

C5. You and your practice

O

Outcomes

- oC24** Your *practice* is run competently in a way that achieves compliance with the Core Duties and your other obligations under this *Handbook*. Your employees, *pupils* and trainees understand, and do, what is required of them in order that you meet your obligations under this *Handbook*.
- oC25** *Clients* are clear about the extent to which your services are regulated and by whom, and who is responsible for providing those services.

C5.1 General

R

Rules

Client money

- rC73** Except where you are acting in your capacity as a *manager* or employee of an *authorised (non-BSB) body*, you must not receive, control or handle *client money* apart from what the client pays you for your services.
- rC74** If you make use of a third party payment service for making payments to or from or on behalf of your *client* you must:
- .1** Ensure that the service you use will not result in your receiving, controlling or handling *client money*; and
 - .2** Only use the service for payments to or from or on behalf of your *client* that are made in respect of legal services, such as fees, disbursements or settlement monies; and
 - .3** Take reasonable steps to check that making use of the service is consistent with your duty to act competently and in your *client's* best interests.
- rC75** The *Bar Standards Board* may give notice under this rule that (effective from the date of that notice) you may only use third party payment services approved by the *Bar Standards Board* or which satisfy criteria set by the *Bar Standards Board*

G

Guidance

Guidance on Rules rC73 and rC74

- gC103** The prohibition in Rule rC73 applies to you and to anyone acting on your behalf, including any "ProcureCo" being a company established as a vehicle to enable the provision of *legal services* but does not in itself supply or provide those *legal services*. Rule rC73 prohibits you from holding *client money* or other *client* assets yourself, or through any agent, third party or nominee.
- gC104** Receiving, controlling or handling *client money* includes entering into any arrangement which gives you de facto control over the use and/or destination of funds provided by or for the benefit of your *client* or intended by another party to be transmitted to your *client*, whether or not those funds are beneficially owned by your client and whether or not held in an account of yours.
- gC105** The circumstances in which you will have de facto control within the meaning of Rule rC73 include when you can cause money to be transferred from a balance standing to the credit of your *client* without that *client's* consent to such a withdrawal. For large withdrawals, explicit consent should usually be required. However, the *client's* consent may be deemed to be given if: