

Legal Profession (Solicitors' Trust Accounts) Rules

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LEGAL PROFESSION ACT
(CHAPTER 161, SECTION 72(1))

LEGAL PROFESSION (SOLICITORS' TRUST ACCOUNTS) RULES

R 9

G.N. No. S 203/1985

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Citation

1. These Rules may be cited as the Legal Profession (Solicitors' Trust Accounts) Rules.

Definitions

2. In these Rules, unless the context otherwise requires —

“approved finance company” means any finance company registered under the Finance Companies Act (Cap. 108) which is approved by the Minister to accept deposits of client's money for the purposes of these Rules;

“bank” has the same meaning as in the Banking Act (Cap. 19);

“client account” means a current or deposit account which —

- (a) is maintained in the name of a solicitor at a bank or with an approved finance company;
- (b) has the word “client” appearing in its title; and
- (c) is kept and operated in accordance with the provisions of the Legal Profession (Solicitors' Accounts) Rules (R 8);

“solicitor-trustee” means a solicitor who is the sole trustee or a co-trustee only with one or more of his partners or employees;

“trust account” means a current or deposit account which —

- (a) is maintained in the name of a solicitor at a bank or with an approved finance company solely for money subject to a particular trust of which the solicitor is a solicitor-trustee; and

- (b) has the word “trustee” or “executor” appearing in its title or which is otherwise clearly designated as a trust account.

Trust accounts

3. Subject to rule 9, every solicitor-trustee who holds or receives money subject to a trust of which he is a solicitor-trustee, other than money which is paid into a client account as permitted by the Legal Profession (Solicitors’ Accounts) Rules, shall without delay pay such money into the trust account of the particular trust.

Moneys to be paid into trust account

4. There may be paid into a trust account —
- (a) money subject to the particular trust;
 - (b) such money belonging to the solicitor-trustee or to a co-trustee as may be necessary for the purpose of opening or maintaining the account; or
 - (c) money to replace any sum which for any reason may have been drawn from the account in contravention of rule 8.

Cheque or draft which includes trust money to be paid into client account

5. Where a solicitor holds or receives a cheque or draft which includes money subject to a trust or trusts of which the solicitor is solicitor-trustee, he shall pay it into a client account as permitted by the Legal Profession (Solicitors’ Accounts) Rules (R 8).

No money other than money under rules 3 and 4 to be paid into trust account

6.—(1) No money, other than money which under rules 3 and 4 a solicitor is required or permitted to pay into a trust account, shall be paid into a trust account.

(2) It shall be the duty of a solicitor into whose trust account any money has been paid in contravention of this rule to withdraw the money without delay on discovery.

Moneys which may be drawn from trust account

7. There may be drawn from a trust account —
- (a) money properly required for payment in the execution of the particular trust;
 - (b) money to be transferred to a client account;
 - (c) such money, not being money subject to the particular trust, as may have been paid into the account under rule 4(b); or