

Your role as a... RESPONSIBLE LAWYER

As a Responsible Lawyer, you are responsible for all trust money and property received from a client. This includes:



Depositing trust money into a trust account the same day or by the end of the next day.



Identifying the person on whose behalf the money is deposited.



Reporting all trust account activity to the Law Society on an annual basis.



Approving all withdrawals or transfers from a trust account.



Posting transactions in a timely manner.



Maintaining all prescribed financial records to allow for the accurate identification of trust money and property for a minimum of ten full years.



LAW SOCIETY
of ALBERTA

Trust Safety Responsibilities: At a Glance

- Shortages that are over \$2500 must be reported to the Law Society. Shortages that are not corrected within 7 days must be reported. Shortages less than \$2500 and corrected within 7 days do not need to be reported. You can report any shortage to the Law Society by completing a Trust Account and Client Ledger Shortages form (Rule 119.39).
- You must perform a reconciliation of your trust and general accounts, by the end of the following month with evidence of your review, even if there is no balance (Rules 119.36 and 119.37).
- All trust transaction ledgers must contain the client's name, file and matter number. The payor, payee, and the details of the transaction must be fully disclosed (Rule 119.35(4)(b)).
- In the event you wish to temporarily appoint an alternate signatory to sign trust cheques on your behalf (e.g., when you anticipate being out of office due to vacation, etc.), you must request approval from the Law Society. Please note approval to provide temporary signing authority will only be granted to a lawyer of another law firm (Rule 119.27(3)).
- Report any fraud or theft of money by any person from the law firm's general or trust accounts to the Law Society (Rule 119.40).
- Maintaining a float of no more than \$500 (of the law firm's own money) in each of your pooled trust accounts is a preventative measure against shortages, such as bank service fees charged in error (Rule 119.22(3)(d)).
- Allow adequate time for deposits to clear in the trust account before disbursing funds.
- File your annual reports (Electronic Data Upload or Accountant's Report and Self Report) by March 31 each year (Rule 119.38).

Need to get in touch?

Phone: 403.228.5632

Email: trust.safety@lawsociety.ab.ca

www.lawsociety.ab.ca



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