

## CHANGE IN TRUST ACCOUNT INTEREST FROM 1 MARCH 2019: NO NEED TO PANIC

From 1 March 2019, Conveyancers are required to invest trust funds on behalf of clients in terms of section 86(4) of the Legal Practice Act 28 of 2014 instead of section 78(2A) of the Attorney's Act 53 of 1979 (as this Act has been repealed). The most important change effected hereby, is the fact that 5% of the total interest earned on these investments is required to be paid over to the Legal Practitioners Fidelity Fund on a monthly basis.

All Estate Agents that have agreements of sale that specifically refer to the old **section 78(2A) of the Attorney's Act** as the clause in terms of which investments have to be made, will do well to amend this clause to refer to **section 86(4) of the Legal Practice Act 28 of 2014**.

This is really the only impact on Estate Agents. Other than this, the investment of funds received and the payment of the interest amounts due to the Legal Practitioners Fidelity Fund will, as well as the necessary disclosures and signature of the relevant documents, be dealt with by the Conveyancers in the ordinary course.



*Going Beyond*

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