

of the District Law Society any matter or thing in relation to such trust account which should in his opinion be communicated to the Council of such Society.

(2) The first of such examinations shall be made not less than four months and not more than five months after the 1st day of April in each year, and the next examination shall be made not less than four or more than five months after the date of the previous examination. Nothing herein shall be deemed to prohibit more frequent examinations being agreed upon between the solicitor and the auditor.

(3) Every solicitor shall cause his books and trust account to be examined by his auditor on at least three occasions in respect of each yearly period as provided by this regulation.

(4) In the case of a solicitor hereafter commencing practice otherwise than on the first day of April in any year, the provisions of this regulation shall not apply in respect of that year, but such solicitor shall cause his books and trust account to be examined by his auditor in respect of that year on such occasions, not exceeding three, as may be required by the Council of the District Law Society.

5. (1) In respect of the period between the date of the coming into operation of these regulations and the 31st day of March, 1932, the auditor shall examine the books and trust account of each solicitor whose trust account he has been appointed to audit on at least two occasions. The first of such examinations shall be made not more than three months after the date of the coming into operation of these regulations.

(2) This regulation shall not apply in the case of a solicitor commencing practice after the date of the coming into operation of these regulations.

6. (1) Every person who commences practice as a solicitor, whether on his own account or in partnership with another or other solicitor or solicitors, shall, within two months thereafter, give written notice of the fact to the Secretary of the District Law Society. This provision applies also to every person who, having been in practice as a solicitor and having ceased to so practice, again commences practice as a solicitor.

(2) Where the businesses of two or more practising solicitors or firms of solicitors are amalgamated, the amalgamated firm shall, within two months thereafter, give written notice of the fact to the Secretary of the District Law Society.

(3) Where two or more solicitors are in practice in partnership and such partnership is dissolved each member of the original partnership shall, within two months thereafter, give written notice of the fact to the Secretary of the District Law Society.

(4) Every solicitor who, having been in practice in the district of one District Law Society, commences practice in the district of another District Law Society, shall forthwith give written notice of the fact to the Secretary of the last-mentioned District Law Society.

7. The auditor by whom the audit of and reports on a solicitor's trust account are to be made shall be selected and employed for that purpose by such solicitor.

8. No auditor shall be qualified to audit the trust account of a solicitor if he is, or at any time within twenty-four months before the date of his report has been, a clerk, servant, or partner of such solicitor, or if he is a clerk or servant of any other practising solicitor, or if he is himself a practising solicitor.

9. (1) Every solicitor shall, within one month after the date of the coming into operation of these regulations, forward to the Secretary of the District Law Society the name of the auditor or auditors appointed by him to audit his trust account or trust accounts.

(2) Every person who hereafter commences practice as a solicitor shall, within two months thereafter, forward to the Secretary of the District Law Society the name of the auditor appointed by him to audit his trust account.

10. No solicitor shall change his auditor as notified to the Secretary of the District Law Society pursuant to the last preceding regulation save with the consent in writing of the Council of such District Law Society first had and obtained.

11. (1) Any approval granted by the Council of a District Law Society to any person to act as an auditor of solicitors' trust accounts may be at any time revoked by the Council of such Society.

(2) Any approval granted by the Solicitor-General to any person to act as an auditor of solicitors' trust accounts under the regulations hereby revoked may be at any time revoked by the Council of any District Law Society in so far as the audit of trust accounts of solicitors practising in that society's district is concerned.

12. Save in so far as it may be previously revoked under the last preceding regulation, any approval as an auditor of solicitors' trust accounts granted by the Solicitor-General under the regulations hereby revoked, shall continue in force until the 30th day of June, 1932, and shall thereafter be deemed to be revoked.

13. It shall be the duty of every solicitor to keep his trust account in such a manner as to disclose to the auditor the position of the funds therein, and to enable the same to be conveniently and properly audited, and such trust account shall be correctly balanced at the end of each calendar month.

14. Every solicitor, or in the case of a firm one or more of the members of such firm, shall supply to the auditor a list (verified by statutory declaration) of the trust banking accounts operated on solely by the solicitor or his firm, or any member of such firm, together with any pass-books or bank statements relating to such accounts.

15. For the purpose of every audit and report every solicitor shall, as and when required, produce to the auditor all books, papers, accounts, documents, and securities in any way relating to his trust account, and give such information as may reasonably be required by the auditor.

16. Within the first fourteen days of each calendar month other than January, and within the first twenty-one days in January, every solicitor shall forward to the auditor of his trust account a list certified to by such solicitor or, in the case of a firm, by one of the members of such firm, of the balances standing to the credit of every client in his or their trust account as at the end of the preceding month.

17. Where a solicitor is, or any members of a firm are, the only trustee or trustees in an estate, and separate books and a separate banking account are kept for such estate, then such books shall be submitted for audit to the auditor of the solicitor's trust account or to some other auditor approved under these regulations, and in such case such auditor shall have the same powers and duties in relation to the audit and examination of the books and accounts of such estate as the auditor of the solicitor's trust account has with respect to the audit of the said solicitors' trust account.

18. It shall be the duty of all banks, on the request of any auditor engaged in the audit of a solicitor's trust account under these regulations, to supply to that auditor a list of the accounts operated on solely by such solicitor, and all such information as to the bank account or accounts of that solicitor, or of any account on which such solicitor shall operate solely as may reasonably be required for the purposes of such audit.

19. (1) Every solicitor or firm of solicitors shall forthwith give to the person paying the same a receipt for each sum of money received by him or them for or on behalf of any person, specifying briefly the subject-matter or purpose in respect of which such moneys are received, and shall retain a legible carbon duplicate of such receipt.

(2) All such receipts shall be given only on forms which shall be supplied to the solicitor by the New Zealand Law Society or some person authorized by it in that behalf.

(3) Such forms shall be so supplied in bound books of not less than 120 each, arranged so that a carbon duplicate of each receipt issued shall be retained in the book, and such retained duplicates shall be produced in the appropriate books to the auditor at each audit, and if required by the auditor at each examination.

(4) The forms of receipts in such bound books with the forms of duplicates shall, before issue by the New Zealand Law Society or by the person so authorized by it, be numbered and/or lettered consecutively, so that each book of forms may be identified, and so that the receipt and duplicate shall have the same identification mark.

(5) The New Zealand Law Society or such authorized person shall keep a record of the identification marks of the books of receipts issued to each solicitor or firm of solicitors, and promptly notify to each auditor the particulars of every issue of such forms to every solicitor or firm of solicitors whose trust account he has been appointed to audit.

(6) At every audit and (if required by the auditor) at any examination all unused books of receipts held by the solicitor shall be produced by the solicitor to the auditor.

(7) For the purpose of this regulation the Secretary of each District Law Society shall promptly notify to the New Zealand Law Society the name and address of each auditor and the solicitors or firms of solicitors whose trust accounts he has been appointed to audit, and the New Zealand Law Society shall keep a properly indexed record of the same.

(8) This regulation shall come into force on the 1st day of April, 1932.

20. Every solicitor shall produce to the auditor of his trust account the relative documents or receipts required by such auditor to verify any payments made from the solicitor's trust account during the audit period whether by way of loans or purchases.

21. Every auditor of a solicitor's trust account shall include in his report furnished pursuant to Regulation 2 hereof a statement as to the following matters:—

(a) Whether the trust account of such solicitor has in the opinion of the auditor been kept regularly and properly written up: