Planning Guide for
Winding Up a Practice

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Table of Contents

A. Introduction.................................................................................................................. 3

B. Personal Change......................................................................................................... 3

C. People to Talk to........................................................................................................... 4
   1. Your Spouse and Family ......................................................................................... 4
   2. Your Staff .................................................................................................................. 4
   3. Lawyers Health & Wellness Program ..................................................................... 4
   4. Other Professional Advice ..................................................................................... 5
   5. Practice Management Advisor .............................................................................. 5

D. Advise the Law Society of your Plans .................................................................... 6
   1. For Sole Practitioners ............................................................................................. 6
   2. For All Lawyers ....................................................................................................... 6
   3. For Partners in LLP ................................................................................................ 7
   4. If you Practice Through a Law Corporation .......................................................... 7

E. What to do about your Trust Account ..................................................................... 8

F. What to do with your Open Files ............................................................................. 8

G. What to do with your Closed Files ......................................................................... 10

H. Proper Procedure for Destruction of Files ............................................................... 11

I. Undertakings and Other Continuing Obligations .................................................... 12
   1. Trust Conditions ..................................................................................................... 12
   2. Wills where you are Executor or Trustee ............................................................... 12
   3. Trust Account Records ......................................................................................... 12
   4. Corporate Records ................................................................................................ 12

J. What to do about Finances ....................................................................................... 13

K. What to do about your Staff ..................................................................................... 14

L. What to do about your Premises and Office Equipment ......................................... 14

M. What to do about your Memberships and Insurance ............................................. 15
THINGS TO DO AND THINGS TO THINK ABOUT

A. INTRODUCTION

Eventually, everybody leaves the practice of law. Some retire after years of private practice on their own or with a law firm. Some hit golden age of 65 and leave an in-house counsel position with a nice watch and a pension plan. Still others practice for a number of years and decide that the practice of law is not for them and leave for greener pastures. Some lawyers get themselves in a mess with the law or the Law Society and are suspended, disbarred or allowed to resign in the face of discipline. Some just die at their desks. Whatever your fate, you should be planning ahead and developing an exit strategy that will meet your obligations to your clients and your family and comply with the Law Society’s requirements.

This material was developed to help lawyers plan ahead. Some things to be considered are relevant no matter what type of practice you are leaving while other things are of greater relevance to lawyers in solo or small firm practice.

B. PERSONAL CHANGE

Changing what you do for a living is a big deal for anybody. Changing your practising status as a lawyer may be an even bigger deal. Many of us define ourselves by our occupation. If someone at a cocktail party asks you to tell them about yourself, you are likely to describe yourself as “a lawyer” before you list off spouse, parent, golfer or tiddlywinks champion. Being “a lawyer” still has a certain cachet plus it’s an easy one-word description; everyone has watched enough television or read enough John Grisham novels that they think they understand what you do. Once you have stopped practising, you may have to redefine yourself.

Retiring or changing your career mid-life can give rise to significant psychological issues. Some people retiring or changing careers may suffer an identity crisis, marital concerns or even depression. Practising law not only provides income, but a lifestyle, self-image, a purpose, and social interaction with staff and clients. If you are thinking about retiring from the practice of law or changing careers, do not under-rate the psychological effects that this change may have on you.
C. PEOPLE TO TALK TO

1. Your Spouse and Family

This may be stating the obvious, but before you make a decision to retire or change paths, it is a good idea to discuss this with your spouse and family. Your change in occupational circumstance will change the hours you keep, your income, your lifestyle and possibly your personality. You have been thinking about making a change quietly to yourself, but your decision may come as a complete shock to your spouse or family. It’s a good idea to involve them in the planning stages and not spring your retirement on them as a fait accompli.

2. Your Staff

Good staff are hard to find. Good staff are also observant and perceptive. They may notice that you are thinking of winding down or closing your practice. This may make them feel insecure. They may even start looking for a new job, leaving you with potentially having to train new staff in the last year or so of your practice. If you are seriously thinking about retirement or you have made a decision to retire in six months time, or in two years, etc. do your staff the courtesy of letting them know. Let them help you plan the wind down and you in turn can help them to explore employment opportunities that will be available to them after you retire. If you are thinking of selling your practice or enticing another lawyer into taking it over, having good staff stay with the practice adds to its appeal.

3. Lawyers Health & Wellness Program

Consultation with a trained counselor during a period of transition is always a good idea. Lawyers Health & Wellness Program is a free and confidential assistance program available to members of the Law Society of Manitoba. It offers a maximum of twelve sessions per family per year to practising lawyers in Manitoba. Manitoba Blue Cross Employee Assistance Centre provides this free and confidential service through a contract with the Law Society of Manitoba. Your identity and the nature of the personal matters discussed with counselors are confidential. Blue Cross will not disclose any information to the Law Society of Manitoba, other than blind statistical usage reporting. Blue Cross will schedule appointments to avoid encounters with other lawyers.

The service is available to all practising lawyers and you will remain enrolled in the Lawyers Health & Wellness Program for a period of six months after changing from practising to non-practising or inactive status. The service is free to eligible members and their families. The Blue Cross counselor can help you while you decide whether it is time to leave practice and assist you during the transition.

For more information contact Employee Assistance Centre, a Division of Blue Cross at 599 Empress Street, Winnipeg, R3G 3P3, 204-786-8880, or toll-free 1-800-590-5553 (within Manitoba).
4. **Other Professional Advice**

If you were acting for a business person who was thinking of retiring from his or her business, you would urge that person to seek the advice of other professionals, including an accountant, a financial advisor, a business valuator, etc. You should take your own advice and consult with these other professionals to get advice on tax consequences on retirement. There are various financial considerations to consider, for both sole practitioners and for individuals retiring from a partnership.

If you are retiring from a partnership, pour over your partnership agreement before you give notice. You should consider retaining outside counsel to interpret what it really says, (not just what you thought it said). If leaving a partnership, you will need to consult with a competent accountant as the tax and financial ramifications may be complicated, depending on your partnership agreement and your personal situation.

What do you do with law corporations and limited liability partnerships and holding corporations? If this is not an area of law you practised, you may not want to experiment on yourself. You should seek counsel from your accountant and from a lawyer who has some expertise on terminating law corporations and winding down LLPs.

If you are thinking about selling your practice, it makes sense to have an impartial professional take a look at things. Your own perception of the value of your practice is too subjective. This material will not deal expressly with the sale of a practice. In recent years, a number of lawyers have tried to sell their practices without success. You should not count on being able to sell your practice as a going concern or on selling it for enough money to retire on the proceeds. You should speak to an accountant to consider valuation, taxation and other accounting issues.

5. **Practice Management Advisor**

Barney Christianson has been retained by the Law Society of Manitoba to be its Practice Management Advisor. Practice advisory services are free of charge and cover a broad range of practice management areas. Barney, a past Law Society president, has over 30 years experience running a practice. He is frequently consulted by lawyers who are thinking of retiring, winding-up their practice or changing the direction of their work life. Barney has amassed much useful information (and real life experience) and is available to you as an advisor or a sounding board if you are thinking of retiring or winding down your practice. Barney can be reached by phone at 204-857-7851 or by e-mail at bchristianson@CandC.mb.ca.
D. ADVISE THE LAW SOCIETY OF YOUR PLANS

1. For Sole Practitioners

There is one piece of information that sole practitioners should communicate to the Law Society long before they consider retirement. Practice Direction 89-04 requests that you provide the Society with the name of a practising lawyer to whom you would be willing to entrust your law practice to in the event of your untimely death or disability. Your annual member report asked you to designate two preferred lawyers to take custody and control of your practice in the event of unexpected disability or death. While such a request is not binding on the Society and the choice of new counsel ultimately remains with each client, the Society will at least have available to it your wishes in the event it must obtain a Court order to assume custody of your practice if you suddenly become incapacitated. Having another lawyer immediately available to discuss short-term arrangements instead of leaving these issues for your family to sort out eases their burden, as well as assisting the Law Society.

If the Society is required to obtain a custodial order and appoint a custodian to wind down your practice, the cost can be considerable. As a result of increasing custodial costs, the Society, pursuant to s. 62 of The Legal Profession Act, will charge the cost of the custodianship to your estate (unless the charge will create serious hardship). You are therefore strongly encouraged to arrange for someone to care for your practice.

2. For all Lawyers

If you intend to retire or withdraw from practice you must advise the Law Society in writing before you actually withdraw. (See Law Society Rule 2-74) This rule applies whether you are a sole practitioner, a lawyer in a large or small firm, in-house counsel or employed by a government agency. All lawyers leaving practice must complete and file an Application to Withdraw from Practice. The forms are on the Law Society website under the Member Resources tab.

The form collects information on what you plan to do with:

(a) open files;
(b) closed files;
(c) wills;
(d) titles and other important documents and records;
(e) other valuables; and
(f) trust accounts and trust money.

You also have to obtain approval from the CEO to your plan for disposing of your files and trust accounts unless you are in a law firm that will continue in existence and will continue to have possession and power over the documents and accounts.
You must provide the Law Society with your new contact information, such as the address and telephone number where you can be reached once your office is closed. This information is needed for a variety of reasons, most commonly for assisting former clients or their new lawyers in reaching you to discuss or obtain a file.

Within three months of your withdrawal from practice, you must confirm in writing to the Law Society, that your planned disposition of files, documents and valuates is complete and that your trust account has been closed. (See Law Society Rule 2-74(2)(a))

3. For Partners in LLP

If you have been practising law through a Manitoba limited liability partnership and you are a partner in the LLP or own voting shares in a law corporation that is or has been a partner of the LLP, you must advise the Law Society in writing of the change (see Rule 3-57).

4. If you Practice Through a Law Corporation

Section 32(1) of The Legal Professions Act says that the voting shares of the law corporation must be legally and beneficially owned by a practising lawyer or a law corporation. So, if you have practiced law through a corporation and you are retiring, you must consider what happens to your law corporation. Once you are no longer a practising lawyer, the corporation’s permit can be suspended or revoked. If you remain a director or an officer of the corporation for more than 14 days after you cease to be a practising lawyer or if you remain as a voting shareholder of the corporation for more than 90 days after you have ceased to be a practising lawyer (or for any longer period as may be allowed by the CEO of the Law Society), the law corporation’s permit will be revoked. So, if you have been practising through a law corporation, you should contact the Law Society. Any change in the particulars of the law corporation (Rule 4-4) by filing a Statement of Particulars (Form C-6) within 15 days of the change. For more information about law corporation procedure, please write or contact Debbie Rossol at 219 Kennedy Street, Winnipeg, Manitoba R3C 1S8 or by email at drossol@lawsociety.mb.ca. You should do this well in advance of your retirement. However, because the circumstances of every retiring lawyer and every law corporation will differ, you should seek professional advice on the transition of your law corporation and how it will affect your personal tax situation.

Once your corporation loses its status as a law corporation, there will be financial and tax ramifications which you should review with your accountant. If there is excess income in your law corporation, you need to seek professional advice on how your former law corporation can operate in your retirement.
E. WHAT TO DO ABOUT YOUR TRUST ACCOUNT

If you are a sole practitioner or in a firm that will be disbanding when you leave, you must close out your trust account and confirm to the Society that you have:

(a) remitted all balances in trust to your clients; or
(b) with the consent of the client, transferred funds to another lawyer; and
(c) remitted any net interest on your pooled trust account to the Manitoba Law Foundation. (See Law Society Rule 2-74(2)(b))

If you are a sole practitioner or are in a firm that will be disbanding when you retire from practice, you must file a Final Annual Trust Account Report with Accountant’s Review (Final Form D) within four months of your retirement, if you have been able to close out your trust account. Self-Reports are not permitted to be filed to confirm the closure of a trust account. If your trust account remains open, you must file an Annual Trust Account Report (Self-Report or Form D) in the normal course and then a Final Form D once your trust account is closed. You may be able to make arrangements with the Audit Department to file one final Form D for an extended reporting period. (See Law Society Rule 5-47(4))

You must confirm in writing to the Law Society, within three months of your withdrawal from practice, that your trust account has been closed. (See Law Society Rule 2-74(2)(a))

F. WHAT TO DO WITH YOUR OPEN FILES

You should decide well in advance when you will stop taking on new clients so that you can deal with the requirements of winding down a practice. Although it is always hard to turn down work or to disappoint loyal clients, leaving practice halfway through an open and active file is unfair to the client, who must then pay to bring a new lawyer up to speed.

Write to your current clients to notify them that you will be closing your practice. Ask for their written authorization to transfer their file and any monies held in trust to their new lawyer. If you have made arrangements with another lawyer for his/her purchase of your practice, you may advise your clients of this, but you must also advise your clients that they have the right to retain new counsel of their choice. Make sure you discuss possible conflicts between your clients and the clients of the lawyer taking over your files prior to transfer. A sample to the client is included in these materials.
Review all your time records and files:

(a) Prepare your final statement of account for work in progress and outstanding disbursements to the date of termination of your practice. This should be straightforward for files that are billed on an hourly basis;

(b) If the billing is on a contingency fee basis, refer to the provisions of the contingency contract relating to the amount to be paid if a lawyer withdraws. If the contingency contract does not provide for this, you should try to reach agreement on fees with your client and his/her new lawyer. Otherwise, *quantum meruit* arguments will have to be made;

(c) Send out any outstanding accounts to your clients; and

(d) If necessary, you may assert a solicitor’s lien over a file, but since this will defeat your intention of disposing of your practice, it is better to make arrangements with the client or his or her new lawyer.

After you have retired and no longer maintain a practising certificate, you may still prepare and forward statements of account and collect fees from clients for work done while you were practising.

Review and update your accounting records:

(a) Make sure that all trust transactions have been entered in your accounting records and place a hardcopy of the client’s trust ledger on his or her file – including on files that are closed or are being transferred to new counsel;

(b) Make sure that all general transactions have been entered in your accounting records (ie. to properly reflect the accounts receivable).

It is helpful to prepare a file memorandum for each file being transferred to new counsel, setting out the nature of the file, work remaining to be done, and noting any important deadlines, such as limitation dates, examinations for discovery, and Pre-trial hearings. New counsel will love you and the memo will make it less likely that an error will arise in the transition to new counsel, thus avoiding insurance claims and complaints to discipline. A sample memo from Law Society of Upper Canada materials is included.

If there are imminent dates, you should discuss how to proceed with your client and his/her new lawyer. If necessary, seek instructions to obtain adjournments or extensions and notify your client and opposing counsel.

On Legal Aid files obtain your client’s instructions as to his/her choice of new counsel then send back the Legal Aid Certificate with your bill and ask Legal Aid to appoint a new lawyer.
If you have any concerns that a file might result in a complaint or professional liability claim against you, then you should make a copy of the file (at your own cost) prior to returning it to the client or transferring it to a new lawyer. You can not assume that it will be surrendered to you for your review at some future date or that it will remain in the same state it was when you turned it over to the client or new lawyer.

If you are counsel of record on a civil file, make arrangements to get off the record, after consulting with your client. (See the Queen’s Bench Rules)

For criminal cases contact the Crown and have your application to withdraw added to a docket, again, after consulting with your client.

You should seek instructions from your corporate clients for new addresses for their corporations and notify the Companies Office of these address changes by filing a Notice of Change of Registered Office form. You will continue to be responsible for any corporate records where instructions are not received to change the address, and you will have to continue to allow access to those records.

If your practice is named in any builders’ liens, you should report a change of address to the Land Titles Office by filing a Request/Transmission form.

If you wish to advise the public and any clients that you have been unable to contact that you are retiring, you may place an ad in your local newspaper that your practice will be closing as of a specific date and advise who should be contacted after that date about files or Wills. In the event that you are unable to return original Wills then they may be deposited with another lawyer for safekeeping. The Law Society must be advised as to their location when you submit your Application to Withdraw from Practice.

G. WHAT TO DO WITH YOUR CLOSED FILES

When deciding what to do with closed files, first review Law Society Rule 2-74 and Practice Direction 91-01. Go through your closed files to determine whether they should be stored, destroyed, returned to the client or transferred to a lawyer who will be assuming ongoing files. Although there is no statutory requirement for how long you retain a file, 10 years from its date of closing is a rule of thumb. When deciding whether to destroy a file you should also consider criteria such as statutory requirements (ie. Canada Income Tax Act, Canada Evidence Act, The Limitation of Actions Act) the likelihood of professional negligence claims and client needs. Lawyers often call the Law Society to ask how long they are required to keep a closed client file before destroying it. We can tell you that Canada Revenue Agency imposes minimum requirements for maintaining trust account records, and the Law Society Rules require that trust account books and records be retained for at least ten years (Law Society Rule 5-51(1)). The Professional Liability Claims Fund files are
kept for a minimum of ten years from the date the files are closed, after which they are again reviewed and a decision made on whether or not they can then be destroyed.

These are minimum suggestions only. Remember that a professional liability claim can be brought against a lawyer up to six years from the date the error was made or, on application to the Court, within one year of the date on which the applicant first knew or, in all of the circumstances, ought to have known of all material facts of a decisive character upon which the action is based. (The Limitations of Actions Act R.S.M. 1987, section 14(1), Rarie v. Maxwell [1988] M.J. No. 588 168 D.L.R. (4th) 579 [1999] 6 W.W.R. 142 131 Man.R. (2d) 184) Of course, a claim can always be brought – meritoriously or otherwise - long after the file giving rise to the claim has actually been closed. And it’s always the insurer’s preference to have the lawyer’s original file (or an accurately scanned version of it) to defend a lawyer against allegations of negligence. Ultimately, you have to use your own discretion and professional judgment when determining whether it’s appropriate to destroy a file. Whether or not a file should be destroyed - after ten years or longer – may depend on the type of legal matter and the lawyer's own judgment as to the likelihood of an eventual complaint about the quality of services provided. As an example, in criminal matters, there have been an increased incidence of wrongful conviction proceedings. Members acting on criminal files need to assess the likelihood of a wrongful conviction proceeding being commenced at some future point. On such “risky” files, prudent members might consider maintaining the file indefinitely.

H. PROPER PROCEDURE FOR DESTRUCTION OF FILES

Practice Direction 91-01 (first created in March of 1991 and then amended in 2004) recommends that, when a lawyer decides it’s appropriate to destroy a closed file, the following procedures should be adopted:

a) Every file to be destroyed should be reviewed briefly by a lawyer or an articling student. It is not appropriate to delegate this task to a paralegal or secretary.

b) The file should be checked for valuable documents such as original Wills or Certificates of Title that may have been inadvertently retained on a closed file. You should return client property held in safekeeping to the owner. If you retain any original wills on file and are unable to locate the Testator/Testatrix, you should be aware that in August, 2000 the Wills Registry at the Court of Queen's Bench office was discontinued. While the Queen's Bench office retains the wills that they accepted prior to August 2000, they will not accept any new documents. This is something you should consider in deciding whether to retain original wills in the first place.

c) Any other original documents or papers which are properly the property of the client should be removed and returned to the client. Ideally, this
procedure will have been performed at the time the file was closed, but it should be done again at the time of destruction (see Bank of Nova Scotia v. Imperial Developments).

Files should be shredded or similarly destroyed before discarding, so as to protect confidential information. If this task is entrusted to a professional shredding service outside the law firm, the lawyer should exercise an appropriate degree of care, control and supervision when transferring custody of the files.

When a lawyer withdraws from practice, it is his or her obligation to advise the Law Society’s Chief Executive Officer in writing and to obtain approval of the member’s intended disposition of all open and closed files, Wills, titles and valuable documents, and all records and other valuables which relate to the member’s practice and are within the member’s possession or control. So even after you have ceased to practice, you need to look out for those closed files.

Remember – Practice Direction 91-01 states that original documents or papers which are the property of the client should be removed and returned to the client – ideally, and to avoid future complications, this should be done at the time the file is closed.

I. UNDERTAKINGS AND OTHER CONTINUING OBLIGATIONS

1. Trust conditions

You should consider whether you have any ongoing obligations, such as undertakings on any of your open files, and you must make arrangements to be relieved of them or to have them transferred to another lawyer.

2. Wills where you are Executor or Trustee

Wills should also be reviewed to determine whether you have agreed to act as Executor or Trustee. If so, you may still wish to act in that capacity. If not, consider asking the Testator to revise the Will or add a Codicil to appoint someone else. If you are acting as Executor or Trustee after you retire, remember you will not have the benefit of professional liability insurance coverage.

3. Trust account records

You must retain your trust and general account records for no less than 10 years. (See Law Society Rule 5-51(1))

4. Corporate records

Corporate records must be kept for 6 years after dissolution if you were the last registered office for a corporation, as that is the time allowed for restoration of a corporation after dissolution. (See The Corporations Act)
J. WHAT TO DO ABOUT FINANCES

You should review your trust accounts. After billing clients and deducting fees where appropriate, either return trust funds to your clients or, on your client’s direction, transfer these funds to the lawyer who will be assuming the client’s ongoing file. Remember to deal with funds that are in specific trust investment accounts as well as the pooled trust account.

If trust monies are being held pursuant to agreements with or undertakings to third parties, the consent of those parties will be needed before the monies can be transferred.

If you have been holding any unclaimed trust funds for more than three years, you may pay the funds to the Law Society:

a) if the money is not attributed to any person in your records; or

b) if the money is attributed to one or more persons, but all reasonable efforts to locate the persons have failed. (See s. 51 of The Legal Profession Act)

When all the trust monies have been disbursed, inform the bank that the trust account(s) can be closed. Obtain a letter from the bank indicating that the account is closed as this will be required for your final Form D.

If you maintain your trust bank account at a credit union, there may be the issue of surplus shares to be resolved. Credit unions typically issue patronage dividends annually in the form of shares, which are credited to the member’s bank account. Depending on the individual credit union, a percentage of the surplus share account may be paid in cash annually and the remainder stays in the surplus share account until the account is closed. These funds are similar to the interest contemplated by s. 50(2) of The Legal Profession Act. Therefore, when closing your trust bank account the funds accumulated in any surplus share accounts should be remitted to the Manitoba Law Foundation.

Review Law Society Rules 5-47(4) through 5-47(9) and make arrangements for your accountant to prepare your final Form D, which should be filed within four months of the termination date of your practice or the closure of your trust account.

You should review your accounts receivable and follow-up on balances which may still be collectable. Also investigate any credit balances in accounts receivable as this may suggest the client is owed a refund.

Pay any outstanding firm liabilities including payroll, G.S.T., etc.
Determine whether it will be necessary for you to leave open a general account with a reserve to satisfy any outstanding obligations or for receipt of any accounts receivable after the closure of your practice.

K. WHAT TO DO ABOUT YOUR STAFF

Give your staff sufficient notice of termination or compensation in lieu of notice. Verify the statutory notice requirements of the Employment Standards Act.

Make arrangements to cancel or otherwise deal with any benefit plans for your employees.

Direct an accountant or bookkeeper to prepare Records of Employment, calculate all necessary vacation pay or other benefits accrued, prepare T4 slips and make all necessary remittances to Revenue Canada.

If you have an articling student, make sure that you have given the student enough advance notice to find a new principal and to have him/her approved by the Law Society. You must also complete a Certificate of Completion of Articles form for the period of time you served as the student's principal.

L. WHAT TO DO ABOUT YOUR PREMISES AND OFFICE EQUIPMENT

Contact your landlord at the earliest possible date and, if necessary, make arrangements to sublet rented premises or to assign the lease.

Although it is unlikely you will find a purchaser, you may want to contact the Faculty of Law, community colleges and school libraries to see if anyone would consider purchasing all or part of your library or would be prepared to accept books as a donation. Consider placing an advertisement in Headnotes & Footnotes.

Dispose of office furniture and equipment.

Make sure all hard drives on computers, photocopiers and fax machines on both leased and owned office equipment have been scrubbed so that you do not inadvertently breach client confidentiality.

Where equipment has been leased, contact leasing companies to terminate leases and maintenance agreements or to arrange assignments. When neither cancellation nor assignment is possible, you should have available a pool of funds sufficient to continue the payment on the leases or to pay them out.

Cancel your subscriptions to reports and journals.

Send letters to all suppliers advising them that the practice will be closing and notifying them of the address to which future correspondence may be directed.
Notify public utilities and arrange to forward your telephone calls and mail.

M. WHAT TO DO ABOUT YOUR MEMBERSHIPS AND INSURANCE

Consider your new membership status with the Law Society. You may choose to become non-practising and pay a small fee which entitles you to receive all Law Society mailings and a Law Society identification card which can be used for access to the Courthouse and Great Library, or pay no fee and be categorized as inactive. You remain a member of the Law Society of Manitoba in both categories, but you do not have the right to practice law. If you are also a Notary Public, you retain your position as a Notary even after you retire from active practice but be sure to notify Consumer and Corporate affairs of any change in your address in case someone needs to verify your signature as a Notary.

Depending upon when you withdraw from practice, you may be entitled to a pro-rated refund of your practising fee and your contribution to the professional liability claims fund.

Coverage under your professional liability insurance program will continue, free of charge, for future claims covered by the program arising from professional services rendered while you were insured, subject to the terms, conditions and limits in place at the time the claim is reported. Claims might come out of the woodwork after you retire. Lawyers continue to be responsible for legal services they provided for others prior to retirement. Manitoba’s Professional Liability Insurance Policy provides $1 Million in automatic tail coverage for work done by lawyers who were insured at the time they did the work. If a claim is brought forward after you retire from practice but arising out of work you did while you were a practising insured member of the Law Society of Manitoba, you are still provided protection under the Law Society’s mandatory insurance program, even if that claim does not come to light until many years after you have retired. If you learn of such a claim after you retire, contact the Law Society immediately.

Retired lawyers also have an option to purchase excess insurance of more than $1 Million on an individual basis, to address any unforeseen circumstances that may develop after retirement. If at the time you retire, you are purchasing excess insurance from CLIA’s Voluntary Excess Program, either as a sole practitioner or a member of a firm, you now have the option to purchase a special excess package which continues to cover retired members for claims in excess of $1 Million. If you have excess insurance through CLIA, you should contact the Law Society to inquire about “tail coverage” for claims over $1 million.

Contact your insurance broker to discuss terminating your property and general liability insurance, and obtaining coverage for your stored files and records.
If your plans change and you wish to resume practice, then you must apply to do so by completing and filing an Application to Resume Practice together with the applicable fees and supporting documentation. (See Law Society Rule 5-28.1)

If you have any questions about winding up your practice, don’t hesitate to call the Law Society for assistance.
Transfer Memo To File Or New Lawyer

(Sample – Modify as Appropriate)

MEMO TO:

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.
Letter To Client Advising That The 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) or My practice has been sold to (lawyer). 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 practise in the area of law relevant to your legal needs. You could also contact The Lawyer Referral Service at 204-943-2305 or 1-800-590-5553.

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 contact the Law Society of Manitoba at 204-942-5571 for my contact information.

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)