

DIGEST OF ETHICS ADVISORY PANEL OPINION
OPINION 88-20, REQUEST #36
Issued August 30, 1988

An attorney seeks Panel advice as to whether it is permissible under the Code of Professional Responsibility for his firm to form a partnership with an out-of-state firm under the circumstances he outlines. The attorney advises the Panel that his firm is organized as a sole proprietorship, and that the out-of-state firm in question is a partnership. The attorney adds, however, that the out of state firm might include one or more professional corporations.

The Panel takes the position that it is permissible for a sole proprietorship to form a partnership with an out-of-state firm organized as a partnership provided that the resulting partnership conforms with DR 2-1-2(D).

Disciplinary Rule 2-102(D) provides:

A partnership shall not be formed or continued between or among lawyers licensed in different jurisdictions unless all enumerations of the members and associates of the firm on its letterhead and in other permissible listings make clear the jurisdictional limitations on those members and associates of the firm not licensed to practice in all listed jurisdictions; however, the same firm name may be used in each jurisdiction.

The Panel takes the position that it is not permissible for the inquiring attorney's firm to form a partnership with an out-of-state law firm when any part of that law firm is a professional corporation organized pursuant to the laws of its state of origin.

Disciplinary Rule 3-101(B) provides:

A lawyer shall not practice law in a jurisdiction where to do so would be in violation of regulations of the profession in that jurisdiction.

Rhode Island Supreme Court Rule 41(b) provides:

A professional service corporation may not engage in the practice of law unless and until it applies to and receives from this court a license to operate under the Professional Service Corporation Law and only so long as such license remains in good standing.

Since the out-of-state law partnership may include as a professional corporation not organized under R.I.G.L. 1956 (1985 Reenactment) § 7-5,1-1 et seq. it may not practice law in this state. For the inquiring attorney's firm to enter into a partnership with an out-of-state law firm organized in whole

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or in part as a professional corporation under the laws of its state of origin would constitute a violation of DR 3-103(A). This Disciplinary Rule provides:

A lawyer shall not form a partnership with a nonlawyer if any of the activities of the partnership consist of the practice of law.

Ethics Advisory Panel advice is protective in nature. There is no requirement that an attorney abide by a Panel opinion, but if he or she does, he or she is fully protected from any charge of impropriety.