**TRANSITION CHECKLIST**

***Prepared by the ISBA’s Special Committee on Transition Planning\****

**I. PERSONAL MATTERS**

* Analyze financial resources, sources of income, including Social Security and other benefits, and likely expenses.
* Prepare a personal budget reflecting your expected income and expenses during retirement.
* Check status (funding and ownership) of retirement, life insurance, and other financial accounts.
* Review medical insurance, Medicare enrollment, and other government benefits.
* If necessary, consult with an investment or tax professional.
* Review your personal legal affairs to make sure that your estate planning, life-care planning (powers of attorneys), and long-term care planning documents reflect your wishes. Complete any necessary updates. If you don’t have any planning documents in place, make the time to consider these issues and create the appropriate documents.

**II. PROFESSIONAL REGULATORY MATTERS**

* Well in advance of transitioning out of private practice, consider preparing a succession plan that designates another lawyer to handle your client and business matters in the event of your inability to do so.

***Practice Pointer 1***: *Although not required, Illinois Rule of Professional Conduct 1.3, Comment [5] provides that to prevent neglect of client matters in the event of a lawyer’s death or disability, the duty of diligence may require lawyers to prepare a plan that designates a competent lawyer to review client files, notify clients of a lawyers death or disability, and determine if immediate protective action must be taken.*

* Review and determine your lawyer registration status with the ARDC.

***Practice Pointer 2****: Supreme Court Rule 756(a) identifies the three major categories of licensure for Illinois lawyers: active, retired, and inactive. Each has different fee requirements, practice limitations, and practice resumption requirements.*

***Practice Pointer 3****: A retired or inactive lawyer may not practice law or hold themselves out as being able to practice law. An inactive or retired lawyer however may provide pro bono legal services under certain limited circumstances under the auspices of a not-for-profit legal entity. Rule 756(k).*

* If you plan on doing any legal work during “retirement” (or if you think you may want to return to active practice at some time in the future), plan for meeting necessary MCLE requirements (see generally Rule 794).
* Consider whether it makes sense to continue bar association memberships including whether bars offer reduced fees for retired members and available benefits (such as CLE).
* Notify ARDC re name/address/status change (<https://registration.iardc.org/attyreg/Registration/Registration_Department/Status_Changes/Registration/regdept/statuschangeinfo.aspx?hkey=e17c4246-76e6-4c20-b4cb-63d47a47ca37>).

**III. CLIENT MATTERS**

* Notify your clients. If you have current clients, be prepared to recommend alternative counsel.

***Practice Pointer 4****: Not all of your clients will promptly respond to your notification. Make sure you allow sufficient time between your client notice and office closure to assure a smooth transition for your clients.*

* Review your files. Make arrangements with current and past clients to return (or preserve) client property or items with intrinsic value (wills, deeds, etc…).
* Review your business and client financial accounts, and distribute all client funds from client trust accounts (see generally RPC 1.15).

***Practice Pointer 5****: RPC 1.15(i) sets out the requirements with respect to unclaimed and unidentified funds in a lawyers trust account. See also ISBA Professional Conduct Advisory Opinion 15- 02 (May 2015) and ARDC client trust handbook* (<https://www.iardc.org/ClientTrustAccountHandbook.pdf>).

* Make arrangements to preserve indefinitely records that identify the name and last known address of each client, and reflect whether the client’s representation is active or concluded (see Rule 769(1), ISBA Professional Conduct Advisory Opinion 17-02 (March 2017)).
* Make arrangements to keep for at least seven years after termination of any representation complete records of all financial records related to the lawyer’s practice, and trust account funds and other property of clients or third parties held by the lawyer (see Rule 769(2), ISBA Professional Conduct Advisory Opinion 17-02 (March 2017)).
* Make arrangements to keep or destroy closed files (after preserving or returning client property or items with intrinsic value).

***Practice Pointer 6****: Taking into account the requirements of Rule 769, and the return or preservation of client property of items with intrinsic value, it is generally permissible to dispose of closed files within a “reasonable” time after conclusion of a matter, with seven years being generally considered reasonable. ISBA Professional Conduct Advisory Opinion 17-02 (March 2017).*

* Withdraw/obtain substitution of counsel in litigation matters.
* Discontinue/change registration as corporate registered agent (<https://www.cyberdriveillinois.com/departments/business_services/agent_change/corpagentchange.html>) or LLC (<https://www.cyberdriveillinois.com/departments/business_services/agent_change/llcagentchange.html>).

**IV. BUSINESS MATTERS**

* Notify employees and consider employee issues.
* Contact malpractice carrier and discuss whether “tail” insurance is necessary. Also consider whether any other forms of insurance need to be maintained such as general liability, workers’ compensation, etc…

***Practice Pointer 7****: While active status may not be required for you to accept a referral fee, you must be financially responsible for the referral which may impact your decision to maintain malpractice insurance. See In re Storment, 203 Ill.2d 378 (2002).*

* Cancel office utilities, telephones.
* Cancel legal practice subscriptions.
* Terminate office leases, other lease issues.
* Review and close firm bank accounts, subject to the records retention requirements noted above.
* Review outstanding billings and invoices, and consider collection activity if necessary.
* Preparation of firm tax returns.
* Contact postal service to arrange forwarding of mail.
* Return postage meter.

**V. HEALTH AND WELLNESS ISSUES**

* Stay active – Exercise both your body and mind everyday.
* Stay centered and calm – Consider meditation or daily deep breathing exercise (they are easy to do and you can do them from anywhere).
* Learn something new – Take a class (there are lots of free classes on the Internet).
* Hobbies – Continue with your hobbies or develop new ones.
* Volunteer.
* Travel – Try traditional vacations or even “staycations” by exploring tourist destinations in your home area.

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***\*This checklist is provided as a service of the ISBA’s Special Committee on Transition Planning. It is intended as general guidance and not as legal advice or a comprehensive plan that fits all circumstances. It is not a substitute for a lawyers own legal research, preparation, and judgment.***