

# Checklist for Closing a Law Office

## 1. Clients

- A. Prepare a notice to active clients that announces the termination of the representation and the time frame for obtaining their file;
- B. For any client matters that cannot be concluded, confer with the client about transfer of the file to a new lawyer;
- C. Return any non-cash client property held in trust;
- D. Determine whether inactive clients are to be notified;
- E. Be prepared to address specific requests from active and inactive clients.

## 2. Files

- A. Review each file to determine whether original client materials must be returned to the client before a file can be destroyed;
- B. Determine whether a file may be destroyed or must be returned to the client;
- C. Determine whether certain files will need to be stored by the lawyer after the office is closed;
- D. Determine which files need to be copied, the method of copying, and where the file copy will be stored;
- E. Document what occurs with each file and obtain a receipt for original files delivered to the client or successor counsel.
- F. Protect client confidentiality when addressing file issues;
- G. Review D.C. Legal Ethics Opinion 283, *Disposition of Closed Client Files*.<sup>1</sup>

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<sup>1</sup> [http://www.dcbart.org/for\\_lawyers/ethics/legal\\_ethics/opinions/opinion283.cfm](http://www.dcbart.org/for_lawyers/ethics/legal_ethics/opinions/opinion283.cfm)

### **3. The Entity**

- A. Determine how the entity will be dissolved;
- B. Confer with an accountant and obtain tax advice as needed;
- C. Prepare final financial statements;
- D. Determine any governmental entities that must be notified;
- E. Arrange for final payroll and payroll tax preparation;
- F. Determine whether a firm valuation is necessary;
- G. Address any retirement plan issue.

### **4. Banking and Finance**

- A. Close bank accounts;
- B. Reconcile trust accounts, distribute funds as required, maintain complete records of all trust account transactions;
- C. Cancel credit cards;
- D. Terminate any bank account or credit card direct pay arrangement;
- E. Safe keep any funds or negotiable instruments that must be returned in the future to a client or third party after the firm has been closed;
- F. Contact bar ethics counsel to address any unclaimed client funds or property. An unclaimed property statute in your jurisdiction may govern disposal of unclaimed client funds or property.

### **5. Marketing**

- A. Terminate contracts and any legal industry listing arrangements;
- B. Terminate any website;

- C. Arrange for any email account to be forwarded.

## **6. Bar Memberships and Associations**

- A. Update any change in contact information with any bar association;
- B. Determine whether you make take an inactive status with any bar association;
- C. Terminate any client referral process with any bar association.

## **7. Office and Equipment**

- A. Resolve any office lease and associated expenses;
- B. Sell office equipment, furniture and accessories;
- C. Remove any signage.

## **8. Insurance**

- A. Terminate office insurance policies: liability and workers compensation;
- B. Purchase extended acts professional liability coverage (determination if your duration with your professional liability carrier makes you eligible for free or reduced rate tail coverage);
- C. Consider COBRA options for health insurance and any conversion options for life and disability insurance.

## **9. Government Notification**

- A. Determine whether any local, state or federal agencies need to be given notice of the law office closure;
- B. Give notice to and/or terminate any licensing, registration or certification requirement.

## **10. Staff**

- A. Terminate staff and satisfy any employment agreements;
- B. Determine whether any staff will need to be employed post firm closures;
- C. Determine the destruction date of any firm personnel files;
- D. Prepare final W2 forms;
- E. Resolve any COBRA and retirement plan issues.

## **11. Miscellaneous**

- A. Cancel all subscriptions and online accounts;
- B. Determine a forwarding address for mail;
- C. Backup all electronic data and determine two or more secure locations for backed up data;
- D. Confirm that you can easily restore any file you need from the backup system;
- E. Determine the timing and content of any public announcement that is necessary for the closing of the office;
- F. If third party movers are handling confidential client materials, make sure that confidentiality of materials will be protected and secure;
- G. If any office equipment with data storage capacity (computer, copier, scanner, or fax machine) is being sold or given away, be sure to adequately scrub any hard drive or data storage capacity so that confidential information is not disclosed;
- H. Terminate telephone service and consider a voice mail option or rollover line for call transfers for a period of time after the law firm phone number is terminated;
- I. Close any vendor account of the law firm;

- J. Search your name or the firm name in Google, Bing, Yahoo and other search engines to determine the existence of any websites, social media profiles, listings or accounts that need to be modified or closed. While some listings may be beyond your control, in others, you may be permitted to terminate listings or at least to remove data.
- K. Sell or give away your law library and legal resources;
- L. Remove and store diplomas, certificates of court and bar membership, awards and photographs;
- M. Write an article for a bar publication on an aspect of your experience as a lawyer;
- N. Consider working as a mentor for new lawyers in your practice area.

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