

LEGAL PRACTICE COUNCIL
GENERAL NOTICE 2004 OF 2023

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THE SOUTH AFRICAN LEGAL PRACTICE COUNCIL

NOTICE IN TERMS OF SECTION 95(1) & (4) OF THE LEGAL PRACTICE ACT, 28 OF 2014

Notice is hereby given that the Council intends to amend the Rules of the Council made under the authority of sections 95(1), 95(3) and 109(2) of the Legal Practice Act, 28 of 2014 (as amended) by amendment of the following Rules:

Explanatory Note

Words in bold type square brackets [] indicate proposed deletions from the existing Rule.

Words in *italics* and underlined with a solid line indicate proposed insertions to the existing Rule.

Proposed amendment to Rules 54.14.16.1 to 54.14.16.5 of the Legal Practice Rules relating to interest accrued on trust banking accounts:

- 54.14.16.1 Any interest referred to in section 86(5) of the Act which relates to a trust banking account opened in terms of section 86(2) of the Act which has accrued on money deposited during the course of a calendar month, shall be paid over **[to the Fund or its nominee on or before the last day of the next succeeding calendar month; provided that the Fund may, in its discretion, exempt a practitioner from this obligation]** by the trust account practice's bank to the Fund within five (5) working days of the end of the calendar month following the calendar month in which the trust interest vested in the Fund, using the Automated Monthly Transfer System.
- 54.14.16.2 **[Where exemption has been granted as contemplated in rule 54.14.16.1, any interest referred to in section 86(5) of the Act which relates to a trust banking account opened in terms of section 86(2) of the Act, accrued on monies deposited in respect of any period ending on the last day of February in each year shall, on or before the last day of May in that year, be paid to the Fund or its nominee.]**
- 54.14.16.3 Any interest referred to in section 86(5) of the Act which relates to an account opened in terms of section 86(3) of the Act **[accrued on money deposited in respect of any period ending on the last day of February in each year shall, on or before the last day of May in that year, be paid to the Fund or its nominee.]** which has accrued on money deposited during the course of a calendar month, shall be paid over by the trust account practice's bank to the Fund within five (5) working days of the end of the calendar month following the calendar month in which the trust interest vested in the Fund, using the Automated Monthly Transfer System.

54.14.16.4 Any interest referred to in section 86(5) of the Act which relates to an account opened in terms of section 86(4) of the Act, accrued on money deposited during the course of a calendar month or on maturity shall be paid over **[to the Fund or its nominee on or before the last day of the next succeeding calendar month.]** by the trust accounts practice's bank to the Fund within five (5) working days of the end of the calendar month following the calendar month in which the trust interest vested in the Fund, using the Automated Monthly Transfer System.

54.14.16.5 **[A legal practitioner shall be guilty of misconduct if he or she fails to pay over, in accordance with this rule 54.14.16, any interest that vests in the Fund.]**

In terms of Section 95(4)(a) of the Legal Practice Act, interested persons are called upon to comment to the Council in writing on the draft amendments.

Please note that all comments must be sent by email to rules@lpc.org.za by no later than 02 October 2023.

Signed at Midrand on 18 August 2023.



Ms C Nzuza

Executive Officer: Legal Practice Council