

WEST VIRGINIA CODE: §30-2-5a

§30-2-5a. Legal corporations.

(a) One or more individuals, each of whom is licensed to practice law within this state, may organize and become a shareholder or shareholders of a legal corporation. Individuals who may be practicing law as an organization created otherwise than pursuant to the provisions of this section may incorporate under and pursuant to this section. This section is not intended to amend the statutory or common law as it relates to associations or partnerships, except to allow partnerships of lawyers to organize as a legal corporation.

(b) A legal corporation may render professional service only through officers, employees and agents who are themselves duly licensed to render legal service within this state. The term "employee" or "agent" as used in this section does not include secretaries, clerks, typists, paralegal personnel or other individuals who are not usually and ordinarily considered by custom and practice to be rendering legal services for which a license is required.

(c) This section does not modify the law as it relates to the relationship between a person furnishing legal services and his client, nor does it modify the law as it relates to liability arising out of such a professional service relationship. Except for permitting legal corporations, this section is not intended to modify any legal requirement or court rule relating to ethical standards of conduct required of persons providing legal service.

(d) A legal corporation may issue its capital stock only to persons who are duly licensed attorneys.

(e) When not inconsistent with this section, the organization and procedures of legal corporations shall conform to the requirements of article one, chapter thirty-one of this code.

(f) The West Virginia State Bar may require that lawyers under its licensing authority must obtain its prior authorization before beginning to act as a legal corporation and may require a fee of not more than \$50 for each application for authorization to form a legal corporation. The State Bar may adopt rules: (1) To set reasonable standards for granting or refusing prior approval; (2) to require appropriate information therefor from a legal corporation applicant; and (3) to notify the Secretary of State that certain persons have been given authorization by the state Bar to form a legal corporation.

(g) Upon notification by the West Virginia State Bar of its approval, the Secretary of State, upon compliance by the incorporators with this section and the applicable provisions of chapter thirty-one of this code, may issue to the incorporators a certificate of incorporation for the legal corporation which then may engage in practice through duly licensed or otherwise legally authorized stockholders, employees and agents.

(h) A shareholder of a legal corporation may sell or transfer his or her shares of stock in

such corporation only to another individual who is duly licensed to practice law in this state or back to the corporation. However, a fiduciary representative of the estate of a lawyer may hold the stock or interest of the lawyer for a reasonable time during the administration of the estate.

(i) The corporate name of a legal corporation shall contain the last name or names of one or more of its shareholders. If the rules of the state Bar so permit, the corporate name may contain or include the name or names of former shareholders or of persons who were associated with a predecessor partnership or other organization. The corporate name shall also contain the words "legal corporation" or the abbreviation "L.C." The use of the word "company", "corporation" or "incorporated" or any other words or abbreviations in the name of a corporation organized under this article which indicates that such corporation is a corporation, other than the words "legal corporation" or the abbreviation "L.C.", is specifically prohibited.