

## CLC PRACTICE LICENCE CANCELLATION FORM

### A. LICENSING REQUIREMENTS

Before submitting this form you must provide a full and frank explanation to the CLC PII Broker of the reasons for the closure of the CLC Practice. This is so the Broker can tell you whether the CLC Practice is entitled to Run Off Cover and, if so, on what terms.

**Please let us have a written copy of the Insurer's decision when you send us this form.** **UPLOAD**

The CLC Public register may be amended to show the practice as

- a. 'No Longer able to accept new instructions' or
- b. 'Closed' or
- c. 'No Longer Regulated By the CLC'

The actual cessation date will depend on the closure/transfer timeline agreed by the PII insurer and the CLC. If we believe it is appropriate or in the public interest the practice may have its listing removed from the public register before the CLC has formally agreed to relinquish the practice and individual licences.

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<b>Business Name</b>	
<b>CLC ID</b>	
<b>Current trading as styles</b>	
<b>Owner's Names (any company or individual with a material interest)</b>	
<b>Names of all non-equity directors/partners</b>	
<b>Names of all employees that are also CLC Licence Holders</b>	
<b>Name of person completing this form</b>	
<b>Your Job Title/position in the business</b>	

### REASONS FOR YOUR PRACTICE LICENCE TO BE CANCELLED (select from section 1 or 2)

**1.Managed Closure: the business will no longer need a Practice Licence because:**

All the owners and managers are retiring and all/some licence holders intend to relinquish their licences

Other (please state)

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### 2. Tell us why the CLC Practice Licence is no longer required

#### A. the current legal entity voluntarily winding up?

- Yes, by [DATE]
- Yes, by Administration/Insolvency event from [DATE]

#### Upload a copy of the Run Off Endorsement

No, it will continue to be used as the income and tax vehicle for other business purposes but will not require a CLC Licence or PII because it will no longer provide reserved legal services under its own right.

#### B. the Legal Entity is being purchased (i.e. the Legal Company by shares or equity, for example by share purchase agreement)

- including OR  excluding its past liability

Buyers Name:

Regulatory ID (if applicable):

From date:

*\*please note before submitting this form you must establish in writing with your insurer whether it considers (or not) that succession thresholds have been met as a result of any purchase/merger arrangements.*

*Please upload the PII providers written confirmation of its succession or run off determination. Or a copy of the Run off Endorsement.*

#### C. The business or selected Company assets are being purchased - including pre-pack sale (for example files/WiP/branding/Will banks etc )

- including run off being triggered \* Upload a copy of the Run Off Endorsement
- including OR  excluding board members
- including OR  excluding staff

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including OR  excluding premise

including OR  excluding website/branding/trading as styles

Buyers Name:

Regulatory ID (if applicable):

From date:

**D. When the legal entity will be used as a future income tax vehicle - will the Company be part of a franchisee or corporate consultant agreement with another regulated business?**

No, it will continue to trade unregulated and not provide reserved legal activities

Yes, trading will continue under the franchisor's PII under its branding/trading as style

Yes, trading will continue under the franchisor's PII under the existing CLC practice's branding/trading as style

Franchisor's Name:

Trading As Style:

Regulatory ID:

From date:

**E. the current legal entity is transferring to another regulator**

including its past liability

Name receiving Regulator;

Planned transfer date:

Name receiving PII insurer:

Upload a copy of the PII quote:

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**For the avoidance of doubt please tell us your understanding of the legal and company arrangements you now have in place**

**F. The Legal entity intends to continue trading under**

- the  current ownership OR  new ownership
- the  current OR  new company name
- the  current OR  new trading as styles
- CLC OR  new PII arrangements
- as a  franchisee or  Corporate Consultant
- as a  unregulated business
- staff will  remain employed by the current legal entity OR be TUPED to a new legal entity
- in the  existing OR  new offices
- as a  main office or  branch of [name]

**Please confirm the intended date of cancellation of the practice licence:**

**DATE:**

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**Is this date subject to the completion of any business sale agreement or transfer dates, such as but not inclusive of Share Purchase Agreements (SPA), prepacked sales, asset purchase?**

- No
- Yes (please explain in the box below, the nature of the agreement and attach a copy of a near final draft when submitting this form)

**List the names of the individual CLC Lawyers that are Registered Managers and who intend to continue to hold a CLC licence after the practice licence has been cancelled.** *Please note, the CLC issues one universal individual licence.*

	Name of CLC Lawyer	Licence no.	Reason for licence i.e. a. salaried employment b. contracted consultant c. a locum (ahdoc cover services provided through an agency)	(a or b) Contact details of new employer – please note if you are working as a contracted consultant this should be the details of the practice holding the PII and licence arrangements.
1				
2				

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3				
4				
5				
6				

### **Important information about Practice Licence fees.**

Licence fees are due at the time invoiced and that the licence is conditional on payment of the fees. The ability to pay in instalments is a concession. Should an instalment be missed, or someone exit regulation the totality of the fees become payable.

The fees are payable in full regardless of whether the individual or entity is active under CLC regulation for the whole of that year. Entity Licence holders may have applied to take advantage of the monthly payment instalment arrangements that are offered. When a practice has chosen to pay for its annual licence fee by monthly instalment the total remaining balance will be automatically collected on the next payment date.

Please be aware that the entity and ultimately its owners and registered managers remain liable for the total amount of fees for the year even if they are not in practice and should the entity cease to trade or exit CLC regulation (voluntarily surrender its licence) before the next standard licence renewal point, i.e. 01 November. Any unpaid amounts are a debt to the CLC and will be pursued. Failure to pay the total entity licence fee is a breach of the Code and will render the entities owners and key personnel liable to disciplinary action.

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The entity licence fee is based on the declared turnover of the previous year or in the instance of a new start up the forecast turnover for the 12 months of trading, verified by the CLC PII broker in advance of the licence being issued, and is a non-negotiable figure, based on the decision of the CLC's Council and as approved by the Legal Services Board.

When an entity plans to surrender its CLC regulatory status as a result of the entity winding up, merger or acquisition, or as consequence of any other business arrangement it will be required to settle any outstanding balance of regulatory fees for the year when it submits its entity licence cancellation form.

### **Guidance on Monitoring and Inspection Requirements.**

The Practice must cease taking on new instructions by the date this form is submitted.

On receipt of this form the Practice's nominated Regulator Supervision Manager (RSM) will contact the owner or CLC approved Manager of the Practice to agree the revocation timescale and set out the associated regulatory requirements that must be satisfied before the Practice licence can be revoked.

In readiness for the RSM making contact the Practice should prepare the information that will be requested by the RSM, including:

#### **A. Matters that will not complete in the revocation timescale**

1. A list of non-completed matters and associated files/ledgers.
2. An explanation of the transfer arrangements for any non-completed matters and associated files.
3. The full details of the practice agreeing to take over the files. Please also provide a copy of the agreement.
4. A list detailing any funds to be transferred to any practice/s taking over live files.



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5. A copy of the client care letter that you intend to send to the clients whose files will be transferred. The letter should also obtain client authority for the transfers of files and funds.

The RSM will make regular requests for copies of updated matter listings. A timescale for these requests will be agreed with you when the RSM contacts the practice.

### B. Removal of Files, Wills and Storage

1. Arrange for destruction and archiving of files (as the case may be).
2. Provide the CLC with details of the location that any archived files will be stored together with a schedule of those files.
3. Ensure all files have been either destroyed or archived in accordance with CLC file retention requirements.

### C. Client Account

1. Aim to reduce the balance of your client account/s to NIL by the date of closure.
2. Ensure all aged balances have been returned to clients or where this is not possible, seek authorisation to and transfer these amounts to the CLC Compensation Fund.
3. Ensure any unrepresented items of more than 6 months age are resolved in accordance with the CLC's [Aged Balance's Guidance](#) cancelled and reissued.

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4. Provide a weekly list of
  - a. funds held in the client account *until cleared to NIL*; and
  - b. aged balances listing *until aged balances are cleared to NIL*
5. Arrange for the ongoing management of client retention funds with another practice or the CLC.
6. Provide details and confirmation of any funds transferred to any practice/s taking over live files.

The RSM will ask you to provide the most recent Accountants Report and a report up to the date of closure.

### Claims/Complaints

1. Provide details of any outstanding notifications and claims as at the date of closure and confirm that your PII Broker (insurers) have been notified.
2. Provide details of any outstanding complaints at the time of closure.

### D. Notifications to Third Parties

1. Notify the practice's bank, the Legal Ombudsman and other all relevant stakeholders of the practice's closure.

### E. Closure actions

1. Divert phones, emails and post.

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2. Confirm the practice's website has been decommissioned/secure badge has been removed.
3. Confirm that no further documentation will be utilised that suggests the practice is regulated by the CLC.
4. Place signage in the practice's windows with (i) the contact details of the practice/s taking on carriage of live files and (ii) the contact details for the CLC.
5. If it has not been possible to bring the client account to a NIL balance arrange to transfer all remaining client balances to the CLC and provide authority to your bank to forward any incoming payments following the closure of the client account to the CLC.
6. When the client account has a NIL balance, provide confirmation that the client account has been closed and a closing statement to the CLC.

### DECLARATION

- I confirm that all Owners/Directors/Partners/Members of the Business have been notified of this application and are satisfied that all information provided is true, accurate and complete.
- I confirm I have read and understood the guidance on monitoring and inspection requirements and the practices obligation in regards to fees owed to CLC and PII.

Name:

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Sign:

Date:

### **NOTE: Using your personal data**

Your details will be held by the CLC in accordance with the General Data Protection Regulations (GDPR). For the purposes of GDPR, if you provide any information to us, we will be the data controller.

For further information about how your information is used, how we maintain the security of your information, and your rights to access information we hold about you, please see our [privacy policy](#) which is kept under regular review.

You can contact our Data Protection Officer via email at [privacy@clc-uk.org](mailto:privacy@clc-uk.org) or in writing to:

**Council for Licensed Conveyancers**

**Main Line: 020 3859 0904**

**We Work, 131 Finsbury Pavement, London EC2A 1NT**