



# OVERVIEW OF THE ARCHITECT'S OBLIGATIONS UNDER THE FEE STAKEHOLDER SYSTEM

ROLES, RESPONSIBILITIES, AND COMPLIANCE UNDER THE LAM-BOS SYSTEM

**Ar. Sarly Adre Sarkum**  
Lembaga Arkitek Malaysia

Edit December 2024

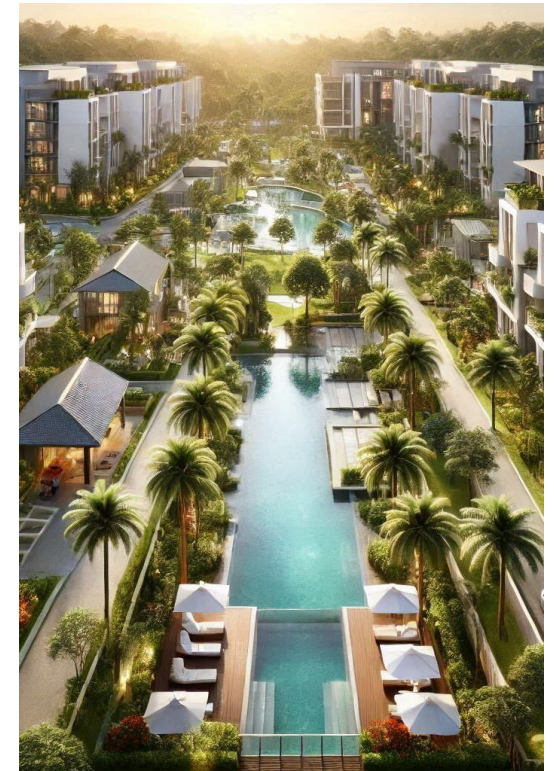
# SUMMARY OF TOPICS

- What is the Fee Stakeholder System (LAM-BOS)?
- Key Objectives and Scope of the System
- Architect's Obligations:
  - During Project Registration
  - Throughout Project Lifecycle
- Reporting and Compliance Requirements
- Benefits to Stakeholders
- Common Challenges and Best Practices



# INTRODUCTION TO THE FEE STAKEHOLDER SYSTEM

- **Definition:** A centralized fee management platform managed by Lembaga Arkitek Malaysia (LAM).
- **Purpose:**
  - Ensure transparency and accountability in architectural fee management.
  - Address conflict of interest and promote public trust.
- **Mandate:** Mandatory for all new housing development projects since 19 August 2024.
- **Scope:** Primarily housing projects, with option to use for any other types of developments.



# GENERAL CIRCULAR BY LAM



## LEMBAGA ARKITEK MALAYSIA

Tingkat 17, Ibu Pejabat JKR, Jalan Sultan Salahuddin, 50582 Kuala Lumpur  
Peti Surat 12695, 50786 Kuala Lumpur

Tel : 03-26982878/26107087 Faks : 03-26936881  
E-mel : info@lam.gov.my Web : www.lam.gov.my

### GENERAL CIRCULAR NO. 1/2024

#### DEPOSITION OF ARCHITECTS FEES WITH BOARD OF ARCHITECTS MALAYSIA (LAM) AS STAKEHOLDER

#### 1.0 INTRODUCTION

- 1.1. Pursuant to the Amendments to the Architects Rules 1996 on 1st October 2022, the FOURTH SCHEDULE PART ONE FORM B [Subparagraph 29(1)(c)(ii)] provides for the Architect's client to deposit the Architect's fees with the Board of Architects Malaysia (LAM) as stakeholder.
- 1.2. With effect from 19.08.2024 the Ministry of Housing and Local Government (KPKT) mandates that all applicants for a Housing Developers license (Licensed Developer) must engage Architectural Consultancy Practices (ACPs) through LAMs stakeholder system, as described in Para 1.1 above, for any new project initiated after this date.
- 1.3. KPKT will notify existing Licenced Developers to submit this declaration via the Jabatan Perumahan Negara (JPN) Housing Integrated Management System (HIMS@JPN-KPKT) portal for new projects initiated under their existing licences.

#### 2.0 DEPOSITING OF ARCHITECTS FEES WITH LAM AS STAKEHOLDER

- 2.1. With effect from 19.08.2024 all Architect's fees for projects governed under the Housing Development (Control and Licensing) Act (HDA) 1966 [Act 118] shall be deposited with LAM as stakeholder.

- 2.2. Architects shall ensure that the appointment by Licensed Developers for their Architectural Consultancy Practice (ACP) is as per the Memorandum of Agreement in the FOURTH SCHEDULE PART ONE FORM B [Subparagraph 29(1)(c)(ii)] of Architects Rules 1996. The scope of works, fees, agreed schedule of payment, if none is stated, shall be in accordance with the schedule for basic architectural services as outlined in the Architects (Scale of Minimum Fees) Rules 2010.
- 2.3. Architects fees in relation to the Client's project shall include all Supplementary Services and Additional Services as defined under the Architects (Scale of Minimum Fees) Rules 2010.
- 2.4. Upon its appointment, the ACP shall register the project with LAM's Online Stakeholder System (LAM-BOS System) (<https://www.lam-bos.gov.my>). Each registered project shall be assigned a registration number.
- 2.5. LAM shall impose a management charge amounting to 0.3% of the Architect's fees by way of deducting from such fees received, together with Government Service Tax (if applicable) at the prevailing rate.
- 2.6. The ACP is permitted to proceed with its services upon registration with the LAM-BOS System.
- 2.7. Upon completion of each phase of work as outlined above, the ACP shall obtain the Client's written confirmation that the particular phase of work has been completed and accepted by the Client. The ACP shall then submit an invoice to the Client who shall then make payment to LAM. The ACP shall upload the Client's written confirmation and the invoice to the LAM-BOS System.
- 2.8. LAM-BOS System will issue reminders and notices as required. Upon LAM receiving the Client's written confirmation, ACP's invoice and Client's payment, LAM will release the net amount due to the ACP.
- 2.9. The ACP is required to notify LAM via the LAM-BOS System of any changes relating to their appointment for architectural services for the project. This includes any addition or omission to the scope of work, fees, schedule or method of payment, project status and appointment status such as termination of services or suspension of services, etc.

- 2.10. Upon completing the architectural consultancy services for the project, the ACP shall notify via the LAM-BOS System of the completion.
- 2.11. Information on the LAM-BOS System is available from the Frequently Asked Questions section available at (<https://www.lam-bos.gov.my>).

All ACPs are required to comply with this directive. Any non-compliance, breach or contravention will be considered a violation of the General Circular.

By Order of the Board of Architects Malaysia,



(Ar. HANI YULIATI BINTI MOHD LASA)  
Registrar

20 December 2024

Distribution: All registered members

# GENERAL CIRCULAR

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## GENERAL CIRCULAR

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## GENERAL CIRCULAR

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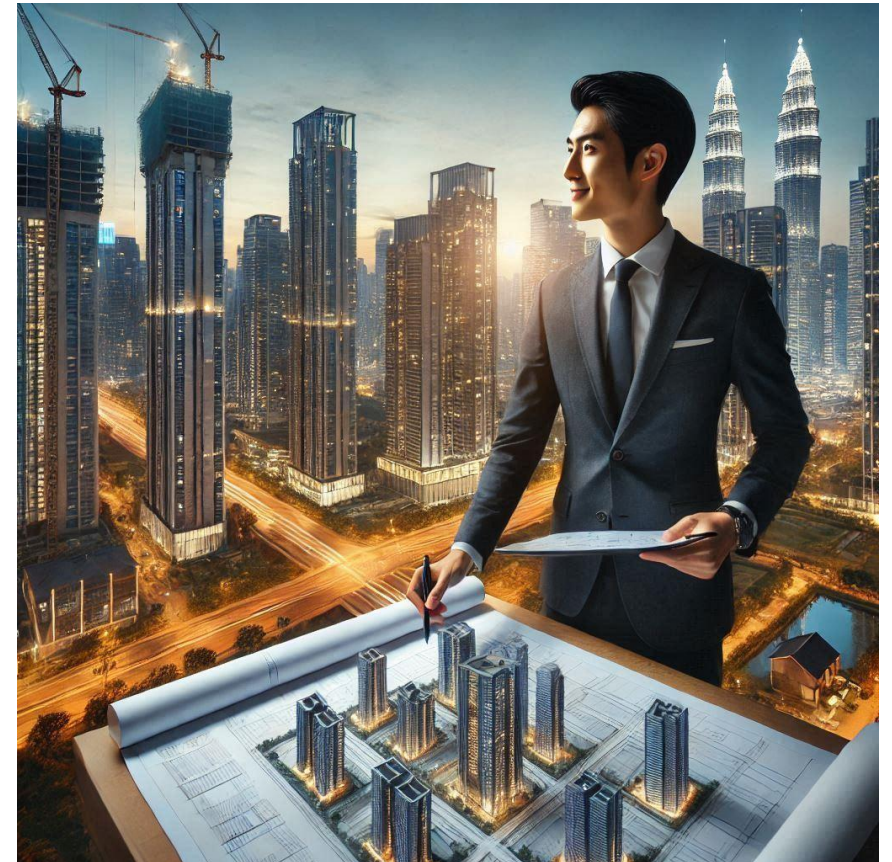
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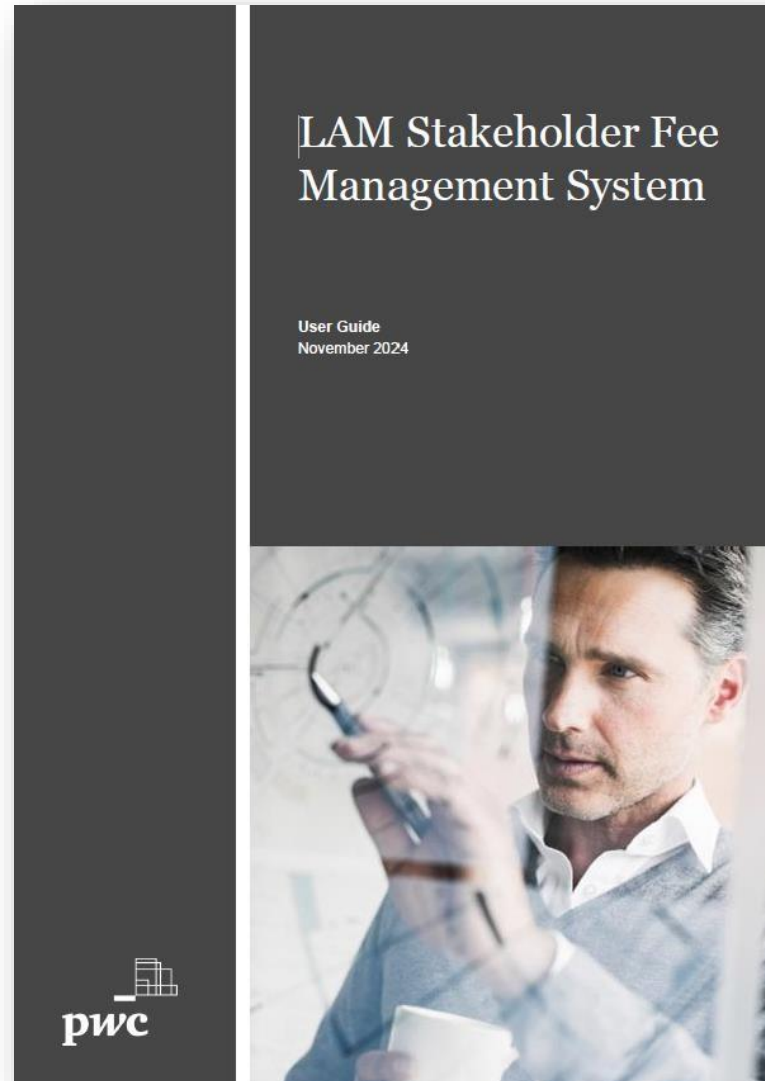
## KEY OBJECTIVES OF LAM-BOS

- **Transparency:** Centralized management eliminates ambiguity in payment processing.
- **Conflict-Free Certification:** Ensures that architects can act independently without financial pressures.
- **Accountability:** Tracks payments and project milestones systematically.
- **Security:** Protects both architects and developers by ensuring payments are tied to work progress.
- **NOT Magic Bullet to solve all problems but a start towards better practice environment**

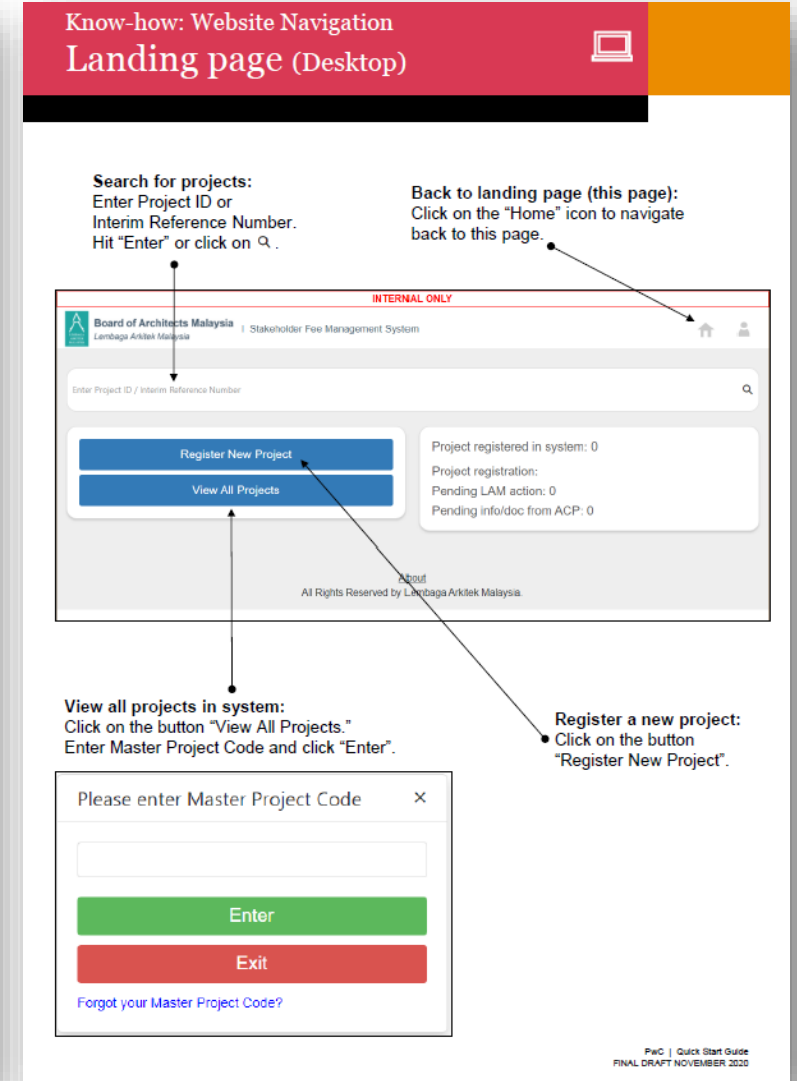


# LAM-BOS USER GUIDE

- LAM and PWC have created a user manual with step by step information on each of the process and procedure of the system
- The Guide Book will be openly available for download at the LAM-BOS portal



Know-how: Website Navigation  
Landing page (Desktop)



Search for projects:  
Enter Project ID or  
Interim Reference Number.  
Hit "Enter" or click on 🔍.

Back to landing page (this page):  
Click on the "Home" icon to navigate  
back to this page.

View all projects in system:  
Click on the button "View All Projects."  
Enter Master Project Code and click "Enter".

Register a new project:  
Click on the button  
"Register New Project".

Please enter Master Project Code

Enter

Exit

Forgot your Master Project Code?

Board of Architects Malaysia  
Lembaga Arkitek Malaysia | Stakeholder Fee Management System

INTERNAL ONLY

Enter Project ID / Interim Reference Number

Register New Project

View All Projects

Project registered in system: 0  
Project registration:  
Pending LAM action: 0  
Pending info/doc from ACP: 0

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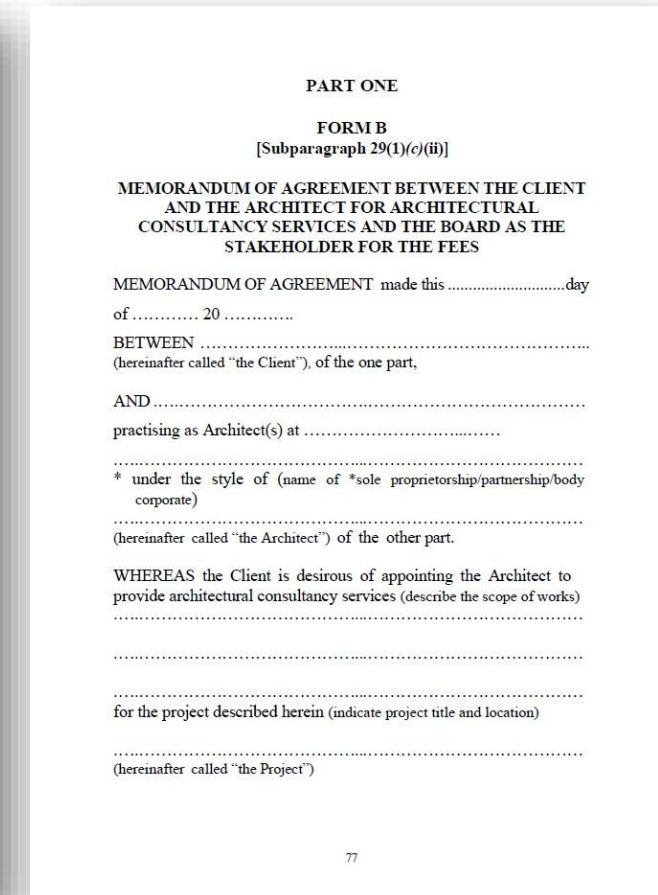
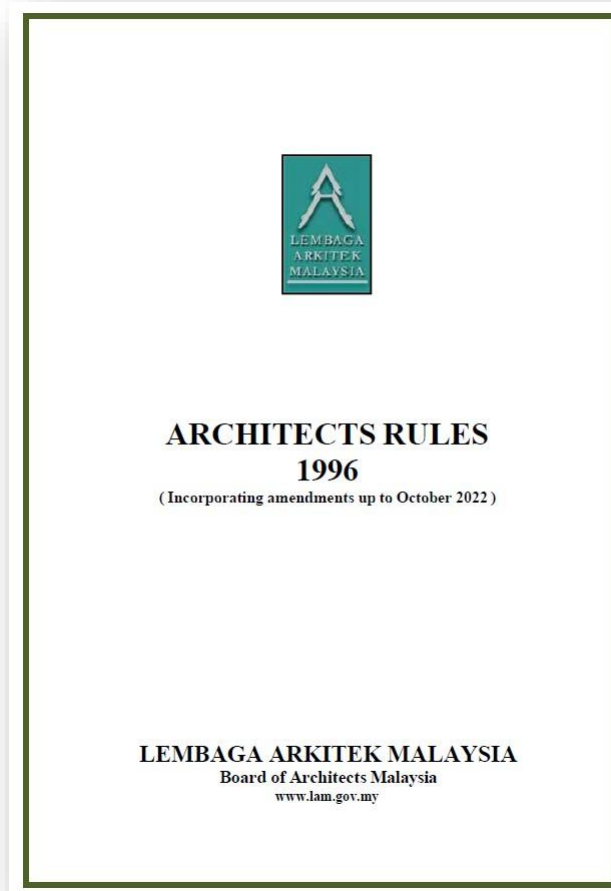
# ARCHITECT'S OBLIGATIONS - PROJECT REGISTRATION

- **Project Information Submission:**
  - Architects must register projects in LAM-BOS upon appointment by the developer.
  - Details include the scope of work, fee, fee schedule, and service agreements.
- **Fee Schedule Compliance:**
  - Includes basic, supplementary, and additional services.
- **Project Confirmation:**
  - Obtain confirmation of registration details from the client (developer)
  - Provide all relevant details with regard to project



# ARCHITECT'S OBLIGATIONS - PROJECT REGISTRATION

- Need to use our FORM B from the Amended Architect Rules 1996 (October 2022 Amendment)
- FORM B [Subparagraph 29(1)(c)(ii)] is the MEMORANDUM OF AGREEMENT BETWEEN THE CLIENT AND THE ARCHITECT FOR ARCHITECTURAL CONSULTANCY SERVICES AND THE BOARD AS THE STAKEHOLDER FOR THE FEES
- The scope of works, fees, agreed schedule of payment, if none is stated, shall be in accordance with the schedule for basic architectural services as outlined in the Architects (Scale of Minimum Fees) Rules 2010.



## MEMORANDUM OF AGREEMENT BETWEEN THE CLIENT AND THE ARCHITECT FOR ARCHITECTURAL CONSULTANCY SERVICES AND THE BOARD AS THE STAKEHOLDER FOR THE FEES

### PART ONE

#### FORM B [Subparagraph 29(1)(c)(ii)]

#### MEMORANDUM OF AGREEMENT BETWEEN THE CLIENT AND THE ARCHITECT FOR ARCHITECTURAL CONSULTANCY SERVICES AND THE BOARD AS THE STAKEHOLDER FOR THE FEES

MEMORANDUM OF AGREEMENT made this .....day  
of ..... 20 .....

BETWEEN .....  
(hereinafter called "the Client"), of the one part,

AND .....  
practising as Architect(s) at .....

\* under the style of (name of \*sole proprietorship/partnership/body  
corporate)  
.....  
(hereinafter called "the Architect") of the other part.

WHEREAS the Client is desirous of appointing the Architect to  
provide architectural consultancy services (describe the scope of works)  
.....

.....  
for the project described herein (indicate project title and location)  
.....  
(hereinafter called "the Project")

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NOW IT IS HEREBY agreed as follows:

1. The Client hereby appoints the Architect to provide architectural consultancy services for the Project subject to and in accordance with the Conditions of Engagement of an Architect as prescribed in the Architects Rules 1996 and the Architect hereby accepts the appointment for the purpose of providing architectural consultancy services for the Client, subject to and in accordance with the Conditions of Engagement for an Architect.
2. This Memorandum of Agreement, the Conditions of Engagement of an Architect and the Architects (Scale of Minimum Fees) Rules 2010 shall constitute the Agreement between the Client and the Architect.
3. The parties hereby agree that all the fees payable by the Client in accordance with this Agreement shall be deposited as and when they become due and payable, with the Board as a stakeholder in accordance with this Agreement.
4. The Architect shall submit to the Board the duly executed Stakeholder Appointment Form, as to be determined by the Board from time to time, authorizing the Board to administer the Architect's fees on behalf of the Client and Architect.
5. The Architect shall obtain the Client's written confirmation of the completion and acceptance of works upon completion of each phase of works outlined in the Stakeholder Appointment Form. Upon receiving such confirmation, the Architect shall submit his claim to the Client who shall make payment to the Board within the period stipulated in the Stakeholder Appointment Form.
6. During the course of the works, the Architect shall notify the Board of any changes to the overall quantum of the Architect's fees.

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IN WITNESS WHEREOF the parties have hereinto set their hands on  
the day and year first above written.

SIGNED BY :

.....  
for and on behalf of .....  
the CLIENT .....  
(Signature of Client)

Name : .....  
(Witness)

Address : .....

.....  
.....  
(Signature of Witness)

SIGNED BY : .....

.....  
for and on behalf of the .....  
ARCHITECT .....  
(Signature of Architect)

Name : .....  
(Witness)

Address : .....

.....  
.....  
(Signature of Witness)

\* delete whichever is not applicable

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# ARCHITECT'S OBLIGATIONS - DURING THE PROJECT LIFECYCLE

- **Change in Project Scope**
  - Notify LAM of any change in Project scope
  - Change in mode of Payment
- **Final Reporting:**
  - Notify LAM-BOS upon project completion to close accounts.
- **Dispute Resolution:**
  - Work with clients to resolve any payment discrepancies and notify LAM before project closure.
- **Document Archiving:**
  - Ensure that all project details and approvals are accurately recorded in the system.



# REPORTING AND COMPLIANCE REQUIREMENTS

- **Mandatory Reporting:**
  - Appointment details.
- **Project status updates.**
  - Scope changes and fee adjustments.
- **Compliance Standards:**
  - Adherence to the General Circular and Architects Rules 1996. Timely updates to avoid delays in payment or regulatory breaches.
- **Penalties for Non-Compliance:**
  - Disciplinary actions, fines, or project delays for breaches.



# SIGNED OFF WORK COMPLETION FORM

- For each claim there will be a downloadable pdf form that the ACP must get the acceptance signature from the client.
- This signed off form is to be uploaded to the system as proof of completion
- LAM will check the document which will trigger the payment sequence of the system
- Once the money is deposited it will be disbursed expediently to the ACP in not more than 14 days

## Approve/Reject Claim - Invoice

LAM Reviewer - (Page 3/4)

**Step 5:**  
In "Document(s) Uploaded" section,  
Click on "↓" to download the documents uploaded for review.

Document(s) Uploaded					
	File Name	Document Type	Description	Created By	Created Date
↓	PWC 102 - 00002.pdf	Signed-off work completion form		PWC 102	02/11/2020
↓	Invoice.pdf	Invoice		PWC 102	02/11/2020

**Step 6:**  
Click "Submit to Approver" when the invoice record is completed and ready to submit to Approver.  
Click "Reject" if the information is incomplete / amendment is required.

👤 Submit To Approver

✖ Reject

✖ Cancel

Click "Cancel" to return to return to "Claims for Project" page.

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## WHERE IS THE MONEY KEPT?

- The fees are maintained in a separate LAM accounts
- The account is specific for the LAM-BOS platform
- Transaction will only be done with this account
- Access to information and account is restricted



## MANAGEMENT CHARGE ON FEES

- LAM shall impose a management charge amounting to 0.3% of the Architect's fees by way of deducting from such fees received, together with Government Service Tax (if applicable) at the prevailing rate.
- The management charge is intended to maintain the system and cover all related costs
- May will be reviewed from time to time. LAM does not intend to make money only provide the necessary service

Fee Amount	0.3% of Fee
10,000.00	30.00
100,000.00	300.00
1,000,000.00	3,000.00

# BENEFITS OF THE FEE STAKEHOLDER SYSTEM

- **For Architects:**
  - Secure, guaranteed payments tied to completed work.
  - Transparent fee management eliminates disputes.
  - Easy resolution and pre-empting if project is problematic
- **For Developers:**
  - Payments linked to verified work progress.
  - Simplifies fee tracking and management.
- **For the Public:**
  - Enhances trust in architectural certifications (e.g., staged certification, CCC).
  - Promotes professionalism in the industry

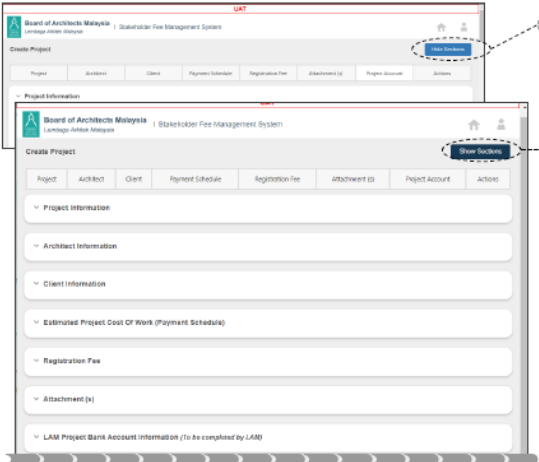


# COMMON CHALLENGES AND SOLUTIONS

- **Challenge 1:**
  - Delayed Client Confirmations
  - Solution: Proactively follow up with clients and set clear timelines for approvals.
- **Challenge 2:**
  - Changes in Project Scope or Appointment
  - Solution: Update LAM-BOS immediately and communicate changes effectively.
- **Challenge 3:**
  - Lack of Familiarity with LAM-BOS System
  - Solution: Utilize FAQs and training resources available on lam-bos.gov.my


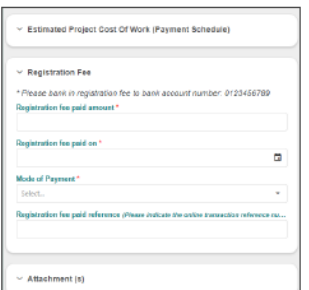
Know-how: Website Navigation  
Project information page

**Show/Hide Sections**  
The project information page consist of a number of sections. In each section there are multiple fields for data entry. For ease of navigation and cleanliness, you could click on the "Hide Sections" button to hide all fields in the sections.



Click on "Show Sections" to show all fields

**Show/Hide specific Section**  
Click

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# WORKFLOW OVERVIEW

## Step-by-Step Process:

1. Register architect appointment and project on LAM-BOS.
2. Confirm project details and terms with the client.
3. Submit invoices and documentation for completed work stages.
4. Client deposits payments to LAM.
5. LAM verifies and disburses payments to the architect.
6. Repeat **steps 3 – 5** accordingly
7. Notify appointment and project changes via system promptly.
8. Upon completion - close account on LAM-BOS.



## CONCLUSION

- **Recap:** Architects play a crucial role in ensuring the success of the Fee Stakeholder System.
- **Call to Action:** Embrace the LAM-BOS system for improved transparency and professionalism. Please help to improve the system via constructive feedback
- **Closing Statement:** Together, we can uphold the highest standards of architectural practice and professionalism



## Q&A VIA THE FAQ

- In practice, numerous situations arise that require accommodation within the LAM-BOS system. To address this need, LAM has established a dynamic FAQ platform. This FAQ system is designed to evolve continuously, with regular updates reflecting emerging inquiries and the latest developments.
- Please scan the QR code for the initial FAQ and the following to submit questions to the FAQ. Most common questions will be included in the FAQ.
- Queries can also be sent via [fees@lam.gov.my](mailto:fees@lam.gov.my)



For Viewing the FAQ



For asking and adding questions



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MALAYSIA

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