



News

Wendy Chang Author's Article, "Handling Referrals," in GPSolo

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As professionals, we do not exist in a vacuum. A vibrant and healthy practice can often be, in part, the result of some sort of "sharing" between attorneys from different firms. These situations can arise in a variety of circumstances. Sometimes there are aspects to a case that are outside one's immediate area of expertise. Sometimes a case is larger than one can handle on one's own, or might otherwise require an associated outside attorney. Sometimes one needs to associate local counsel. In each of these instances, another lawyer from outside the firm is involved in a client matter.

Unquestionably, sharing is one of the practical hallmarks of our profession, and the importance of sharing has become even more striking during the current economic downturn. But in a professional setting, sharing is much more than a kindergarten golden rule we all learned so long ago. Because we must be paid for our services to survive economically, how to facilitate payment when attorneys from different firms are involved can be ethically complex. The law has a historical abhorrence of any hint of the commercialization of the act of entering into the attorney-client relationship for any reason other than finding the the best attorney for a client's needs, completely free of extraneous issues such as financial concerns and/or bias. Thus, the law places strict restrictions on when attorneys may share fees, when attorneys may compensate others for recommending the lawyer's services, and how reciprocal referrals are to be handled. These rules vary quite dramatically from jurisdiction to jurisdiction, so it is important for both the referring attorney and the accepting attorney to consult the rules of their jurisdiction carefully. Jurisdictional practice varies from outright prohibition of referral fees, to the requirement of having to work on a case to receive a fee, to the requirements of the assumption of joint responsibility for the outcome of the matter, and/or to client consent, and many variations in between. This article discusses the approach of the [ABA Model Rules of Professional Conduct](#).

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