



A GUIDE TO
EXITING A LAW FIRM

Moving on from a law firm is a major decision, whether you are leaving a practice area, taking on a role with another firm or leaving the legal profession entirely.

In addition to the significant change this represents for your professional future, you will also need to consider the specific obligations and responsibilities you will need to uphold to ensure this transition is a smooth one. After all, the work carried out by solicitors is often of great importance to clients and colleagues, which means that steps need to be taken to ensure that a departure does not result in any disruption to sensitive legal cases.

As such, leaving a law firm requires a firm exit strategy and a certain degree of succession planning, in order to make sure you are able to move on smoothly to the next phase of your career while still upholding the responsibilities owed to clients who depend on uninterrupted legal support.



KEY CONSIDERATIONS WHEN EXITING A LAW FIRM

1 Lawyers must give reasonable notice of their intentions to leave their role so a suitable plan can be created in relation to handling clients upon exit

2 Solicitors have an ethical obligation to ensure their clients' interests are represented competently and diligently despite their departure, with a plan implemented for how the client will continue to receive the service they require

3 A firm should work to keep clients informed of any changes to their representation, and clients should be consulted on how they would like their case to be handled going forwards

There are many circumstances in which a solicitor might leave their current role at a law firm, whether they are moving to another role within the legal sector, stepping away from the profession or moving on from a firm that has ceased trading.

In all of these cases, departing lawyers will need to take a number of factors into account in their exit strategy.

By addressing each of these points, solicitors will be able to ensure their transition out of their current role is handled as smoothly as possible.

4 If court proceedings have been commenced at the time of departure, solicitors must follow the proper procedures for coming off record

5 Solicitors who are leaving their roles should ensure they have been paid for work they have done up until the point of their departure

HOW SHOULD I INFORM EMPLOYEES OF A DEPARTURE?

Navigating a smooth exit from a law firm depends on clear, open communication, as well as a shared commitment to ensuring clients continue to receive a good quality of service throughout the transition.

You can make this process smoother by adhering to the following guidelines:



- • • • • **Inform your employees of a departure as soon as possible**
If you have made a choice to leave a law firm, giving colleagues plenty of advance notice will make it easier for all involved to work out everything that needs to be done to accomplish this, and to facilitate succession planning

- • • • • **Work with your colleagues to review what needs to be done with caseloads**
Once your exit has been confirmed, you should carefully plan out the next steps that need to be taken for each of your existing clients. This should include status updates on all active client matters, upcoming deadlines, contact information and any other relevant details required by whoever will be taking on the case

- • • • • **Ensure you have been withdrawn from any relevant court proceedings**
If any of your cases have already reached court, you will need to come off record as a legal representative for the case. Once this has been done, you can be paid what you are owed for services rendered on the case to date

- • • • • **Discuss potential conflicts of interest relating to a departure**
If employees are leaving their role for a position at another firm, you will need to work with their new employers to determine whether you have represented parties whose interests are in conflict with those of a new employers' clients, and ensure these conflicts do not compromise any future ability to operate

HOW SHOULD CLIENTS BE INFORMED OF A DEPARTURE?

Clients should always be kept aware of any changes in their representation in order to help them make informed choices about how their cases are being handled. As such, if you are leaving a legal role, you have a responsibility to provide them with clear information on what the implications of your departure will be.

Ideally, this will include explaining the change, presenting their options for future representation and answering any questions they may have. This letter should include:

- Information on when a solicitor will be leaving the firm and where they will be going
- Explanation of how their case will be handled from this point forward, including information on who will be handling the case in the interim
- An update on any critical developments with their case that might be affected by the transition
- A full breakdown of the client's options, which may include, where applicable:
 - Going with a new firm that you are selling the cases to
 - Retaining their solicitors in their new role
 - Choosing to take their case file to another lawyer or law firm
- An authorisation vdocument for clients to sign off on which option they have chosen

It is important to note that this communication should be presented in a neutral, informative tone, with a focus on empowering clients to make the choice that is right for them. The letter should not, for example, be used to actively encourage the client to choose a specific option.



WHAT CAN SOLICITORS TAKE WITH THEM ON DEPARTURE?

When solicitors work for a law firm for many years, much of the work they produce is considered the legal property of the firm itself. However, other assets will belong to the solicitor, and can be taken with them when they depart.

CLIENT RELATIONSHIPS AND FILES

- Clients have a legal right to make their own choices about who represents them, and therefore no law firm or solicitor can ever claim “ownership” of a specific client relationship.
- Clients can choose to stick with a solicitor and have their files transferred across after they leave a firm; however, firms may still choose to act against what they consider to be improper attempts by departing solicitors to interfere with their client relationships, especially while they are still with the company.
- Although a law firm cannot legally impede a departing solicitor’s ability to service the clients that wish to go with them, it is best to work constructively with the firm on cases such as these, clarifying preferred protocols as soon as possible and establishing the procedures and costs associated with transferring case files. This will help to prevent a departure from being mired in unnecessary conflict.

PERSONAL MATERIALS VS PROPRIETARY BUSINESS INFORMATION

- During a solicitor’s time with a law firm, they will be given access to a wide array of confidential or proprietary business information, including client lists, internal research, and details about salaries and business practices. They will not be entitled to take this with them when they leave their roles, and may face legal repercussions if they attempt to do so.
- However, any assets developed by the departing solicitor during the course of their own practice at the firm may be deemed to belong to them, including research or educational tools compiled from public domain material, or computer files they have personally created. In order to avoid potential conflicts, it is best to examine solicitors’ terms of employment and contractual agreements to see what they may be prohibited from taking, and to avoid retaining potentially disputed property surreptitiously without prior agreement.

YOUR CHECKLIST FOR EXITING A LAW FIRM

Leaving a law firm involves balancing a number of different factors, but these can be overcome by putting together a detailed plan. In order to facilitate this, consult the checklist below to see whether you have taken all the necessary steps:



- REVIEW YOUR FIRM'S EXISTING AGREEMENTS AND GUIDELINES ON HOW DEPARTING SOLICITORS ARE EXPECTED TO PREPARE FOR AN EXIT
- PLAN TO NOTIFY THE RELEVANT PARTIES, INCLUDING:
 - Deciding which clients will be notified about the departure, based on involvement in their case, and determining when this will happen
 - Drafting the notification letter to clients, and deciding who will send it
- DISCUSS HOW THE LAW FIRM'S STAFF WILL HANDLE RELEVANT CALLS FROM CURRENT OR POTENTIAL CLIENTS BEFORE EXITING
- ARRANGE FOR NAMES TO BE REMOVED FROM THE FIRM'S DOCUMENTATION AND BANK ACCOUNTS, INCLUDING TRUST ACCOUNTS
- REVIEW SOLICITORS' CASELOADS TO CREATE A LIST OF CLIENT ISSUES THAT NEED TO BE ADDRESSED, INCLUDING:
 - Relevant contact information for each file, including addresses and phone numbers
 - The current status of all active matters on each case
 - Important upcoming deadlines and dates
 - Any outstanding funds that need to be paid or received
 - Potential case management issues and challenges
- MAKE A FORMAL REQUEST FOR ANY SOLICITORS TO BE TAKEN OFF RECORD ON ANY ACTIVE COURT PROCEEDINGS IN WHICH THEY ARE INVOLVED, AND ADVISE ALL OTHER COUNSEL OF THIS CHANGE IN REPRESENTATION

SELL YOUR LEGAL FILES

If you are based in Ireland and are looking to sell your legal files, get in touch with Gibson & Associates. We offer an unrivalled, fast and bespoke solution for those looking for a clean break with no lingering legacy issues.

Our offers are very competitive. Talk to us and we will structure a deal that gives you a cash reward for the work you've done along with something for the unbilled potential of the files all within a timescale that suits you.

To have a no-obligation, confidential discussion with us about selling your work-in-progress files, contact Gibson & Associates by calling 01872 3143, or by filling in our online enquiry form to request a call back.