



## **FAQ for Conveyancing Transactions**

### **Q1. What are the fees chargeable by a solicitor for drawing up a sale and purchase agreement?**

**A.** Fees and charges for non-contentious business are governed by the [Solicitors' Remuneration Order 2005](#), or "SRO", as it is commonly known. Legal fees for a sale and purchase agreement ("SPA"), including registration of transfer (*for property with title*) or assignment (*for property without title*) and preparation of security/loan documents are provided under the First and Third Schedules of the SRO.

For the first RM500,000 - 1.0% (subject to a minimum fee of RM500)

For the next RM500,000 - 0.8%

For the next RM2,000,000 - 0.7%

For the next RM2,000,000 - 0.6%

For the next RM2,500,000 - 0.5%

Where the consideration or adjudicated value is in excess of RM7,500,000 —  
Negotiable on the excess (but shall not exceed 0.5% of such excess)

### **Q2. What about items under "disbursements"? How much can a solicitor charge for these?**

**A.** Disbursements will include stamp duty on the documents, actual amount spent on search fees (Land Office, Land Registry, Insolvency Department, Companies Commission Malaysia, etc), registration fees, travelling expenses, and other disbursements paid and incurred (which shall be itemized in any bill of costs rendered by the solicitor).

The amount of stamp duty payable on each copy of the SPA is RM10.

Search fees for a private or an official land title search vary with the different land offices and registries.

All payments made to government departments and agencies are issued with receipts. You are entitled to ask for copies of all receipts issued by such departments as evidence of payment.

Travelling expenses must be actual expenses incurred by a solicitor in the conduct of the matter.

Over and above the fees and charges stipulated above, the SRO permits a solicitor to charge a sum not exceeding RM100 for miscellaneous expenses which need not be itemised.

**Q3. If I find that a solicitor's bill is unreasonable, what can I do?**

A. You may make an official complaint to the Advocates and Solicitors Disciplinary Board (Lembaga Tatatertib Peguam Bela dan Peguam Cara). Their contact particulars are as follows:

Advocates and Solicitors Disciplinary Board  
(Lembaga Tatatertib Peguam-Peguam)

Unit 5.02, Level 5  
Wisma Badan Peguam Malaysia  
2 Leboh Pasar Besar  
50050 Kuala Lumpur

Tel: (603) 2697 3333  
Fax: (603) 2698 1111  
Email: [secretariat@asdb.org.my](mailto:secretariat@asdb.org.my)  
Web: [www.asdb.org.my](http://www.asdb.org.my)

Alternatively, Form A of the [Solicitors' Remuneration \(Enforcement\) Rules 2016](#) (appended to this FAQ) can be used to lodge a complaint.

**Q4. In refinancing cases, can the solicitor charge for issuing a fresh letter of undertaking?**

A. Yes, the SPA solicitor is entitled to charge RM100 under item (p) of the Fifth Schedule of the SRO. This is because, as far as the solicitor is concerned, refinancing is a new transaction and his/her obligation to you is only in respect of the original loan transaction. The solicitor will also be undertaking a new obligation to another party under the letter of undertaking.

**Q5. Can a solicitor acting for the developer charge a fee for supplying the standard sale and purchase agreement?**

A. No, as per [Rule 16.01\(7\) of the Rules and Rulings of the Bar Council](#), the vendor's or developer's solicitor shall prepare and supply the sale and purchase agreement unless otherwise mutually agreed with the purchaser. The solicitor preparing the sale and purchase agreement shall not charge for supplying the sale and purchase agreement.

In the case of housing accommodation governed by the Housing Development (Control and Licensing) Act 1966, Rule 11(4) of the Housing Development (Control and Licensing) Regulations 1989 stipulates that a purchaser's solicitor shall be entitled to a complete set of the contract of sale including its original and duplicate copies and all annexures required for the licensed housing developer to execute the contract of sale with the purchaser, free of charge, subject to the undertaking by the purchaser's solicitor to return the said documents intact in the event the contract of sale is not executed by the purchaser within 14 days from receipt of such documents, unless otherwise agreed by the licensed housing developer.

**Q6. How much are the legal fees for attending to the transfer and charge of the property when there was no individual document of title or strata title when the sale and purchase transaction was first completed but, the individual document of title or strata title has since been issued?**

A. The legal fees are prescribed under Rule 2 and Rule 3 of the Sixth Schedule of the SRO.

If you engage the same solicitor who conducted your purchase transaction and/or the loan transaction, the fees for the solicitor drawing up and completing the subsequent instrument of transfer or charge shall be fair and reasonable and shall not exceed 25% of the applicable scale fee specified in the First or Third Schedule of the SRO, as the case may be, subject to a minimum fee of RM200.

If, however, a new solicitor is appointed, the fees for the new solicitor drawing up and completing the subsequent instrument of transfer or charge shall be fair and reasonable and shall not exceed 50% of the applicable scale fee specified in the First or Third Schedule of the SRO, as the case may be, subject to a minimum fee of RM200.

**Q7. I am selling my property. The purchaser has not paid the balance of the purchase price and the completion period has expired. What can I do?**

A. This is a legal issue that will depend on the terms of the sale and purchase agreement. It is not within the purview of the Bar Council to give you legal advice. Please refer to your own solicitor for advice or if you are not represented, then please seek independent legal advice from a solicitor.

**Q8. Is it true that a solicitor cannot give a discount on his legal fees?**

A. No. Under Order 6(1) of the SRO, a discount of up to 25% may be given by the solicitor at his or her discretion on fees for sale and transfer (First Schedule of the SRO) and on fees for charges, debentures and other security or financing documents (Third Schedule of the SRO) except for any transaction governed by the Housing Development (Control and Licensing) Act 1966 [Act 118] or any subsidiary legislation made under that Act.

However, no discount may be given for fees relating to lease and tenancy (Second Schedule SRO) or relating to discharge of charge and deed of reassignment (Fourth Schedule of the SRO) or relating to preparing, filing or witnessing miscellaneous documents (Fifth Schedule of the SRO) or relating to the remuneration of a solicitor for which no provision is made by means of a scale of fixed fee (Sixth Schedule of the SRO).

Prepared by: Bar Council Conveyancing Practice Committee

Date: 19 Sept 2018

SCHEDULE

FORM A

[Subrule 4(1)]

COMPLAINT TO THE BAR COUNCIL CONCERNING BREACH OF THE  
SOLICITORS' REMUNERATION ORDER 2005

From: Name of complainant, NRIC No. and address:

To: The Secretary of the Malaysian Bar  
Bar Council Malaysia  
[address]

\*1. I verily believe that [name of advocate and solicitor or firm of advocates and solicitors] of [address of the advocate and solicitor complained against] is/are in breach of the Solicitors Remuneration Order on the following grounds:

[state the grounds of belief and enclose documentary evidence (if available) of the alleged breach]

\*2. I have been induced by [state name of inducing party] of [address of inducing party] to commit a breach of the Solicitors Remuneration Order in that:

[briefly describe the inducement and enclose documentary evidence (if available) of the alleged inducement]

**OR**

I verily believe that [name of advocate and solicitor of firm of advocates and solicitors] of [address of the advocate and solicitor complained against] has/have been induced by [state name of inducing party] of [address of inducing party] to commit a breach of the Solicitors Remuneration Order in that:

[briefly describe the inducement and enclose documentary evidence (if available) of the alleged inducement]

*\* Delete whichever is inapplicable*

3. I request the Bar Council to investigate into the above complaint and to take such necessary action as it deems fit and proper.

4. I make this complaint by way of a solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed

.....

at.....

in the State of .....

this....., 20.....

Before me,

.....  
(Signature of Sessions Court Judge/Magistrate/  
Commissioner for Oaths)