

# Closing a trust account

This fact sheet sets out the steps to follow when closing a trust account.

## INFORMATION FOR PRACTITIONERS AND APPROVED BARRISTER'S CLERKS

### Transfer of existing funds

When closing a trust account, law practices and approved barrister's clerks must ensure that any funds held in the statutory deposit account (SDA) are transferred into their trust account. The transfer can be made through the Victorian Legal Services Board's online portal, [LSB Online](#), which is available via the Board's website. All funds held in the trust account should be disbursed.

The law practice or approved clerk must then contact the bank branch where their trust account is held and arrange to have the trust account closed.

### Notifying the Board

The law practice or approved clerk must notify the Board of the closure of this account by completing the following form:

- Part B of [Form Trust 8 – Notification of trust account details](#).

This form must be signed by a principal of the law practice or approved clerk. The Board will confirm with the bank that the account has been closed. The Board will ask the Commonwealth Bank of Australia to close the SDA.

### Other requirements

If this was the only trust account held by the law practice or approved clerk and, the law practice or approved clerk is now ceasing to handle trust money, other requirements also apply. The principal(s) of the law practice must vary their practising certificate to a '*Principal without trust authorisation*' through [LSB Online](#).

The External Examiner (EE) for the law practice or barristers' clerk must complete a final examination of the trust account within 60 days of the account being closed. The following form must be completed by the EE and sent to the Law Institute of Victoria as the delegate of the Board:

- [Form Trust 7 – Approved External Examiner's report when a law practice ceases to be authorised for trust](#).

Any queries about the final examination should be directed to the External Investigator at the Law Institute on (03) 9607 9311.

Once the final examination has been completed the EE must complete:

- Part B of [Form Trust 3 – External Examiners](#).

This form will notify the Board of the termination of the EE's appointment to the law practice or approved clerk. This form is to be signed by the EE and principal of the law practice or approved clerk.

All forms are available on the [Board's website](#).

### Further information

Contact the Practitioner Services Team:

Tel: 03 9679 8000

Email: [registry@lsbc.vic.gov.au](mailto:registry@lsbc.vic.gov.au)