

**One Last Thing: The  
Basics of Closing Your  
Law Practice**

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**Closing Checklist**

(With many thanks to the Illinois ARDC!)

Inventory client files

- Active Open
- Inactive Open
- Closed



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**Rule 1.3**

- o A lawyer shall act with reasonable diligence and promptness in representing a client. Reasonable diligence as used in this Rule means that a lawyer shall not without just cause to the detriment of the client in effect willfully abandon or willfully disregard a legal matter entrusted to the lawyer.

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### Rule 1.4(a)(3)

A lawyer shall keep the client reasonably informed about the status of the matter.

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### Open Files

- o Notify clients.
- o Highlight time limitations or deadlines.
- o Discuss successor lawyer.
- o Prepare Transfer memo.
- o Prepare invoices.



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### 1.16(c) and (d)

(c) When a lawyer withdraws it shall be done in compliance with applicable laws and rules. When ordered to do so by a tribunal, a lawyer shall continue representation notwithstanding good cause for terminating the representation.

(d) Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee that has not been earned.

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### Open Files

- o Withdraw/Terminate representation.
- o Obtain permission from tribunal.
- o Take steps to avoid prejudice to clients.




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### Open Files

- o Arrange for turnover of files.
- o Notify clients of deadline for file collection.
- o Offer option of pickup at office location by date certain.
- o Offer terms for mailing or delivery.
- o Prepare form for client acknowledgement of receipt of file.




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### Rule 1.6

A lawyer shall maintain in confidence all information gained in the professional relationship with a client, including information which the client has requested to be held inviolate or the disclosure of which would be embarrassing or would likely be detrimental to the client, unless the client gives informed consent, except for disclosures that are impliedly authorized in order to carry out the representation, or are required by these Rules or other law, or by order of the Court.

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### Closed Files

- o Determine which former clients required notification.
- o Notify former clients.
- o Establish retention duration & destruction schedule.
- o Arrange for turnover, storage or confidential destruction.
- o Arrange for retention of confidential materials.




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### Notification of Closure

- o Clients.
- o Lawyer Licensing Jurisdictions.
- o Change in Registration status.
- o New Address.
- o Bar Associations.
- o Vendors.
- o Building Leases.




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### Rule 1.15(I)(a)

A lawyer shall hold funds or other property of clients or third persons that are in a lawyer's possession in connection with a representation separate from the lawyer's own funds or other property. Funds shall be kept in one or more separate accounts maintained in an approved institution as defined by Rule 1.15 (III) (c) (i). Other property shall be identified as such and appropriately safeguarded. Complete records of such account funds and other property shall be kept by the lawyer and shall be preserved for a period of six years after termination of the representation.

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## Accounts

- IOLTA Accounts
  - Reconcile balance.
  - Arrange for turn-over of funds to client/third person.
  - Close Account .
- Individual Trust Accounts
  - Reconcile balance .
  - Arrange for turn-over of funds to client/third person.
  - Close Account.
- Operating Account
  - Retain adequate funds for closure expenses.
- Business Credit Cards



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## Formal Advisory Opinion 98-2

A lawyer holding client funds and/or other funds in a fiduciary capacity may remove unclaimed funds from the lawyer's escrow trust account and deliver the funds to the custody of the State of Georgia in accordance with the Disposition of Unclaimed Property Act only if the lawyer, prior to delivery, has exhausted all reasonable efforts to locate the rightful recipient.

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## Insurance

- Legal Malpractice Coverage
- General Liability Coverage



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## Property

- Dispose of office related equipment.
- Consider confidentiality concerns related to client files.
- Consider confidentiality concerns related to electronic data.



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## Rule 1.17


A lawyer or a law firm may sell or purchase a law practice, including good will, if the following conditions are satisfied:

The practice is sold as an entirety to another lawyer or law firm;

Actual written notice is given to each of the seller's clients regarding:

- the proposed sale;
- the terms of any proposed change in the fee arrangement
- the client's right to retain other counsel or to take possession of the file; and
- the fact that the client's consent to the sale will be presumed if the client does not take any action or does not otherwise object within ninety (90) days of receipt of the notice.

◦ The fees charged clients shall not be increased by reason of the sale. The purchaser may, however, refuse to undertake the representation unless the client consents to pay the purchaser fees at a rate not exceeding the fees charged by the purchaser for rendering substantially similar services prior to the initiation of the purchase negotiations.



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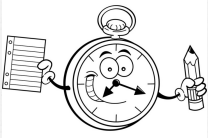
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## Timeline



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## Succession Planning

- o Designate an Assisting Attorney.
- o Notify the Assisting Attorney.
- o Notify your family.
- o Write a will!
- o Write down the details.
- o Tell your support staff.

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