent of the client or, where the lawyer's fees are being paid by someone other than the client, such as a legal aid agency, a borrower, or a personal representative, without the consent of such agency or other person.

The Practice Rules Compliance Committee has been informed that some companies offer commissions to lawyers for selling the company's product to clients.

The Practice Rules Compliance Committee reminds members that the acceptance of a commission is offensive to Law Society Rule 8.12(2) and the Code of Professional Conduct (2013), chapter 3, rule 3.6-1, commentary [2].

Members are directed to adhere to the practice standard prescribed by the Law Society Rules and the Code of Professional Conduct.

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