

SOLO PRACTITIONER CLIFF NOTES-RETIREMENT, DISABILITY OR DEATH

Prepared by William L. Adler, Esquire

717-652-8989

BAL@BillAdlerLaw.com

I. UNDERSTANDING YOUR PRACTICE

- A. Prepare letter outlining Law Practice information (this does not include personal information required for general estate planning purposes)
 - 1. Law Practice bank account information including names of banks, and account numbers with passwords or PIN numbers
 - 2. Law Practice asset information: full explanation of ownership or rental of real estate for office; mortgage or rental payment information; ownership of equipment such as desks and computers; licenses for software with location of software and passwords
 - 3. Billing information-determination of accounts receivable and accounts that have been paid
 - 4. Trust account information-names of clients and funds held for them
 - 5. File location information-location of closed files, stored files, either electronic or physical
 - 6. File organization-either electronic or physical
 - a. The general organization of your files so that a third-party can understand the status of each file and where to find the file
 - 7. Calendar organization and deadlines
 - 8. Malpractice insurance information-INSTRUCTION TO NOTIFY CARRIER WITHIN 60 DAYS OF DEATH OR DISABILITY
 - 9. Other insurance information
 - 10. All passwords for computer, online accounts such as PayPal, email, secure client files
 - 11. General plan for sudden disability or death such as referral network, sale of practice, closing practice
 - 12. Whom to contact for the practice in the event of disability or death
 - 13. TELL TRUSTED PERSON(S) WHERE THIS LETTER IS LOCATED

II. SUGGESTED DOCUMENTS

- A. Power of attorney giving another attorney the power to run your practice in the event of disability
- B. Signatory authority for another attorney to handle trust account (most attorneys would not want to take on this responsibility, but powers of attorney are not often honored by banks for IOLTA accounts.)
- C. Specific authority in Will for another attorney to act as co-executor with the power to wind down, dissolve or sell the practice

III. DATABASE

- A. In order to sell a practice, the future income stream must be projected.
 - 1. Data regarding continuing client relationships, income from those clients, the preparation of wills that result in estate administration and other such data must be readily available in order for a reasonable sale price to be realized.
 - 2. This data collection must start at least five years before the actual event.
 - 3. This data can also be valuable in planning the future of an active practice

IV. BACKUP

- A. Identify lawyer who could manage practice in the event of disability or death
- B. Identify lawyers who could serve as part of a referral network
- C. Prepare necessary documentation to implement this
- D. Talk to family about this preparation and make sure everyone understands each other's roles

V. PSYCHOLOGICAL TRANSITION

- A. Contemplate a retirement age
- B. 5 to 10 years before that date, look at yourself and determine what you want to be when you grow up
- C. Engage in other interests, travel, hobbies, second careers, exercise during that transition period so that when and if a retirement date arises, these are second nature.
- D. If 95% of life's focus has been the law, start to experiment with other interests.
- E. Read what others have done in this regard.