

Amendments to the Code of Law Practice

Royal Decree No. (M/٦٦)

15/7/1443 AH

*This is unofficial translation provided for guidance. The governing text is the Arabic official text.

IN THE NAME OF ALLAH MOST GRACIOUS MOST MERCIFUL

KING OF SAUDI ARABIA

No.: M/66

Date: 15/7/1443 AH

With the help of Allah Almighty

I, Salman bin Abdulaziz Al Saud,

King of The Kingdom of Saudi Arabia

Based on Article (70) of the Basic Law of Governance, issued by Royal Decree No. (A/90) dated 27/8/1412 AH.

And based on Article (20) of the Law of the Council of Ministers, issued by Royal Decree No. (A/13) dated 3/3/1414 AH.

And based on Article (18) of the Shura Council Law, issued by Royal Decree No. (A/91) dated 27/8/1412 AH.

Having considered the Shura Council Resolutions No. (2/5) dated 2/4/1442 AH, No. (38/200) and No. (38/201) dated 26/11/1442 AH, and No. (10/50) dated 17/4/1443 AH.

Having considered the resolution of the Council of Ministers No. (386) dated 14/7/1443 AH.

Have decreed the following

First: Approving the amendments to the Code of Law Practice, issued by Royal Decree No. (M/38) dated 28/7/1422 AH, as attached.

Second: All lawyers, who are licensed to practice the law profession and whose names are included in the list of practicing lawyers, shall:

1- Rectify their situation with foreign law firms with which they have entered into cooperation agreements or the like, in accordance with the provisions of the amendments to the Code of Law Practice referred to in clause (First) of this decree, within a period not exceeding (six) months from the effective date of the provisions of the amendments. The Minister of Justice may extend it for a period not exceeding (one year) if there are justifiable reasons for doing so.

2- Rectify their situation with regard to obtaining the basic membership of the Saudi Bar Association within a period not exceeding (six) months from the effective date of the provisions of the amendments to the Code of Law Practice referred to in clause (First) of this decree.

Third: The entities referred to in Article (18) of the Code of Law Practice, issued by Royal Decree No. (M/38) dated 28/7/1422 AH, shall continue to consider the cases registered with them, in which the agent referred to in paragraph (a) of this article pleads, before deleting this paragraph based on the approval of the provisions of the amendments to

the Code of Law Practice - referred to in clause (First) of this decree - until it is completed.

Fourth: His Highness, the Deputy Chairman of the Council of Ministers, Ministers and the heads of the independent bodies concerned - each within his competence - shall implement this decree.

Salman bin Abdulaziz Al Saud

The Council of Ministers,

Having considered the document received from the Royal Court No. 24951 dated 19/4/1443 AH, regarding the amendment of the Code of Law Practice.

Having considered the Code of Law Practice, issued by Royal Decree No. (M/38) dated 28/7/1422 AH.

Having considered the regulation of the Saudi Bar Association, issued by the Council of Ministers Resolution No. (317) dated 8/7/1436 AH.

Having considered Memorandums No. (881) dated 28/10/1441 AH, No. (233) dated 11/2/1442 AH, No. (490) dated 23/3/1442 AH, No. (1277) dated 5/8/1442 AH, No. (1360) dated 16/8/1442 AH, No. (1678) dated 22/9/1442 AH, No. (1770) dated 13/10/1442 AH, No. (23) dated 1/1/1443 AH, No. (128) dated 15/1/1443 AH, No. (248) dated 24/1/1443 AH, No. (1114) dated 23/5/1443 AH, prepared in the Board of Experts of the Council of Ministers.

Having considered Recommendation No. (11-33/42/D) dated 19/8/1442 AH and Minutes No. (96/43/M) dated 16/2/1443 AH prepared in the Council of Economic and Development Affairs.

After considering the resolutions of the Consultative Council No. (2/5) dated 2/4/1442 AH, No. (38/200) and No. (38/201) dated 26/11/1442 AH , No. (10/50) and dated 17/4/1443 AH.

Having considered the recommendation of the General Committee of the Council of Ministers No. (5396) dated 22/6/1443 AH.

Decided the following:

First: Approve the amendments to the Code of Law Practice, issued by Royal Decree No. (M/38) dated 28/07/1422 AH, as attached.

Second: All lawyers, who are licensed to practice the law profession and whose names are included in the list of practicing lawyers, shall:

1- Rectify their situation with foreign law firms with which they have entered into cooperation agreements or the like, in accordance with the provisions of the amendments to the Code of Law Practice referred to in clause (First) of this resolution, within a period not exceeding (six) months from the effective date of the provisions of the amendments. The Minister of Justice may extend it for a period not exceeding (one year) if there are justifiable reasons for doing so.

2- Rectify their situation with regard to obtaining the basic membership of the Saudi Bar Association within a period not exceeding (six) months from the effective date of the

provisions of the amendments to the Code of Law Practice referred to in clause (First) of this resolution.

Third: The entities referred to in Article (18) of the Code of Law Practice, issued by Royal Decree No. (M/38) dated 28/7/1422 AH, shall continue to consider the cases registered with them, in which the agent referred to in paragraph (a) of this article pleads, before deleting this paragraph based on the approval of the provisions of the amendments to the Code of Law Practice - referred to in clause (First) of this decree - until it is completed.

A royal decree draft to that effect has been prepared, its form is attached to this resolution.

Fourth: The Ministry of Justice -based on the approval of the provisions of the amendments to the Code of Law Practice referred to in clause (First) of this resolution - shall:

1- Make the necessary amendments to the implementing regulations of the Code of Law Practice, in coordination with the Ministry of Commerce and the Ministry of Investment, each within its jurisdiction.

2- Inform the Public Prosecution -periodically- of a list containing the names of licensed foreign lawyers or law firms against which final disciplinary decisions have been issued in accordance with the provisions of the Code of Law Practice.

3- Coordinate with the Ministry of Human Resources and Social Development, upon determining the percentages in the implementing regulations of the Code of Law Practice, referred to in subparagraph (a) of paragraph (1) of Article (52) of the Law.

Prime Minister

Kingdom of Saudi Arabia

No.:

Bureau of Experts at the Council of Ministers

Date:

Attachments:

Amendments to the Code of Law Practice

Issued by Royal Decree No. (M/38) dated 28/7/1422 AH

First: Amending paragraphs (b, c) of Article (3), to read as follows:

B- He must hold a bachelor's degree in Islamic law (Sharia), a bachelor's degree in Law from one of the Kingdom's universities, or the equivalent of either of them, or a diploma from the Institute of Public Administration in law and the duration of the accredited diploma shall not be less than two years after obtaining a university degree.

C- He must have an experience in the nature of work for at least two years. The holder of a doctorate degree in the field of specialization is exempted from this period. This period is reduced to:

1- One year for the holder of a master's degree in Islamic law (Sharia), or in Law, or the equivalent of either of them, and the holder of a diploma from the Institute of Public Administration in law if the duration of his accredited study is two years.

2- Six months for the holder of a diploma from the Institute of Public Administration in the field of law if the duration of the accredited study is three years.

3- Each year of training in the legally accredited programs - determined by the Minister of Justice in coordination with the Saudi Bar Association and the Education and Training Evaluation Authority - shall be equivalent to one of the required years of experience if the trainee completes the requirements of the program.

Second: Deleting paragraph (a) of Article (18), and rearrange the paragraphs in this article accordingly.

Third: Adding an article in its order (21 bis), with the following text: "Every licensed to practice law profession must obtain the basic membership of the Saudi Bar Association within (ninety) days of obtaining a law license".

Fourth: Amending Article (29), to read as follows:

"1- The name of the licensed lawyer shall be removed from the list and his license revoked in case he is sentenced to a punishment in connection with a crime that impugns integrity.

2- The licensed foreign law firm shall be removed from the list of foreign law firms and its license revoked in case one of the partners of the law firm residing in the Kingdom, its director or one of its employees is sentenced to a a punishment in connection with a crime that impugns integrity if it is proven that the crime was committed to the interest of the office and with its knowledge.

3- Without prejudice to a claim for compensation by any aggrieved party or to any other claim, any licensed to practice the law profession who violates the provisions of this Law or its implementing regulations, commits a breach of his professional duties, or performs any act that is incompatible with professional standards shall be subject to one (or more) of the following penalties:

a) Warning.

b) Suspension of practice the law profession for a period not exceeding (three) years.

c) Striking his name off and revoking his license.

d) A fine not exceeding (three hundred) thousand riyals for each violation."

Fifth: Amending Article (30), to read as follows:

"The Minister of Justice shall issue rules and procedures for the disciplining and filing of disciplinary proceedings and its consideration in proportion to their nature".

Sixth: Amending Article (41), to read as follows:

"1- Subject to the provisions of the relevant Laws and the international agreements to which the Kingdom is a party, the licensed to practice the law profession may seek the assistance of one (or more) legal non-Saudi consultant to work for his; pursuant to an

employment contract under his responsibility and supervision; subject to the following conditions:

a- The non-Saudi must meet the conditions for registration in the list of lawyers, except for the condition of nationality, or be licensed to practice the law profession in accordance with the provisions of any other foreign Law that regulates the practice of the law profession in accordance with the standards and controls set out in the implementing regulations of this Law in this regard.

b- He shall have practical experience in practicing the law profession of not less than (five) years.

c- Registration in the membership of the Saudi Bar Association in accordance with the provisions regulating this.

d- Not to plead before the bodies referred to in Article (1) of this Law.

2- A special list of non-Saudi legal consultants shall be established in the Ministry of Justice, in which their names shall be registered after the competent authority in the Ministry has verified that they meet the conditions stipulated in paragraph (1) of this Article. The implementing regulations of this Law shall specify the data to be available in this list. "

Seventh: Adding Chapter Five (Licensing the Foreign Law Firm to Practice the Law profession in the Kingdom) to this Law, including the following articles:

1- Article (44):

1- For the purpose of applying the provisions of this Law and licensing **foreign law firm** to practice law profession in the Kingdom, foreign law firm shall mean the non-Saudi establishment that carries out the work of the law profession according to a license subject to the provisions governing the profession in another country (or countries).

2- The foreign law firm is prohibited from practicing law profession in the Kingdom, unless it is licensed to do so in accordance with the provisions of this Law and within the limits of that license".

2- Article (45):

Without prejudice to the terms and conditions contained in the Foreign Investment Law, the following is required for licensing the foreign law firm to practice law profession in the Kingdom:

1- To have a distinguished international reputation in the field of practicing the law profession in accordance with the relevant international competitive indicators and reports.

2- To have been established for a period of not less than (ten) years.

3- To have representation or partnerships in at least (three) different countries, or (five) regions within one country if laws or regulations within that country allow for differences between regions in relation to the provisions governing the practice of law profession. The Implementing Regulations of this Law shall specify the criteria to be met in those countries or regions, as the case may be.

4- To nominate at least two partners representing the foreign law firm in the Kingdom, provided that the Firm is committed to residing in the Kingdom for a period of not less than (one hundred and eighty) days per year. The implementing regulations of this Law shall specify the provisions necessary for what is stated in this paragraph.

5- Payment of license fees in accordance with paragraph (2) of Article (48) of this Law, and the foreign law firm may recover them in the event that its license application is rejected.

3- Article (46):

As an exception to the requirement mentioned in paragraph (4) of Article (45) of this Law, the foreign law firm may apply for a temporary license to provide legal consultancy services for a specific project in the Kingdom, provided that the application meets the requirements specified in the implementing regulations of this Law.

4- Article (47):

1- Applications for licensing foreign law firms and applications for its renewal shall be submitted to the committee stipulated in Article (5) of this Law, in accordance with the forms prepared for that purpose, accompanied by all documents specified by the implementing regulations of this Law.

2- The license shall be issued to the foreign law firm and shall be renewed by a decision of the Minister of Justice based on the recommendation of the committee stipulated in Article (5) of this Law.

5- Article (48):

1- The license period of the foreign law firm to practice the law profession in the Kingdom shall be (five) years, renewable for a period or other similar periods in accordance with the conditions specified in Article (45) of this Law.

2- The license issuance fee for the foreign law firm shall be (one thousand) riyals and (one thousand) riyals upon renewal.

6- Article (49):

A special list shall be established in the Ministry of Justice for foreign law firms licensed to practice law profession in the Kingdom, including those holding the temporary license referred to in Article (46) of this Law, in which such firms shall be registered after obtaining the license in accordance with the provisions of this Law. The implementing regulations of this Law shall specify the data to be available in this list.

7- Article (50):

With the exception of the foreign law firm holding the temporary license referred to in Article (46) of this Law, the licensed foreign law firm must take one of the following forms before practicing law profession in the Kingdom:

1- Establishing a professional company with a Saudi lawyer (or more) registered in the list of practicing lawyers, in accordance with the professional companies Law and in accordance with the conditions specified by the implementing regulations of this Law.

2- Opening a branch (or more) in the Kingdom in accordance with the provisions specified by the Implementing Regulations of this Law.

8- Article (51):

1- The foreign law firm licensed to practice law profession in the Kingdom, which takes the form mentioned in paragraph (1) of Article (50) of this Law, may practice all work related to practicing the profession, taking into account the limitation of pleading for others before the bodies referred to in Article (1) of this Law to the Saudi lawyer registered in the list of practicing lawyers in accordance with the provisions of Article (18) of the Law.

2- The work of the foreign law firm licensed to practice law profession in the Kingdom, which takes the form mentioned in paragraph (2) of Article (50) of this Law, shall be limited to the following works:

a- Consultations related to International Law.

b- Consultations related to non-Saudi Laws provided through a lawyer licensed to provide legal consultations related to them.

c- Arbitration, mediation and conciliation services, in accordance with the provisions regulating this.

d- Consultations provided for specific or specialized projects or studies in the field of legislation.

The implementing regulations of this Law shall specify the necessary provisions for what is stated in this article.

9- Article (52):

1- The licensed foreign law firm to practice law profession in the Kingdom is obliged to the following:

a- The percentage of the number of Saudi employees in the Firm engaged in works of Law profession nature shall not be less than the percentages determined by the implementing regulations of this Law.

b- Transferring knowledge to the Saudi lawyer registered in the list of practicing lawyers, in accordance with the form mentioned in paragraph (1) of Article (50) of this Law, in addition to transferring knowledge to Saudi employees in the Firm engaged in works of Law profession nature, and providing continuous professional development activities to all employees of the Firm. The implementing regulations of this Law shall specify the provisions necessary for what is stated in this paragraph.

c- Training Saudi lawyers as determined by the implementing regulations of this Law.

d- Providing legal consultations in the Kingdom through the employees of the Firm, regardless of the form that the foreign law firm took, in accordance with the provisions of Article (50) of this Law. The Firm may seek the assistance of another law firm outside the Kingdom according to the need of work and for the purpose of supporting it in providing legal consultations in the Kingdom, provided that the legal consultations referred to a Firm outside the Kingdom do not exceed the percentage specified by the implementing regulations of this Law.

e- Professional Liability Insurance.

2- The implementing regulations of this Law shall state the following:

a- The procedural provisions necessary for the obligations in paragraph (1) of this article.

b- The obligations and procedural provisions necessary for this article, which shall be applied to the foreign law firm that has a temporary license in accordance with the provisions of Article (46) of this Law.

10- Article (53):

1- The Ministry of Justice may request the data and information necessary to verify the documents accompanying the license applications of foreign law firms. It may also request the necessary data and information from the licensed foreign law firms to

ensure that they comply with the provisions of this Law and its implementing regulations, in accordance with the nature and type of license issued to them.

2- The Ministry of Justice - in accordance with its discretion and to the extent necessary for that purpose- may delegate other bodies in respect of its powers provided for in paragraph (1) of this Article.

11- Article (54):

The license of the foreign law firm - which is licensed in accordance with the provisions of this Law - shall expire in the following cases:

- 1- Cancellation of the license at the request of the Firm.
- 2- The expiry of the license period without an application for renewal.
- 3- A period of (six) months has elapsed from the date of issuance of the license without taking a form that authorizes the firm to practice law profession in the Kingdom, unless there is a legitimate justification accepted by the Ministry of Justice.
- 4- Suspending its business in the Kingdom for a period of more than (one year).
- 5- Issuing a final judicial decision or ruling to cancel the license.
- 6- Expiry of the project for which a temporary license was issued, in accordance with the provisions of Article (46) of this Law.
- 7- Missing one of the conditions mentioned in Article (45) of this Law.

12- Article (55):

Where no special provision is mentioned in this Chapter of this Law, all the provisions stipulated in this Law, its implementing regulations and the decisions issued pursuant thereto shall apply to the licensed foreign law firm in accordance with the provisions of this Law, in a manner that does not conflict with the nature and type of the license issued to it.