



April 16, 2020

Law Society of Saskatchewan Practice Directive

Number 2

Wire Transfer Procedures Via Online Wire Payments Service

WHEREAS the Law Society of Saskatchewan wishes to facilitate the wire transfer process for lawyers during the current state of emergency, by permitting lawyers to complete wire transfers through their firm's financial institution's Online Wire Payments Service;

AND WHEREAS 'Online Wire Payments Service' is defined as being an electronic method by which the law firm has the ability to create and approve the wire transfer of money from the firm's trust account through the financial institution's platform using the financial institution's website or mobile phone application;

AND WHEREAS Law Society Rule 1514(5) states:

A member may make or authorize the withdrawal of funds from a pooled trust account by wire transfer provided all the following conditions are met:

- (a) the system will produce, not later than the next banking day, a confirmation form from the financial institution confirming the details of the transfer, which includes the following:
 - (i) the date of the transfer;
 - (ii) source trust account information, including account name, financial institution and account number;
 - (iii) destination account information, including account name, financial institution, financial institution address and account number;
 - (iv) the name of the member authorizing the transfer; and
 - (v) the amount of the transfer.

- (b) the member must:
 - (i) complete and sign a requisition for the transfer in a form approved by the Executive Director;
 - (ii) submit the original requisition to the appropriate financial institution;
 - (ii) retain a copy of the requisition;
 - (iv) obtain the confirmation referred to in subrule (a) from the financial institution;
 - (v) retain a hardcopy of the confirmation; and
 - (vi) immediately on receipt of the confirmation, verify that the money was drawn from the trust account as specified in part (a) of the requisition.

AND WHEREAS subrule 1514(5)(b)(i)-(iii) may result in unnecessary challenges to lawyers in completing wire transfers during the current state of emergency;

AND WHEREAS the Law Society of Saskatchewan is authorized to issue directives pursuant to Law Society of Saskatchewan Rule 1143;

AND THE LAW SOCIETY OF SASKATCHEWAN HEREBY DIRECTS that lawyers who avail themselves of Online Wire Payments Services shall:

- When setting up Online Wire Payments Service with the financial institution ensure:
 - All electronic Funds Transfer (EFT's) or any other withdrawals from the account, other than by cheque, are disabled and obtain written confirmation from the financial institution confirming such;
 - All wire transfers to be approved with Dual Factor Authentication;
 - All wire transfers must be approved by a lawyer. A non-lawyer may initiate the transfer but a lawyer must approve the transfer;
 - In firms with 3 or more lawyers, a wire transfer must be approved by 2 lawyers;
 - In firms with 10 or more lawyers, firms must limit the number of lawyers to five that are set up to approve wire transfers;
 - A "user name" for each lawyer approving the transfers, will be chosen by the firm and assigned by the financial institution. The firm must follow the Law Society's user name protocols.
- When initiating an online wire transfer:
 - Implement segregation of duties, where possible;
 - Obtain the details of the wire transfer from the client verbally or in written form and must confirm those details with the client. Either the receipt of the details or the confirmation of the details must be in writing;
 - The bookkeeper should create the wire transfer by entering the details of the transaction into the banking software;
 - The bookkeeper must send the written details of the transaction to the lawyer(s) approving the transfer and the lawyer must ensure the information entered into the banking software is correct prior to approving the transfer;
 - The lawyer(s) will approve the transfer either via the mobile app or the bank's online website with Dual Authentication;
 - If mobile phones are being used to approve wire transfers, the phone must be password protected and have automatic screen lock;
 - If the transfer is not confirmed as received by the client within 24 hours the lawyer must trace the transfer through the wire transfer tracking system and contact the bank if required;
 - In accordance with Rule 1514(5), confirmation of the wire transfer details must be produced no later than the next banking day.
- Consider whether there are red flags of wire transfer fraud in the transaction.