

CARPA

CARPA is a national organization which is backed by one bank in France. CARPA is managed by a group made up of one representative from each bar in France. Each firm has its own account at the CARPA. There is a sub account for each matter in the firm. The sub account must state the issue, reason for the account and the names of the client. France does not consider Advance fees or retainers as client trust funds. There is a built in cost for the CARPA in annual registration fee paid by every lawyer. CARPA also raises money by:

- (1) operation of a law that requires money to be placed in escrow when a company sells part of their assets, the company must place the sale proceeds under an escrow account in case there is a third party objection to the sale.
- (2) Optional placement with CARPA – when a shareholder is selling 100% of the shares they give a guarantee the company is fiscally sound so they place a certain amount of the share price in escrow for a period of time in case the shares are not worth what the seller claimed.

CARPA always get the interest earned on any money it holds.