

Guide to Closing Your Practice

**Plan ahead to protect yourself
and your clients**



The Law Society of
Upper Canada | Barreau
du Haut-Canada

Legal information and support designed for you.

GUIDE TO CLOSING YOUR PRACTICE

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INTRODUCTION

There are many circumstances in which you, or others, may have to deal with the transfer or wrap-up of your practice: a transfer between firms, retirement, sudden illness or accidental death. Leaving a law firm will have a greater impact on the solo or small firm where, unlike larger firms, there may be no one available to immediately carry on with, or to wind-up the practice in an orderly fashion.

Your duty of competent representation includes an obligation to take appropriate steps to safeguard your clients' interests in all circumstances. A failure to properly plan or prepare for both anticipated and unexpected departures from your practice may expose your clients to significant damages or prejudice, and subject law partners and family members to financial and emotional stresses associated with the winding-up process.

Do not underestimate the time and effort it will take to properly wind-up a law practice. Do not delay your preparations. The time to plan for retirement is when you are in good health with sufficient time to allow you to thoroughly prepare. If possible, start planning 10 to 15 years before your anticipated retirement date. Prior to your retirement you will have to deal with a myriad of issues: transferring active or open files; custody or destruction of closed files; maintaining firm books and records; satisfying outstanding undertakings and ongoing obligations; addressing accounting and banking requirements; dealing appropriately with personnel and office matters; and satisfying all change of status notice requirements. Make sure your partners, staff and family are aware of the plans you have put in place.

The Law Society of Upper Canada and LAWPRO® have created this Guide to help you to plan, and to fulfill your professional conduct responsibilities when closing your practice.*

The Guide is divided into 9 sections, each dealing with different aspects of closing a practice. Each section provides a brief overview, a checklist, and references to precedents and articles relating to the topics covered.

* Special thanks to the Oregon State Bar for their permission to reproduce parts of their publication, *Planning Ahead: A Guide to Protecting Your Client's Interests in the Event of Your Disability or Death*, Barbara S. Fishleder, published by the Oregon State Bar, Professional Liability Fund, April 1999.

ACTIVE OR OPEN FILES

Review your active file list to identify files that can be resolved (and closed quickly), and files that are to be transferred to new counsel or delivered to the client. First work on matters that can be completed promptly. In the meantime, notify clients of your intention to leave the practice. Clients with ongoing matters will require time to retain new counsel. You may wish to place a notice in your local newspaper or the Ontario Reports to announce the wind-up of your practice and to provide contact information for clients who may wish to pick up their files.

If you are leaving private practice, stop taking on new matters or only accept matters that will be resolved prior to your departure.

If you are transferring active files to new counsel, conduct conflicts checks before the transfer to ensure the receiving lawyer does not have a disqualifying conflict of interest. Prepare a transfer memo or letter summarizing the file. Flag outstanding tasks, anticipated problems, deadlines, or limitation periods. Confirm transfer of the file in writing by way of direction to transfer the file or an acknowledgement of receipt of the file signed by the client. If the file is to be sent to the client, confirm in writing the request and address.

Consider whether, prior to transferring the file, you should make copies of key file documents that will be kept even after your practice is shut down. Refer to the section on **Closed Files** and the article **File Retention** available online in the Member Resource Centre website (<http://mrc.lsuc.on.ca>) for information on file or document retention.

Refer to Rule 2.09 and the commentary to Rule 2.09(1) to review your professional conduct responsibilities relating to withdrawal of service. A lawyer cannot withdraw except for good cause and upon notice to the client appropriate in the circumstances. You must ensure that the client's interests are protected to the best of your ability. Refer to the article **Withdrawal of Services** available online in the Member Resource Centre website for a review of your professional conduct obligations.

✓ Checklist

- Review your active file list and identify files to be completed prior to winding-up, and files to be transferred. See **Active File List** (page 22)
- Check dates for appearances, time limitations or limitation periods for each file.
- In matters that cannot be completed prior to closing, contact clients to seek instructions regarding the transfer of their matter. See **Letter to Client Advising that Lawyer is Closing Office** (page 23)
- Consider placing a notice in the local newspaper and/or Ontario Reports to announce the wind-up and to provide contact information for clients regarding their matters. See **Sample Wording For Notice For Newspapers** (page 24).
- Complete work on all open files before the office is closed.

- ❑ Where client files are to be transferred to a lawyer of the client's choice, obtain a written direction from the client directing you to transfer the file to new counsel. See **Direction to Transfer Client File** (page 25)
- ❑ Where the file is to be sent to the client, obtain a written request for the file from the client confirming the address to which the file is to be delivered. See **Request for File** (page 26).
- ❑ Where the client is to pick up the file, obtain a written acknowledgement of receipt of the file from the client. See **Acknowledgement of Receipt of File** (page 27).
- ❑ Consider whether you should make and retain copies of file documents before transferring the file to the client or other counsel.
- ❑ Where, after making adequate inquiries, the client cannot be located and you do not have instructions from the client regarding transfer of his or her ongoing matter, send a notice to the client's last known address.
- ❑ Notify Trustee Services to advise who will be taking over files.
- ❑ If you are solicitor of record on any litigation matter, prepare and file a Notice of Change of Solicitor or a Notice of Intention to Act in Person to remove your name as solicitor of record.
- ❑ If necessary, bring a motion to remove yourself as solicitor of record.
- ❑ Prepare a transfer memo to the new lawyer or to the file that includes
 - a summary of the file
 - important dates
 - important tasks
 - important issues
 - important facts
 - limitation periods.

See **Transfer Memo to File or New Lawyer** (page 28).

CLOSED FILES

Lawyers leaving private practice are often unsure of what to do with closed files relating to client matters. Determining what to do with closed files will depend on who owns the file, or more accurately, who owns the documents stored in the closed file.

If the closed file contains documents that belong to, or are the property of a client (“client” herein includes “former client”), then you have an obligation to preserve the client’s documents in accordance with By-law 9 and Rule 2.07 of the Rules of Professional Conduct.

If at the time the practice is wound up, you have custody of client documents in closed files, you should deliver the documents to the client. If the client cannot be found, then you must preserve the closed file, or transfer the file to other counsel for safekeeping and storage. If there is a dispute as to who is entitled to client property (or documents) and you are not sure as to the proper person to receive the client’s property, you must make application to a tribunal of competent jurisdiction for directions as required by Rule 2.07(6).

Ideally you should have had a file closing procedure in place such that all client documents would have been returned to the client before the file was closed. If this procedure had been followed for every file, at wind-up, the only documents remaining in closed files should be documents belonging to the lawyer: copies of original client documents, the lawyer’s personal notes, copies of correspondence etc.

If at the time the practice is wound up, you have already purged the file of all documents or property belonging to the client, you may nevertheless, want to preserve the file for some time after closing. You may require copies of client documents to assist in defending against potential claims launched after the practice is shut down. The determination of how long to keep copies of client documents will depend on a number of factors, such as the limitation period for actions against lawyers, the nature of the original matter, and the outcome. Refer to the article **File Retention** available online in the Member Resource Centre website for further information.

In some instances you may decide to return the entire closed file to your client. This should only be done in cases where you are sure that you will no longer require access to copies of client documents and only after the file has been stripped of your personal notes. You should obtain a written acknowledgement from the client confirming receipt of all remaining documents relating to the retainer.

A review of your closed file list will assist you in determining which files may be destroyed and which should be preserved.

✓*Checklist*

- Review your closed file list to determine which files are to be destroyed and which are to be maintained. See **File Closure Tracking Chart** (page 29).

CLOSED FILES CONTAINING CLIENTS' DOCUMENTS OR PROPERTY

- Check for original documents that belong to the client and deliver to the client.
- If the client cannot be located, then you should
 - continue to preserve and maintain the client's documents indefinitely or until the client provides you with instructions, or
 - transfer the file to other counsel for preservation and safekeeping.
- If there is any dispute as to who is entitled to client property, and you are not sure as to the proper person to receive the client's property, you must make application to a tribunal of competent jurisdiction for direction as required by Rule 2.07(6).

CLOSED FILES CONTAINING ONLY LAWYERS' COPIES OF DOCUMENTS

- Retain your copy of file documents that may be required as documentary evidence or information to assist you in defending potential future claims against you.
- Determine how long to keep your copy of file documents. Factors to consider may include:
 - your exposure to potential future claims for errors or omissions.
 - the length of the limitation period for actions against lawyers.
 - the nature of the legal work performed, for example, real estate files should be kept longer than criminal files involving expired appeal periods.
 - the working life of the legal documents that were created as part of the retainer.
 - whether the client was under a disability or a minor at the time legal services were performed.
 - the client's attitude or character.
 - the outcome of your handling of the case.
- Determine where to physically store your closed files to maintain confidentiality and to protect files from damage or destruction.

DESTRUCTION OF CLOSED FILES

- If you destroy certain closed client files, shred or incinerate the files in a manner that maintains client confidentiality.

DELIVERY OF CLOSED FILES TO CLIENT

- Prior to delivery of the complete closed file to the client, ensure that you have considered the consequences to you of not maintaining copies of client documents.
- Remove all your personal notes made to, or stored in, the file.
- Obtain the client's written acknowledgement indicating receipt of the only remaining copy of the client's documents in the closed client file.

TRANSFER TO COUNSEL

- Prior to delivery of the complete closed file to another lawyer, ensure that you have considered the consequences to you of not maintaining copies of client documents.

COMPUTER FILES

- Where closed file information is in electronic format and that information is to be preserved, determine where and how the data will be stored, archived and retrieved after the wind-up.

- Determine where your back-up media will be stored.

NOTICE TO LAW SOCIETY OF UPPER CANADA

- Contact Trustee Services at (416) 947-3366 and indicate where your closed files are located so that clients will be directed to the appropriate person or place to obtain information regarding their closed client matters.

UNDERTAKINGS, OBLIGATIONS, REPORTING OUT

All undertakings or ongoing obligations must be completed before you close the practice. If this is not possible or practical, you must advise the client and the successor lawyer of the nature of the undertaking or obligation. Rule 6.03 (8) of the *Rules of Professional Conduct* states that lawyers must fulfill every undertaking given. The commentary to the rule provides that the person to whom the undertaking is given is entitled to expect that the lawyer giving the undertaking will honour it personally.

If a successor lawyer is taking over the file, ensure that you obtain his or her commitment to honour the undertaking. If the successor lawyer is not prepared to honour the undertaking, then you must either satisfy the undertaking yourself or obtain relief from strict compliance with your undertaking from the person to whom you gave the undertaking.

Deliver a reporting letter to every client with outstanding matters, whether or not a final bill will be rendered. Legal Aid accounts should be billed out and reporting letters completed before the file is transferred.

✓ **Checklist**

- ❑ Review each file to determine whether you have any outstanding obligations or undertakings.
- ❑ Satisfy all outstanding undertakings or obligations before you leave the practice.
- ❑ If you cannot satisfy the undertaking or obligation prior to leaving the practice, ensure that any successor lawyer will honour the undertaking, or obtain relief from strict compliance with the undertaking from the person to whom the undertaking was given.
- ❑ If you are handing the file over to the client, ensure that the reporting letter clearly refers to any outstanding client undertakings, obligations or matters and provides an explanation as to how these are to be dealt with and by whom. See **Clause in Letter to Client Re: Client's Outstanding Undertaking or Obligation** (page 30) and **Reporting Letter** (page 31).
- ❑ Review all wills to determine whether you have agreed to act as estate trustee. Refer to the section on **Client Property, Wills, Corporate Books** for information on dealing with wills in the context of closing your practice.
- ❑ Complete all reporting letters before the practice is wound up and while you have professional liability insurance coverage.
- ❑ If, at the time of transfer of the file to another lawyer, the reporting letter to the client is not complete, specifically bring this to the successor lawyer's attention.

LEGAL AID FILES

- ❑ Submit completed accounts to the appropriate Legal Aid Office.
- ❑ Bill and report to Legal Aid any matters where work on the file is incomplete.
- ❑ Advise the Legal Aid office in writing that you are closing your practice and the date the wind-up of the practice becomes effective.
- ❑ Advise the client in writing that you are closing your practice and that the client must contact the Legal Aid Office to apply for a change of solicitors.
- ❑ If the client has directed that the file be transferred to another lawyer, advise the Legal Aid office in writing of the closing of your practice and of the transfer of the file.
- ❑ Contact the Legal Aid Office or Director in your area for information on what further steps you may need to take.

ACCOUNTING AND BANKING, BOOKS AND RECORDS

All trust funds must be accounted for and all accounts and filings must be accurate and current as of the date you wind-up your practice. If you have unclaimed trust funds, you may transfer these funds to the Law Society of Upper Canada in accordance with By-law 10. Your obligations to maintain certain financial records will continue after you close your practice. You will be required to comply with the Law Society's By-laws and other legislation relating to your firm's accounting records.

✓ **Checklist**

TRUST ACCOUNTS

- If there are trust funds on deposit on the date you close your practice:
 - if fees and disbursements remain outstanding and an account has been delivered to the client, then barring any other right or claim to the funds, apply them to the outstanding balance in accordance with By-law 9:
 - return the funds to the client, or
 - if the funds are to be transferred to the client's new lawyer, obtain a written direction from the client to transfer the trust funds to new counsel.
- If the client does not claim the trust funds, does not provide a direction or cannot be located, then
 - you must retain the funds in your trust account in accordance with the requirements under Rule 2.07 of the *Rules of Professional Conduct* and s.59.6 of the *Law Society Act*, or
 - you may make an application, pursuant to By-law 10 to deliver the unclaimed funds to the Law Society of Upper Canada, Unclaimed Trust Funds Program. For more information on the program refer to the Member Resource Centre website.
- If you are making an application pursuant to By-law 10 , then
 - an application form must be submitted by the lawyer responsible for the trust account and a separate application must be made for each file or matter. See **Unclaimed Trust Funds Member's Application Form** (page 33) or in the Member Resource Centre website.
 - if permission is granted, a cheque is made payable to the Law Society of Upper Canada in trust in the amount permitted.
 - if any new information relating to the person entitled to the money comes to your attention, the Law Society of Upper Canada must be informed.

- voicemail is available for questions or for more information at 416-947-3300 or 1-800-668-7380 ext. 3312
- If you maintain trust funds in your account after your practice has been closed, you must continue to comply with the Law Society's trust accounting and filing requirements set out in By-laws 8 and 9.
- Close the trust account only when the balance is zero and all funds have been distributed and accounted for.
- Notify the bank to request that the trust account be closed and ask for confirmation in writing or a final bank statement showing that the trust account has been closed.

GENERAL ACCOUNTS

- Consider whether you will need to continue to operate these accounts for a period of time after the practice is closed.

COLLECTING ACCOUNTS RECEIVABLE

- Prepare final bills or accounts.
- Continue to collect accounts receivable after closing or retiring.
- Consider selling your accounts receivable if you sell or transfer your practice.

BOOKS AND RECORDS

- Review the requirements in *Law Society Act*, By-Law 9, section 23(1), (2), (3)
- Maintain books and records for general accounts for the six full fiscal years immediately preceding the most recent fiscal year end.
- Maintain books and records for trust accounts for the ten full fiscal years immediately preceding the most recent fiscal year end.
- Review the requirements in the *Income Tax Act*, including ss. 230(4) to (7) of the *Act*, Part 5800 of the Regulations and information Circular 78-10R3 before destroying any financial records.

CLIENT PROPERTY, WILLS, CORPORATE BOOKS

Client trust funds are dealt with in the section on **Accounting and Banking, Books and Records** and client documents in the lawyer's files are covered in the section on **Closed Files**. This section deals with other client property that may be in the lawyer's custody such as wills, corporate books, and safety deposit boxes. You must observe all relevant professional conduct rules and law regarding the preservation of the client's property. Rule 2.07 of the *Rules of Professional Conduct* governs lawyers' obligations when dealing with client property. You must care for client property as a careful and prudent owner until the property is transferred or disposed of in accordance with the instructions of the rightful owner or order of a tribunal of competent jurisdiction.

✓ **Checklist**

- ❑ Make a list of all original wills in your possession.
- ❑ Prepare an up-to-date address list for the testators.
- ❑ Advise clients in writing of the sale or transfer of the practice and where original wills may be located after wind up including name, address, email, and telephone number of the successor lawyer.
- ❑ If the client wants the will delivered to another lawyer, confirm instructions in writing and obtain an executed direction.
- ❑ If you are closing the practice, send a letter to the client at his or her last known address advising that the practice is closing.
- ❑ If you are unable to get instructions from a testator or cannot locate a testator, you must arrange to leave the wills with another lawyer of your choice who must comply with Rule 2.07 of the *Rules of Professional Conduct*.
- ❑ If you leave the wills with another lawyer, you or the other lawyer must write to Trustee Services at the Law Society of Upper Canada to confirm the location of the wills and Powers of Attorney. Contact Trustee Services at (416) 947-3300 or 1-800-668-7380 ext. 3366.
- ❑ If you are the estate trustee of any will, advise the client of your intention to wind-up or leave the practice and obtain instructions from the client in light of your leaving the practice.
- ❑ A lawyer who qualifies for retirement and acts as an estate trustee does not have to pay the annual fee. A lawyer who changes status to non-practising may still have to pay the annual fee or a reduced fee. Both are subject to certain regulatory requirements:
 - declare the trusteeship to the Law Society

- continue to file the Member's Annual Report (MAR)
 - continue to be subject to the Spot Audit program, and
 - file the appropriate exemption forms each year with LawPRO® to confirm the member's exempted status as exempt from payment of insurance premium levies.
-
- If you do not wish to act as estate trustee and cannot reach the client, prepare a renunciation of Estate Trustee and attach it to the will.

 - Return the original will to the testator and ensure the testator personally accepts receipt of the will.

CORPORATE BOOKS, SEALS AND RECORDS

- Return corporate books, seals and records to the principal of the corporation.

- If you cannot return the records to a principal of the corporation, transfer them to another lawyer for safekeeping or obtain instructions from the corporation's agents.

SAFETY DEPOSIT BOXES

- Empty safety deposit boxes, return clients' wills or valuable property to clients, or transfer them to other lawyers in accordance with clients' instructions.

PERSONNEL, OFFICE PREMISES

Apart from dealing with client matters, when you leave or close a practice, a number of administrative matters must be dealt with relating to office premises, equipment and employees.

✓ Checklist

- ❑ Determine what to do with the office furniture, equipment and law library. See **Law Firm Inventory Checklist** (page 39) and **Law Office List of Contacts** (page 40).

OFFICE PREMISES

- ❑ Check lease on office at earliest possible date to determine terms.
- ❑ Contact landlord to determine if you can cancel, assign lease or sublet premises.
- ❑ Cancel all maintenance or cleaning services.
- ❑ Delete firm name from directory in building.
- ❑ Remove name from door, building, window.

TELEPHONE SYSTEMS

- ❑ If you own the system, consider selling or assigning.
- ❑ Cancel telephone number.
- ❑ Cancel Yellow Pages listing: write to Tele-Direct (Publications) Inc.
- ❑ Cancel listing in other legal directories such as Martindale and Hubbell, Ontario Lawyer's Phone Book, Canada Law List.
- ❑ Consider leaving a voicemail message for a limited time advising that the practice is closed and provide new contact information.

LEASED EQUIPMENT

- ❑ Check the terms of the lease for all equipment which may include:
 - computer systems
 - printers
 - dictation equipment
 - photocopiers
 - facsimile machines
 - paper shredders.
- ❑ If unable to return equipment before the end of the lease, consider whether you can assign the lease.

- ❑ If neither termination nor assignment is possible, set aside funds to make lease payments or to pay out the leases.
- ❑ Check equipment maintenance contracts to determine whether to terminate, assign, or pay out.

OFFICE FURNITURE

- ❑ Sell or dispose of furniture, check Yellow Pages and the web for companies specializing in the sale of office furniture.
- ❑ Post notices of sale in law libraries, barristers lounges, registry office.
- ❑ Sell or dispose of owned equipment.
- ❑ Advise off-site storage facilities of new contact information.

LAW LIBRARY

- ❑ Dispose of law library, sell or donate books.
- ❑ Check with libraries, law schools, other firms.
- ❑ Place ads in magazines or report series.
- ❑ Check with legal publishers to sell books.

EMPLOYEE

- ❑ Provide sufficient notice of termination and compensation in lieu of notice. Refer to the *Employment Standards Act* for minimum notice requirements.
- ❑ Prepare records of employment for all staff. Obtain necessary forms from Human Resources and Social Development Canada.
- ❑ Pay holiday pay or other accrued benefits.
- ❑ Submit income tax withheld to Canada Revenue Agency.
- ❑ Prepare and deliver T-4 slips.
- ❑ Submit Canada Pension Plan and Employment Insurance payments withheld.
- ❑ Ensure that articling students have their articles assigned to another qualified principal. If you are moving to another law firm, the student may decide to move with you to continue articles at the new firm.

WEBSITES

- ❑ Consider changing your website for a limited time, advising the practice is closed and providing new contact information.
- ❑ Ensure other websites where you may have advertised are modified to reflect that the practice is closed.

NOTICES TO REGULATORS, INSURER, THIRD PARTIES, POWERS OF ATTORNEY, NOTARY, COMMISSIONER OF OATHS

Notification of your change of status or winding-up should be provided to the Law Society of Upper Canada and LAWPRO®. Prepare and plan ahead of time to avoid receiving notices or invoices after your practice is closed and to avoid paying for services no longer required.

Contact the Client Service Centre or check the Member Resource Centre website for all inquiries regarding changes in membership status, retirement, resignation of your membership, and readmission to the practice of law. Phone: 416-947-3315 or 1-800-668-7380 ext. 3315

Contact LAWPRO® for all inquiries regarding professional liability insurance matters. Phone: 416-598-5899 or toll-free at 1-800-410-1013.

✓ Checklist

LAWPRO®

- ❑ Notify LAWPRO® at least 60 days in advance (earlier is better so gaps in coverage can be avoided – there is a 60-day waiting period on run-off buy-up policies), that the practice is being wound up or that you are transferring firms. See **Letter to LAWPRO®** (page 61).
- ❑ Obtain pro-rated refund of insurance coverage to the day of any premium you have paid. (Back-dated refund will be a maximum of 30 days).
- ❑ Assess insurance coverage needs once the practice is closed.
- ❑ Consider purchasing run-off coverage in excess of the \$250,000.00 automatically available to protect against any future claims that may arise after the practice has been closed. Note that run-off insurance coverage only covers work done before your change in status, not post-change in status work.
- ❑ Contact LAWPRO® to discuss insurance options.

LAW SOCIETY OF UPPER CANADA

- ❑ Notify the Client Service Centre and Trustee Services at the Law Society of Upper Canada in writing of your intention to close the practice. See **Letter to Law Society of Upper Canada (Trustee Services)** (page 62) and **Notice of Change of Information** (page 63).
- ❑ Specify the date of closing, the reason for closing your practice, address and e-mail address for future correspondence, telephone and facsimile number.
- ❑ Notify Trustee Services of location of files, wills and corporate records, status of trust accounts and current contact information by phone or in writing.

- ❑ Notify local and district county associations and include your change of address.

MISCELLANEOUS

- ❑ Notify all suppliers of the closing of the practice and of an address where all future correspondence should be sent. See **Letter to Supplier** (page 65).
- ❑ Notify all utility companies and cancel services.
- ❑ Cancel property and business insurance.
- ❑ Notify publishers, and cancel subscriptions to reports or journals, or redirect to your new address.
- ❑ Provide change of address to post office and to building superintendent.
- ❑ Post notice of closing, retirement, or transfer of practice to other firm at
 - local court house offices and law library
 - electronic bulletin boards
 - newspapers
 - registry and Land Titles office
 - sheriff's office
 - websites.

See **Notice to be Posted** (page 66).

- ❑ Review memberships in professional organizations to determine whether membership should be changed or terminated.
- ❑ Notify banks and credit card agencies.
- ❑ Ensure that e-mail is adjusted to respond appropriately to all incoming e-mails to advise that the practice has been closed or that you have transferred firms and provide a contact number or address.
- ❑ Close down website.
- ❑ Cancel advertising.

POWERS OF ATTORNEY

- ❑ Appointments as a power of attorney remain (subject to the specific provisions of the Power of Attorney) in full force and effect regardless of whether you are practicing law.
- ❑ Contact the client if you do not wish to continue to act as a power of attorney and obtain instructions.

NOTARY PUBLIC AND COMMISSIONER OF OATHS

- ❑ Review statutes relating to commissioner of oaths and notaries, *Commissioners for Taking Affidavits Act* and *Notaries Act*.

- ❑ You cannot provide legal advice when acting as a commissioner of oaths or notary.
- ❑ Ensure that you are permitted by statute given your status (i.e. non-practising, retired) to continue to carry out those functions.
- ❑ Contact Official Documents Services, Ministry of Government Services at (416) 325-8416 for further information.

SPECIAL CONSIDERATIONS, CHANGE IN CAREER, PERMANENT RETIREMENT

Lawyers considering a change of career to pursue other employment opportunities, such as in-house counsel positions, non-legal positions, or appointments to the bench should plan ahead of time to ensure the winding-up does not compromise client interests.

Before you apply for a new position, review the status of your practice carefully to ensure that you will be able to leave your practice on very short notice.

If you are over 65 and will be retiring permanently from the practice of law, you may apply for an exemption from paying annual fees and filing requirements pursuant to By-law 5.

Contact the Client Service Centre or check the Member Resource Centre website for all inquiries regarding changes in membership status, retirement, resignation of your membership, and readmission to the practice of law. Phone: 416-947-3315 or 1-800-668-7380 ext. 3315

✓ Checklist

- ❑ Review all open files to determine whether they could easily be transferred.
- ❑ Decide whether you wish to continue or cancel memberships and subscriptions to publications.
- ❑ For information on adjusting your membership fees refer to Status and Category in the Member Resource Centre website.
- ❑ If you are leaving the practice of law, consider requalification requirements if you decide to return to practice in the future. Refer to Retirement, Resignation, and Readmission and to the Requalification Requirements, the Private Practice Refresher Program in the Member Resource Centre website for more information.
- ❑ If you wish to resign from the Law Society of Upper Canada, a resignation application must be completed and all supporting documentation received by the Law Society of Upper Canada. Refer to Retirement, Resignation, and Readmission in the Member Resource Centre website. See **Application for Resignation under By-law 4** (page 67). Note that if you resign, you are no longer entitled to practice law and you are no longer a member of the Law Society of Upper Canada. Refer to By-law 4.
- ❑ If you are no longer practicing law, but are still acting as estate trustee, mediator, immigration consultant or otherwise providing services that are often, but not exclusively provided by lawyers, ensure that you are clear to clients and others that you are not acting as a lawyer.
- ❑ If you are over 65, and are retiring, make application for exemption from paying annual fees filing requirements. Refer to Retirement, Resignation, and Readmission in the Member Resource Centre website and By-law 5. See **Application for Exemption from The Requirement to Pay the Annual Fee and to Submit the Member's Annual Report** (page 81).

SPECIAL CONSIDERATIONS, ILLNESS, DISABILITY OR DEATH

Your duty of competent representation includes safeguarding client interests in the event of the lawyer's death, disability, impairment, or incapacity. If you are a sole practitioner (or in a small firm), make arrangements for an assisting lawyer to step into your shoes. All critical information regarding client matters should be stored in a location that can be easily and efficiently accessed by the lawyer stepping into your shoes in the event of your death or incapacity. To assist you in preparing for the unexpected, consider adopting the following measures.

✓ Checklist

- ❑ Create and maintain an up-to-date office procedure manual to provide direction on every aspect of your office's operation.
- ❑ Record all deadlines on every file (including follow-up deadlines) in a central calendaring system (apart from your personal calendar) to enable an assisting lawyer to deal with these deadlines in your absence.
- ❑ Document your files in sufficient detail to allow an assisting lawyer to quickly "come up to speed" and take over the file with minimal delay or expense to the client.
- ❑ Keep time and billing records up-to-date.
- ❑ Return or deliver to the client his or her original documents (such as wills or corporate records) as soon as possible. Avoid keeping client property in the firm. Make the client the custodian of his or her original documents.
- ❑ If you are a sole practitioner, arrange for an assisting lawyer to take over your practice in the case of your death or disability:
 - Choose an assisting lawyer who is sensitive to existing or potential conflict of interest issues.
 - Familiarize your assisting lawyer with your staff, office systems and keep him or her apprised of office changes.
 - Include in your retainer agreement a provision indicating that you have arranged for an assisting lawyer to close your practice in the event of death, disability, impairment, or incapacity.
- ❑ Put in place a Power of Attorney for your practice and trust accounts in the event you become disabled.
- ❑ Ensure you have a valid will.
- ❑ Consider what terms should be included in your will to deal with practice-related issues.

- Set out the responsibilities of your personal representative for the orderly winding-up of the practice. Obligations of the personal representative may include finding, preparing and working with a successor lawyer.
- Make sure your partners, staff and family are aware of the plans you have put in place. See **Law Firm Inventory Checklist** (page 39), **Law Office List of Contacts** (page 40) and **Letter Advising that Lawyer is Unable to Continue in Practice** (page 95).

LETTER TO CLIENT ADVISING THAT LAWYER IS CLOSING OFFICE

(Sample – Modify as Appropriate)

Re: *(Name of Case)*

Name: *(Name)*:

As of *(date)*, I will be closing my law practice due to *(provide reason, if possible)*. I will be unable to continue representing you on your legal matters.

I recommend that you immediately hire another lawyer to handle your case for you. You can select any lawyer you wish, or I would be happy to provide you with a list of local lawyers who practice in the area of law relevant to your legal needs. Also, the Law Society of Upper Canada provides a lawyer referral service that can be reached at 1-900-565-4577 (\$6.00 charge).

When you select your new lawyer, please provide me with written authority to transfer your file to the new lawyer. If you prefer, you may come to our office and pick up a copy of your file, and deliver it to that lawyer yourself.

It is imperative that you obtain a new lawyer immediately. *(Insert appropriate language regarding time limitations or other critical time lines that client should be aware of)*. Please let me know the name of your new lawyer, or pick up a copy of your file by *(date)*.

I *(or: insert the name of the lawyer who will store files)* will continue to store my copy of your closed file for *(insert time)*. After that time, I *(or, insert name of other lawyer)* will destroy my copy of the file unless you notify me in writing immediately that you do not want me to follow this procedure. *(If relevant, add: If you object to (insert name of lawyer who will be storing files) storing my copy of your closed file, let me know immediately and I will make alternative arrangements)*.

If you or your new lawyer need a copy of my closed file, please feel free to contact me. I will be happy to provide you with a copy.

Within the next *(fill in number)* weeks I will be providing you with a full accounting of your funds in my trust account and any fees you may currently owe me.

You will be able to reach me at the address and phone number listed on this letter until *(date)*. After that time, you or your new lawyer can reach me at the following phone number and address:

(Name)

(Address)

(Phone)

Remember that it is imperative to retain a new lawyer immediately. This will be the only way that time limitations applicable to your case will be protected and your other legal rights preserved.

I appreciate the opportunity of providing you with legal services. Please do not hesitate to give me a call if you have any questions or concerns.

Sincerely,

(Lawyer)
(Firm)

SAMPLE WORDING FOR NOTICE FOR NEWSPAPERS

“Notice to clients of *(name/law firm)* that *(he/she)* will be retiring from the practice of law on *(date)*. Clients should contact *(name)* at *(phone number)* to obtain copies of their open or closed files, original wills, valuable papers, funds in trust and corporate records as soon as possible.”

DIRECTION TO TRANSFER CLIENT FILE

I hereby authorize the law office of *(Firm/Lawyer)* to deliver a copy of my file No. *(File Number)* *(Party)* v. *(Party)* re: *(Brief Description of Matter)* to my new lawyer, *(Firm/Lawyer)* at the following address:

(Client)

(Date)

REQUEST FOR FILE

I hereby request that *(Firm/Lawyer Name)* provide me with a copy of my file No. *(File Number)* *(Party)* v. *(Party)* re: *(Brief Description of Matter)*. Please send the file to the following address:

(Client)

(Date)

ACKNOWLEDGEMENT OF RECEIPT OF FILE

I hereby acknowledge that I have received a copy of my file No. *(File Number)*, *(Party)* v. *(Party)* re: *(Description of Matter)* from the law office of *(Name)*.

(Client)

(Date)

TRANSFER MEMO TO FILE OR NEW LAWYER

MEMO TO: *(File or New Lawyer)*

NAME OF FILE:

FILE NUMBER:

DATE:

NOTE: *(Limitation Periods, Appearance Dates, and Outstanding Obligations)*

I was retained by client *(X on date)* with respect to the following:

(List all items and include the retainer letter)

A summary of the history of this matter is as follows:

(Summarize the relevant facts and the history of the case to present. Include details of litigation, negotiations, etc.)

The client's position on each issue is:

The opposing side's position on each issue is:

Any other relevant information:

In accordance with the client's instructions, I have transferred the file to you.

Or

I have not been able to reach the client and have sent the file to you.

CLAUSE IN LETTER TO CLIENT RE: CLIENT'S OUTSTANDING UNDERTAKING OR OBLIGATION

I confirm that on *(date)*, we agreed to or undertook to provide *(the undertaking or obligation)* by *(date)*. I note that this has not yet been fulfilled. As I will be *(retiring or leaving practice)* on *(date)*, please take immediate steps to fulfill *(the undertaking or obligation)* no later than *(date)*.

REPORTING LETTER

I am pleased to advise that matters have now been completed with respect to your file and would like to take this opportunity to report out to you as follows:

You retained my office in *(insert date)* with respect to the following:

In accordance with your instructions, we took the following steps on your behalf:

The matter was settled in the following manner:

We have completed all obligations pursuant to the settlement of the matter, which included:

Or

The following matters are still outstanding and must be completed by:

Please note the following time limitation periods:

As I am now *(closing my practice, retiring, transferring firm)*, I would like to take this opportunity to enclose my final statement of account, which I trust is satisfactory.

I would also ask you to contact my office to make arrangements with respect to the contents of your file.

Yours truly,



The Law Society of
Upper Canada | Barreau
du Haut-Canada

Revised November 2002

UNCLAIMED TRUST FUNDS MEMBER'S APPLICATION FORM

A. MEMBER/FIRM INFORMATION

Name	
Address	
Telephone Number	
Fax Number	
E-Mail Address	

___ Application pursuant to section 59.6(1)(a), entitlement to funds is known.
(Complete Sections B, C, D and E.)

___ Application pursuant to section 59.6(1)(b), entitlement to funds is not known.
(Complete Sections D and E.)

B. CLIENT FILE/MATTER INFORMATION

Name and member number of member responsible for file/matter	
Number assigned by member/firm to file/matter	
Name of file/matter (if litigation file, specify style of cause)	
Type of file/matter (e.g., personal injury, real estate etc.)	

C. CLIENT INFORMATION

Where more than one person is entitled to the funds, **attach a separate sheet for each person** and complete all questions for each person.

Full name	
If corporation, full name of person instructing member on file/matter	
If corporation, full names and addresses of shareholders, directors and officers	
Last known address. If corporation, last known head office address	
Last known telephone number	
SIN or corporation number (if known)	
Date of birth (if known)	
Male or female?	
Driver=s licence number (if known)	
Any other information to identify person or to confirm validity of the person=s claim to funds (eg. names,birthdates of children)	

D. FUNDS INFORMATION

Dollar amount of unclaimed funds (attach copy of client trust ledger)	\$
Date funds received by lawyer in trust	
Date funds were last active	
Reason why funds were not paid out by member/firm to person(s) entitled thereto	
Are funds subject to trust conditions or competing claims? (if so, give complete details and attach relevant documents.)	
Reason why entitlement to funds can not be determined (attach schedule if necessary)	

E. EFFORTS MADE TO PAY OUT FUNDS

Attach copies of any documents that relate to the steps taken to pay out funds. (The steps listed below are examples of steps that a member/firm might take to pay out funds. A member/firm must demonstrate that all reasonable steps to locate the beneficiaries of the trust funds have been taken, prior to the application being approved.

Steps Taken:	Yes	No	Date(s)	Results/Comments
Letters, Faxes, e-mails sent (attach copies)				
Phone calls made (provide telephone number(s))				
Motor vehicle licence search				
Canada 411 search				
Bell Canada				
Personal property (PPSA) search				
Title search				
Corporate search				
Other (specify)				

6. CERTIFICATION OF MEMBER

I _____ of _____, in the Province of Ontario, certify that the information set out in this application, and in any attachments, is correct to the best of my knowledge and belief.

Date

Signature

The Law Society of Upper Canada
Unclaimed Trust Fund Programme
Trustee Services
Osgoode Hall, 130 Queen St. West
Toronto, Ontario
M5H 2N6

Fax (416) 644-4880
Voicemail (416) 947-3312

LAW FIRM INVENTORY CHECKLIST

ITEM	OWNERSHIP	DISPOSITION
Communication Systems		
1. Phones		
2. Voicemail		
3. Fax Machines		
4. E-Mail		
5. Internet		
6. Cell Phones		
7. Personal Organizers		
8. Website/Internet		
9. Other		
Computer Systems		
1. Desktop Computers		
2. Laptop Computers		
3. Software		
4. Other		
Equipment		
1. Photocopiers		
2. Shredders		
3. Dictaphones		
Furniture		
1. Desks		
2. Computer Desks		
3. Chairs		
4. Bookshelves		
Books <i>(itemize as necessary)</i>		
Office Supplies <i>(itemize as necessary)</i>		
Off-site Storage <i>(itemize as necessary)</i>		

LAW OFFICE LIST OF CONTACTS

PERSONAL DATA:

NAME: _____ SOCIAL INSURANCE #: _____

DATE OF BIRTH: _____

OFFICE ADDRESS: _____

OFFICE PHONE: _____

OFFICE FAX: _____

EMAIL ADDRESS: _____

HOME ADDRESS: _____

HOME PHONE: _____

SPOUSE:

NAME: _____

HOME ADDRESS: _____

HOME PHONE: _____

OFFICE MANAGER:

NAME: _____

HOME ADDRESS: _____

HOME PHONE: _____

COMPUTER AND TELEPHONE PASSWORDS:

(Name of person who knows passwords or location where passwords are stored, such as a safety deposit box).

NAME: _____

HOME ADDRESS: _____

HOME PHONE: _____

POST OFFICE OR OTHER MAIL SERVICE BOX:

LOCATION: _____

BOX NO.: _____

OBTAIN KEY
FROM: _____

ADDRESS: _____

PHONE: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

BOOKKEEPER:

NAME: _____

HOME ADDRESS: _____

HOME PHONE: _____

LANDLORD:

NAME: _____

ADDRESS: _____

PHONE: _____

PERSONAL REPRESENTATIVE:

NAME: _____

ADDRESS: _____

PHONE: _____

LAWYER:

NAME: _____

ADDRESS: _____

PHONE: _____

ACCOUNTANT:

NAME: _____

ADDRESS: _____

PHONE: _____

LAWYERS TO HELP WITH PRACTICE CLOSURE

FIRST CHOICE: _____

ADDRESS: _____

PHONE: _____

SECOND CHOICE: _____

ADDRESS: _____

PHONE: _____

THIRD CHOICE: _____

ADDRESS: _____

PHONE: _____

LOCATION OF WILL AND/OR TRUST:

ACCESS WILL AND/OR TRUST
BY CONTACTING: _____

ADDRESS: _____

PHONE: _____

PROFESSIONAL CORPORATIONS:

CORPORATE
NAME: _____

DATE
INCORPORATED: _____

LOCATION OF CORPORATE
MINUTE BOOK: _____

LOCATION OF CORPORATE
SEAL: _____

LOCATION OF CORPORATE STOCK
CERTIFICATE: _____

LOCATION OF CORPORATE
TAX RETURNS: _____

FISCAL YEAR-END
DATE: _____

CORPORATE
LAWYER: _____

ADDRESS: _____

PHONE: _____

PROCESS SERVICE COMPANY:

NAME: _____

ADDRESS: _____

PHONE: _____

CONTACT: _____

COMPUTER SERVICES:

SERVER NAME: _____

ADDRESS: _____

PHONE: _____

WEBSITE: _____

OFFICE WEBSITE: _____

OFFICE EMAIL: _____

OFFICE PROPERTY/LIABILITY COVERAGE:

INSURER: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

CONTACT: _____

OTHER IMPORTANT CONTACTS

NAME: _____

ADDRESS: _____

PHONE: _____

REASON FOR CONTACT: _____

NAME: _____

ADDRESS: _____

PHONE: _____

REASON FOR CONTACT: _____

NAME: _____

ADDRESS: _____

PHONE: _____

REASON FOR CONTACT: _____

GENERAL LIABILITY COVERAGE:

INSURER: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

CONTACT: _____

LEGAL MALPRACTICE – PRIMARY COVERAGE:

Provider: LawPRO®
Lawyers' Professional Indemnity Company
Address: One Dundas Street West, Suite 2200
Toronto, ON M5G 1Z3
Phone: 416 598 5800

EXCESS COVERAGE:

INSURER: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

CONTACT: _____

OFFICE OVERHEAD/DISABILITY INSURANCE:

INSURER: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

CONTACT: _____

EXTENDED HEALTH INSURANCE:

INSURER NAME: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

PERSONS
COVERED: _____

CONTACT
PERSON: _____

DISABILITY INSURANCE:

INSURER NAME: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

CONTACT: _____

LIFE INSURANCE:

INSURER NAME: _____

ADDRESS: _____

PHONE: _____

POLICY NO.: _____

CONTACT: _____

OFF-SITE STORAGE LOCATION:

STORAGE
COMPANY: _____

LOCKER NO.: _____

ADDRESS: _____

PHONE: _____

OBTAIN KEY
FROM: _____

ADDRESS: _____

PHONE: _____

ITEMS STORED: _____

STORAGE
COMPANY:

LOCKER NO.:

PHONE:

OBTAIN KEY
FROM:

ADDRESS:

PHONE:

ITEMS STORED:

SAFETY DEPOSIT BOXES:

INSTITUTION: _____

BOX NO.: _____

ADDRESS: _____

PHONE: _____

OBTAIN KEY
FROM: _____

ADDRESS: _____

PHONE: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

ITEMS STORED: _____

INSTITUTION: _____

BOX NO.: _____

ADDRESS: _____

PHONE: _____

OBTAIN KEY
FROM: _____

ADDRESS: _____

PHONE: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

ITEMS STORED: _____

INSTITUTION: _____

BOX NO.: _____

ADDRESS: _____

PHONE: _____

OBTAIN KEY
FROM: _____

ADDRESS: _____

PHONE: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

ITEMS STORED: _____

LEASES:

ITEMS LEASED: _____

LESSOR: _____

ADDRESS: _____

PHONE: _____

EXPIRATION
DATE: _____

ITEMS LEASED: _____

LESSOR: _____

ADDRESS: _____

PHONE: _____

EXPIRATION
DATE: _____

ITEMS LEASED: _____

LESSOR: _____

ADDRESS: _____

PHONE: _____

EXPIRATION
DATE: _____

LAWYER GENERAL TRUST ACCOUNT:

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

INDIVIDUAL TRUST ACCOUNT:

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

ESTATE ACCOUNTS:

CLIENT: _____

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

GENERAL OPERATING ACCOUNT:

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

BUSINESS CREDIT CARDS

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

INSTITUTION: _____

ADDRESS: _____

PHONE: _____

ACCOUNT NO.: _____

OTHER
SIGNATORY: _____

ADDRESS: _____

PHONE: _____

MAINTENANCE CONTRACTS

ITEM COVERED: _____

VENDOR NAME: _____

ADDRESS: _____

PHONE: _____

EXPIRATION: _____

ITEM COVERED: _____

VENDOR NAME: _____

ADDRESS: _____

PHONE: _____

EXPIRATION: _____

ITEM COVERED: _____

VENDOR NAME: _____

ADDRESS: _____

PHONE: _____

EXPIRATION: _____

ALSO ADMITTED TO PRACTICE IN THE FOLLOWING PROVINCES:

PROVINCE: _____

ADDRESS: _____

PHONE: _____

MEMBERSHIP ID #: _____

PROVINCE: _____

ADDRESS: _____

PHONE: _____

MEMBERSHIP ID #: _____

PROVINCE: _____

ADDRESS: _____

PHONE: _____

MEMBERSHIP ID #: _____

(Reprinted and adapted with permission of the State Bar of Arizona Sole Practitioner Section)

LETTER TO LAWPRO®

To Whom It May Concern:

Re: *(Full Name)*
 (Law Society Member Number)

Please be advised that effective *(date)*, I will be *(closing my practice, retiring, transferring firms, closing my practice due to disability)*

Or

Please be advised that the aforementioned member passed away on *(date)*, and effective *(date)*, his/her practice has been closed.

(My/his/her) present address and telephone number is *(insert address and telephone number of practice)*. Please forward all correspondence to *(your name and forwarding address or the name of the person closing the practice)* after the effective date.

Yours truly,

LETTER TO LAW SOCIETY OF UPPER CANADA (TRUSTEE SERVICES)

To Whom It May Concern:

Re: *(Full Name)*
 (Law Society Member Number)

Please be advised that effective *(date)*, I will be *(closing my practice, retiring, transferring firms, closing my practice due to disability)*.

Or

Please be advised that the aforementioned member passed away on *(date)*, and effective *(date)*, his/her practice has been closed.

(My/his/her) present address and telephone number is *(insert address and telephone number of the practice)*. Please forward all correspondence to *(your name and forwarding address or the name of the person closing the practice)* after the effective date.

Yours truly,

LETTER TO SUPPLIER

Dear *(insert name of company)*:

Please be advised that effective *(insert date)*, I will be _____ my practice.
Please cancel my *(service, subscription, order)*.

I am enclosing a cheque in the amount of _____, representing the final payment.

Or

I would appreciate it if you could forward any outstanding *(invoices or amounts)* to me at *(address)*.

Yours truly,

Notice To Be Posted

Please be advised that effective *(insert date)*, the *(insert name of lawyer or firm)*, will be closed.

Please contact *(insert name)* for any further inquiries.

**THE LAW SOCIETY OF UPPER CANADA
APPLICATION FOR RESIGNATION
(under By-Law 4)**

Instructions: Complete all sections. Strike through the parts that are not applicable. Provide additional information on a separate sheet if required. Incomplete applications will delay processing.

PART A – APPLICANT INFORMATION AND STATUS

PERSONAL INFORMATION	STATUS (choose one)
First Name: _____ Middle Name(s): _____ Last Name: _____ Date of Birth: ____ / ____ / ____ DD MM YYYY I was called to the Ontario Bar on: ____ / ____ / ____ DD MM YYYY Member Number: _____	A. <input type="checkbox"/> Sole Practitioner in Ontario B. <input type="checkbox"/> Partner in a Law Firm in Ontario C. <input type="checkbox"/> Employee in a Law Firm in Ontario D. <input type="checkbox"/> Associate in a Law Firm in Ontario E. <input type="checkbox"/> Employed in Education in Ontario F. <input type="checkbox"/> Employed in Government in Ontario G. <input type="checkbox"/> Otherwise Employed in Ontario H. <input type="checkbox"/> Not Working I. <input type="checkbox"/> Not in Ontario J. <input type="checkbox"/> Suspended
EMPLOYMENT INFORMATION	HOME AND MAILING ADDRESSES
Employer's Name: _____ Employer's Address: _____ _____ Business Number: () _____ Facsimile Number: () _____ Email Address: _____ Occupation: _____	Home Address: _____ _____ Mailing Address: _____ (if different) _____ Home Number: () _____ Facsimile Number: () _____ Email Address: _____

PART B – STATUS HISTORY

Choose **one** response (directly below).

a) I practised law in Ontario for ____ years and ceased to practise law as an Ontario lawyer on: ____ / ____ / ____
DD MM YYYY

OR

b) I was never engaged in the practise of law as an Ontario lawyer.

Note: If you never engaged in the private practise of law as an Ontario lawyer, you may be eligible for an exemption from the requirement to publish a Notice of Intention to Resign in the Ontario Reports. Provide a letter outlining your work history with your application to formalize this request.

PART C - TRUST MONIES AND PROPERTY

Choose **one** response that is most appropriate with respect to your practise as an Ontario lawyer (directly below).

a) I have paid over and distributed all money and property held in trust, including money and property held for estates to the person(s) entitled thereto for which I was responsible, or to another member entitled to practise law. ***Requires supporting documentation – refer to Checklist.**

OR

b) I have **not** accounted for and/or paid over money and property held in trust for which I was responsible. ***Provide an explanation on the “Specifics” page 5.**

OR

c) I have **not** been responsible for any money or property held in trust.

PART D - CLIENT FILES, DOCUMENTS AND PROPERTY

Choose **one** response that is most appropriate with respect to your practise as an Ontario lawyer (directly below).

a) I have disposed of/or arrangements have been made to the clients’ satisfaction to have their files, documents and property returned to them.

OR

b) I have turned over clients’ files, documents and property with the clients’ authorizations to another lawyer entitled to practise law. ***Provide details on page 4.**

OR

c) I have not disposed of/or made arrangements to have clients’ files, documents and property returned to them to their satisfaction. ***Provide an explanation on the “Specifics” page 5**

OR

d) I have not been responsible for any client matters, files, documents and property.

PART E - GOOD CHARACTER

Answer **all** of the following questions. If you answer **yes** to any question below provide an explanation on the “Specifics” **page 5.**

a) I am currently aware of a claim against me in either my professional capacity or with respect to my practice.

YES NO

b) I am the subject of an audit, investigation and/or search or seizure by the Law Society.

YES NO

c) I am party to a proceeding under Part II of the *Law Society Act*,

YES NO

d) I am party to a proceeding under section 33 of the *Law Society Act* as that section read before the day that the *Law Society Amendment Act*, 1998 came into force.

YES NO

PART F – CLIENT PROPERTY AND FILE INFORMATION

I have transferred and disposed of my clients' files, documents and property as follows:

	Transferred to/ Location stored (Name, Address)	Contact Information (Name, Telephone Number)
Active Files		
Closed Files		
Wills		
Powers of Attorney		
Corporate Minute Books		
Corporate Seals		

PART H – DECLARATION

I, _____ solemnly declare that all information provided by me
(Full Name of Applicant)
in this application or supplemental thereto, and in the documents furnished in connection with
this application, is true.

DECLARED BEFORE ME)

at _____ , _____)

on the _____ day of _____ , 20 _____)

Signature of Applicant

(A Commissioner for Taking Affidavits)

Print Name

(for office use only)

Approved by: _____ *Approval date:* _____

PART I – LAWYERS’ PROFESSIONAL INDEMNITY COMPANY – (RELEASE)

I, _____, of _____, hereby
(Full Name of Applicant) (City/Town/etc)
authorize and direct LawPRO to provide information to the Law Society of Upper Canada
regarding the status of payment of my premiums and levies and the status of my filings with
LawPRO in order that the Law Society may process my application for resignation at my own
request.

Signature of Applicant

Date



The Law Society of
Upper Canada | Barreau
du Haut-Canada

THE LAW SOCIETY OF UPPER CANADA
APPLICATION FOR EXEMPTION FROM THE REQUIREMENT TO PAY
THE ANNUAL FEE AND TO SUBMIT THE MEMBER'S ANNUAL REPORT
(under By-Laws 5 & 8)

Instructions: Complete all sections. Strike through the parts that are not applicable. Provide additional information on a separate sheet if required. Incomplete applications will delay processing.

PART A – APPLICANT INFORMATION AND STATUS

PERSONAL INFORMATION	STATUS (choose one)
First Name: _____	A. <input type="checkbox"/> Sole Practitioner in Ontario B. <input type="checkbox"/> Partner in a Law Firm in Ontario C. <input type="checkbox"/> Employee in a Law Firm in Ontario D. <input type="checkbox"/> Associate in a Law Firm in Ontario E. <input type="checkbox"/> Employed in Education in Ontario F. <input type="checkbox"/> Employed in Government in Ontario G. <input type="checkbox"/> Otherwise Employed in Ontario H. <input type="checkbox"/> Not Working I. <input type="checkbox"/> Not in Ontario
Middle Name(s): _____	
Last Name: _____	
Date of Birth: _____/_____/_____ DD MM YYYY	
I was called to the Ontario Bar on: _____/_____/_____ DD MM YYYY	
Member Number: _____	HOME AND MAILING ADDRESSES
EMPLOYMENT INFORMATION	Home Address: _____
Employer's Name: _____	_____
Employer's Address: _____	Mailing Address: _____
_____	(if different)
_____	_____
Business Number: () _____	Home Number: () _____
Facsimile Number: () _____	Facsimile Number: () _____
Email Address: _____	Email Address: _____
Occupation: _____	_____

PART D - CLIENT FILES, DOCUMENTS AND PROPERTY

Choose **one** response that is most appropriate with respect to your practise as an Ontario lawyer (directly below).

a) I have disposed of/or arrangements have been made to the clients’ satisfaction to have their files, documents and property returned to them.

OR

b) I have turned over clients’ files, documents and property with the clients’ authorizations to another lawyer entitled to practise law. ***Provide details on page 4.**

OR

c) I have not disposed of/or made arrangements to have clients’ files, documents and property returned to them to their satisfaction. ***Provide an explanation on the “Specifics” page 5**

OR

d) I have not been responsible for any client matters, files, documents and property.

PART E - GOOD CHARACTER

Answer **all** of the following questions. If you answer **yes** to any question below provide an explanation on the “Specifics” **page 5.**

a) I am currently aware of a claim against me in either my professional capacity or with respect to my practice.

YES NO

b) I am the subject of an audit, investigation and/or search or seizure by the Law Society.

YES NO

c) I am party to a proceeding under Part II of the *Law Society Act*,

YES NO

d) I am party to a proceeding under section 33 of the *Law Society Act* as that section read before the day that the *Law Society Amendment Act*, 1998 came into force.

YES NO

PART F – CLIENT PROPERTY AND FILE INFORMATION

I have transferred and disposed of my clients' files, documents and property as follows:

	Transferred to/ Location stored (Name, Address)	Contact Information (Name, Telephone Number)
Active Files		
Closed Files		
Wills		
Powers of Attorney		
Corporate Minute Books		
Corporate Seals		

PART H – DECLARATION

I, _____ solemnly declare that all information provided by me
(Full Name of Applicant)
in this application or supplemental thereto, and in the documents furnished in connection with
this application, is true.

DECLARED BEFORE ME)

at _____ , _____)

on the _____ day of _____ , 20 _____)

Signature of Applicant

(A Commissioner for Taking Affidavits)

Print Name

(for office use only)

Approved by: _____ *Approval date:* _____

PART I – UNDERTAKING TO THE LAW SOCIETY OF UPPER CANADA

I, _____, of _____, hereby
(Full Name of Applicant) (City/Town/etc.)
confirm that my law practice and trust account(s) have been wound up. I further confirm that I have completed and filed the Member’s Annual Report to the date of the closure of both my law practice and all trust account(s).

In order to be exempted from further filing requirements, I hereby undertake to The Law Society of Upper Canada that should my circumstances change and I decide to return to legal practice and accept client monies or property in the future, I will immediately notify the Law Society of my intention. I will provide any required documentation to the Law Society to change my status. I understand that my obligation for annual fees and filing of the Member’s Annual Report will then resume.

Signature of Applicant

Date

Signature of Witness

Date

Full Name of Witness (Print)

LIST OF ARTICLES, FORMS AND PRECEDENTS

ARTICLES

File Retention <http://mrc.lsuc.on.ca/pdf/pmg/fileRetention.pdf>
File Transfer on Termination of Retainer http://mrc.lsuc.on.ca/pdf/pmg/filetransfer_final.pdf
Withdrawal of Services http://mrc.lsuc.on.ca/pdf/pmg/withdrawal_ser.pdf

GUIDES AND RESOURCES

Law Society of Upper Canada
Great Library, March 2005, Closing Your Practice List of Resources
Practice Management Guidelines at <http://mrc.lsuc.on.ca/jsp/pmg/executiveSummary.jsp>
 Closing Your Practice Guideline
 Client Service and Communication Guideline
 File Management Guideline
 Financial Management Guideline
Bookkeeping Guide http://mrc.lsuc.on.ca/pdf/bookkeepingGuide/bookkeeping_guide.pdf
Private Practice Refresher Program <http://mrc.lsuc.on.ca/jsp/pprp/index.jsp>
Unclaimed Trust Funds <http://mrc.lsuc.on.ca/jsp/unclaimedTrustFund/index.jsp>
Client Service Centre
Trustee Services

LAWPRO®

Insurance Matters - Professional Liability insurance for retired lawyers, Judges and other lawyers no longer practicing law
http://www.lawpro.ca/insurance/pdf/Retired_Lawyers_Policy.pdf

FORMS INCLUDED

1. **Active or Open Files**
 - Acknowledgement of Receipt of File
 - Active File List
 - Direction to Transfer Client File
 - Letter to Client Advising That Lawyer Closing Office
 - Request for File
 - Sample Wording for Notice For Newspapers
 - Transfer Memo
2. **Closed Files**
 - File Closure Tracking Chart
3. **Undertakings, Obligations, Reporting Out**
 - Clause in Letter to Client Re: Client's Outstanding Undertaking or Obligation.
 - Reporting Letter
4. **Accounting and Banking, Books and Records**
 - Unclaimed Trust Funds Member's Application Form

5. **Client Property, Wills, Corporate Books**
6. **Personnel Office Premises**
 - Law Firm Inventory Checklist
 - Law Firm List of contacts
7. **Notices to Regulators, Insurance, Third Parties, Powers Of Attorney, Notary, Commissioner Of Oaths**
 - Letter to LAWPRO®
 - Letter to Law Society of Upper Canada
 - Letter to Supplier
 - Notice to Be Posted
 - Notice of Change of Information, Law Society of Upper Canada
8. **Special Considerations, Change in Career, Retirement**
 - Application for Exemption from The Requirement to Pay Annual Fee and to Submit an Annual Report Under By-Law 5
 - Application to Resign Under By-Law 4
9. **Special Considerations, Illness, Disability Or Death**
 - Letter Advising that Lawyer Unable to Continue to Practice

WEBSITES

Canadian Revenue Agency www.ccr-a-adrc.gc.ca
Legal Aid Ontario www.legalaid.on.ca
Law Society of Upper Canada www.lsuc.on.ca
LAWPRO® www.LAWPRO.ca

TELEPHONE NUMBERS

LAWPRO® 1-800-410-1013 or 416-598-5800/5899
Law Society of Upper Canada Member Resource Centre 1-800-668-7380 Ext. 3315 or 416-947-3315
Trustee Services 1-800-668-7380 Ext 3312 or 416-947-3312
Practice Management Helpline 1-800-668-7380 Ext. 3315 or 416-947-3315
Membership Inquiry 1-800-668-7380 Ext 3315 or 416-947-3315
Unclaimed Trust Funds 1-800-668-7380 Ext 3366 or 416-947-3366

RULES AND STATUTES

Employment Standards Act
Income Tax Act
Law Society Act
By-laws made pursuant to Law Society Act
Rules of Civil Procedure
Rules of Professional Conduct