Rhode Island Supreme Court Ethics Advisory Panel Op. 2019-03 Issued September 12, 2019

FACTS

The inquiring attorney asks whether he/she may participate in and pay the fees charged by an internet service for lawyers. The inquiring attorney states that the internet company offers to forward leads to attorneys which may result in clients. The company acquires leads through a website that asks consumers who are seeking attorneys to fill out a questionnaire. The company does not make any representations about the quality of the referred attorney. The inquiring attorney states that the company has an exclusive relationship with one attorney in a jurisdiction in each field of practice. The internet company forwards the consumer's information to the affiliated attorney either by email or by a telephone connection with the potential client. The attorney agrees to pay the company a flat fee for each lead regardless of whether the lead results in an attorney-client engagement, and regardless of the amount of the resulting attorney's fee.

ISSUE PRESENTED

The inquiring attorney asks whether the exclusive arrangement with an internet company that will provide leads connecting potential clients with him/her, and the charge per lead, are permissible under the Rules of Professional Conduct.

OPINION

The internet company which holds itself out as a "Lawyer Referral Service" is an impermissible for-profit lawyer referral service.

REASONING

The Panel has reviewed the pertinent websites. There are two. One website is where a consumer may read articles on various legal topics. The consumer may also either enter basic identifying information on the website, including name and zip code, or choose to call a toll-free telephone number to connect to an attorney.

The second website provides information for potential participant-lawyers, including a list of areas of law and a description of the arrangement between participating lawyers and the company. This webpage is entitled 'Lawyer Referral Service."

Paragraph (c) of Rule 7.2 of the Rules of Professional Conduct provides in relevant part as follows.

- (c) A lawyer shall not give anything of value to a person for recommending the lawyer's services except that a lawyer may
- (1) pay the reasonable costs of advertisements or communications permitted by this Rule;
- (2) pay the usual charges of a legal service plan or a not-for-profit lawyer referral service;

Rule 7.2(c) only permits lawyers to pay the usual charges of a not-for-profit lawyer referral service. See Rule 7.2, Comment [7]; Ethics Advisory Panel Op. 95-5 (1995) (a lawyer referral service must be operated, sponsored, or approved by the Rhode Island Bar Association). The internet company in the instant inquiry by its own description is a "Lawyer Referral Service." It is a for-profit service. A lawyer who participates in an internet lawyer referral service that is not a not-for-profit lawyer referral service violates Rule 7.2(c).

The Panel's conclusion that the internet company in this inquiry is an impermissible lawyer referral service, is dispositive. The Panel does not at this time address the ethical considerations relating to exclusivity, flat fees, or other significant issues presented by this inquiry.