

## **THE CLIENT PROTECTION FUND OF THE BAR OF MARYLAND FREQUENTLY ASKED QUESTIONS**

### **What is the purpose of the assessments?**

The Attorney Grievance Commission (AGC) handles **complaints of neglect** against Maryland lawyers and all resulting **disciplinary cases**. Its assessment for the current fiscal year is \$105. Its budget is set by the Court of Appeals of Maryland.

The Client Protection Fund of the Bar of Maryland ("CPF" or Fund) handles and decides claims against Maryland lawyers alleging **theft** of client or fiduciary funds. Its assessment for the current fiscal year is \$20 per lawyer as fixed by the Court of Appeals of Maryland and by statute. The Maryland Professionalism Center (MPC) guides and supports the principles of professionalism for all judges and lawyers. Its assessment for the current fiscal year is \$5 as fixed by the Court of Appeals.

### **What is the Client Protection Fund fiscal year and what is the amount of the current year's assessments?**

Both AGC, CPF and the MPC have a July 1 thru June 30 fiscal year. CPF sends a joint assessment invoice on or about July 1 of each year to each active status Maryland lawyer for \$130 (\$105 AGC, \$20 CPF and \$5 MPC) for the fiscal year commencing July 1.

If admitted in December you are assessed the full amount of \$130 on or about December 31 and invoiced again July 1 of the following fiscal year in the amount set by the Court of Appeals.

### **Are there late fees and when are they charged?**

No late fee is imposed if CPF receives payment of \$130 on or before August 31. A \$25 late fee will be assessed against you, for a total charge of \$155, if your payment is **not RECEIVED on or before August 31**.

Furthermore, if your \$130 payment and/or \$25 late fee is not **RECEIVED** in full by the Fund **on or before December 31**, an additional late fee of \$50 will be assessed on **any** outstanding balance.

For those admitted in December your assessment payment of \$130 must be received no later than March 31, 2015 to avoid a late fee of \$50 to be assessed on April 1, 2015.

### **What happens if my check is returned by the bank?**

Any bad check to the Fund for any payment will cause an additional penalty (currently \$50) to be assessed against you and may also result in temporary suspension and loss of your privilege to practice law in Maryland.

### **What excuses are accepted for late payment or non-payment of the assessments?**

The CPF Regulations permit **no** excuse for late payment or non-payment. All invoices are mailed by

July 1, (January 1, if a December admittee). If you do not receive same it is your responsibility to contact us.

### **What does temporary suspension mean?**

"Temporary Suspension" means the entry of an Order by the Court of Appeals prohibiting you from the practice of law in Maryland (see Rule 16-811.6) for A) failure to provide your Social Security Number, B) failure to provide your federal tax identification number or a statement that you have no such number, or C) failure to pay your assessment or any related charges. The temporary suspension process commences on or about February 15 and a thirty day notice is sent to all attorneys. To avoid temporary suspension, compliance and/or payment must be accomplished by the specified date.

### **What is my obligation for change of address and how do I accomplish this?**

Rule 16-811.5(b) states, "It is your obligation to give written notice to the trustees of every change in the lawyer's residence address, business address, or telephone numbers within 30 days of the change. The trustees shall have the right to rely on the latest information received by them for all billing and other correspondence." Notice to the Maryland State Bar Association, Pro Bono Resource Center, Maryland Legal Services Corporation (IOLTA), your local bar association, a newspaper or legal directory is **not** notice to the Fund. Additionally, it is required that at least one of the two addresses provided be a physical street address, **PO box addresses only are not permitted**. The mailing address for change of address is Client Protection Fund, 200 Harry S. Truman Pkwy, Ste 350, Annapolis, MD 21401. You can also print a change of address form from our website at <http://www.mdcourts.gov/cpf>. This form can be sent by facsimile or mail.

**If my name has changed, what should I do?**

To change your name on the CPF records you must submit a written request to do so to the Court of Appeals of Maryland. Be specific as to how you wish your name to appear, e.g., "from Jane Anne Smith to Jane Smith Johnson" or "from Jane Anne Smith to Jane A. Johnson," etc. You must also include a certified (raised seal) copy of the document that changes your name (marriage certificate, divorce decree, name change order). Do not send your only certified copy as what you provide to them is kept for the Court's records. The Court will notify the Client Protection Fund of the Bar of Maryland and the Maryland State Bar Association of your name change and their records will be amended to reflect this change. Submit the written request to: Court of Appeals of Maryland, Robert C. Murphy Courts of Appeal Building, 361 Rowe Blvd., 4<sup>th</sup> Floor, Annapolis, MD 21401.

**If I am no longer practicing law do I still need to pay the assessment?**

If you have stopped practicing in Maryland and wish to go on Inactive/Retired Status, which preserves your Maryland eligibility for future return to practice, but meanwhile excuses you from annual assessments, you must do two things:

- (1) Furnish a sworn affidavit of non-practice and unavailability for employment as a Maryland lawyer (Affidavit of Inactive/Retired Status is enclosed)  
**AND**
- (2) Pay all past due assessments and charges through June 30 of the previous fiscal year.

The original notarized Affidavit of Inactive/Retired Status must be received by the Client Protection Fund office no later than August 31 of the current fiscal year. Upon approval of inactive status you will receive a letter confirming same.

**December admittees** must complete and return the Affidavit of Inactive/Retired Status on or before

**March 31** in order to be in effect for the current fiscal year.

**If I am currently a full-time judicial law clerk do I have to pay the assessment?**

If you are a full time judicial law clerk, submit a letter on your respective Judge's letterhead informing us of your status as a judicial law clerk and duration of same. Completion of the enclosed Affidavit of Inactive/Retired Status is **not** required nor is payment of any portion of the assessment.

**If I return to active practice, having been placed on inactive/retired or law clerk status what am I required to do?**

Each lawyer returning to active practice, either full or part-time or "of Counsel", must give written notice to the Trustees, and must pay the current fiscal year's assessment,

without prorating. This includes law clerks entering practice, Judges returning to practice or inactive/retired attorneys wanting to reactivate their status.

**Is anyone exempt from paying into the fund?**

Yes. As long as this "inactive, exempt status" is approved by their own respective agencies - Federal and Maryland Judges, U.S Magistrates, Maryland Masters in Chancery, Maryland Juvenile Masters, Maryland Orphan's Court Judges, Administrative Agency Hearing Officers, and Administrative Law Judges with the Maryland Office of Administrative Hearings.

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