



Notification of Closing a General Trust Account

Australian Capital Territory *Legal Profession Regulation 2007* Section 79

To:	The Law Society of the ACT, Level 4, 1 Farrell Place, Canberra ACT 2601
Re:	("the law practice")

To be completed by law practice:
I,
(insert full name of the legal practitioner)
being a legal practitioner associate of the above mentioned law practice advise that the following general trust account has been closed.
Signed
Date

Trust account details:
Name of Approved ADI
Branch location
BSB
Account Number
Date Closed
Name of Trust Account
(Note: Refer to Section 79 of the <i>Legal Profession Regulation 2007</i> .)

Note: Regulation 79 of the *Legal Profession Regulation 2007* requires a law practice to give written notice to the Society no later than **14 days** after closing a general trust account.

Send completed forms to:

Trust Account Section, ACT Law Society
by email to trustaccounts@actlawsociety.asn.au

Closing a General Trust Account

Section 79 of the *Legal Profession Regulation 2007*

(1) A law practice that holds trust money must give the law society council at least 14 days written notice of its intention—

- (a) to stop existing as a law practice; or
- (b) to stop engaging in legal practice in the ACT; or
- (c) to stop practising in a way that involves receiving trust money.

(2) Not later than 14 days after the day it stops holding trust money, a law practice that holds trust money must give the law society council—

- (a) written notice that it has stopped holding trust money; and
- (b) if the practice has not given a notice under subsection (1) within the previous 28 days, a notice that complies with that subsection.

1. Notification of intention to cease (only if ceasing to practice)

(s79(1) of the *Legal Profession Regulation 2007*)

A law practice must give at least 14 days written notice to the Society of its intention to:

- a. To stop existing as a law practice; or
- b. To stop engaging in legal practice in the ACT; or
- c. To stop practising in such a way that involves receiving trust money.

2. Distribution of trust monies

It is important to note that a law practice that ceases can only distribute trust moneys to the person entitled to those trust moneys or in accordance with the directions of that person.

A law practice's general trust account is not closed until all amounts held in the trust account have been accounted to the beneficiaries and all issued trust account cheques have been presented to the approved ADI (Authorised Deposit-taking Institution) account for payment, so that the approved ADI statement records a nil balance.

3. Closing a general trust account

Request the bank staff to formally close the trust account and obtain written confirmation from them that the general trust bank account has been closed. The written confirmation may be noted on the final trust account bank statement.

4. Notification of ceasing to hold trust money

(s79(2) of the *Legal Profession Regulation 2007*)

Not later than 14 days after the day the firm stops holding trust money, a law practice must give written notice to the Society that it has stopped holding trust money.

5. Final examination of trust records

(s244 of the *Legal Profession Act 2006*)

If a law practice stops being authorised to receive trust money or stops engaging in legal practice in the ACT, the law practice must appoint an external examiner to examine the practice's trust records for the period since an external examination was last conducted; and for each period after that, consisting of a completed period of 12 months or any remaining partly completed period, during which the practice continued to hold trust money.

The law practice is required to give the External Examiner's Report to the Society within 60 days after the end of the period to which the examination relates.

6. Trust account general information

It is recommended that in the presence of the external examiner that any unused trust account receipts and cheque forms are destroyed.