

**Sample Exit Plan**  
**Timeframes for requirements for exiting CLC regulation and transferring to another regulator (Merger/Acquisition/Switch)**

	Requirement	Deadline	Completed (Y/N)
<b>To be actioned prior to exiting CLC regulation</b>			
1.	Provide the CLC with a list of aged balances and retentions (if applicable). Aged balances must be resolved by making all reasonable attempts to pay balances to the rightful recipients prior to exiting CLC regulation.		
2.	Provide the CLC with a copy of the draft client care letter (prior to being sent out to clients) which advises clients: <ul style="list-style-type: none"> <li>a) of CLC PRACTICE exit from CLC regulation;</li> <li>b) of their right to have their file transferred to another practice; and</li> <li>c) what it means for CLC PRACTICE to no longer be regulated by the CLC including: <ul style="list-style-type: none"> <li>i. that the protection to client money previously in place as a condition of regulation no longer exists; and</li> <li>ii. the following wording, "<i>It is not just the protection to client money that is a benefit of regulation but also requirements to have professional indemnity insurance, access to the CLC compensation fund, regular inspections, continuing professional development and confidence that those who are regulated</i></li> </ul> </li> </ul>		

	<i>have the requisite skills and experience to hold a licence".</i>		
3.	Provide the CLC with a copy of the updated Terms of Business confirming all references to CLC regulation and the CLC Compensation Fund have been removed.		
4.	Provide the CLC with an up to date matter listing.		
5.	Provide the CLC with an up to date list of any outstanding complaints, including those currently with the Legal Ombudsman.		
6.	Provide the CLC with an up to date list of any current insurance notifications and or claims.		
7.	Provide the CLC with confirmation that provision will be made for any insurances excess payable for claims arising from work performed prior to [date]		
8.	Provide the CLC with details of the individual/s at CLC PRACTICE who will be responsible for: a) Complaints and claims; b) File storage; and c) File requests.		
9.	Provide the CLC with a confirmation that details of the individuals responsible at 8 can be disclosed by the CLC to enquiring clients.		
10.	Provide the CLC with a list of all archived/stored files together with their destruction dates.		
11.	Provide the CLC with confirmation that archived files will to be retained in accordance with the CLC Transaction Code.		
12.	Provide the CLC with the address of where the archived client files are stored and how many. If		

	the archived files are stored offsite by a third party, please provide the name and contact details of the third party.		
13.	*only if transferring regulator. Provide the CLC with confirmation from 'another regulator' that they have granted (or likely to grant) the current CLC PRACTICE a licence to perform reserved legal activity which will come into effect no later than from [date].		
14.	Provide the CLC with a copy of CLC Practice's notification to its professional indemnity insurers and insurer's confirmation to trigger run off cover or Successor Practice Arrangements *written confirmation form the PII provider		
15.	Final destination: <ul style="list-style-type: none"> <li>• Provide the CLC with confirmation from receiving regulator of transfer arrangements;</li> <li>or</li> <li>• Legal wind up; or</li> <li>• Acquisition/merger details.</li> </ul>		
16.	Pay all unresolved aged balances to the CLC (from the point of CLC Practice's CLC licence being revoked the practice will no longer be permitted by the CLC to hold such funds).		
<b>Additional actions if the proposed receiving regulator does not approve your application by [date]</b>			
17.	Cease undertaking reserved legal activity and cease taking new instructions to perform reserved legal activity.		

In the absence of any confirmed change of regulator by [date] when the practice still intends to exit CLC regulation it must proceed on the basis that will exit CLC regulation on 30 June [PII expiry] or 31 October [licence expiry].

18.	Commence winding down the practice's service offering of reserved legal activities including to update the website to remove any reference to reserved activity being provided by CLC PRACTICE.		
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**To be actioned at the point of exiting CLC regulation**

19.	Provide the CLC with confirmation from your professional indemnity insurers that run off has been triggered ( <b>no work should be performed on or after [date] until this has been received</b> ).		
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20.	Provide the CLC with your client account reconciliation up to the date of exiting CLC regulation (this should be provided together with a copy of the client account bank statement and cashbook).		
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21.	Provide confirmation to the CLC that all references to the practice being CLC regulated have been removed from the practice's website, letterhead, Terms of Business, email footer and any other client and non-client facing documentation.		
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22.	Provide the CLC with confirmation you have informed the following stakeholders that CLC PRACTICE has exited CLC regulation: <ul style="list-style-type: none"> <li>a) Legal Ombudsman</li> <li>b) Bank</li> <li>c) Lenders</li> <li>d) Probate Registry</li> <li>e) Panel managers</li> </ul>		
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To be actioned <u>after</u> the point of exiting CLC regulation			
23.	Provide the CLC with an Accountant's Report for the period from 1 January [previous year] to the date of exiting CLC regulation.	The date six months post exit.	

SAMPLE