



LAW SOCIETY OF SASKATCHEWAN

OPENING A NEW TRUST ACCOUNT - CHECKLIST

Purpose: Instructions for financial institutions when opening a new trust bank account.

- ✓ Trust Bank Account - must be with a financial institution located in Saskatchewan
- ✓ Reporting Period - have reporting period of bank statement coincide with calendar month (rather than straddle two months). This will make it easier for reporting purposes.
- ✓ Trust Bank Statement - the word 'Trust' must be directly in the name of the account and appear on the face of the printed monthly trust bank statements
- ✓ Trust Cheques - the word 'Trust' must be printed directly on the face of all trust cheques
- ✓ Bank Charges - all bank charges associated with the new trust account must be borne by member(s). So either the bank must charge the trust account fees to the general bank account or the firm has a float in the trust account to cover the trust bank account fees.
- ✓ Interest-bearing – trust bank account must be an interest-bearing account.
- ✓ Interest earned – interest earned must be transferred each month, either directly by the bank or via monthly trust cheque, to the Law Foundation of Saskatchewan.
- ✓ Cheque Images – must either receive the cancelled cheques back or a copy of the cheque images with each monthly bank statement. If cheque images are received they must include an image of both the front and back of each cleared cheque and no more than 8 images per page (4 front & 4 back)
- ✓ Bank cards – must be restricted by the bank to 'deposit only'
- ✓ Online access – must be restricted by the bank to 'read/view-only'
- ✓ Signing authority – all trust cheques require the signature of at least one member. You can choose to require more than one signature and the 2nd signature can be any staff member you trust (even non-members) as long as one member has signed trust cheque.
- ✓ Payments from trust – may only be done by cheque signed by member or wire transfer which is initiated by request letter signed by a member
- ✓ Trust Shortages – must be replenished immediately and any trust shortages > \$1,000 must be reported to the Executive Director of the Law Society. Members will be held personally responsible for any trust shortages.
- ✓ CDIC - annual CDIC documents must be filed with each financial institution for each trust bank account every year. Refer to website for more information on CDIC requirements.