

## Re: Trust Account Form LF 1

The Law Foundation of Nova Scotia was established in 1976 to receive the interest on lawyers' trust accounts and to use the funds received for "the examination, research, revision and reform of and public access to the law, legal education and the administration of justice in the Province..." The Foundation is administered by a Board, five of whom are appointed by the Governor in Council and four by the Council of the Nova Scotia Barristers' Society.

Pursuant to S.30 of the *Legal Profession Act*, money or property received in trust for a client or another person must be deposited in an interest-bearing account at a financial institution approved by the Council of the Nova Scotia Barristers' Society and at an interest rate approved by the Law Foundation. Financial institutions holding trust funds pursuant to the Act must remit the interest earned to the Law Foundation, less any charges or fees for the operation of the account. Financial institutions in the province are aware of the requirements and have advised their respective branches as to how to implement the arrangements.

If, at any time in the future, you open a lawyer's trust account, please complete two copies of Form LF1 which is a letter of direction to banks, trust and loan companies. Give one copy to the financial institution where the trust account is maintained and send one to the Law Foundation. Under the Act, the interest earned belongs to the Foundation; consequently, Form LF1 directs the banks to prepare Income Tax Form TS in the name of the Foundation, and to send it to the Law Foundation offices.

If you close an existing account, please inform us of this fact. In order to comply with the Nova Scotia Barristers' Society Trust Account regulations, you must also notify the Barristers' Society when you open or close a trust account.

The Foundation is the product of many years work by the Nova Scotia Barristers' Society and the profession as a whole. To distribute the funds within the objectives of the Foundation presents its Board with an important challenge. Information on the Foundation's income and the grants it has made in the past can be obtained from the Law Foundation's website at [www.nslawfd.ca](http://www.nslawfd.ca).