

**PLANNING AHEAD:  
A GUIDE TO PROTECTING YOUR  
CLIENTS' INTERESTS IN THE EVENT OF  
YOUR DISABILITY OR DEATH  
(ONE OF WHICH IS INEVITABLE)**

**A Handbook and Forms**



**Colorado Supreme Court  
Office of Attorney Regulation Counsel**

**2007**

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## CHAPTER 1

### THE DUTY TO PLAN AHEAD

It is hard to think about events that could render you unable to continue practicing law. Unfortunately, accidents, unexpected illnesses, and untimely death do occur. If any of these events happen to you, your clients' interests may be unprotected.

For this reason, a lawyer's duty of competent representation includes arranging to safeguard the clients' interests in the event of the lawyer's death, disability, impairment, or incapacity. ABA Formal Op 92-369. Most commercial malpractice carriers require the lawyers they insure to make arrangements for office closure in the event of death or disability. This handbook can help you fulfill your ethical responsibilities and to reduce future malpractice claims against you and your estate.

The Office of Attorney Regulation cannot wind down your practice for you; we can only help you put a process in place. So, if you want to be sure that your clients get a copy of their file to take to a new lawyer and that your clients' money in your trust account is returned to them, use this handbook to put an appropriate plan in place.

### TERMINOLOGY AND FORMS

The term *Assisting Attorney* as used throughout this handbook refers to the lawyer you have made arrangements with to close your practice. The term *Authorized Signer* refers to the person you have authorized as a signer on your lawyer trust account. The term *Planning Attorney* refers to you, your estate, or your personal representative.

The sample *Agreement - Full Form*, provided in Chapter 4, authorizes the Assisting Attorney to transfer client files, sign checks on your general account, and close your practice. This form also provides for payment to the Assisting Attorney for services rendered, designates the procedure for termination of the Assisting Attorney's services, and provides the Assisting Attorney with the option to purchase the law practice. In addition, the form provides for the appointment of an Authorized Signer on your lawyer trust account. The *Agreement - Full Form* is a sample only. You may modify it as needed.

The sample *Agreement - Short Form*, also provided in Chapter 4, includes authorization to sign on your general account and consent to close your office. It also provides for the appointment of an Authorized Signer on your lawyer trust account. It does not include many of the terms found in the sample *Agreement - Full Form* version, but it does include the authorizations most critical to protecting your clients' interests.

### IMPLEMENTING THE PLAN

The first step in the planning process is for you to find someone - preferably an attorney - to close your practice in the event of your death, disability, impairment, or incapacity.

The arrangements you make for closure of your office should include a signed consent form authorizing the Assisting Attorney to contact your clients for instructions on transferring their files, authorization to obtain extensions of time in litigation matters when needed, and authorization to provide all relevant people with notice of closure of your law practice. (See sample *Agreement - Full Form* and sample *Agreement - Short Form* provided in Chapter 4 of this handbook.)

The agreement could also include provisions that give the Assisting Attorney authority to wind down your financial affairs, provide your clients with a final accounting and statement, collect fees on your behalf, and liquidate or sell your practice. Arrangements for payment by you or your estate to the Assisting Attorney for services rendered can also be included in the agreement. (See sample *Agreement - Full Form* provided in Chapter 4 of this handbook.)

At the beginning of your relationship, it is crucial for you and the Assisting Attorney to establish the scope of the Assisting Attorney's duty to you and your clients. If the Assisting Attorney represents you as *your* attorney, he or she may be prohibited from representing your clients on some, or possibly *all*, matters. Under this arrangement, the Assisting Attorney would owe his or her fiduciary obligations to you. For example, the Assisting Attorney could inform your clients of your legal malpractice or ethical violations only if you consented. However, if the Assisting Attorney is not *your* attorney, he or she may have an ethical obligation to inform your clients of your errors. (See *What If? Answers to Frequently Asked Questions*, Chapter 2 of this handbook.)

Whether or not the Assisting Attorney is representing you, that person must be aware of conflict-of-interest issues and must check for conflicts if he or she (1) is providing legal services to your clients or (2) must review confidential file information to assist with transferring clients' files.

In addition to arranging for an Assisting Attorney, you may also want to arrange for an Authorized Signer on your trust account. It is best to choose someone other than your Assisting Attorney to act as the Authorized Signer on your trust account. This provides for checks and balances, since two people will have access to your records and information. It also avoids the potential for any conflicting fiduciary duties that may arise if the trust account does not balance.

Planning ahead to protect your clients' interests in the event of your disability or death involves some difficult decisions, including the type of access your Assisting Attorney and/or Authorized Signer will have, the conditions under which they will have access, and who will determine when those conditions are met. These decisions are the hardest part of planning ahead.

If you are incapacitated, for example, you may not be able to give consent to someone to assist you. Under what circumstances do you want someone to step in? How will it be determined that you are incapacitated, and who do you want to make this decision?

One approach is to give the Assisting Attorney and/or Authorized Signer access only during a specific time period or after a specific event and to allow the Assisting Attorney and/or Authorized Signer to determine whether the contingency has occurred. Another approach is to

have someone else (such as a spouse, trusted friend, or family member) keep the applicable documents (such as a limited power of attorney for the Assisting Attorney and/or the Authorized Signer) until he or she determines that the specific event has occurred. A third approach is to provide the Assisting Attorney and/or Authorized Signer with access to records and accounts at all times.

If you want the Assisting Attorney and/or Authorized Signer to have access to your accounts contingent on a specific event or during a particular time period, you have to decide how you are going to document the agreement. Depending on where you live and the bank you use, some approaches may work better than others. Some banks require only a letter signed by both parties granting authorization to sign on the account. The sample agreements provided in Chapter 4 of this handbook should be legally sufficient to grant authority to sign on your account. However, you and the Assisting Attorney and/or the Authorized Signer may also want to sign a limited power of attorney. (See *Power of Attorney - Limited* provided in Chapter 4 of this handbook.) Most banks prefer a power of attorney. Signing a separate limited power of attorney increases the likelihood that the bank will honor the agreement. It also provides you and the Assisting Attorney and/or the Authorized Signer with a document limited to bank business that can be given to the bank. (The bank does not need to know all the terms and conditions of the agreement between you and the Assisting Attorney and/or the Authorized Signer.) If you choose this approach, consult the manager of your bank. When you do, be aware that power of attorney forms *provided by the bank* are generally unconditional authorizations to sign on your account and may include an agreement to indemnify the bank. Get written confirmation that the bank will honor *your* limited power of attorney or other written agreement. Otherwise, you may think you have taken all necessary steps to allow access to your accounts, yet when the time comes the bank may not allow the access you intended.

If the access is going to be contingent, you may want to have someone (such as your spouse, family member, personal representative, or trusted friend) hold the power of attorney until the contingency occurs. This can be documented in a letter of understanding, signed by you and the trusted friend or family member. (See *Letter of Understanding* provided in Chapter 4 of this handbook.) When the event occurs, the trusted friend or family member provides the Assisting Attorney and/or the Authorized Signer with the power of attorney.

If the authorization will be contingent on an event or for a limited duration, the terms must be specific and the agreement should state how to determine whether the event has taken place. For example, is the Assisting Attorney and/or the Authorized Signer authorized to sign on your accounts only after obtaining a letter from a physician that you are disabled or incapacitated? Is it when the Assisting Attorney and/or the Authorized Signer, based on reasonable belief, says so? Is it for a specific period of time, for example, a period during which you are on vacation? You and the Assisting Attorney and/or Authorized Signer must review the specific terms and be comfortable with them. These same issues apply if you choose to have a family member or friend hold a general power of attorney until the event or contingency occurs. All parties need to know what to do and when to do it. Likewise, to avoid problems with the bank, the terms should be specific, and it must be easy for the bank to determine whether the terms are met.

Another approach is to allow the Assisting Attorney and/or Authorized Signer access at all times. With respect to your bank accounts, this approach requires going to the bank and having the Assisting Attorney and/or Authorized Signer sign the appropriate cards and paperwork. When the Assisting Attorney and/or Authorized Signer is authorized to sign on your account, he or she has complete access to the account. This is an easy approach that allows the Assisting Attorney and/or Authorized Signer to carry out office business even if you are just unexpectedly delayed returning from vacation. Adding someone as a signer on your accounts allows him or her to write checks, withdraw money, or close the account at any time, even if you are not dead, disabled, impaired, or otherwise unable to conduct your business affairs. Under this arrangement, you cannot control the signer's access. These risks make it an extremely important decision. If you choose to give another person full access to your accounts, your choice of signer is crucial to the protection of your clients' interests, as well as your own.

### **ACCESS TO THE TRUST ACCOUNT**

As mentioned above, when arranging to have someone take over or wind down your financial affairs, you should also consider whether you want someone to have access to your trust account. If you do not make arrangements to allow someone access to the trust account, your clients' money will remain in the trust account until a court orders access. For example, if you become physically, mentally, or emotionally unable to conduct your law practice and no access arrangements were made, your clients' money will most likely remain in your trust account until the court takes jurisdiction over your practice and your accounts. In many instances, the client needs the money he or she has on deposit in the lawyer's trust account to hire a new lawyer, and a delay puts the client in a difficult position. This is likely to prompt ethics complaints, Client Protection Fund claims, malpractice complaints, or other civil suits.

On the other hand, as emphasized above, allowing access to your trust account is a serious matter. You must give careful consideration to whom you give access and under what circumstances. If someone has access to your trust account and that person misappropriates money, your clients will suffer damages. In addition, you may be held responsible.

There are no easy solutions to this problem, and there is no way to know absolutely whether you are making the right choice. There are many important decisions to make. Each person must look at the options available to him or her, weigh the relative risks, and make the best choices he or she can.

Adding an Assisting Attorney or Authorized Signer to your general or lawyer trust account is permitted regardless of the form of entity you use for practicing law.

### **CLIENT NOTIFICATION**

Once you have made arrangements with an Assisting Attorney and/or Authorized Signer, the next step is to provide your clients with information about your plan. The easiest way to do

this is to include the information in your retainer agreements and engagement letters. This provides clients with information about your arrangement and gives them an opportunity to object. Your client's signature on a retainer agreement provides written authorization for the Assisting Attorney to proceed on the client's behalf, if necessary. (See *Retainer Agreement*, *Contingent Fee Agreement*, and *Engagement Letters* provided in Chapter 4 of this handbook.)

## **OTHER STEPS THAT PAY OFF**

You *can* take a number of steps while you are still practicing to make the process of closing your office smooth and inexpensive. These steps include (1) making sure that your office procedures manual explains how to produce a list of client names and addresses for open files, (2) keeping all deadlines and follow-up dates on your calendaring system, (3) thoroughly documenting client files, (4) keeping your time and billing records up-to-date, (5) familiarizing your Assisting Attorney and/or Authorized Signer with your office systems, (6) renewing your written agreement with the Assisting Attorney and/or Authorized Signer each year, and (7) making sure you do not keep clients' original documents, such as wills or other estate plans. (See *Checklist for Lawyers Planning to Protect Clients' Interests in the Event of the Lawyer's Death, Disability, Impairment, or Incapacity* provided in Chapter 3 of this handbook.)

If your office is in good order, the Assisting Attorney will not have to charge more than a minimum of fees for closing the practice. Your law office will then be an asset that can be sold and the proceeds remitted to you or your estate. An organized law practice is a valuable asset. In contrast, a disorganized practice requires a large investment of time and money and is less marketable.

## **DEATH OF A SOLE PRACTITIONER: SPECIAL CONSIDERATIONS**

If you authorize another lawyer to administer your practice in the event of disability, impairment, or incapacity, that authority terminates when you die. The personal representative of your estate has the legal authority to administer your practice. He or she must be told about your arrangement with the Assisting Attorney and/or Authorized Signer and about your desire to have the Assisting Attorney and/or Authorized Signer carry out the duties of your agreement. The personal representative can then authorize the Assisting Attorney and/or Authorized Signer to proceed.

It is imperative that you have an up-to-date Will nominating a personal representative (and alternates if the first nominee cannot or will not serve) so that probate proceedings can begin promptly and the personal representative can be appointed without delay. If you have no Will, there may be a dispute among family members and others as to who should be appointed as personal representative. A Will can provide that the personal representative shall serve without bond. Absent such a provision, a relatively expensive fiduciary bond may have to be obtained before the personal representative is authorized to act.

For many sole practitioners, the law practice will be the only asset subject to probate. Other property will likely pass outside probate to a surviving joint tenant, usually the spouse. This means that unless you keep enough cash in your law practice bank account, there may not be adequate funds to retain the Assisting Attorney and/or Authorized Signer or to continue to pay your clerical staff, rent, and other expenses during the transition period. It will take some time to generate statements for your legal services and to collect the accounts receivable. Your accounts receivable may not be an adequate source of cash during the time it takes to close your practice. Your Assisting Attorney and/or Authorized Signer may be unable to advance expenses or may be unwilling to serve without pay. One solution to this problem is to maintain a small insurance policy, with your estate as the beneficiary. Alternately, your surviving spouse or other family members can be named as beneficiary, with instructions to lend the funds to the estate, if needed.

Colorado law gives broad powers to a personal representative to continue a decedent's business to preserve its value, to sell or wind down the business, and to hire professionals to help administer the estate. However, for the personal representative's protection, you may want to include language in your Will that expressly authorizes that person to arrange for closure of your law practice. The appropriate language will depend on the nature of the practice and the arrangements you make ahead of time. (See *Will Provisions* provided in Chapter 4 of this handbook.) For an instructive and detailed Will for a sole practitioner, see Thomas G. Bousquet, *Retirement of a Sole Practitioner's Law Practice*, 29 LAW ECONOMICS & MANAGEMENT 428 (1989).

It is important to allocate sufficient funds to pay an Assisting Attorney and/or Authorized Signer and necessary secretarial staff in the event of disability, incapacity, or impairment. To provide funds for these services, consider maintaining a disability insurance policy in an amount sufficient to cover these projected office closure expenses.

## **START NOW**

We encourage you to select an attorney to assist you; and follow the procedures outlined in this handbook. This is something you can do *now*, at little or no expense, to plan for your future and protect your assets. Don't put it off- start the process today.



## CHAPTER 2

### WHAT IF?

#### ANSWERS TO FREQUENTLY ASKED QUESTIONS

If you are planning to close your office or if you are considering helping a friend or colleague close his or her practice, you should think through a number of issues. How you structure your agreement will determine what the Assisting Attorney must do if the Assisting Attorney finds (1) errors in the files, such as missed time limitations, or (2) misappropriation of client funds.

Discussing these issues at the beginning of the relationship will help to avoid misunderstandings later when the Assisting Attorney interacts with the Planning Attorney's former clients. If these issues are not discussed, the Planning Attorney and the Assisting Attorney may be surprised to find that the Assisting Attorney (1) has an obligation to inform the Planning Attorney's clients about a potential malpractice claim or (2) may be required to report the Planning Attorney to the Office of Attorney Regulation.

The best way to avoid these problems is to have a written agreement with the Planning Attorney and, when applicable, with the Planning Attorney's former clients. If there is no written agreement clarifying the obligations and relationships, an Assisting Attorney may find that the Planning Attorney believes the Assisting Attorney is representing the Planning Attorney's interests. At the same time, the former clients of the Planning Attorney may also believe that the Assisting Attorney is representing their interests. It is important to keep in mind that an attorney-client relationship can be established by the reasonable belief of a would-be client.

This section reviews some of these issues and the various arrangements that the Planning Attorney and the Assisting Attorney can make. All of these frequently asked questions, except question 8, are presented as if the Assisting Attorney is posing the questions.

**1. If the Planning Attorney is unable to practice and I am assisting with the office closure, must I notify the former clients of the Planning Attorney if I discover a potential malpractice claim against the Planning Attorney?**

The answer is largely determined by the agreement you have with the Planning Attorney and the Planning Attorney's former clients. If you do not have an attorney-client relationship with the Planning Attorney, and you are the new lawyer for the Planning Attorney's former clients, you must inform your client (the Planning Attorney's former client) of the error, and advise him or her to submit a claim to the malpractice carrier, unless the scope of your representation of the client excludes actions against the Planning Attorney. If you want to limit the scope of your representation, do so in writing and advise your clients to get independent advice on the issues.

If you are the Planning Attorney's lawyer, and not the lawyer for his or her former clients, you should discuss the error with the Planning Attorney and inform the Planning Attorney of his or her obligation to inform the client of the error. As the attorney for the Planning Attorney, you are obligated to follow the instructions of the Planning Attorney. You must also be careful that you do

not make any misrepresentations. This situation could arise if the Planning Attorney refused to fulfill his or her obligation to inform the client - and also instructed you not to tell the client. If that occurred, you must be sure you do not say or do anything that would mislead the client.

In most cases, the Planning Attorney will want to fulfill his or her obligation to inform the client. As the Planning Attorney's lawyer, you and the Planning Attorney can include a clause in your agreement that gives you (the Assisting Attorney) permission to inform the Planning Attorney's former clients of any malpractice errors. This would not be permission to represent the former clients on malpractice actions against the Planning Attorney. Rather, it would authorize you to inform the Planning Attorney's former clients that a potential error exists and that they should seek independent counsel.

**2. I know sensitive information about the Planning Attorney. The Planning Attorney's former client is asking questions. What information can I give the Planning Attorney's former client?**

Again, the answer is based on your relationship with the Planning Attorney and the Planning Attorney's clients. If you are the Planning Attorney's lawyer, you would be limited to disclosing only information that the Planning Attorney wished you to disclose. You would, however, want to make clear to the Planning Attorney's clients that you do not represent them and that they should seek independent counsel. If the Planning Attorney suffered from a condition of a sensitive nature and did not want you to disclose this information to the client, you could not do so.

**3. Since the Planning Attorney is now out of practice, does the Planning Attorney have malpractice coverage?**

When attorneys leave private practice, their Coverage Plan limits for the year that they leave should be extended to cover claims that occur after they leave private practice. This extension of coverage is called Extended Reporting Coverage (ERC) or Tail Coverage. It is generally available to all attorneys when they leave private practice.

**4. In addition to transferring files and helping to close the Planning Attorney's practice, I want to represent the Planning Attorney's former clients. Am I permitted to do so?**

Whether you are permitted to represent the former clients of the Planning Attorney depends on (1) whether the clients want you to represent them and (2) who else you represent.

If you are representing the Planning Attorney, you cannot represent the Planning Attorney's former clients on any matter against the Planning Attorney. This would include representing the Planning Attorney's former clients on a malpractice claim, ethics complaint, or fee claim against the Planning Attorney. If you do not represent the Planning Attorney, you are limited by conflicts arising from your other cases and clients. You must check your client list for possible client conflicts before undertaking representation or reviewing confidential information of a former client of the Planning Attorney.

Even if a conflict check reveals that you are permitted to represent the client, you may prefer to refer the case to another lawyer. A referral is advisable if the matter is outside your area

of expertise or if you do not have adequate time or staff to handle the case. In addition, if the Planning Attorney is a friend, bringing a legal malpractice claim or fee claim against him or her may make you vulnerable to the allegation that you did not zealously advocate on behalf of your new client. To avoid this potential exposure, you should provide the client with names of other attorneys or refer the client to the Colorado Lawyer Referral Service. (Metro Denver/303-831-8000; Fort Collins/Greeley 970-226-2455; Colorado Springs (719-636-1532).

**5. What procedures should I follow for distributing the funds in the trust account?**

If your review or the Authorized Signer's review of the lawyer trust account indicates that there may be conflicting claims to the funds in the trust account, you should initiate a procedure for distributing the existing funds, such as a court-directed interpleader.

**6. If there is an ethical violation, must I tell the Planning Attorney's former clients?**

The answer depends on the relationships. The answer is (1) no, if you are the Planning Attorney's lawyer; (2) maybe, if you are not representing the Planning Attorney or the Planning Attorney's former clients; and (3) yes, if you are the attorney for the Planning Attorney's former clients.

If the Planning Attorney violated a disciplinary rule and you are his or her lawyer, you are not obligated to inform the Planning Attorney's former clients of any ethical violations or report any of the Planning Attorney's ethical violations to the Office of Attorney Regulation if your knowledge of the misconduct is the result of confidential information obtained from your client, the Planning Attorney. Although you may have no duty to report, you may have other responsibilities. For example, if you discover that some of the client funds are not in the lawyer trust account as they should be, you, as the attorney for the Planning Attorney, should discuss this matter with the Planning Attorney and encourage the Planning Attorney to correct the shortfall. If the Planning Attorney does not correct the shortfall and you believe the Planning Attorney's conduct violates the disciplinary rules, you should resign. If you are the attorney for the Planning Attorney and the Planning Attorney is deceased, you should contact the personal representative of the estate. If the Planning Attorney is alive but unable to function, you (or the Authorized Signer) may have to disburse the amounts that are available and inform the Planning Attorney's former clients that they have the right to seek legal advice.

If you are the Planning Attorney's lawyer, you should make certain that former clients of the Planning Attorney do not perceive you as their attorney. This may include informing them in writing that you do not represent them.

If you are a signer on the trust account and (1) you are not the attorney for the Planning Attorney and (2) you are not representing any of the former clients of the Planning Attorney, you may still have a fiduciary obligation to notify the clients of the shortfall, and you may have an obligation to report the Planning Attorney to the Office of Attorney Regulation Counsel.

If you are the attorney for a former client of the Planning Attorney, you have an obligation to inform the client about the shortfall and advise the client of available remedies. These remedies may include (1) pursuing the Planning Attorney for the shortfall, (2) filing a claim with the Client Protection Fund, or (3) filing an ethics complaint with the Office of

Attorney Regulation. If you are a friend of the Planning Attorney, this is a particularly important issue. You should determine *ahead of time* whether you are prepared to assume (1) the obligation to inform the Planning Attorney's former clients of the Planning Attorney's ethical errors and (2) the duty to report the Planning Attorney to the Office of Attorney Regulation if a violation occurs. If you do not want to inform your clients (the former clients of the Planning Attorney) about possible ethics violations, you must explain to your clients that you are not providing them with any advice on ethics violations of the Planning Attorney. You should advise the clients, in writing, to seek independent representation on these issues. Limiting the scope of your representation, however, does not eliminate your duty to report.

**7. If the Planning Attorney stole client funds, do I have exposure to an ethics complaint against me?**

You do not have exposure to an ethics complaint for stealing the money, unless you in some way aided or abetted the Planning Attorney in the unethical conduct.

Whether you have an obligation to inform the Planning Attorney's former clients of the misappropriation depends on your relationship with the Planning Attorney and the Planning Attorney's former clients. (See question 6 above.)

If you are the new attorney for a former client of the Planning Attorney and you fail to advise the client of the Planning Attorney's ethical violations, you may be exposed to the allegation that you have violated your ethical responsibilities to your new client.

**8. What are the pros and cons of allowing someone to have access to my trust account? How do I make arrangements to give my Authorized Signer access?**

The most important "pro" of authorizing someone to sign on your trust account is the convenience it provides for your clients. If you (the Planning Attorney) suddenly become unable to continue in practice, an Authorized Signer is able to transfer money from the trust account to pay appropriate fees, provide clients with settlement checks, and refund unearned fees. If these arrangements are not made, the clients' money must remain in the trust account until a court allows access. This delay may leave the clients at a disadvantage, since settlement funds, or unearned fees held in trust, are often needed to hire a new lawyer.

On the other hand, the most important "con" of authorizing trust account access is your inability to control the person who has been granted access. An Authorized Signer with unconditional access has the ability to write trust account checks, withdraw funds, or close the account at any time, even if you are not dead, disabled, impaired, or otherwise unable to conduct your business affairs. It is very important to carefully choose the person you authorize as a signer and, when possible, to continue monitoring your accounts.

If you decide to have an Authorized Signer, decide whether you want to give (1) access only during a specific time period or when a specific event occurs or (2) access all the time. (See *The Duty to Plan Ahead* in Chapter 1 of this handbook.)

**9. The Planning Attorney wants to authorize me as a trust account signer. Am I permitted to also be the attorney for the Planning Attorney?**

Although this generally works out fine, the arrangement may result in a conflict of fiduciary interests. As an Authorized Signer on the Planning Attorney's trust account, you would have a duty to properly account for the funds belonging to the former clients of the Planning Attorney. This duty could be in conflict with your duty to the Planning Attorney if (1) you were hired to represent him or her on issues related to the closure of his or her law practice and (2) there were misappropriations in the trust account and the Planning Attorney did not want you to disclose them to the clients. To avoid this potential conflict of fiduciary interests, the most conservative approach is to choose one role or the other: be an Authorized Signer **OR** be an Assisting Attorney representing the Planning Attorney on issues related to the closure of his or her practice. (See question 4 above.)

## CHAPTER 3

### CHECKLIST FOR LAWYERS PLANNING TO PROTECT CLIENTS' INTERESTS IN THE EVENT OF THE LAWYER'S DEATH, DISABILITY, IMPAIRMENT, OR INCAPACITY

1. Use retainer agreements that state you have arranged for an Assisting Attorney to close your practice in the event of death, disability, impairment, or incapacity. (See sample *Retainer Agreement* provided in Chapter 4 of this handbook.)
2. Have a thorough and up-to-date office procedure manual that includes information on:
  - a. How to check for a conflict of interest;
  - b. How to use the calendaring system;
  - c. How to generate a list of active client files, including client names, addresses, and phone numbers;
  - d. Where client ledgers are kept;
  - e. How the open/active files are organized;
  - f. How the closed files are organized and assigned numbers;
  - g. Where the closed files are kept and how to access them;
  - h. The office policy on keeping original client documents;
  - i. Where original client documents are kept;
  - j. Where the safe deposit box is located and how to access it;
  - k. The bank name, address, account signers, and account numbers for all law office bank accounts;
    1. The location of all law office bank account records (trust and general);
  - m. Where to find, or who knows about, the computer passwords;
  - n. How to access your voice mail (or answering machine) and the access code numbers; and
  - o. Where the post office or other mail service box is located and how to access it.
3. Make sure all your file deadlines (including follow-up deadlines) are calendared.
4. Document your files.
5. Keep your time and billing records up-to-date.
6. Avoid keeping original client documents, such as wills and other estate planning documents.
7. Have a written agreement with an attorney who will close your practice (the "Assisting Attorney") that outlines the responsibilities involved in closing your practice. Determine whether the Assisting Attorney will also be your personal attorney. Choose an Assisting Attorney who is sensitive to conflict-of-interest issues.
8. If your written agreement authorizes the Assisting Attorney to sign general account checks, follow the procedures required by your local bank. Decide whether you want to authorize access at all times, at specific times, or only on the happening of a specific

event. In some instances, you and the Assisting Attorney will have to sign bank forms authorizing the Assisting Attorney to have access to your general account. (See *The Duty to Plan Ahead, Implementing the Plan*, in Chapter 1 of this handbook.)

9. If your written agreement provides for an Authorized Signer for your trust account checks, follow the procedures required by your local bank. Decide whether you want to authorize access at all times, at specific times, or only on the happening of a specific event. In most instances, you and the Authorized Signer will have to sign bank forms providing for access to your trust account. (See *The Duty to Plan Ahead, Access to the Trust Account*, in Chapter 1 of this handbook.) Choose your Authorized Signer wisely; he or she will have access to your clients' funds.
10. Familiarize your Assisting Attorney with your office systems and keep him or her apprised of office changes.
11. Introduce your Assisting Attorney and/or Authorized Signer to your office staff. Make certain your staff knows where you keep the written agreement and how to contact the Assisting Attorney and/or Authorized Signer if an emergency occurs before or after office hours. If you practice without regular staff, make sure your Assisting Attorney and/or Authorized Signer knows whom to contact (the landlord, for example) to gain access to your office.
12. Inform your spouse or closest living relative and the personal representative of your estate of the existence of this agreement and how to contact the Assisting Attorney and/or Authorized Signer.
13. Renew your written agreement with your Assisting Attorney and/or Authorized Signer annually.
14. Review your retainer agreement each year to make sure that the name of your Assisting Attorney is current.
15. Fill out the Law Office List of Contacts practice aid provided in Chapter 4 of this handbook. Make sure your Assisting Attorney has a copy.

## CHECKLIST FOR CLOSING ANOTHER ATTORNEY'S OFFICE

The term "Closing Attorney" refers to the attorney whose office is being closed.

1. Check the calendar and active files to determine which items are urgent and/or scheduled for hearings, trials, depositions, court appearances, and so on.
2. Contact clients for matters that are urgent or immediately scheduled for hearing, court appearances, or discovery. Obtain permission for reset. (If making these arrangements poses a conflict of interest for you and your clients, retain another attorney to take responsibility for obtaining extensions of time and other immediate needs.)
3. Contact courts and opposing counsel immediately for files that require discovery or court appearances. Obtain resets of hearings or extensions when necessary. Confirm extensions and resets in writing.
4. Open and review all unopened mail. Review all mail that is not filed and match it to the appropriate files.
5. Look for an office procedure manual. Determine whether anyone has access to a list of clients with active files.
6. Send clients who have active files a letter explaining that the law office is being closed and instructing them to retain a new attorney and/or pick up a copy of the open file. Provide clients with a date by which they should pick up copies of their files. Inform clients that new counsel should be chosen immediately. (See sample *Letter Advising That Lawyer Is Unable to Continue in Practice* provided in Chapter 4 of this handbook.)
7. For cases before administrative bodies and courts, obtain permission from the clients to submit a motion and order to withdraw the Closing Attorney as attorney of record.
8. If the client is obtaining a new attorney, be certain that a Substitution of Counsel is filed.
9. Select an appropriate date to check whether all cases have either a motion and order allowing withdrawal of the Closing Attorney or a Substitution of Counsel filed with the court.
10. Make copies of files for clients. Retain the Closing Attorney's original files. All clients should either pick up a copy of their files (and sign a receipt acknowledging that they received it) or sign an authorization for you to release a copy to a new attorney. If the client is picking up a copy of the file and the file contains original documents that the client needs (such as a title to property), return the original documents to the client and keep copies for the Closing Attorney's file.
11. Advise all clients where their closed files will be stored and whom they should contact in order to retrieve a closed file.



12. If the Closing Attorney was a sole practitioner, try to arrange for his or her phone number to have a forwarding number. This eliminates the problem created when clients call the Closing Attorney's phone number, get a recording stating that the number is disconnected, and do not know where to turn for information.
13. Contact the Closing Attorney's malpractice/excess carrier, if applicable, about extended reporting coverage.
14. If the Closing Attorney died, you may wish to speak to family members about submitting memorial notices or obituaries to appropriate publications.
15. *(optional)* If you have authorization to handle the Closing Attorney's financial matters, look around the office for checks or funds that have not been deposited. Determine whether funds should be deposited or returned to clients. (Some of the funds may be for services already rendered.) Get instructions from clients concerning any funds in their trust accounts. These funds should be either returned to the clients or forwarded to their new attorneys. Prepare a final billing statement showing any outstanding fees due and/or any money in trust. (To withdraw money from the Closing Attorney's accounts, you will probably need: (1) to be an Authorized Signer on the accounts; (2) to have a written agreement such as the sample provided in Chapter 4 of this handbook; or (3) to have a limited power of attorney. If none of these have been done and the Closing Attorney is dead, disabled, impaired, or incapacitated, you may have to petition the court to take jurisdiction over the practice and the accounts. If the Closing Attorney is deceased, another alternative is to petition the court to appoint a personal representative under the probate statutes.) Money from clients for services rendered by the Closing Attorney should go to the Closing Attorney or his/her estate.
16. *(optional)* If you are authorized to do so, handle financial matters, pay business expenses, and liquidate or sell the practice.
17. *(optional)* If your responsibilities include sale of the practice, you may want to advertise in the local bar newsletter and other appropriate places.
18. *(optional)* If your arrangement with the Closing Attorney or estate is that you are to be paid for closing the practice, submit your bill.
19. *(optional)* If your arrangement is to represent the Closing Attorney's clients on their pending cases, obtain each client's consent to represent the client and check for conflicts of interest.

## CHECKLIST FOR CLOSING YOUR OWN OFFICE

1. Finalize as many active files as possible.
2. Write to clients with active files, advising them that you are unable to continue representing them and that they need to retain new counsel. Your letter should inform them about time limitations and time frames important to their cases. The letter should explain how and where they can pick up copies of their files and should give a time deadline for doing this. (See sample *Letter Advising That Lawyer Is Closing His/Her Office* provided in Chapter 4 of this handbook.)
3. For cases with pending court dates, depositions, or hearings, discuss with the clients how to proceed. When appropriate, request extensions, continuances, and resetting of hearing dates. Send written confirmations of these extensions, continuances, and resets to opposing counsel and your client.
4. For cases before administrative bodies and courts, obtain the clients' permission to submit a motion and order to withdraw as attorney of record.
5. If the client is obtaining a new attorney, be certain that a Substitution of Counsel is filed.
6. Pick an appropriate date to check whether all cases either have a motion and order allowing your withdrawal as attorney of record or have a Substitution of Counsel filed with the court.
7. Make copies of files for clients. Retain your original files. All clients should either pick up their files (and sign a receipt acknowledging that they received them) or sign an authorization for you to release the files to their new attorneys. (See sample *Acknowledgment of Receipt of File and Authorization for Transfer of Client File* provided in Chapter 4 of this handbook.) If a client is picking up the file, return original documents to the client and keep copies in your file.
8. Tell all clients where their closed files will be stored and whom they should contact to retrieve them. Obtain all clients' permission to destroy the files after approximately 7 years. The Office of Attorney Regulation recommends that closed files be kept for 7 years or longer. (See *File Retention and Destruction* in Chapter 5 of this handbook.) If a closed file is to be stored by another attorney, get the client's permission to allow the attorney to store the file for you and provide the client with the attorney's name, address, and phone number.
9. It is a good idea to send the name, address, and phone number of the person who will be retaining your closed files to the Colorado Supreme Court, Office of Attorney Regulation Counsel, 1560 Broadway, Suite 1800, Denver, Colorado 80202. Also send them your name, current address, and phone number.
10. If you are a sole practitioner, ask the telephone company for a new phone number to be given out when your disconnected phone number is called. This eliminates the problem created when clients call your phone number, get a recording stating that the number is disconnected, and do not know where else to turn for information.

**CHAPTER 4 – SAMPLE FORMS**  
**AGREEMENT - FULL FORM**  
**(Sample - Modify as appropriate)**

The sample *Agreement - Full Form* beginning on the next page gives the Assisting Attorney the power to determine whether you are disabled, impaired, or incapacitated and provides the Assisting Attorney with authority under the designated circumstances to sign on your business bank accounts (except your trust account) and to close your law practice. The agreement gives an Authorized Signer authority to sign on your trust accounts. (See *Caveat* below.) The agreement also enumerates powers such as termination, payment for services, and resolution of disputes.

***Caveat:*** The Assisting Attorney must determine ahead of time whether he or she is going to represent the Planning Attorney, clients of the Planning Attorney, or no one (acting exclusively as a neutral file-transferring agent). If the Assisting Attorney (1) represents the Planning Attorney on issues related to office closure, (2) is an Authorized Signer on the lawyer trust account, (3) finds misappropriations in the lawyer trust account, and (4) is instructed by the Planning Attorney not to inform the clients about the misappropriations, the Assisting Attorney will have conflicting fiduciary duties. To avoid this potential for conflicting fiduciary duties, it is best if the Planning Attorney selects one person to represent him or her as Assisting Attorney and another person to serve as the Authorized Signer on the trust account. (See Chapter 1, *The Duty to Plan Ahead*, and Chapter 2, *What If? Answers to Frequently Asked Questions*, in this handbook for more detailed information on these topics.)

Authorizing someone to sign on bank accounts in an agreement may not meet the banking institution's record-keeping requirements. The Planning Attorney should consult his or her banking institution to complete the paperwork required for its records.

If you do not want the Assisting Attorney to be the person who determines whether you are disabled, incapacitated, or impaired, you will need to modify this agreement. For a discussion of alternatives, see *The Duty to Plan Ahead, Access to the Trust Account*, in Chapter 1 of this handbook.

## AGREEMENT TO CLOSE LAW PRACTICE

Between: \_\_\_\_\_, hereinafter referred to as "Planning Attorney;"

And: \_\_\_\_\_, hereinafter referred to as "Assisting Attorney;"

And: \_\_\_\_\_, hereinafter referred to as "Authorized Signer."

### 1. Purpose.

The purpose of this Agreement to Close Law Practice (hereinafter "this Agreement") is to protect the legal interests of the clients of Planning Attorney in the event Planning Attorney is unable to continue Planning Attorney's law practice due to death, disability, impairment, or incapacity.

### 2. Parties.

The term *Assisting Attorney* refers to the attorney designated in the caption above or the Assisting Attorney's alternate. The term *Planning Attorney* refers to the attorney designated in the caption above or the Planning Attorney's representatives, heirs, or assigns. The term *Authorized Signer* refers to the person designated to sign on Planning Attorney's trust account and to provide an accounting for the funds belonging to Planning Attorney's clients.

### 3. Establishing Death, Disability, Impairment, or Incapacity.

In determining whether Planning Attorney is dead, disabled, impaired, or incapacitated, Assisting Attorney may act upon such evidence as Assisting Attorney shall deem reasonably reliable, including, but not limited to, communications with Planning Attorney's family members or representative or a written opinion of one or more medical doctors duly licensed to practice medicine. Similar evidence or medical opinions may be relied upon to establish that Planning Attorney's disability, impairment, or incapacity has terminated. Assisting Attorney is relieved from any responsibility and liability for acting in good faith upon such evidence in carrying out the provisions of this Agreement.

### 4. Consent to Close Practice.

Planning Attorney hereby gives consent to Assisting Attorney to take all actions necessary to close Planning Attorney's law practice in the event that Planning Attorney is unable to continue in the private practice of law and Planning Attorney is unable to close Planning Attorney's own practice due to death, disability, impairment, or incapacity. Planning Attorney hereby appoints Assisting Attorney as attorney-in-fact, with full power to do and accomplish all the actions contemplated by this Agreement as fully and as completely as Planning Attorney could do personally if Planning Attorney were able. It is Planning Attorney's specific intent that this appointment of Assisting Attorney as attorney-in-fact shall become effective only upon Planning Attorney's death, disability, impairment, or incapacity. The appointment of Assisting Attorney shall not be invalidated because of Planning Attorney's death, disability, impairment, or incapacity,

but, instead, the appointment shall fully survive such death, disability, impairment, or incapacity and shall be in *full* force and effect so long as it is necessary or convenient to carry out the terms of this Agreement. In the event of Planning Attorney's death, disability, impairment, or incapacity, Planning Attorney designates Assisting Attorney as signatory, in substitution of Planning Attorney's signature, on all of Planning Attorney's law office accounts with any bank or financial institution, except Planning Attorney's lawyer trust account(s). Planning Attorney's consent includes, but is not limited to:

- Entering Planning Attorney's office and using Planning Attorney's equipment and supplies, as needed, to close Planning Attorney's practice;
- Opening Planning Attorney's mail and processing it;
- Taking possession and control of all property comprising Planning Attorney's law office, including client files and records;
- Examining client files and records of Planning Attorney's law practice and obtaining information about any pending matters that may require attention;
- Notifying clients, potential clients, and others who appear to be clients that Planning Attorney has given this authorization and that it is in their best interest to obtain other legal counsel;
- Copying Planning Attorney's files;
- Obtaining client consent to transfer files and client property to new attorneys;
- Transferring client files and property to clients or their new attorneys;
- Obtaining client consent to obtain extensions of time and contacting opposing counsel and courts/administrative agencies to obtain extensions of time;
- Applying for extensions of time pending employment of other counsel by the clients;
- Filing notices, motions, and pleadings on behalf of clients when their interests must be immediately protected and other legal counsel has not yet been retained;
- Contacting all appropriate persons and entities who may be affected and informing them that Planning Attorney has given this authorization;
- Arranging for transfer and storage of closed files;
- Winding down the financial affairs of Planning Attorney's practice, including providing Planning Attorney's clients with a final accounting and statement for services rendered by Planning Attorney, return of client funds, collection of fees on Planning Attorney's behalf or on behalf of Planning Attorney's estate, payment of business expenses, and closure of business accounts when appropriate;
- Advertising Planning Attorney's law practice or any of its assets to find a buyer for the practice; and
- Arranging for an appraisal of Planning Attorney's practice for the purpose of selling Planning Attorney's practice.

Planning Attorney authorizes Authorized Signer to sign on Planning Attorney's lawyer trust account(s).

Assisting Attorney and Authorized Signer will not be responsible for processing or payment of Planning Attorney's personal expenses.

Planning Attorney's bank or financial institution may rely on the authorizations in this Agreement, unless such bank or financial institution has actual knowledge that this Agreement has been terminated or is no longer in effect.

**5. Payment For Services.**

Planning Attorney agrees to pay Assisting Attorney and Authorized Signer a reasonable sum for services rendered by Assisting Attorney and Authorized Signer while closing the law practice of Planning Attorney. Assisting Attorney and Authorized Signer agree to keep accurate time records for the purpose of determining amounts due for services rendered. Assisting Attorney and Authorized Signer agree to provide the services specified herein as independent contractors.

**6. Preserving Attorney Client Privilege.**

Assisting Attorney and Authorized Signer agree to preserve confidences and secrets of Planning Attorney's clients and their attorney client privilege. Assisting Attorney and Authorized Signer shall make only disclosures of information reasonably necessary to carry out the purpose of this Agreement.

**7. Assisting Attorney Is Attorney for Planning Attorney.** (Delete one of the following paragraphs as appropriate.)

While fulfilling the terms of this Agreement, Assisting Attorney is the attorney for Planning Attorney. Assisting Attorney will protect the attorney client relationship and follow the Colorado Rules of Professional Conduct. Assisting Attorney has permission to inform the Office of Attorney Regulation Counsel/Client Protection Fund of errors or potential errors of Planning Attorney.

While fulfilling the terms of this Agreement, Assisting Attorney is the attorney for Planning Attorney. Assisting Attorney has permission to inform Planning Attorney's clients of any errors or potential errors and instruct them to obtain independent legal advice. Assisting Attorney also has permission to inform Planning Attorney's clients of any ethics violations committed by Planning Attorney.

**OR:**

**Assisting Attorney Is Not Attorney for Planning Attorney.**

While fulfilling the terms of this Agreement, Assisting Attorney is not the attorney for Planning Attorney. Assisting Attorney has permission to inform the Office of Attorney Regulation Counsel of errors or potential errors of Planning Attorney. Assisting Attorney has permission to inform Planning Attorney's clients of any errors or potential errors and instruct them to obtain independent legal advice. Assisting Attorney also has permission to inform Planning Attorney's clients of any ethics violations committed by Planning Attorney.

**8. Authorized Signer Is Not Attorney for Planning Attorney.**

While fulfilling the terms of this Agreement, Authorized Signer is not the attorney for

Planning Attorney. Authorized Signer has permission to inform Planning Attorney's present and former clients of any misappropriations in Planning Attorney's trust account and instruct them to obtain independent legal advice and/or to contact the Office of Attorney Regulation Counsel.

**9. Providing Legal Services.**

Planning Attorney authorizes Assisting Attorney to provide legal services to Planning Attorney's clients, provided Assisting Attorney has no conflict of interest and obtains the consent of Planning Attorney's clients to do so. Assisting Attorney has the right to enter into an attorney-client relationship with Planning Attorney's clients and to have clients pay Assisting Attorney for his or her legal services. Assisting Attorney agrees to check for conflicts of interest and, when necessary, refer the clients to another attorney.

**10. Informing Colorado Supreme Court.**

Assisting Attorney agrees to inform the Colorado Supreme Court Office of Attorney Regulation Counsel where Planning Attorney's closed files will be stored and the name, address, and phone number of the contact person for retrieving those files.

**11. Contacting the Colorado Supreme Court.**

Planning Attorney authorizes Assisting Attorney to contact the Office of Attorney Regulation Counsel concerning any legal malpractice claims or potential claims. (Note to Planning Attorney: Assisting Attorney's role in contacting the Office of Attorney Regulation Counsel will be determined by Assisting Attorney's arrangement with Planning Attorney. See Section 7 of this Agreement.)

**12. Providing Clients with Accounting.**

Authorized Signer and/or Assisting Attorney agree[s] to provide Planning Attorney's clients with a final accounting and statement for legal services of Planning Attorney based on Planning Attorney's records. Authorized Signer agrees to return client funds to Planning Attorney's clients and to submit funds collected on behalf of Planning Attorney to Planning Attorney or Planning Attorney's estate representative.

**13. Assisting Attorney's Alternate.** (Delete one of the following paragraphs as appropriate.)

If Assisting Attorney is unable or unwilling to act on behalf of Planning Attorney, Planning Attorney appoints as Assisting Attorney's alternate (hereinafter "Assisting Attorney's Alternate"). Assisting Attorney's Alternate is authorized to act on behalf of Planning Attorney pursuant to this Agreement. Assisting Attorney's Alternate shall comply with the terms of this Agreement. Assisting Attorney's Alternate consents to this appointment, as shown by the signature of Assisting Attorney's Alternate on this Agreement.

**OR:**

If Assisting Attorney is unable or unwilling to act on behalf of Planning Attorney, Assisting Attorney may appoint an alternate (hereinafter "Assisting Attorney's

Alternate"). Assisting Attorney shall enter into an agreement with any such Assisting Attorney's Alternate, under which Assisting Attorney's Alternate consents to the terms and provisions of this Agreement.

**14. Authorized Signer's Alternate.** (Delete one of the following paragraphs as appropriate.)

If Authorized Signer is unable or unwilling to act on behalf of Planning Attorney, Planning Attorney appoints as Authorized Signer's alternate (hereinafter "Authorized Signer's Alternate"). Authorized Signer's Alternate is authorized to act on behalf of Planning Attorney pursuant to this Agreement. Authorized Signer's Alternate shall comply with the terms of this Agreement. Authorized Signer's Alternate consents to this appointment, as shown by the signature of Authorized Signer's Alternate on this Agreement.

**OR:**

If Authorized Signer is unable or unwilling to act on behalf of Planning Attorney, Authorized Signer may appoint an alternate (hereinafter "Authorized Signer's Alternate"). Authorized Signer shall enter into an agreement with any such Authorized Signer's Alternate, under which Authorized Signer's Alternate consents to the terms and provisions of this Agreement.

**15. Indemnification.**

Planning Attorney agrees to indemnify Assisting Attorney and Authorized Signer against any claims, loss, or damage arising out of any act or omission by Assisting Attorney and Authorized Signer under this Agreement, provided the actions or omissions of Assisting Attorney and Authorized Signer were made in good faith, were made in a manner reasonably believed to be in Planning Attorney's best interest, and occurred while Assisting Attorney and Authorized Signer were assisting Planning Attorney with the closure of Planning Attorney's law practice. Assisting Attorney and Authorized Signer shall be responsible for all acts and omissions of gross negligence and willful misconduct.

This indemnification provision does not extend to any acts, errors, or omissions of Assisting Attorney as attorney for the clients of Planning Attorney.

**16. Option to Purchase Practice.**

Assisting Attorney shall have the first option to purchase the law practice of Planning Attorney under the terms and conditions specified by Planning Attorney or Planning Attorney's representative in accordance with the Colorado Rules of Professional Conduct and other applicable law.

**17. Arranging to Sell Practice.**

If Assisting Attorney opts not to purchase Planning Attorney's law practice, Assisting Attorney will make all reasonable efforts to sell Planning Attorney's law practice and









## **AGREEMENT - SHORT FORM** **(Sample - Modify as appropriate)**

The sample *Agreement - Short Form* beginning on the next page includes authorization for the Assisting Attorney to sign on your business bank accounts (except the lawyer trust accounts) and to close your law practice. It authorizes the Authorized Signer to sign on your trust account. It does not include a provision for payment to the Assisting Attorney, a description of termination powers, consent to represent the Planning Attorney's clients, or other provisions included in the sample *Agreement - Full Form*.

***Caveat:*** The Assisting Attorney must determine ahead of time whether he or she is going to represent the Planning Attorney, clients of the Planning Attorney, or no one (acting exclusively as a neutral file-transferring agent.) If the Assisting Attorney (1) represents the Planning Attorney on issues related to office closure, (2) is a signer on the lawyer trust account, (3) finds misappropriations in the lawyer trust account, and (4) is instructed by the Planning Attorney not to inform the clients about the misappropriations, the Assisting Attorney will have conflicting fiduciary duties. To avoid this potential for conflicting fiduciary duties, it is best if the Planning Attorney selects one person to represent him or her as Assisting Attorney and another person to serve as the Authorized Signer on the trust account. (See Chapter 1, *The Duty to Plan Ahead*, and Chapter 2, *What If? Answers to Frequently Asked Questions*, in this handbook for more detailed information on these topics.)

Authorizing someone to sign on bank accounts in an agreement may not meet the banking institution's record-keeping requirements. A Planning Attorney should consult his or her banking institution to complete the paperwork required for its records.

## CONSENT TO CLOSE OFFICE

This Consent to Close Office (hereinafter “this Consent”) is entered into between \_\_\_\_\_, hereinafter referred to as “Planning Attorney;” and \_\_\_\_\_, hereinafter referred to as “Assisting Attorney;” and \_\_\_\_\_, hereinafter referred to as “Authorized Signer.”

I, (insert name of Planning Attorney), authorize (insert name of Assisting Attorney), Assisting Attorney, and any attorney or agent acting on my behalf, to take all actions necessary to close my law practice upon my death, disability, impairment, or incapacity. These actions include, but are not limited to:

- Entering my office and using my equipment and supplies, as needed, to close my practice;
- Opening and processing my mail;
- Taking possession and control of all property comprising my law office, including client files and records;
- Examining client files and records of my law practice and obtaining information about any pending matters that may require attention;
- Notifying clients, potential clients, and others who appear to be clients that I have given this authorization and that it is in their best interest to obtain other legal counsel;
- Copying my files;
- Obtaining client consent to transfer files and client property to new attorneys;
- Transferring client files and property to clients or their new attorneys;
- Obtaining client consent to obtain extensions of time and contacting opposing counsel and courts/administrative agencies to obtain extensions of time;
- Applying for extensions of time pending employment of other counsel by my clients;
- Filing notices, motions, and pleadings on behalf of my clients when their interests must be immediately protected and other legal counsel has not yet been retained;
- Contacting all appropriate persons and entities who may be affected and informing them that I have given this authorization;
- Winding down the business affairs of my practice, including paying business expenses and collecting fees;
- Informing the Colorado Supreme Court Office of Attorney Regulation Counsel where closed files will be stored and the name, address, and phone number of the contact person for retrieving the files; and
- Contacting the Office of Attorney Regulation Counsel concerning claims and potential claims.

I authorize (insert name of Authorized Signer), Authorized Signer, to sign checks on my trust accounts and provide an accounting to my clients of funds in trust.

My bank or financial institution may rely on the authorizations in this Consent, unless such bank or financial institution has actual knowledge that this Consent has been terminated or is no longer in effect.

For the purpose of this Consent, my death, disability, impairment, or incapacity shall be determined by evidence the Assisting Attorney deems reasonably reliable, including, but not limited to, communications with my family members or representative or a written opinion of one or more medical doctors duly licensed to practice medicine. Upon such evidence, the Assisting Attorney is relieved from any responsibility or liability for acting in good faith in carrying out the provisions of this Consent.

Assisting Attorney and Authorized Signer agree to preserve client confidences and secrets and the attorney client privilege of my clients and to make disclosure only to the extent reasonably necessary to carry out the purpose of this Consent. Assisting Attorney and Authorized Signer are appointed as my agents for purposes of preserving my clients' confidences and secrets, the attorney client privilege, and the work product privilege. This authorization does not waive any attorney client privilege.

***(Delete one of the following paragraphs as appropriate:)***

Assisting Attorney represents me and acts as my attorney in closing my law practice. Assisting Attorney has permission to inform the Office of Attorney Regulation Counsel of my errors or potential errors. Assisting Attorney has permission to inform my clients of any errors or potential errors and to instruct them to obtain independent legal advice. Assisting Attorney also has permission to inform my clients of any ethics violations committed by me.

**OR:**

Assisting Attorney does not represent me and is not acting as my attorney in closing my law practice. While fulfilling the obligations of this Consent, Assisting Attorney has permission to inform the Office of Attorney Regulation Counsel of my errors or potential errors. Assisting Attorney may inform my clients of any errors or potential errors and instruct them to obtain independent legal advice. Assisting Attorney also has permission to inform my clients of any ethics violations committed by me.

Authorized Signer is not my attorney. Authorized Signer may inform my clients of any misappropriations in my trust account and instruct them to obtain independent legal advice or contact the Colorado Supreme Court Client Protection Fund.

I, Planning Attorney, appoint Authorized Signer as signatory, in substitution of my signature, on my lawyer trust account(s) upon my death, disability, impairment, or incapacity.

I understand that neither Authorized Signer nor Assisting Attorney will process, pay, or in any other way be responsible for payment of my personal bills.

I agree to indemnify Assisting Attorney and Authorized Signer against any claims, loss, or damage arising out of any act or omission by Assisting Attorney and Authorized Signer under this Consent, provided the actions or omissions of Assisting Attorney and Authorized Signer were in good faith and in a manner reasonably believed to be in my best interest. Assisting Attorney and Authorized Signer shall be responsible for all acts and omissions of gross negligence and willful misconduct.

Assisting Attorney and/or Authorized Signer may revoke this acceptance at any time, and each has the power to appoint a new assisting attorney or authorized signer in Assisting Attorney's and/or Authorized Signer's place. My authorization and consent to allow Assisting Attorney and Authorized Signer to perform these and other services necessary for the closure of my law office do not require Assisting Attorney and/or Authorized Signer to perform these services. If Assisting Attorney and/or Authorized Signer revokes this acceptance, Assisting Attorney and/or Authorized Signer must promptly notify me.

\_\_\_\_\_  
*[Planning Attorney]*

\_\_\_\_\_  
*[Date]*

STATE OF COLORADO            )  
  ) ss.  
County of \_\_\_\_\_            )

This instrument was acknowledged before me on \_\_\_\_\_ (date) by  
\_\_\_\_\_ (name of person).

(SEAL)

\_\_\_\_\_  
Notary Public  
My Commission Expires:

\_\_\_\_\_  
*[Assisting Attorney]*

\_\_\_\_\_  
*[Date]*

STATE OF COLORADO            )  
  ) ss.  
County of \_\_\_\_\_            )

This instrument was acknowledged before me on \_\_\_\_\_ (date) by  
\_\_\_\_\_ (name of person).

(SEAL)

\_\_\_\_\_  
Notary Public  
My Commission Expires:

\_\_\_\_\_  
*[Authorized Signer]*

\_\_\_\_\_  
*[Date]*

STATE OF COLORADO            )  
  ) ss.  
County of \_\_\_\_\_        )

This instrument was acknowledged before me on \_\_\_\_\_ (date) by  
\_\_\_\_\_ (name of person).

(SEAL)

\_\_\_\_\_  
Notary Public  
My Commission Expires:





**SPECIMEN SIGNATURE OF ATTORNEY-IN-FACT**

The attorney-in-fact acknowledges that the foregoing is his/her signature.

\_\_\_\_\_  
*[Attorney-in-Fact]*

\_\_\_\_\_  
*[Date]*

STATE OF COLORADO     )  
  )ss.  
County of \_\_\_\_\_ )

*[Insert name of Attorney-in-Fact]* personally appeared before me who, being duly sworn, did say and acknowledge that the foregoing was his/her signature.

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC  
My commission expires: \_\_\_\_\_

## LETTER OF UNDERSTANDING

TO: \_\_\_\_\_

I am enclosing a Power of Attorney in which I have named \_\_\_\_\_ as my Attorney-in Fact. You and I have agreed that you will do the following:

1. Upon my written request, you will deliver the Power of Attorney to me or to any person whom I designate.

2. You will deliver the Power of Attorney to the person named as my attorney-in-fact (if more than one person is named, you may deliver it to either of them) if you determine, using your best judgment, that I am unable to conduct my business affairs due to disability, impairment, incapacity, illness, or absence. In determining whether to deliver the Power of Attorney, you may use any reasonable means you deem adequate, including consultation with my physician(s) and family members. If you act in good faith, you will not be liable for any acts or omissions on your part in reliance upon your belief.

3. If you incur expenses in assessing whether you should deliver this Power of Attorney, I will compensate you for the expenses incurred.

4. You do not have any duty to check with me from time to time to determine whether I am able to conduct my business affairs. I expect that if this occurs, you will be notified by a family member, friend, or colleague of mine.

\_\_\_\_\_  
*[Trusted Family Member/Attorney-in-Fact]*

\_\_\_\_\_  
*[Date]*

\_\_\_\_\_  
*[Planning Attorney]*

\_\_\_\_\_  
*[Date]*

**NOTICE OF DESIGNATED  
ASSISTING ATTORNEY**

I, \_\_\_\_\_, have authorized the following attorneys to assist with the closure of my practice:

Name of Authorized Assisting Attorney: \_\_\_\_\_

Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Name of Assisting Attorney's Alternate: \_\_\_\_\_

Address: \_\_\_\_\_ Phone: \_\_\_\_\_

\_\_\_\_\_  
[Planning Attorney]

\_\_\_\_\_  
[Date]

\_\_\_\_\_  
[Assisting Attorney]

\_\_\_\_\_  
[Date]

\_\_\_\_\_  
[Alternate Assisting Attorney]

\_\_\_\_\_  
[Date]

**NOTICE OF DESIGNATED  
AUTHORIZED SIGNER**

I, \_\_\_\_\_, have authorized the following [attorneys] to sign on my lawyer trust account(s) upon the closure of my practice:

Name of Authorized Signer for Trust Account(s): \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Name of Authorized Signer's Alternate: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

\_\_\_\_\_  
*[Planning Attorney]*

\_\_\_\_\_  
*[Date]*

\_\_\_\_\_  
*[Authorized Signer]*

\_\_\_\_\_  
*[Date]*

\_\_\_\_\_  
*[Alternate Authorized Signer]*

\_\_\_\_\_  
*[Date]*

*[NOTE: This form may be used in lieu of or in addition to, the Notice of Designated Assisting Attorney. If you have selected an Assisting Attorney to help in the closure of your practice and added someone as an Authorized Signer on your lawyer trust account, you should communicate your choices to your family, the Assisting Attorney, the Authorized Signer, and any designated alternates to avoid confusion.]*

**WILL PROVISIONS**  
*(Sample - Modify as appropriate)*

With respect to my law practice, my personal representative is expressly authorized and directed to carry out the terms of the Agreement to Close Law Practice I have made with Assisting Attorney on \_\_\_\_\_, [and/or with Authorized Signer on \_\_\_\_\_]; if that [these] Agreement[s] are not in effect, my personal representative is authorized to enter into [a] similar agreement[s] with other attorneys that my personal representative, in his or her sole discretion, may determine to be necessary or desirable to protect the interests of my clients and dispose of my practice.

**OR**

My personal representative is expressly authorized and directed to take such steps as he or she deems necessary or desirable, in my personal representative's sole discretion, to protect the interests of the clients of my law practice and to wind down or dispose of that practice, including, but not limited to, selling of the practice, collecting accounts receivable, paying expenses relating to the practice, providing trust accounting and issuing unused trust balances owing to my clients, employing an attorney or attorneys to review my files, completing unfinished work, notifying my clients of my death and assisting them in finding other attorneys, and providing long-term storage of and access to my closed files.

**ENGAGEMENT LETTER**  
*(Sample - Modify as appropriate)*

Re:     *[Subject]*

Dear    *[Name]:*

The purpose of this letter is to confirm, based on our conversation of *[date]*, that *[firm name]* will represent you in *[describe matter]*. We will provide the following services: *[list services to be provided]*.

Attached for your use is information on our billing and reporting procedures. Our fee is *[dollar amount]* per hour for services performed by lawyers of this firm and *[dollar amount]* per hour for services performed by our nonlawyer staff. You will also be billed for expenses and costs incurred on your behalf.

Our expectations of you are: *[list any expectations concerning payment of bills, responses to requests for information, etc.]*.

This firm has not been engaged to provide the following services: *[list services that are outside the scope of the representation]*.

I estimate that fees and expenses in this case will be *[provide a realistic, worst-case estimate of fees and expenses]*. Please keep in mind that this is only an estimate and that, depending on the time required and the complexity of the action, actual fees and expenses may exceed this estimate. You will be billed for actual fees and expenses.

It is very difficult to accurately predict how long it will take to conclude your case. Generally, the cases take *[provide a realistic, worst-case estimate of time to be spent on the case]*. This is only an estimate, and the actual time required to conclude this matter may be greater than expected.

I have enclosed a copy of the initial interview form. If any of the information on this form is incorrect, please notify *[primary contact]* immediately. If you have any questions about this information, please call *[primary contact]*.

My goal is to provide you with conscientious, competent, and diligent legal services. However, I cannot achieve this goal without your cooperation. This includes keeping appointments, appearing for depositions, producing documents, attending scheduled court appearances, and making payments as required. It is also important that you promptly notify me of any change of address or telephone number so I will always be able to reach you. In addition, I may suggest that we consult with another attorney about issues in your case. Before I do this, I will discuss the issue with you and ask you to decide whether you want to retain the attorney as a consulting attorney on the case.

I also want to protect your interests in the event of my unexpected death, disability, impairment, or incapacity. To accomplish this, I have arranged with another attorney to assist with closing my practice in the event of my death, disability, impairment, or incapacity. In such event, my office staff or the assisting attorney will contact you and provide you with information about how to proceed.

I will send you pleadings, documents, correspondence, and other information throughout the case. These copies will be your file copies. I will also keep the information in a file in my office. The file in my office will be my file. Please bring your file to all our meetings so that we both have all the necessary information available to us. When I have completed all the legal work necessary for your case, I will close my file and return original documents to you. I will then store the file for approximately 7 years. I will destroy the file after that period of time unless you instruct me in writing now to keep it longer.

If any of the information in this letter is not consistent with your understanding of our agreement, please contact me before signing this letter. Otherwise, please sign the letter and return it to me. I have included a copy of this letter for your file. On behalf of the firm, we appreciate the opportunity to represent you in this matter. If you have any questions, please feel free to call.

Very truly yours,

*[Attorney]*

*[Firm]*

I have read this letter and consent to it.

\_\_\_\_\_  
*[Client]*

\_\_\_\_\_  
*[Date]*

*Note: This is a sample form only. Use of this letter will help to establish clear expectations and avoid misunderstandings between you and your client. It will not, however, provide absolute protection against a malpractice action.*

**ENGAGEMENT LETTER AND FEE AGREEMENT  
FOLLOW-UP LETTER TO INITIAL INTERVIEW**  
*(Sample - Modify as appropriate)*

Re:     [Subject]

Dear    [Name]:

We met to discuss your case on [date], and I have agreed to represent you in connection with [type of matter], and we agreed to [insert appropriate details].

Thank you for selecting our law firm to represent you in this matter. At this time, I also wish to set forth our agreement regarding payment of our fees. Our fees for legal services are [dollar amount] per hour, plus any expenses incurred, such as filing fees, deposition charges, copying costs, postage, and related expenses. We will bill you approximately monthly, depending on the amount of work that was done on your file during that period of time. At this point, it is difficult to estimate the amount of time and expense that will be necessary to adequately represent you in this case. However, as we discussed, we estimate the fee will be approximately [dollar amount]. We will also advise you before we do any work that will substantially increase the amount of fees.

You have deposited [dollar amount] with us for fees and costs. We will hold your funds in our lawyer's trust account. We will provide you with a monthly statement of fees, costs, and expenses. After we mail you the monthly statement, we will apply the funds to fees earned, costs, and expenses incurred. You are also responsible for paying fees, costs, and expenses in excess of the funds that we hold.

My goal is to provide you with conscientious, competent, and diligent legal services. However, I cannot achieve this goal without your cooperation. This includes keeping appointments, appearing for depositions, producing documents, attending scheduled court appearances, and making all payments required under this agreement. It is also important that you promptly notify me of any changes of address or telephone number so I will always be able to reach you. In addition, I may suggest that we consult with another attorney about issues in your case. Before I do this, I will discuss the issue with you and ask you to decide whether you want to retain the attorney as a consulting attorney on the case.

I also want to protect your interests in the event of my unexpected death, disability, impairment, or incapacity. In order to accomplish this, I have arranged with another attorney to assist with closing my practice in the event of my death, disability, impairment, or incapacity. In such event, my office staff or the assisting attorney will contact you and provide you with information about how to proceed.

I will send you pleadings, documents, correspondence, and other information throughout the case. These copies will be your file copies. I will also keep the information in a file in my office. The file in my office will be my file. Please bring your file to all our meetings so that we both have all the necessary information available to us. When I have completed all the legal work necessary for your case, I will close my file and return the original documents to you. I will then store the file for approximately 7 years. I will destroy the file after that period of time unless you instruct me in writing now to keep it longer.

I have included a copy of this letter for you to review, sign, and return to me. If any of the information in this letter is not consistent with your understanding of our agreement, please contact me before signing the letter. Otherwise, please sign the enclosed copy and return it to me.

On behalf of the firm, we appreciate the opportunity to represent you in this matter. If you have any questions, please feel free to call.

Very truly yours,  
[Attorney]  
[Firm]

I have read this letter and consent to it.

\_\_\_\_\_  
[Client]

\_\_\_\_\_  
[Date]

*Note: This is a sample form only. Use of this letter will help to establish clear expectations and avoid misunderstandings between you and your client. It will not, however, provide absolute protection against a malpractice action.]*



**LETTER ADVISING THAT LAWYER IS UNABLE TO CONTINUE IN PRACTICE**  
*(Sample - Modify as appropriate)*

Re: [Name of Case]

Dear [Name]:

Due to ill health, [Affected Attorney] is no longer able to continue practice. You will need to retain the services of another attorney to represent you in your legal matters. I will be assisting [Affected Attorney] in closing [his/her] practice. We recommend that you retain the services of another attorney immediately so that all your legal rights can be preserved.

You will need a copy of your legal file for use by you and your new attorney. I am enclosing a written authorization for your file to be released directly to your new attorney. You or your new attorney can forward this authorization to us, and we will release the file as instructed. If you prefer, you can come to [address of office or location for file pick-up] and pick up a copy of your file so that you can deliver it to your new attorney yourself.

Please make arrangements to pick up your file or have your file transferred to your new attorney by [date]. It is imperative that you act promptly so that all your legal rights will be preserved.

Your closed files will be stored in [location]. If you need a closed file, you can contact me at the following address and phone number until [date]:

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Address]

\_\_\_\_\_  
[Phone]

After that time, you can contact [Affected Attorney] for your closed files at the following address and phone number:

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Address]

\_\_\_\_\_  
[Phone]

You will receive a final accounting from [Affected Attorney] in a few weeks. This will include any outstanding balances that you owe to [Affected Attorney] and an accounting of any funds in your client trust account.

On behalf of [Affected Attorney], I would like to thank you for giving [him/her] the opportunity to provide you with legal services. If you have any additional concerns or questions, please feel free to contact me.

Sincerely,

[Assisting Attorney]

[Firm]

Enclosure

**LETTER ADVISING THAT LAWYER IS CLOSING HIS/HER OFFICE**  
*(Sample - Modify as appropriate)*

Re: [Name of Case]

Dear [Name]:

As of [date], I will be closing my law practice due to [provide reason, if possible]. I will be unable to continue representing you on your legal matters.

I recommend that you immediately hire another attorney to handle your case for you. You can select any attorney you wish, or I would be happy to provide you with a list of local attorneys who practice in the area of law relevant to your legal needs. In addition, the Lawyer Referral Service can be reached at 303-831-8000.

When you select your new attorney, please provide me with written authority to transfer your file to the new attorney. If you prefer, you may come to our office and pick up a copy of your file and deliver it to that attorney yourself.

It is imperative that you obtain a new attorney immediately. [Insert appropriate language regarding time limitations or other critical time lines that client should be aware of] Please let me know the name of your new attorney or pick up a copy of your file by [date].

I [or insert name of the attorney who will store files] will continue to store my copy of your closed file for 7 years. After that time, I [or insert name of other attorney, if relevant] will destroy my copy of the file unless you notify me in writing immediately that you do not want me to follow this procedure. [If relevant, add: If you object to (insert name of attorney who will be storing files) storing my copy of your closed file, let me know immediately and I will make alternative arrangements.]

If you or your new attorney need a copy of the closed file, please feel free to contact me. I will be happy to provide you with a copy.

Within the next [fill in number] weeks, I will be providing you with a full accounting of your funds in my trust account and fees you currently owe me.

You will be able to reach me at the address and phone number listed on this letter until [date]. After that time, you or your new attorney can reach me at the following phone number and address:

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Address]

\_\_\_\_\_  
[Phone]

Remember, it is imperative to retain a new attorney immediately. This will be the only way that time limitations applicable to your case will be protected and your other legal rights preserved.

I appreciate the opportunity to have provided you with legal services. Please do not hesitate to give me a call if you have any questions or concerns.

Sincerely,  
[Attorney]  
[Firm]

**LETTER FROM FIRM OFFERING  
TO CONTINUE REPRESENTATION**  
*(Sample - Modify as appropriate)*

Re: *[Name of Case]*

Dear *[Name]*:

Due to ill health, *[Affected Attorney]* is no longer able to continue representing you on your case(s). A member of this firm, *[Name]*, is available to continue handling your case if you wish *[him/her]* to do so. You have the right to select the attorney of your choice to represent you in this matter.

If you wish our firm to continue handling your case, please sign the authorization at the end of this letter and return it to this office.

If you wish to retain another attorney, please give us written authority to release your file directly to your new attorney. If you prefer, you may come to our office and pick up a copy of your file and deliver it to your new attorney yourself. We have enclosed these authorizations for your convenience.

Since time deadlines may be involved in your case, it is imperative that you act immediately. Please provide authorization for us to represent you or written authority to transfer your file by *[date]*.

I want to make this transition as simple and easy as possible. Please feel free to contact me with your questions.

Sincerely,

*[Assisting Attorney]*

Enclosures

I want a member of the firm of *[insert law firm 's name]* to handle my case in place of *[insert Affected Attorney's name]*.

\_\_\_\_\_  
*[Client]*

\_\_\_\_\_  
*[Date]*

**ACKNOWLEDGMENT OF RECEIPT OF FILE**

I hereby acknowledge that I have received a copy of my file from the law office of  
*[Firm/Attorney Name]*.

\_\_\_\_\_  
*[Client]*

\_\_\_\_\_  
*[Date]*

**AUTHORIZATION FOR TRANSFER OF CLIENT FILE**

I hereby authorize the law office of *[Firm/Attorney Name]* to deliver a copy of my file to my new attorney at the following address:

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\_\_\_\_\_  
*[Client]*

\_\_\_\_\_  
*[Date]*

## REQUEST FOR FILE

I hereby request that *[Firm/Attorney Name]* provide me with a copy of my file. Please send the file to the following address:

---

---

---

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\_\_\_\_\_  
*[Client]*

\_\_\_\_\_  
*[Date]*



## LAW OFFICE LIST OF CONTACTS

**ATTORNEY NAME:** \_\_\_\_\_ **Social Security #:** \_\_\_\_\_

**CO State Bar #:** \_\_\_\_\_ **Federal Employer ID #:** \_\_\_\_\_ **State Tax ID #:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Office Address:** \_\_\_\_\_

**Office Phone:** \_\_\_\_\_

**Home Address:** \_\_\_\_\_

**Home Phone:** \_\_\_\_\_

**SPOUSE:**

**Name:** \_\_\_\_\_

**Work Phone:** \_\_\_\_\_

**Employer:** \_\_\_\_\_

**OFFICE MANAGER:**

**Name:** \_\_\_\_\_

**Home Address:** \_\_\_\_\_

**Home Phone:** \_\_\_\_\_

**COMPUTER AND TELEPHONE PASSWORDS:**

(Name of person who knows passwords or location where passwords are stored, such as a safe deposit box)

**Name:** \_\_\_\_\_

**Home Address:** \_\_\_\_\_

**Home Phone:** \_\_\_\_\_



**POST OFFICE OR OTHER MAIL SERVICE BOX:**

Location: \_\_\_\_\_

Box No.: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**SECRETARY:**

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_

**BOOKKEEPER:**

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_

**LANDLORD:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**PERSONAL REPRESENTATIVE:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**ATTORNEY:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**ACCOUNTANT:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**ATTORNEYS TO HELP WITH PRACTICE CLOSURE:**

First Choice: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

Second Choice: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

Third Choice: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**LOCATION OF WILL AND/OR TRUST:**

Access Will and/or Trust  
by Contacting:

Address:

Phone:

**PROFESSIONAL CORPORATIONS:**

Corporate Name:

Date Incorporated:

Location of Corporate  
Minute Book:

Location of Corporate  
Seal:

Location of Corporate  
Stock Certificate:

Location of Corporate  
Tax Returns:

Fiscal Year-End  
Date:

Corporate Attorney:

Address:

Phone:

**PROCESS SERVICE COMPANY:**

Name:

Address:

Phone:

Contact:

**OFFICE-SHARER OR OF COUNSEL:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**OFFICE PROPERTY/LIABILITY COVERAGE:**

Insurer: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Policy No.: \_\_\_\_\_

Contact Person: \_\_\_\_\_

**OTHER IMPORTANT CONTACTS:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Reason for Contact: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Reason for Contact: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Reason for Contact: \_\_\_\_\_

**GENERAL LIABILITY COVERAGE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**LEGAL MALPRACTICE – PRIMARY COVERAGE:**

Provider: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**LEGAL MALPRACTICE – EXCESS COVERAGE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**VALUABLE PAPERS COVERAGE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**OFFICE OVERHEAD/DISABILITY INSURANCE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**HEALTH INSURANCE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Persons Covered: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**DISABILITY INSURANCE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**LIFE INSURANCE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**WORKERS' COMPENSATION INSURANCE:**

Insurer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Policy No.: \_\_\_\_\_  
Contact Person: \_\_\_\_\_

**STORAGE LOCKER LOCATION:**

Storage Company: \_\_\_\_\_ Locker No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Items Stored: \_\_\_\_\_

Storage Company: \_\_\_\_\_ Locker No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Items Stored: \_\_\_\_\_

Storage Company: \_\_\_\_\_ Locker No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Items Stored: \_\_\_\_\_

**SAFE DEPOSIT BOXES:** (Continued on next page)

Institution: \_\_\_\_\_

Box No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Items Stored: \_\_\_\_\_

Institution: \_\_\_\_\_

Box No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Items Stored: \_\_\_\_\_



**SAFE DEPOSIT BOXES: (Continued)**

Institution: \_\_\_\_\_

Box No.: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Obtain Key From: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Items Stored: \_\_\_\_\_

**LEASES: (Continued on next page)**

Item Leased: \_\_\_\_\_

Lessor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Item Leased: \_\_\_\_\_

Lessor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

**LEASES: (Continued)**

Item Leased: \_\_\_\_\_

Lessor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Item Leased: \_\_\_\_\_

Lessor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

**LAWYER TRUST ACCOUNT:**

COLTAF: \_\_\_\_\_

Institution: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Account No.: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**INDIVIDUAL TRUST ACCOUNT:**

Name of Client: \_\_\_\_\_  
Institution: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Account No.: \_\_\_\_\_  
Other Signatory: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**GENERAL OPERATING ACCOUNT: (Continued on next page)**

Institution: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Account No.: \_\_\_\_\_  
Other Signatory: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

Institution: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Account No.: \_\_\_\_\_  
Other Signatory: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_

**GENERAL OPERATING ACCOUNT: (Continued)**

Institution: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Account No.: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**BUSINESS CREDIT CARD:**

Institution: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Account No.: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Institution: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Account No.: \_\_\_\_\_

Other Signatory: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**MAINTENANCE CONTRACTS:**

Item Covered: \_\_\_\_\_  
Vendor: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Expiration: \_\_\_\_\_

Item Covered: \_\_\_\_\_  
Vendor: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Expiration: \_\_\_\_\_

Item Covered: \_\_\_\_\_  
Vendor: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Expiration: \_\_\_\_\_

**ALSO ADMITTED TO PRACTICE IN THE FOLLOWING STATES: (Continued on next page)**

State of: \_\_\_\_\_  
Bar Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Bar ID No.: \_\_\_\_\_

State of: \_\_\_\_\_  
Bar Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Bar ID No.: \_\_\_\_\_

**ALSO ADMITTED TO PRACTICE IN THE FOLLOWING STATES: (Continued)**

State of: \_\_\_\_\_

Bar Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Bar ID No.: \_\_\_\_\_

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## CHAPTER 5

### FILE RETENTION AND DESTRUCTION

Most client files should be kept for a minimum of 7 years to ensure the file will be available to defend you against malpractice claims. Files that should be kept for *more* than 7 years include:

- Cases involving a minor who is still a minor at the end of 7 years;
- Estate plans for a client who is still alive 7 years after the work is performed;
- Contracts or other agreements that are still being paid off at the end of 7 years;
- Cases in which a judgment should be renewed;
- Files establishing a tax basis in property;
- Criminal law - keep for one year after the client is released from custody;
- Support and custody files in which the children are minors or the support obligation continues;
- Corporate books and records;
- Files of problem clients; and
- Adoption files.

Whenever possible, do not keep original papers (including estate plans or wills) of clients. If you keep original wills, 40 years should elapse before the will can be disposed of.

When closing your file, return original documents to clients or transfer them to their new attorneys. Be sure to get a receipt for the property and keep the receipt in your file.

The first step in the file retention process begins *when you are retained by the client*. Your *fee agreement* should notify the client that you will be destroying the file and should specify when that will occur. The client's signature on the fee agreement will provide consent to destroy the file. In addition, your *engagement letter* should remind clients that you will be destroying the file after certain conditions are met.

The second step in the file retention process is *when the file is closed*. When closing the file, establish a destruction date and calendar that date. If you have not already obtained the client's permission to destroy the file (in the fee agreement and engagement letter), you can get written permission when you close the file or you can make sure that the client has a complete copy of the file. This includes all pleadings, correspondence, and other papers and documents necessary for the client to construct a file for personal use. If you choose the latter alternative, be sure to document that the client has a complete file. This means that the file you have in your office is *yours* (and can be destroyed without permission) and the file the client has is the *client's* copy.

The final step in the file retention process involves reviewing the firm's electronic files for client-related material. Electronic data may be on servers, hard drives, laptops, home computers, zip drives, disks, or other media. Examples include e-mail communications, electronic faxes, digitized evidence, word processing, or other documents generated during the course of the case. Review these sources to ensure that the client file is complete. If there are documents that exist only in electronic form, they should be printed and placed in the appropriate location in the client's file. You may then elect to permanently purge the electronic version of the client's file<sup>1</sup> or move it onto appropriate storage media. The retention policy for electronic data should be consistent with the retention policy for paper files, to the extent possible. Unfortunately, rapid obsolescence of computer hardware and software may make it difficult, if not impossible, to retrieve electronic data that is five or more years old.

Closed files should be organized by years or organized into two groups: files that are 7 years and older and files that are less than 7 years old. If possible, however, separate closed client files into groups according to the year the work was completed so that each year you know which files to review for destruction.

Keep a permanent inventory of files you destroy and the destruction dates. Before destroying any client file, review it carefully. Some files need to be kept longer than 7 years, as noted above. Others may contain conflict information that needs to be added to your conflict database or original documents of the client, which should never be destroyed. Always retain proof of the client's consent to destroy the file. This is easily done by including the client's consent in your fee agreement or engagement letter and retaining the letters with your inventory of destroyed files.

Shredding is generally the best method for file destruction. Recycling is permitted provided that proper steps are taken to protect information relating to the representation of a client. Permanent destruction of electronic data requires special expertise.<sup>2</sup>

<sup>1</sup>Intranets, Extranets, the Internet, or Web-based servers may also contain client data.

<sup>2</sup>With proper technique, deleted documents can be retrieved and restored. Consult with a computer expert to determine what steps must be taken to ensure that client documents have been *completely* purged from your system, including backups, if applicable. For recommendations on how to store data for long-term archival needs, contact the Association for Records Management Professionals at [www.arma.org](http://www.arma.org).