



**Bar Malaysia
Malaysian Bar**

www.malaysianbar.org.my

15 Leboh Pasar Besar
50050 Kuala Lumpur, Malaysia
Tel : +603-2050 2050
Fax : +603-2026 1313, 2034 2825, 2072 5818
Email : council@malaysianbar.org.my

**Circular No 026/2016
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To Members of the Malaysian Bar

**Breach of Regulation 11(2) of the Housing Development
(Control and Licensing) Regulations 1989**

The Bar Council Conveyancing Practice Committee has received numerous complaints against Members of the Bar who are allegedly assisting housing developers to collect deposits or payments, as “stakeholders”, from prospective purchasers. Such a practice would be in breach of the Housing Development (Control and Licensing) Regulations 1989.

Please note that Regulation 11(2) of the Housing Development (Control and Licensing) Regulations 1989 **prohibits** any “person including parties acting as stakeholders” from collecting any payment by whatever name called, before the signing of the Sale and Purchase Agreement, except as prescribed by the contract of sale.

Regulation 11(2) of the Housing Development (Control and Licensing) Regulations 1989 states as follows:

No person including parties acting as stakeholders shall collect any payment by whatever name called except as prescribed by the contract of sale.

Should you have any enquiries, please contact Chuah Ying Ying, Executive Officer, by telephone at 03-2050 2106, or by email at yingying@malaysianbar.org.my.

Thank you.

**Low Beng Choo
Chairperson
Conveyancing Practice Committee**