

PROFESSIONAL RESPONSIBILITY AND DISCIPLINE

By

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Minnesota Office of Lawyers Professional Responsibility

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TO ALL PROFESSIONAL CORPORATIONS ORGANIZED TO PRACTICE LAW:

The last session of the Legislature adopted Chapter 40 Session Laws 1973, which, among other things, requires all professional corporations organized to practice law to file with the State Board of Professional Responsibility annually, on or before January 1 of each year, a report furnishing the information set forth in a form submitted by the Board.

The Act further provides that for the filing of the first of such reports, the professional corporations shall pay to the Board a fee of \$100, and for filing successive reports, the fee shall be \$25. The fee of \$100 for the first report to the Board is required regardless of the date of incorporation of the professional corporation and is not confined to those corporations organized after the effective date of Chapter 40.

We have prepared and sent out forms of annual report to all professional corporations known to us, but we are not at all sure that we have a complete record of all such corporations.

The Act provides that the Board may make such rules and regulations as are necessary to carry out the provisions of the Act. At the present time, all professional corporations organized to practice law in Minnesota must do the following:

1. File with the Board on or before January 1, 1974, its annual report for the year 1973, accompanied by its check for \$100.
2. File with the Board a conformed copy of its articles of incorporation and certificate of incorporation. About 90% of the professional corporations presently responding to our requirements have failed to enclose conformed copies of the articles of incorporation and certificate of incorporation.
3. We find that a number of corporations have changed their names without amending their articles of incorporation, as required by statute. Any such corporations must

immediately comply with the provisions of the statute and furnish us with a conformed copy of the amended articles.

4. Many corporations have changed their registered address without filing with the Secretary of State the certificate required by statute. All corporations who have failed to do this are required to do so immediately, and furnish us with a conformed copy of the certificate.

Some corporations are furnishing us with delinquent reports for years prior to 1973. This is not required, it being the position of the Board that its responsibility is confined to accepting annual reports and the required fees becoming due subsequent to the effective date of Chapter 40, which was March 22, 1973.

The former act requiring filing of annual reports and payment of an annual fee to the Secretary of State provided for no penalties in case of failures. The present Act provides that if any professional corporation fails to comply with the provisions of Chapter 40, the matter shall be referred to the Attorney General with the request that he commence action to revoke the corporation's license to practice law.

Because we find that less than 35% of the professional corporations were filing the required reports and fees with the Secretary of State prior to Chapter 40, we wish to emphasize that we will fully enforce all provisions of Chapter 40, and the regulations of the Board.

It should be noted that foreign corporations authorized to practice law in Minnesota are subject to the same requirements as domestic corporations organized for the same purpose.