RULE CHANGE 2023(08)

APPENDIX 2 TO CHAPTERS 18 TO 20
Colorado Licensed Legal Paraprofessional Rules of Professional Conduct

Rules 1, 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.11, 1.12, 1.13, 1.14, 1.15, 1.15A, 1.15B, 1.15C, 1.15D, 1.15E, 1.16, 1.16A, 1.17, 1.18, 2.1, 2.2, 2.3, 2.4, 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 4.1, 4.2, 4.3, 4.4, 4.5, 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 6.1, 6.2, 6.3, 6.4, 6.5, 7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 8.1, 8.2, 8.3, 8.4, 8.5, and 9

APPENDIX 2 TO CHAPTERS 18 TO 20

Colorado Licensed Legal Paraprofessional Rules of Professional Conduct

PREAMBLE AND SCOPE

Preamble: A Licensed Legal Paraprofessional's Responsibilities

[1] A Licensed Legal Paraprofessional (LLP), as a member of the legal profession, is a representative of clients, an officer of the legal system and a public citizen having special responsibility for the quality of justice.

[2] As a representative of clients within a limited scope, an LLP performs various functions. As advisor, an LLP provides a client with an informed understanding of the client's legal rights and obligations and explains their practical implications. As advocate, an LLP zealously asserts the client's position under the rules of the adversary system. As negotiator, an LLP seeks a result advantageous to the client but consistent with requirements of honest dealings with others. As an evaluator, an LLP acts by examining a client's legal affairs and reporting about them to the client or to others.

[3] In addition to these representational functions, an LLP may serve as a third-party neutral, a nonrepresentational role helping the parties to resolve a dispute or other matter. Some of these Rules apply directly to LLPs who are or have served as third-party neutrals. See, e.g., Rules 1.12 and 2.4 of these Rules. In addition, there are Rules that apply to LLPs who are not active in the practice of law or to practicing LLPs even when they are acting in a nonprofessional capacity. For example, an LLP who commits fraud in the conduct of a business is subject to discipline for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation. See Rule 8.4 of these Rules.

[4] In all professional functions an LLP should be competent, prompt and diligent. An LLP should maintain communication with a client concerning the representation. An LLP should keep in confidence information relating to representation of a client except so far as disclosure is required or permitted by these Rules or other law.

[5] An LLP's conduct should conform to the requirements of the law, both in professional service to clients and in the LLP's business and personal affairs. An LLP should use the law's procedures only for legitimate purposes and not to harass or intimidate others. An LLP should demonstrate respect for the legal system and for those who serve it, including judges, lawyers, other LLPs, and public officials. While it is an LLP's duty, when necessary, to challenge the rectitude of official action, it is also an LLP's duty to uphold legal process.

[6] As a public citizen, an LLP should seek improvement of the law, access to the legal system, the administration of justice and the quality of service rendered by the legal profession. As a member of a learned profession, an LLP should cultivate knowledge of the law beyond its use for

clients, employ that knowledge in reform of the law and work to strengthen legal education. In addition, an LLP should further the public's understanding of and confidence in the rule of law and the justice system because legal institutions in a constitutional democracy depend on popular participation and support to maintain their authority. An LLP should be mindful of deficiencies in the administration of justice and of the fact that the poor, and sometimes persons who are not poor, cannot afford adequate legal assistance. Therefore, all LLPs should devote professional time and resources and use civic influence to ensure equal access to our system of justice for all those who because of economic or social barriers cannot afford or secure adequate legal counsel. An LLP should aid the legal profession in pursuing these objectives and should help the bar regulate itself in the public interest.

[7] Many of an LLP's professional responsibilities are prescribed in these Rules, as well as substantive and procedural law and the laws and rules governing LLPs. However, an LLP is also guided by personal conscience and the approbation of professional peers. An LLP should strive to attain the highest level of skill, to improve the law and the legal profession and to exemplify the legal profession's ideals of public service.

[8] An LLP's responsibilities as a representative of clients, an officer of the legal system and a public citizen are usually harmonious. Thus, when an opposing party is well represented, an LLP can be a zealous advocate on behalf of a client and at the same time assume that justice is being done. So also, an LLP can be sure that preserving client confidences ordinarily serves the public interest because people are more likely to seek legal advice, and thereby heed their legal obligations, when they know their communications will be private.

[9] Notwithstanding the scope of authority of an LLP, however, conflicting responsibilities are encountered. Virtually all difficult ethical problems arise from conflict between an LLP's or a lawyer's responsibilities to clients, to the legal system and to the LLP's or lawyer's own interest in remaining an ethical person while earning a satisfactory living. These Rules and the lawyer Rules of Professional Conduct often prescribe terms for resolving such conflicts. Within the framework of these Rules, however, many difficult issues of professional discretion can arise. Such issues must be resolved through the exercise of sensitive professional and moral judgment guided by the basic principles underlying the Rules. These principles include the LLP's obligation zealously to protect and pursue a client's legitimate interests, within the bounds of the law. Zealousness does not, under any circumstances, justify conduct that is unprofessional, discourteous or uncivil toward any person involved in the legal system.

[10] The legal profession is largely self-governing. Although other professions also have been granted powers of self-government, the legal profession is unique in this respect because of the close relationship between the profession and the processes of government and law enforcement. This connection is manifested in the fact that ultimate authority over the legal profession is vested largely in the courts.

[11] To the extent that LLPs meet the obligations of their professional calling, the occasion for government regulation is obviated. Self-regulation also helps maintain the legal profession's independence from government domination. An independent legal profession is an important force in preserving government under law, for abuse of legal authority is more readily challenged by a

profession whose members are not dependent on government for the right to practice.

[12] The legal profession's relative autonomy carries with it special responsibilities of self-government. The profession has a responsibility to assure that its regulations are conceived in the public interest and not in furtherance of parochial or self-interested concerns of the legal profession. Every LLP is responsible for observance of these Rules. An LLP should also aid in securing their observance by other LLPs. Neglect of these responsibilities compromises the independence of the profession and the public interest which it serves.

[13] LLPs, as well as lawyers, play a vital role in the preservation of society. The fulfillment of this role requires an understanding by LLPs of their relationship to our legal system. These Rules, when properly applied, serve to define that relationship.

SCOPE

[13A] These Rules apply to Licensed Legal Paraprofessionals (LLPs) as defined in C.R.C.P. 207.1. They are intended to govern the conduct of LLPs when serving in that capacity.

[14] These Rules are rules of reason. They should be interpreted with reference to the purposes of legal representation and of the law itself. Some of these Rules are imperatives, cast in the terms "shall" or "shall not." These define proper conduct for purposes of professional discipline. Others, generally cast in the term "may," are permissive and define areas under the Rules in which the LLP has discretion to exercise professional judgment. No disciplinary action should be taken when the LLP chooses not to act or acts within the bounds of such discretion. Other Rules define the nature of relationships between the LLP and others. These Rules are thus partly obligatory and disciplinary and partly constructive and descriptive in that they define a lawyer's professional role. Many of the Comments to the lawyer Rules of Professional Conduct use the term "should." To the extent such Comments may provide guidance to LLPs as explained in paragraph [21] below, such Comments do not add obligations but provide guidance for practicing in compliance with these Rules.

[15] These Rules presuppose a larger legal context shaping the LLP's role. That context includes court rules and statutes relating to matters of licensure, laws defining specific obligations of LLPs and substantive and procedural law in general. The Comments in the lawyer Rules of Professional Conduct may alert LLPs to their responsibilities under such other law.

[16] Compliance with these Rules, as with all law in an open society, depends primarily upon understanding and voluntary compliance, secondarily upon reinforcement by peer and public opinion and finally, when necessary, upon enforcement through disciplinary proceedings. These Rules do not, however, exhaust the moral and ethical considerations that should inform an LLP, for no worthwhile human activity can be completely defined by legal rules. These Rules simply provide a framework for the ethical practice of law.

[17] Furthermore, for purposes of determining the LLP's authority and responsibility, principles of substantive law external to these Rules determine whether a client-LLP relationship exists. Most of the duties flowing from the client-LLP relationship attach only after the client has requested the

LLP to render legal services and the LLP has agreed to do so. But there are some duties, such as that of confidentiality under Rule 1.6 of these Rules, that attach when the LLP agrees to consider whether a client-LLP relationship shall be established. See Rule 1.18 of these Rules. Whether a client-LLP relationship exists for any specific purpose can depend on the circumstances and may be a question of fact.

[18] Reserved.

[19] Failure to comply with an obligation or prohibition imposed by these Rules is a basis for invoking the disciplinary process. These Rules presuppose that disciplinary assessment of an LLP's conduct will be made on the basis of the facts and circumstances as they existed at the time of the conduct in question and in recognition of the fact that an LLP often has to act upon uncertain or incomplete evidence of the situation. Moreover, these Rules presuppose that whether or not discipline should be imposed for a violation, and the severity of a sanction, depend on all the circumstances, such as the willfulness and seriousness of the violation, extenuating factors and whether there have been previous violations.

[20] Violation of these Rules should not itself give rise to a cause of action against an LLP nor should it create any presumption in such a case that a legal duty has been breached. In addition, violation of these Rules does not necessarily warrant any other nondisciplinary remedy, such as disqualification of an LLP in pending litigation. These Rules are designed to provide guidance to LLPs and to provide a structure for regulating conduct through disciplinary agencies. They are not designed to be a basis for civil liability. Furthermore, the purpose of these Rules can be subverted when they are invoked by opposing parties as procedural weapons. The fact that these Rules are a just basis for an LLP's self-assessment, or for sanctioning an LLP under the administration of a disciplinary authority, does not imply that an antagonist in a collateral proceeding or transaction has standing to seek enforcement of these Rules. Nevertheless, since these Rules do establish standards of conduct by LLPs, in appropriate cases, an LLP's violation of a Rule may be evidence of breach of the applicable standard of conduct.

[21] The Comment accompanying each rule in the lawyer Rules of Professional Conduct explains and illustrates the meaning and purpose of the rule. Those comments may provide guidance to LLPs when the LLP rule is analogous to the rule applicable to lawyers. Similarly, the Formal Opinions of the Colorado Bar Association's Ethics Committee may provide guidance to LLPs when they interpret rules analogous to the rules applicable to LLPs. The Preamble and this note on Scope provide general orientation. The Comments to the lawyer Rules of Professional Conduct are intended as guides to interpretation, but the text of each of these Rules is authoritative.

Rule 1.0. Terminology

(a) "Belief" or "believes" denotes that the person involved actually supposed the fact in question to be true. A person's belief may be inferred from circumstances.

(b) "Confirmed in writing," when used in reference to the informed consent of a person, denotes informed consent that is given in writing by the person or a writing that an LLP promptly transmits to the person confirming an oral informed consent. See paragraph (e) for the definition of "informed consent." If it is not feasible to obtain or transmit the writing at the time the person gives informed consent, then the LLP must obtain or transmit it within a reasonable time thereafter.

(b-1) "Document" includes e-mail or other electronic modes of communication subject to being read or put into readable form.

(c) "Firm" denotes a partnership, professional company, or other entity or a sole proprietorship through which a lawyer or lawyers, an LLP or LLPs, or a combination of lawyers and LLPs render legal services.

(c-1) "Firm without lawyers" denotes a firm that renders legal services provided only by LLPs.

(d) "Fraud" or "fraudulent" denotes conduct that is fraudulent under the substantive or procedural law of the applicable jurisdiction and has a purpose to deceive.

(e) "Informed consent" denotes the agreement by a person to a proposed course of conduct after the LLP has communicated adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct.

(f) "Knowingly," "known," or "knows" denotes actual knowledge of the fact in question. A person's knowledge may be inferred from circumstances.

(f-1) "Licensed Legal Paraprofessional" (LLP) denotes an individual authorized to practice law to the extent authorized by C.R.C.P. 207.1.

(f-2) "Licensed Legal Paraprofessional Rules of Professional Conduct" (LLP RPCs or "these Rules") denotes these ethical rules applicable to LLPs, in contrast to the Colorado Rules of Professional Conduct applicable to lawyers.

(g) "Partner" denotes a member of a partnership, an owner of a professional company, or a member of an association authorized to practice law, including practice as an LLP.

(1) "Professional company" has the meaning ascribed to the term in C.R.C.P. 265.

(h) "Reasonable" or "reasonably" when used in relation to conduct by an LLP denotes the conduct of a reasonably prudent and competent LLP.

(i) "Reasonable belief" or "reasonably believes" when used in reference to an LLP denotes that the LLP believes the matter in question and that the circumstances are such that the belief is reasonable.

(j) "Reasonably should know" when used in reference to an LLP denotes that an LLP of reasonable prudence and competence would ascertain the matter in question.

(k) "Screened" denotes the isolation of an LLP from any participation in a matter through the timely imposition of procedures within a firm that are reasonably adequate under the circumstances to protect information that the isolated LLP is obligated to protect under these Rules or other law.

(l) "Substantial" when used in reference to degree or extent denotes a material matter of clear and weighty importance.

(m) "Tribunal" denotes a court, an arbitrator in a binding arbitration proceeding or a legislative body, administrative agency or other body acting in an adjudicative capacity. A legislative body, administrative agency or other body acts in an adjudicative capacity when a neutral official, after the presentation of evidence or legal argument by a party or parties, will render a binding legal judgment directly affecting a party's interests in a particular matter.

(n) "Writing" or "written" denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or videorecording, and electronic communications. A "signed" writing includes an electronic sound, symbol, or process attached to or logically associated with a writing and executed or adopted by a person with the intent to sign the writing.

CLIENT-LLP RELATIONSHIP

Rule 1.1. Competence

An LLP shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary to:

(a) perform the contracted services; and

(b) determine when the matter should be referred to a lawyer.

COMMENT

[1] An LLP is authorized to practice law only to the extent permitted by C.R.C.P. 207.1. An LLP also has an independent ethical obligation to provide competent representation to a client as to matters within an LLP's scope of authority to practice. In determining whether an LLP employs the requisite knowledge and skill in a particular matter, relevant factors include the relative complexity and specialized nature of the matter, the LLP's general experience, the LLP's training and experience, and the preparation and study the LLP is able to give the matter.

Rule 1.2. Scope of Representation and Allocation of Authority Between Client and LLP

(a) Subject to paragraphs (c) and (d), an LLP shall abide by a client's decisions concerning the objectives of representation and, as required by Rule 1.4, shall consult with the client as to the means by which they are to be pursued. An LLP may take such action on behalf of the client as is

impliedly authorized to carry out the representation. An LLP shall abide by a client's decision whether to settle a matter.

(b) An LLP's representation of a client does not constitute an endorsement of the client's political, economic, social or moral views or activities.

(c) LLPs must confine their services to those allowed in C.R.C.P 207.1 and must provide a written disclosure of the limits of the LLPs authority. An LLP may limit the scope or objectives, or both, of the representation if the limitation is reasonable under the circumstances and the client gives informed consent. An LLP may provide limited representation to pro se parties as permitted by C.R.C.P. 11(b) and C.R.C.P. 311(b).

(d) An LLP shall not counsel a client to engage, or assist a client, in conduct that the LLP knows is criminal or fraudulent, but an LLP may discuss the legal consequences of any proposed course of conduct with a client and may counsel or assist a client to make a good faith effort to determine the validity, scope, meaning or application of the law.

(e) An LLP shall not act beyond an LLP's authorized scope of practice, unless the LLP is authorized to do so by law or court order.

Rule 1.3. Diligence

An LLP shall act with reasonable diligence and promptness in representing a client.

Rule 1.4. Communication

(a) An LLP shall:

(1) promptly inform the client of any decision or circumstance with respect to which the client's informed consent, as defined in Rule 1.0(e), is required by these Rules;

(2) reasonably consult with the client about the means by which the client's objectives are to be accomplished;

(3) keep the client reasonably informed about the status of the matter;

(4) promptly comply with reasonable requests for information; and

(5) consult with the client about any relevant limitation on the LLP's conduct when the LLP knows that the client expects assistance not permitted by the LLP Rules of Professional Conduct or other law.

(b) An LLP shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.

Rule 1.5. Fees

(a) An LLP shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:

(1) the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;

(2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the LLP;

(3) the fee customarily charged in the locality for similar legal services provided by an LLP;

(4) the amount involved and the results obtained;

(5) the time limitations imposed by the client or by the circumstances;

(6) the nature and length of the professional relationship with the client;

(7) the experience, reputation, and ability of the LLP or LLPs performing the services; and

(8) whether the fee is flat or hourly

(b) Before or within a reasonable time after commencing the representation, the LLP shall communicate to the client, in writing,

(1) the basis or rate of the fee and expenses for which the client will be responsible except when the LLP will continue to charge a regularly-represented client on the same basis or rate; and

(2) the scope of the representation.

The LLP shall communicate promptly to the client in writing any changes in the basis or rate of the fee or expenses.

(c) An LLP shall not enter into an arrangement for, charge, or collect any fee, the payment or amount of which is contingent upon the outcome of the case.

(d) Other than in connection with the sale of an LLP or law practice pursuant to Rule 1.17, an LLP may enter into an arrangement for the division of a fee with another LLP or lawyer who is not in the same firm as the LLP only if:

(1) the division is in proportion to the services performed by each lawyer or LLP;

(2) the client agrees to the arrangement, including the basis upon which the division of fees shall be made, and the client's agreement is confirmed in writing; and

(3) the total fee is reasonable.

(e) Referral fees are prohibited.

(f) Fees are not earned until the LLP confers a benefit on the client or performs a legal service for the client. Advances of unearned fees are the property of the client and shall be deposited in the trust account pursuant to Rule 1.15B(a)(1) until earned. If advances of unearned fees are in the form of property other than funds, then the LLP shall hold such property separate from the LLP's own property pursuant to Rule 1.15A(a).

(g) Nonrefundable fees and nonrefundable retainers are prohibited. Any agreement that purports

to restrict a client's right to terminate the representation, or that unreasonably restricts a client's right to obtain a refund of unearned or unreasonable fees, is prohibited.

(h) A "flat fee" is a fee for specified legal services for which the client agrees to pay a fixed amount, regardless of the time or effort involved.

(1) The terms of a flat fee shall be communicated in writing before or within a reasonable time after commencing the representation and shall include the following information:

(i) A description of the services the LLP agrees to perform;

(ii) The amount to be paid to the LLP and the timing of payment for the services to be performed;

(iii) If any portion of the flat fee is to be earned by the LLP before conclusion of the representation, the amount to be earned upon the completion of specified tasks or the occurrence of specified events; and

(iv) The amount or the method of calculating the fees the LLP earns, if any, should the representation terminate before completion of the specified tasks or the occurrence of specified events.

(2) If all or any portion of a flat fee is paid in advance of being earned and a dispute arises about whether the LLP has earned all or part of the flat fee, the LLP shall comply with Rule 1.15A(c) with respect to any portion of the flat fee that is in dispute.

(3) The form Flat Fee Agreement following the comment to this Rule may be used for flat fee agreements and shall be sufficient. The authorization of this form shall not prevent the use of other forms consistent with this Rule.

FORM FLAT FEE AGREEMENT

The client _____ ("Client") retains _____ ("LLP" [or "Firm"]) to perform the legal services specified in Section I, below, for a flat fee as described below.

I. Legal Services to Be Performed. In exchange for the fee described in this Agreement, LLP will perform the following legal services ("Services"): [*Insert specific description of the scope and/or objective of the representation.*]

II. Flat Fee. This is a flat fee agreement. Client will pay LLP [or Firm] $ _____ for LLP's [or Firm's] performance of the Services described in Section I, above, plus costs as described in Section VI, below. Client understands that Client is NOT entering into an hourly fee arrangement. This means that LLP [or Firm] will devote such time to the representation as is necessary, but the LLP's [or Firm's] fee will not be increased or decreased based upon the number of hours spent.

III. When Fee Is Earned. The flat fee will be earned in increments, as follows:

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

[*Alternatively:* The flat fee will be earned when LLP [or Firm] provides Client with [*specified description of work*].

IV. When Fee Is Payable. Client shall pay LLP [or Firm] [*Select one:* in advance, as billed, or as the services are completed]. Fees paid in advance shall be placed in LLP's [or Firm's] trust account and shall remain the property of Client until they are earned. When the fee or part of the fee is earned pursuant to this Agreement, it becomes the property of LLP [or Firm].

V. Right to Terminate Representation and Fees on Termination. Client has the right to terminate the representation at any time and for any reason, and LLP [or firm] may terminate the representation in accordance with Rule 1.16 of the Colorado Rules of Professional Conduct. In the event that Client terminates the representation without wrongful conduct by LLP [or Firm] that would cause LLP [or Firm] to forfeit any fee, or LLP [or Firm] justifiably withdraws in accordance with Rule 1.16 from representing Client, Client shall pay, and LLP [or Firm] shall be entitled to, the fee or part of the fee earned by LLP [or Firm] as described in Section I, above, up to the time of termination. In a litigation matter, Client shall pay, and LLP [or Firm] shall be entitled to, the fee or part of the fee earned up to the time when the court grants LLP's motion for withdrawal. If the representation is terminated between the completion of increments described in Section III above, Client shall pay a fee based on [an hourly rate of $ _____] [the percentage of the task completed] [*other specified method*]. However, such fees shall not exceed the amount that would have been earned had the representation continued until the completion of the increment, and in any event all fees shall be reasonable.

VI. Costs. Client is liable to LLP [or Firm] for reasonable expenses and disbursements. Examples of such expenses and disbursements are fees payable to the Court and expenses involved in preparing exhibits. Such expenses and disbursements are estimated to be $ _____. Client authorizes LLP [or Firm] to incur expenses and disbursements up to a maximum of $ _____, which limitation will not be exceeded without Client's further written authorization. Client shall reimburse LLP for such expenditures [*Select one:* upon receipt of a billing, in specified installments, or upon completion of the Services].

Dated: _____

CLIENT:	LLP [FIRM]:
Signature	Signature

Rule 1.6. Confidentiality of Information

(a) An LLP shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry out the representation, or the disclosure is permitted by paragraph (b).

(b) An LLP may reveal information relating to the representation of a client to the extent the LLP reasonably believes necessary:

(1) to prevent reasonably certain death or substantial bodily harm;

(2) to reveal the client's intention to commit a crime and the information necessary to prevent the crime;

(3) to prevent the client from committing a fraud that is reasonably certain to result in substantial injury to the financial interests or property of another and in furtherance of which the client has used or is using the LLP's services;

(4) to prevent, mitigate, or rectify substantial injury to the financial interests or property of another that is reasonably certain to result or has resulted from the client's commission of a crime or fraud in furtherance of which the client has used the LLP's services;

(5) to secure legal advice about the LLP's compliance with these Rules, other law or a court order;

(6) to establish a claim or defense on behalf of the LLP in a controversy between the LLP and the client, to establish a defense to a criminal charge or civil claim against the LLP based upon conduct in which the client was involved, or to respond to allegations in any proceeding concerning the LLP's representation of the client;

(7) to detect and resolve conflicts of interest arising from the LLP's change of employment or from changes in the composition or ownership of a firm, but only if the revealed information is not protected by any LLP or attorney-client privilege and its revelation is not reasonably likely to otherwise materially prejudice the client; or

(8) to comply with other law or a court order.

(c) An LLP shall make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client.

Rule 1.7. Conflict of Interest: Current Clients

(a) Except as provided in paragraph (b), an LLP shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:

(1) the representation of one client will be directly adverse to another client; or

(2) there is a significant risk that the representation of one or more clients will be materially limited by the LLP's responsibilities to another client, a former client or a third person or by a personal interest of the LLP.

(b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), an LLP may represent a client if:

(1) the LLP reasonably believes that the LLP will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law;

(3) the representation does not involve the assertion of a claim by one client against another client represented by the LLP in the same litigation or other proceeding before a tribunal; and

(4) each affected client gives informed consent, confirmed in writing.

Rule 1.8. Conflict of Interest; Current Clients; Specific Rules

(a) An LLP shall not enter into a business transaction with a client or knowingly acquire an ownership, possessory, security or other pecuniary interest adverse to a client unless:

(1) the transaction and terms on which the LLP acquires the interest are fair and reasonable to the client and are fully disclosed and transmitted in writing in a manner that can be reasonably understood by the client;

(2) the client is advised in writing of the desirability of seeking and is given a reasonable opportunity to seek the advice of independent legal counsel on the transaction; and

(3) the client gives informed consent, in a writing signed by the client, to the essential terms of the transaction and the LLP's role in the transaction, including whether the LLP is representing the client in the transaction.

(b) An LLP shall not use information relating to representation of a client to the disadvantage of the client unless the client gives informed consent, except as permitted or required by these Rules.

(c) An LLP shall not solicit any substantial gift from a client, including a testamentary gift, unless the LLP or other recipient of the gift is related to the client. For purposes of this paragraph, related persons include a spouse, child, grandchild, parent, grandparent or other relative or individual with whom the LLP or the client maintains a close, familial relationship.

(d) Prior to the conclusion of representation of a client, an LLP shall not make or negotiate an agreement giving the LLP literary or media rights to a portrayal or account based in substantial part on information relating to the representation.

(e) An LLP shall not provide financial assistance to a client in connection with pending or contemplated litigation, except that:

(1) an LLP may advance court costs and expenses of litigation, the repayment of which may be contingent on the outcome of the matter; and

(2) an LLP representing an indigent client may pay court costs and expenses of litigation on behalf of the client.

(f) An LLP shall not accept compensation for representing a client from one other than the client unless:

(1) the client gives informed consent;

(2) there is no interference with the LLP's independence of professional judgment or with the client-LLP relationship; and

(3) information relating to representation of a client is protected as required by Rule 1.6.

(g) Reserved.

(h) An LLP shall not:

(1) make an agreement prospectively limiting the LLP's liability to a client for malpractice unless the client is independently represented in making the agreement; or

(2) settle a claim or potential claim for such liability with an unrepresented client or former client unless that person is advised in writing of the desirability of seeking and is given a reasonable opportunity to seek the advice of independent legal counsel in connection therewith.

(i) An LLP shall not acquire a proprietary interest in the cause of action or subject matter of litigation in which the LLP is representing a client, except that the LLP may acquire a lien authorized by law to secure the LLP's fee or expenses.

(j) An LLP shall not have sexual relations with a client unless a consensual sexual relationship existed between them when the client-LLP relationship commenced.

(k) While LLPs are associated in an LLP firm or a law firm, a prohibition in the foregoing paragraphs (b) through (i) that applies to any one of them shall apply to all of them.

Rule 1.9. Duties to Former Clients

(a) An LLP who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed consent, confirmed in writing.

(b) An LLP shall not knowingly represent a person in the same or a substantially related matter in which a firm with which the LLP formerly was associated had previously represented a client:

(1) whose interests are materially adverse to that person; and

(2) about whom the LLP had acquired information protected by Rules 1.6 and 1.9(c) that is material to the matter; unless the former client gives informed consent, confirmed in writing.

(c) An LLP who has formerly represented a client in a matter or whose present or former firm has formerly represented a client in a matter shall not thereafter:

(1) use information relating to the representation to the disadvantage of the former client except as

these Rules would permit or require with respect to a client, or when the information has become generally known; or

(2) reveal information relating to the representation except as these Rules would permit or require with respect to a client.

(d) An LLP shall not use or reveal information protected by Rule 1.6 and 1.9(c) acquired through that person's employment in a firm in a non-LLP capacity except as allowed by both these rules and Colo. RPC 1.6 and Colo. RPC 1.9(c).

Rule 1.10. Imputation of Conflicts of Interest: General Rule

(a) While LLPs are associated with other LLPs or lawyers in a firm, none of them shall knowingly represent a client when any one of them practicing alone would be prohibited from doing so by Rules 1.7 or 1.9, unless the prohibition is based on a personal interest of the prohibited LLP and does not present a significant risk of materially limiting the representation of the client by the remaining LLPs and lawyers in the firm.

(b) When an LLP has terminated an association with a firm, the firm is not prohibited from thereafter representing a person with interests materially adverse to those of a client represented by the formerly associated LLP and not currently represented by the firm, unless:

(1) the matter is the same or substantially related to that in which the formerly associated LLP represented the client; and

(2) any LLP or lawyer remaining in the firm has information protected by Rules 1.6 and 1.9(c) that is material to the matter.

(c) A disqualification prescribed by this Rule may be waived by the affected client under the conditions stated in Rule 1.7.

(d) The disqualification of LLPs associated in a firm with former or current government lawyers is governed by Rule 1.11.

(e) When an LLP becomes associated with a firm, no LLP associated in the firm shall knowingly represent a person in a matter in which that LLP is disqualified under Rule 1.9 unless:

(1) the matter is not one in which the personally disqualified LLP substantially participated;

(2) the personally disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom;

(3) the personally disqualified LLP gives prompt written notice (which shall contain a general description of the personally disqualified LLP's prior representation and the screening procedures to be employed) to the affected former clients and the former clients' current LLPs or lawyers, if known to the personally disqualified LLP, to enable the former clients to ascertain compliance with the provisions of this Rule; and

(4) the personally disqualified LLP and the partners of the firm with which the personally

disqualified LLP is now associated reasonably believe that the steps taken to accomplish the screening of material information are likely to be effective in preventing material information from being disclosed to the firm and its client.

(f) An LLP who has personally and substantially participated in a matter in a non-LLP capacity shall be screened from any personal participation in the same or substantially related matter when participating would be materially adverse to the interests of the client of the firm where the LLP previously worked in a non-LLP capacity.

Rule 1.11. Special Conflicts of Interest for Former and Current Government Officers and Employees

(a) Except as law may otherwise expressly permit, an LLP who has formerly served as a public officer or employee of the government:

(1) is subject to Rule 1.9(c); and

(2) shall not otherwise represent a client in connection with a matter in which the LLP participated personally and substantially as a public officer or employee, unless the appropriate government agency gives its informed consent, confirmed in writing, to the representation.

(b) When an LLP or lawyer is disqualified from representation under paragraph (a) of this rule or Colo. RPC 1.11, no LLP or lawyer in a firm with which that LLP or lawyer is associated may knowingly undertake or continue representation in such a matter unless:

(1) the disqualified LLP or lawyer is timely screened from any participation in the matter and is apportioned no part of the fee therefrom;

(2) the personally disqualified LLP or lawyer gives prompt written notice (which shall contain a general description of the personally disqualified LLP's prior participation in the matter and the screening procedures to be employed), to the government agency to enable the government agency to ascertain compliance with the provisions of this Rule; and

(3) the personally disqualified LLP or lawyer and the partners of the firm with which the personally disqualified LLP is now associated, reasonably believe that the steps taken to accomplish the screening of material information are likely to be effective in preventing material information from being disclosed to the firm and its client.

(c) Except as law may otherwise expressly permit, an LLP having information that the LLP knows is confidential government information about a person acquired when the LLP was a public officer or employee, may not represent a private client whose interests are adverse to that person in a matter in which the information could be used to the material disadvantage of that person. As used in this Rule, the term "confidential government information" means information that has been obtained under governmental authority and which, at the time this Rule is applied, the government is prohibited by law from disclosing to the public or has a legal privilege not to disclose and which is not otherwise available to the public. A firm with which that LLP is associated may undertake or continue representation in the matter only if the disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom.

(d) Except as law may otherwise expressly permit, an LLP currently serving as a public officer or employee:

(1) is subject to Rules 1.7 and 1.9; and

(2) shall not:

(i) participate in a matter in which the LLP participated personally and substantially while in private practice or nongovernmental employment, unless the appropriate government agency gives its informed consent, confirmed in writing; or

(ii) negotiate for private employment with any person who is involved as a party or as counsel for a party in a matter in which the LLP is participating personally and substantially.

(e) As used in this Rule, the term "matter" includes:

(1) any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest or other particular matter involving a specific party or parties, and

(2) any other matter covered by the conflict of interest rules of the appropriate government agency.

Rule 1.12. Former Judge, Arbitrator, Mediator or Other Third-Party Neutral

(a) Except as stated in paragraph (d), an LLP shall not represent anyone in connection with a matter in which the LLP participated personally and substantially as a judge or other adjudicative officer or law clerk to such a person or as an arbitrator, mediator or other third-party neutral, unless all parties to the proceeding give informed consent, confirmed in writing.

(b) An LLP shall not negotiate for employment with any person who is involved as a party or as a lawyer or LLP for a party in a matter in which the LLP is participating personally and substantially as a judge or other adjudicative officer or as an arbitrator, mediator or other third-party neutral. An LLP serving as a law clerk to a judge or other adjudicative officer may negotiate for employment with a party or lawyer involved in a matter in which the clerk is participating personally and substantially, but only after the LLP has notified the judge or other adjudicative officer.

(c) If an LLP is disqualified by paragraph (a), no LLP or lawyer in a firm with which that LLP is associated may knowingly undertake or continue representation in the matter unless:

(1) the disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom;

(2) the personally disqualified LLP gives prompt written notice (which shall contain a general description of the personally disqualified LLP's prior participation in the matter and the screening procedures to be employed), to the parties and any appropriate tribunal, to enable the parties to ascertain compliance with the provisions of this Rule; and

(3) the personally disqualified LLP and the partners of the firm with which the personally disqualified LLP is now associated, reasonably believe that the steps taken to accomplish the

screening of material information are likely to be effective in preventing material information from being disclosed to the firm and its client.

(d) An arbitrator selected as a partisan of a party in a multimember arbitration panel is not prohibited from subsequently representing that party.

Rule 1.13. Reserved

Rule 1.14. Client with Diminished Capacity

(a) When a client's capacity to make adequately considered decisions in connection with a representation is diminished, whether because of minority, mental impairment or for some other reason, the LLP shall, as far as reasonably possible, maintain a normal client-LLP relationship with the client.

(b) When the LLP reasonably believes that the client has diminished capacity, is at risk of substantial physical, financial or other harm unless action is taken and cannot adequately act in the client's own interest, the LLP may take reasonably necessary protective action within the LLP's authorized scope of licensure, including consulting with individuals or entities that have the ability to take action to protect the client.

(c) Information relating to the representation of a client with diminished capacity is protected by Rule 1.6. When taking protective action pursuant to paragraph (b), the LLP is impliedly authorized under Rule 1.6(a) to reveal information about the client, but only to the extent reasonably necessary to protect the client's interests.

Rule 1.15. Safekeeping Property in a Firm with Lawyers

LLPs practicing independently in a firm with lawyers are subject to Colo. RPC 1.15A through Colo. RPC 1.15E.

Rule 1.15A. General Duties of LLPs Practicing in Firms Without Lawyers Regarding Property of Clients and Third Parties

(a) An LLP practicing in a firm without a lawyer shall hold property of clients or third persons that is in the LLP's possession in connection with a representation separate from the LLP's own property. Funds shall be kept in trust accounts maintained in compliance with Rule 1.15B. Other property shall be appropriately safeguarded. Complete records of such funds and other property of clients or third parties shall be kept by the LLP in compliance with Rule 1.15D.

(b) Upon receiving funds or other property of a client or third person, an LLP shall, promptly or otherwise as permitted by law or by agreement with the client or third person, deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, promptly upon request by the client or third person, render a full accounting regarding such property.

(c) When in connection with a representation an LLP is in possession of property in which two or more persons (one of whom may be the LLP) claim interests, the property shall be kept separate by the LLP until there is a resolution of the claims and, when necessary, a severance of their interests. If a dispute arises concerning their respective interests, the portion in dispute shall be kept separate by the LLP until the dispute is resolved. The LLP shall promptly distribute all portions of the property as to which the interests are not in dispute.

(d) The provisions of Rule 1.15B, Rule 1.15C, Rule 1.15D, and Rule 1.15E apply to funds and other property, and to accounts, held or maintained by the LLP, or caused by the LLP to be held or maintained by an LLP firm through which the LLP renders legal services, in connection with a representation.

Rule 1.15B. Account Requirements for LLPs Practicing in Firms Without Lawyers

(a) Every LLP in private practice in a firm without lawyers in this state shall maintain in the LLP's own name, or in the name of the LLP's firm:

(1) A trust account or accounts, separate from any business and personal accounts and from any other fiduciary accounts that the LLP or the firm may maintain, into which the LLP shall deposit, or shall cause the firm to deposit, all funds entrusted to the LLP's care and any advance payment of fees that have not been earned or advance payment of expenses that have not been incurred. An LLP shall not be required to maintain a trust account when the LLP is not holding such funds or payments.

(2) A business account or accounts into which the LLP shall deposit, or cause the firm to deposit, all funds received for legal services. Each business account, as well as all deposit slips and all checks drawn thereon, shall be prominently designated as a "business account," an "office account," an "operating account," or a "professional account," or with a similarly descriptive term that distinguishes the account from a trust account and a personal account.

(b) One or more of the trust accounts may be a Colorado Lawyer Trust Account Foundation ("COLTAF") account. A "COLTAF account" is a pooled trust account for funds of clients or third persons that are nominal in amount or are expected to be held for a short period of time, and as such would not be expected to earn interest or pay dividends for such clients or third persons in excess of the reasonably estimated cost of establishing, maintaining, and accounting for trust accounts for the benefit of such clients or third persons. Interest or dividends paid on a COLTAF account shall be paid to COLTAF, and the LLP and the firm shall have no right or claim to such interest or dividends.

(c) Each trust account, as well as all deposits slips and checks drawn thereon, shall be prominently designated as a "trust account," provided that each COLTAF account shall be designated as a "COLTAF Trust Account." A trust account may bear any additional descriptive designation that is not misleading.

(d) Except as provided in this paragraph (d), each trust account, including each COLTAF account, shall be maintained in a financial institution that is approved by the Attorney Regulation Counsel pursuant to Rule 1.15E. If each client and third person whose funds are in the account is informed in writing by the LLP that Regulation Counsel will not be notified of any overdraft on the account,

and with the informed consent of each such client and third person, a trust account in which interest or dividends are paid to the clients or third persons need not be in an approved institution.

(e) Each trust account, including each COLTAF account, shall be an interest-bearing, or dividend-paying, insured depository account; provided that, with the informed consent of each client or third person whose funds are in the account, an account in which interest or dividends are paid to clients or third persons need not be an insured depository account. For the purpose of this provision, an "insured depository account" shall mean a government insured account at a regulated financial institution, on which withdrawals or transfers can be made on demand, subject only to any notice period which the financial institution is required to reserve by law or regulation.

(f) The LLP may deposit, or may cause the firm to deposit, into a trust account funds reasonably sufficient to pay anticipated service charges or other fees for maintenance or operation of the account. Such funds shall be clearly identified in the LLP's or firm's records of the account.

(g) All funds entrusted to the LLP shall be deposited in a COLTAF account unless the funds are deposited in a trust account described in paragraph (h) of this Rule. The foregoing requirement that funds be deposited in a COLTAF account does not apply in those instances where it is not feasible for the LLP or the firm to establish a COLTAF account for reasons beyond the control of the LLP or firm, such as the unavailability in the community of a financial institution that offers such an account; but in such case the funds shall be deposited in a trust account described in paragraph (h) of this Rule.

(h) If funds entrusted to the LLP are not held in a COLTAF account, the LLP shall deposit, or shall cause the firm to deposit, the funds in a trust account that complies with all requirements of paragraphs (c), (d), and (e) of this Rule and for which all interest earned or dividends paid (less deductions for service charges or fees of the depository institution) shall belong to the clients or third persons whose funds have been so deposited. The LLP and the firm shall have no right or claim to such interest or dividends.

(i) If the LLP or firm discovers that funds of a client or third person have mistakenly been held in a COLTAF account in a sufficient amount or for a sufficiently long time so that interest or dividends on the funds being held in such account exceeds the reasonably estimated cost of establishing, maintaining, and accounting for a trust account for the benefit of such client or third person (including without limitation administrative costs of the LLP or firm, bank service charges, and costs of preparing tax reports of such income to the client or third person), the LLP shall request, or shall cause the firm to request, a refund from COLTAF, for the benefit of such client or third persons, of the interest or dividends in accordance with written procedures that COLTAF shall publish and make available through its website and shall provide to any LLP or firm upon request.

(j) Every LLP or firm maintaining a trust account in this state shall, as a condition thereof, be conclusively deemed to have consented to the reporting and production requirements by financial institutions mandated by Rule 1.15E and shall indemnify and hold harmless the financial institution for its compliance with such reporting and production requirement.

(k) If an LLP discovers that the LLP does not know the identity or the location of the owner of funds held in the LLP's COLTAF account, or the LLP discovers that the owner of the funds is

deceased, the LLP must make reasonable efforts to identify and locate the owner or the owner's heirs or personal representative. If, after making such efforts, the LLP cannot determine the identity or the location of the owner, or the owner's heirs or personal representative, the LLP must either (1) continue to hold the unclaimed funds in a COLTAF or other trust account or (2) remit the unclaimed funds to COLTAF in accordance with written procedures published by COLTAF and available through its website or upon request. An LLP remitting unclaimed funds to COLTAF must keep a record of the remittance pursuant to Rule 1.15D(a)(1)(C). If, after remitting unclaimed funds to COLTAF, the LLP determines both the identity and the location of the owner or the owner's heirs or personal representative, the LLP shall request a refund for the benefit of the owner or the owner's estate, in accordance with written procedures that COLTAF shall publish and make available through its website and shall provide upon request.

Rule 1.15C. Use of Trust Accounts by LLPs Practicing in Firms Without Lawyers

(a) An LLP practicing in a firm without a lawyer shall not use any debit card or automated teller machine card to withdraw funds from a trust account. Cash withdrawals from trust accounts and checks drawn on trust accounts payable to "Cash" are prohibited. All trust account funds intended for deposit shall be deposited intact without deductions or "cash out" from the deposit, and the duplicate deposit slip that evidences the deposit shall be sufficiently detailed to identify each item deposited.

(b) All trust account withdrawals and transfers shall be made only by an LLP or by a person supervised by such LLP. Such withdrawals and transfers may be made only by authorized bank or wire transfer or by check payable to a named payee. Only an LLP or a person supervised by such LLP shall be an authorized signatory on a trust account.

(c) No less than quarterly, an LLP or a person supervised by such LLP shall reconcile the trust account records both as to individual clients or other persons and in the aggregate with the bank statements issued by the bank in which the trust account is maintained.

Rule 1.15D. Required Records Maintained by LLPs Practicing in Firms Without Lawyers

(a) An LLP practicing in a firm without a lawyer shall maintain, or shall cause the LLP's firm to maintain, in a current status and shall retain or cause the firm to retain for a period of seven years after the event that they record:

(1) An appropriate record-keeping system identifying each separate person for whom the LLP or firm holds funds or other property and adequately showing the following:

(A) For each trust account the date and amount of each deposit; the name and address of each payor of the funds deposited; the name and address of each person for whom the funds are held and the amount held for the person; a description of the reason for each deposit; the date and amount of each charge against the trust account and a description of the charge; the date and amount of each disbursement; and the name and address of each person to whom the disbursement is made and the amount disbursed to the person.

(B) For each item of property other than funds, the nature of the property; the date of receipt of the property; the name and address of each person from whom the property is received, the name and address of each person for whom the property is held and, if interests in the property are held by more than one person, a statement of the nature and extent of each person's interest in the property, to the extent known; a description of the reason for each receipt; the date and amount of each charge against the property and a description of the charge; the date of each delivery of the property by the LLP; and the name and address of each person to whom the property is delivered by the LLP.

(C) For any unclaimed funds remitted to COLTAF pursuant to Rule 1.15B(k), the name and last known address of the owner of the funds, if the owner of the funds is known; the date of death of a deceased owner if the owner of the funds is known; the efforts made to identify or locate the owner of the funds or a deceased owner's heirs or personal representative; the amount of the funds remitted; the period of time during which the funds were held in the LLP's or firm's COLTAF account; and the date the funds were remitted.

(2) Appropriate records of all deposits in and withdrawals from all other bank accounts maintained in connection with the LLP's legal services, specifically identifying the date, payor, and description of each item deposited as well as the date, payee, and purpose of each disbursement;

(3) Copies of all written communications setting forth the basis or rate for the fees charged by the LLP as required by Rule 1.5(b), and copies of all writings, if any, stating other terms of engagement for legal services;

(4) Copies of all statements to clients and third persons showing the disbursement of funds or the delivery of property to them or on their behalves;

(5) Copies of all bills issued to clients;

(6) Records showing payments to any persons, not in the LLP's regular employ, for services rendered or performed; and

(7) Paper copies or electronic copies of all bank statements and of all canceled checks.

(b) The records required by this Rule shall be maintained in accordance with one or more of the following recognized accounting methods: the accrual method, the cash basis method, or the income tax method. All such accounting methods shall be consistently applied. Bookkeeping records may be maintained by computer provided they otherwise comply with this Rule and provided further that printed copies can be made on demand in accordance with this Rule. They shall be located at the principal Colorado office of the LLP or of the LLP's firm.

(c) Upon the dissolution of an LLP firm, the LLPs who rendered legal services through the firm shall make appropriate arrangements for the maintenance or disposition of records and client files in accordance with this Rule and Rule 1.16A. Upon the departure of an LLP from a firm, the departing LLP and the LLPs remaining in the firm shall make appropriate arrangements for the maintenance or disposition of records and client files in accordance with this Rule and Rule 1.16A.

(d) Any of the records required to be kept by this Rule shall be produced in response to a subpoena duces tecum issued by the Regulation Counsel in connection with proceedings pursuant to

C.R.C.P. 242 or C.R.C.P. 243. When so produced, all such records shall remain confidential except for the purposes of the particular proceeding, and their contents shall not be disclosed by anyone in such a way as to violate any privilege of the LLP's client.

Rule 1.15E. Approved Institutions Applicable to LLPs Practicing in Firms Without Lawyers

(a) This Rule applies to each trust account that is subject to Rule 1.15B, other than a trust account that is maintained in other than an approved financial institution pursuant to the second sentence of Rule 1.15B(d).

(b) Each trust account shall be maintained at a financial institution that is approved by the Regulation Counsel, pursuant to the provisions and conditions contained in this Rule. The Regulation Counsel shall maintain a list of approved financial institutions, which it shall renew not less than annually. Offering a trust account or a COLTAF account is voluntary for financial institutions.

(c) The Regulation Counsel shall approve a financial institution for use for LLPs' trust accounts, including COLTAF accounts, if the financial institution files with the Regulation Counsel an agreement, in a form provided by the Regulation Counsel, with the following provisions and on the following conditions:

(1) The financial institution does business in Colorado;

(2) The financial institution agrees to report to the Regulation Counsel in the event a properly payable trust account instrument is presented against insufficient funds, irrespective of whether the instrument is honored. That agreement shall apply to all branches of the financial institution and shall not be canceled except on thirty-days' notice in writing to the Regulation Counsel.

(3) The financial institution agrees that all reports made by the financial institution shall be in the following format: (i) in the case of a dishonored instrument, the report shall be identical to the overdraft notice customarily forwarded to the depositor; (ii) in the case of an instrument that is presented against insufficient funds but that is honored, the report shall identify the financial institution, the LLP or firm for whom the account is maintained, the account number, the date of presentation for payment, and the date paid, as well as the amount of the overdraft created thereby. Report of a dishonored instrument shall be made simultaneously with, and within the time provided by law for, notice of dishonor, if any. If no such time is provided by law for notice of dishonor, or if the financial institution has honored an instrument presented against insufficient funds, then the report shall be made within five banking days of the date of presentation of the instrument.

(4) The financial institution agrees to cooperate fully with the Regulation Counsel and to produce any trust account records on receipt of a subpoena for the records issued by the Regulation Counsel in connection with any proceeding pursuant to C.R.C.P. 242 or C.R.C.P. 243. Nothing herein shall preclude a financial institution from charging an LLP or firm for the reasonable cost of producing the reports and records required by this Rule, but such charges shall not be a transaction cost to be charged against funds payable to the COLTAF program.

(5) The financial institution agrees to cooperate with the COLTAF program and shall offer a

COLTAF account to any LLP or firm who wishes to open one.

(6) With respect to COLTAF accounts, the financial institution agrees:

(A) To remit electronically to COLTAF monthly interest or dividends, net of allowable reasonable COLTAF fees as defined in subparagraph (c)(10) of this Rule, if any; and

(B) To transmit electronically with each remittance to COLTAF a statement showing, as to each COLTAF account, the name of the LLP or firm on whose account the remittance is sent; the account number; the remittance period; the rate or rates of interest or dividends applied; the account balance or balances on which the interest or dividends are calculated; the amount of interest or dividends paid; the amount and type of fees, if any, deducted; the amount of net earnings remitted; and such other information as is reasonably requested by COLTAF.

(7) The financial institution agrees to pay on any COLTAF account not less than (i) the highest interest or dividend rate generally available from the financial institution on non-COLTAF accounts when the COLTAF account meets the same eligibility requirements, if any, as the eligibility requirements for non-COLTAF accounts; or (ii) the rate set forth in subparagraph (c)(9) below. In determining the highest interest or dividend rate generally available from the financial institution to its non-COLTAF customers, the financial institution may consider factors customarily considered by the financial institution when setting interest or dividend rates for its non-COLTAF accounts, including account balances, provided that such factors do not discriminate between COLTAF accounts and non-COLTAF accounts. The financial institution may choose to pay on a COLTAF account the highest interest or dividend rate generally available on its comparable non-COLTAF accounts in lieu of actually establishing and maintaining the COLTAF account in the comparable highest interest or dividend rate product.

(8) A COLTAF account may be established by an LLP or firm and a financial institution as:

(A) A checking account paying preferred interest rates, such as market-based or indexed rates;

(B) A public funds interest-bearing checking account, such as an account used for other non-profit organizations or government agencies;

(C) An interest-bearing checking account, such as a negotiable order of withdrawal (NOW) account, or business checking account with interest; or

(D) A business checking account with an automated investment feature in overnight daily financial institution repurchase agreements or money market funds. A daily financial institution repurchase agreement shall be fully collateralized by U.S. Government Securities (meaning U.S. Treasury obligations and obligations issued or guaranteed as to principal and interest by the United States government) and may be established only with an approved institution that is "well-capitalized" or "adequately capitalized" as those terms are defined by applicable federal statutes and regulations. A "money market fund" is a fund maintained as a money market fund by an investment company registered under the Investment Company Act of 1940, as amended, which fund is qualified to be held out to investors as a money market fund under Rules and Regulations adopted by the Securities and Exchange Commission pursuant to said Act. A money market fund shall be invested solely in U.S. Government Securities, or repurchase agreements fully collateralized by U.S. Government Securities, and, at the time of the investment, shall have total assets of at least

two hundred fifty million dollars ($250,000,000).

(9) In lieu of a rate set forth in paragraph (c)(7)(i), the financial institution may elect to pay on all deposits in its COLTAF accounts, a benchmark rate, which COLTAF is authorized to set periodically, but not more frequently than every six months, to reflect an overall comparable rate offered by financial institutions in Colorado net of allowable reasonable COLTAF fees. Election of the benchmark rate is optional, and financial institutions may choose to maintain their eligibility by paying the rate set forth in paragraph (c)(7)(i).

(10) "Allowable reasonable COLTAF fees" are per-check charges, per-deposit charges, fees in lieu of minimum balances, federal deposit insurance fees, sweep fees, and reasonable COLTAF account administrative fees. The financial institution may deduct allowable reasonable COLTAF fees from interest or dividends earned on a COLTAF account, provided that such fees (other than COLTAF account administrative fees) are calculated and imposed in accordance with the approved institution's standard practice with respect to comparable non-COLTAF accounts. The financial institution agrees not to deduct allowable reasonable COLTAF fees accrued on one COLTAF account in excess of the earnings accrued on the COLTAF account for any period from the principal of any other COLTAF account or from interest or dividends accrued on any other COLTAF account. Any fee other than allowable reasonable COLTAF fees are the responsibility of, and the financial institution may charge them to, the LLP or firm maintaining the COLTAF account.

(11) Nothing contained in this Rule shall preclude the financial institution from paying a higher interest or dividend rate on a COLTAF account than is otherwise required by the financial institution's agreement with the Regulation Counsel or from electing to waive any or all fees associated with COLTAF accounts.

(12) Nothing in this Rule shall be construed to require the Regulation Counsel or any LLP or firm to make independent determinations about whether a financial institution's COLTAF account meets the comparability requirements set forth in paragraph (c)(7). COLTAF will make such determinations and at least annually will inform Regulation Counsel of the financial institutions that are in compliance with the comparability provisions of this Rule.

(13) Each approved financial institution shall be immune from suit arising out of its actions or omissions in reporting overdrafts or insufficient funds or producing documents under this Rule. The agreement entered into by a financial institution with the Regulation Counsel shall not be deemed to create a duty to exercise a standard of care and shall not constitute a contract for the benefit of any third parties that may sustain a loss as a result of LLPs overdrawing trust accounts.

Rule 1.16. Declining or Terminating Representation

(a) Except as stated in paragraph (c), an LLP shall not represent a client or, where representation has commenced, shall withdraw from the representation of a client if:

(1) the representation will result in violation of these Rules or other law;

(2) the LLP's physical or mental condition materially impairs the LLP's ability to represent the client; or

(3) the LLP is discharged.

(b) Except as stated in paragraph (c), an LLP may withdraw from representing a client if:

(1) withdrawal can be accomplished without material adverse effect on the interests of the client;

(2) the client persists in a course of action involving the LLP's services that the LLP reasonably believes is criminal or fraudulent;

(3) the client has used the LLP's services to perpetrate a crime or fraud;

(4) the client insists upon taking action that the LLP considers repugnant or with which the LLP has a fundamental disagreement;

(5) the client fails substantially to fulfill an obligation to the LLP regarding the LLP's services and has been given reasonable warning that the LLP will withdraw unless the obligation is fulfilled;

(6) the representation will result in an unreasonable financial burden on the LLP or has been rendered unreasonably difficult by the client; or

(7) other good cause for withdrawal exists.

(c) An LLP must comply with applicable law requiring notice to or permission of a tribunal when terminating a representation. When ordered to do so by a tribunal, an LLP shall continue representation notwithstanding good cause for terminating the representation.

(d) Upon termination of representation, an LLP shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred. The LLP may retain papers relating to the client to the extent permitted by other law.

Rule 1.16A. Client File Retention

(a) An LLP shall retain a client's files respecting a matter unless:

(1) the LLP delivers the file to the client or the client authorizes destruction of the file in a writing signed by the client and there are no pending or threatened legal proceedings known to the LLP that relate to the matter; or

(2) the LLP has given written notice to the client of the LLP's intention to destroy the file on or after a date stated in the notice, which date shall not be less than thirty days after the date of the notice, and there are no pending or threatened legal proceedings known to the LLP that relate to the matter.

(b) At any time following the expiration of a period of ten years following the termination of the representation in a matter, an LLP may destroy a client's files respecting the matter without notice

to the client, provided there are no pending or threatened legal proceedings known to the LLP that relate to the matter and the LLP has not agreed to the contrary.

(c) Reserved.

(d) An LLP may satisfy the notice requirements of paragraph (a)(2) of this Rule by establishing a written file retention policy consistent with this Rule and by providing a notice of the file retention policy to the client in a fee agreement or in writing delivered to the client not later than thirty days before destruction of the client's file or incorporated into a fee agreement.

(e) This Rule does not supersede or limit an LLP's obligations to retain a client's file that are imposed by law, court order, or rules of a tribunal.

Rule 1.17. Sale of LLP Practice

An LLP or firm may sell or purchase an LLP practice, or an area of practice, including good will, if the following conditions are satisfied:

(a) the seller ceases to engage in the private practice as an LLP in Colorado, or in the area of practice in Colorado that has been sold;

(b) the entire practice, or the entire area of practice, is sold to one or more LLPs, lawyers, or firms;

(c) the seller gives written notice to each of the seller's clients regarding:

(1) the proposed sale;

(2) the client's right to retain another LLP or lawyer or to take possession of the file; and

(3) the fact that the client's consent to the transfer of the client's files will be presumed if the client does not take any action or does not otherwise object within sixty (60) days of mailing of the notice to the client at the client's last known address; and

(d) the fees charged clients shall not be increased by reason of the sale.

Rule 1.18. Duties to Prospective Client

(a) A person who consults with an LLP about the possibility of forming a client-LLP relationship with respect to a matter is a prospective client.

(b) Even when no client-LLP relationship ensues, an LLP who has learned information from a prospective client shall not use or reveal that information, except as Rule 1.9 would permit with respect to information of a former client.

(c) An LLP subject to paragraph (b) shall not represent a client with interests materially adverse to those of a prospective client in the same or a substantially related matter if the LLP received information from the prospective client that could be significantly harmful to the prospective client, except as provided in paragraph (d). If an LLP is disqualified from representation under this paragraph, no LLP or lawyer in a firm with which that LLP is associated may knowingly undertake

or continue representation in such a matter, except as provided in paragraph (d).

(d) When the LLP has received disqualifying information as defined in paragraph (c), representation is permissible if:

(1) both the affected client and the prospective client have given informed consent, confirmed in writing; or

(2) the LLP who received the information took reasonable measures to avoid exposure to more disqualifying information than was reasonably necessary to determine whether to represent the prospective client; and

(i) the disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom; and

(ii) written notice is promptly given to the prospective client.

COUNSELOR

Rule 2.1. Advisor

In representing a client, an LLP shall exercise independent professional judgment and render candid advice. In rendering advice, an LLP may refer not only to law but to other considerations such as moral, economic, social and political factors, that may be relevant to the client's situation. In a matter involving or expected to involve litigation, an LLP should advise the client of alternative forms of dispute resolution that might reasonably be pursued to attempt to resolve the legal dispute or to reach the legal objective sought.

Rule 2.2. Reserved

Rule 2.3. Evaluation for Use by Third Persons

(a) An LLP may provide an evaluation of a matter affecting a client for the use of someone other than the client if the LLP reasonably believes that making the evaluation is compatible with other aspects of the LLP's relationship with the client.

(b) When the LLP knows or reasonably should know that the evaluation is likely to affect the client's interests materially and adversely, the LLP shall not provide the evaluation unless the client gives informed consent.

(c) Except as disclosure is authorized in connection with a report of an evaluation, information relating to the evaluation is otherwise protected by Rule 1.6.

Rule 2.4. LLP Serving as Third-Party Neutral

(a) An LLP serves as a third-party neutral when the LLP assists two or more persons who are not clients of the LLP to reach a resolution of a dispute or other matter that has arisen between them. Service as a third-party neutral may include service as an arbitrator, a mediator or in such other capacity as will enable the LLP to assist the parties to resolve the matter.

(b) An LLP serving as a third-party neutral shall inform unrepresented parties that the LLP is not representing them. When the LLP knows or reasonably should know that a party does not understand the LLP's role in the matter, the LLP shall explain the difference between the LLP's role as a third-party neutral and an LLP's role as one who represents a client.

ADVOCATE

Rule 3.1. Meritorious Claims and Contentions

An LLP shall not assert or controvert an issue in a negotiation, unless there is a basis in law and fact for doing so that is not frivolous.

Rule 3.2. Expediting Litigation

An LLP shall make reasonable efforts to expedite litigation consistent with the interests of the client.

Rule 3.3. Candor Toward the Tribunal

(a) An LLP shall not knowingly:

(1) make a false statement of material fact or law to a tribunal or fail to correct a false statement of material fact or law previously made to the tribunal by the LLP.

(b) Reserved.

(c) The duties stated in paragraph (a) continue to the conclusion of the proceeding, and apply even if compliance requires disclosure of information otherwise protected by Rule 1.6.

(d) Reserved.

Rule 3.4. Fairness to Opposing Party and Counsel

An LLP shall not:

(a) unlawfully obstruct another party's access to evidence or unlawfully alter, destroy or conceal a document or other material having potential evidentiary value. An LLP shall not counsel or assist another person to do any such act;

(b) falsify evidence, counsel or assist a witness to testify falsely, or offer an inducement to a witness that is prohibited by law;

(c) knowingly disobey an obligation under the rules of a tribunal except for an open refusal based on an assertion that no valid obligation exists;

(d) in pretrial procedure, make a frivolous discovery request or fail to make reasonably diligent effort to comply with a legally proper discovery request by an opposing party;

(e) in trial, allude to any matter that the LLP does not reasonably believe is relevant or that will not be supported by admissible evidence, assert personal knowledge of facts in issue except when testifying as a witness, or state a personal opinion as to the justness of a cause, the

credibility of a witness, the culpability of a civil litigant or the guilt or innocence of an accused; or

(f) request a person other than a client to refrain from voluntarily giving relevant information to another party unless:

(1) the person is a relative or an employee or other agent of a client and the LLP is not prohibited by other law from making such a request; and

(2) the LLP reasonably believes that the person's interests will not be adversely affected by refraining from giving such information.

Rule 3.5. Impartiality and Decorum of the Tribunal

An LLP shall not:

(a) seek to influence a judge, juror, prospective juror or other official by means prohibited by law;

(b) communicate ex parte with such a person during the proceeding unless authorized to do so by law or court order, or unless a judge initiates such a communication and the LLP reasonably believes that the subject matter of the communication is within the scope of the judge's authority under a rule of judicial conduct;

(c) Reserved.

(d) engage in conduct intended to disrupt a tribunal.

Rule 3.6. Trial Publicity

(a) A LLP who is participating or has participated in the investigation or litigation of a matter shall not make an extrajudicial statement that the LLP knows or reasonably should know will be disseminated by means of public communication and will have a substantial likelihood of materially prejudicing an adjudicative proceeding in the matter.

(b) Notwithstanding paragraph (a), an LLP may state:

(1) the claim, offense or defense involved and, except when prohibited by law, the identity of the persons involved;

(2) information contained in a public record;

(3) that an investigation of a matter is in progress;

(4) the scheduling or result of any step in litigation;

(5) a request for assistance in obtaining evidence and information necessary thereto;

(6) a warning of danger concerning the behavior of a person involved, when there is reason to believe that there exists the likelihood of substantial harm to an individual or to the public interest; and

(7) in a criminal case, in addition to subparagraphs (1) through (6):

(i) the identity, residence, occupation and family status of the accused;

(ii) if the accused has not been apprehended, information necessary to aid in apprehension of that person;

(iii) the fact, time and place of arrest; and

(iv) the identity of investigating and arresting officers or agencies and the length of the investigation.

(c) Notwithstanding paragraph (a), an LLP may make a statement that a reasonable LLP would believe is required to protect a client from the substantial undue prejudicial effect of recent publicity not initiated by the LLP or the LLP's client. A statement made pursuant to this paragraph shall be limited to such information as is necessary to mitigate the recent adverse publicity.

(d) No LLP associated in a firm or government agency with a lawyer or LLP subject to paragraph (a) shall make a statement prohibited by paragraph (a).

Rule 3.7. LLP as Witness

(a) An LLP shall not stand or sit at counsel table with a client during a court proceeding, communicate with a client during a court proceeding, or answer questions from the Court during a court proceeding in which the LLP is likely to be a necessary witness unless:

(1) the testimony relates to an uncontested issue;

(2) the testimony relates to the nature and value of legal services rendered in the case; or

(3) disqualification of the LLP would work substantial hardship on the client.

Rule 3.8. Reserved

Rule 3.9. Reserved

TRANSACTIONS WITH PERSONS OTHER THAN CLIENTS

Rule 4.1. Truthfulness in Statements to Others

In the course of representing a client an LLP shall not knowingly:

(a) make a false statement of material fact or law to a third person; or

(b) fail to disclose a material fact to a third person when disclosure is necessary to avoid assisting a criminal or fraudulent act by a client, unless disclosure is prohibited by Rule 1.6.

Rule 4.2. Communication with Person Represented by Counsel

In representing a client, an LLP shall not communicate about the subject of the representation with a person the LLP knows to be represented by another lawyer or LLP in the matter, unless the LLP has the consent of the other lawyer or LLP or is authorized to do so by law or a court order.

Rule 4.3. Dealing with Unrepresented Person

In dealing on behalf of a client with a person who is not represented by counsel, an LLP shall not state or imply that the LLP is disinterested. When the LLP knows or reasonably should know that the unrepresented person misunderstands the LLP's role in the matter, the LLP shall make reasonable efforts to correct the misunderstanding. The LLP shall not give legal advice to an unrepresented person, other than the advice to secure counsel, if the LLP knows or reasonably should know that the interests of such a person are or have a reasonable possibility of being in conflict with the interests of the client.

Rule 4.4. Respect for Rights of Third Persons

(a) In representing a client, an LLP shall not use means that have no substantial purpose other than to embarrass, delay, or burden a third person, or use methods of obtaining evidence that violate the legal rights of such a person.

(b) An LLP who receives a document relating to the representation of the LLP's client and knows or reasonably should know that the document was inadvertently sent shall promptly notify the sender.

(c) Unless otherwise permitted by court order, an LLP who receives a document relating to the representation of the LLP's client and who, before reviewing the document, receives notice from the sender that the document was inadvertently sent, shall not examine the document and shall abide by the sender's instructions as to its disposition.

Rule 4.5. Threatening Prosecution

(a) An LLP shall not threaten criminal, administrative or disciplinary charges to obtain an advantage in a civil matter nor shall an LLP present or participate in presenting criminal, administrative or disciplinary charges solely to obtain an advantage in a civil matter.

(b) It shall not be a violation of Rule 4.5 for an LLP to notify another person in a civil matter that the LLP reasonably believes that the other's conduct may violate criminal, administrative or disciplinary rules or statutes.

LAW FIRMS AND ASSOCIATIONS

Rule 5.1. Responsibilities of a Partner or Supervisory LLP

(a) An LLP who individually or together with other LLPs possesses comparable managerial authority in a firm without lawyers shall make reasonable efforts to ensure that the firm has in effect measures giving reasonable assurance that all LLPs in the firm conform to these Rules.

(b) An LLP shall have no direct supervisory authority over a lawyer. An LLP having direct supervisory authority over another LLP, shall make reasonable efforts to ensure that the other LLP conforms to these Rules.

(c) An LLP shall be responsible for another LLP's violation of these Rules if:

(1) the LLP orders or, with knowledge of the specific conduct, ratifies the conduct involved;

(2) the LLP is a partner or has comparable managerial authority in a firm without lawyers in which the other LLP practices, or has direct supervisory authority over the other LLP, and knows of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

Rule 5.2. Responsibilities of an LLP in a Firm

(a) An LLP is bound by these Rules notwithstanding that the LLP acted at the direction of another person.

(b) A subordinate LLP does not violate these Rules if that LLP acts in accordance with a supervisory lawyer's or supervisory LLP's reasonable resolution of an arguable question of professional duty.

Rule 5.3. Responsibilities Regarding Other Personnel in Firms Without Lawyers

With respect to other personnel employed or retained by or associated with an LLP:

(a) an LLP who individually or together with other LLPs possesses comparable managerial authority in a firm without lawyers shall make reasonable efforts to ensure that the firm has in effect measures giving reasonable assurance that the person's conduct is compatible with the professional obligations of the LLP;

(b) an LLP having direct supervisory authority over other personnel shall make reasonable efforts to ensure that their conduct is compatible with the professional obligations of the LLP;

(c) an LLP shall be responsible for conduct of such personnel that would be a violation of these Rules if engaged in by an LLP if:

(1) the LLP orders or, with the knowledge of the specific conduct, ratifies the conduct involved;

or

(2) the LLP is a partner or has comparable managerial authority in the firm in which the person is employed, or has direct supervisory authority over the person, and knows of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

Rule 5.4. Professional Independence of an LLP

(a) An LLP or firm shall not share legal fees with an individual who is not a lawyer or an LLP, except that:

(1) an agreement by an LLP with the LLP's firm, partner, or associate may provide for the payment of money, over a reasonable period of time after the LLP's death, to the LLP's estate or to one or more specified persons;

(2) an LLP who undertakes to complete unfinished legal business of a deceased LLP may pay to the estate of the deceased LLP that proportion of the total compensation which fairly represents the services rendered by the deceased LLP;

(3) an LLP who purchases the practice of a deceased, disabled, or disappeared LLP may, pursuant to the provisions of Rule 1.17, pay to the estate or other representative of that LLP the agreed-upon purchase price;

(4) an LLP or firm without lawyers may include employees who are not LLPs in a compensation or retirement plan, even though the plan is based in whole or in part on a profit-sharing arrangement, provided the plan does not otherwise violate these rules; and

(5) an LLP may share court-awarded legal fees with a nonprofit organization that employed, retained or recommended employment of the LLP in the matter.

(b) An LLP shall not form a partnership with an individual who is not a lawyer or an LLP if any of the activities of the partnership consist of the practice of law.

(c) An LLP shall not permit a person who recommends, employs, or pays the LLP to render legal services for another to direct or regulate the LLP's professional judgment in rendering such legal services.

(d) An LLP shall not practice with or in the form of a professional company that is authorized to practice law for a profit, if:

(1) An individual who is not a lawyer or an LLP owns any interest therein, except that a fiduciary representative of the estate of a lawyer or an LLP may hold the stock or interest of the lawyer for a reasonable time during administration; or

(2) An individual who is not a lawyer or an LLP has the right to direct or control the professional judgment of an LLP.

(e) An LLP shall not practice with or in the form of a professional company that is authorized to practice law for a profit except in compliance with C.R.C.P. 265.

(f) For purposes of this Rule, an individual who is not a lawyer or an LLP includes (1) a lawyer or LLP who has been disbarred, (2) a lawyer or LLP who has been suspended and who must petition for reinstatement, (3) a lawyer or LLP who is subject to an interim suspension pursuant to C.R.C.P. 242.22, (4) a lawyer or LLP who is on inactive status pursuant to C.R.C.P. 207(A)(6) or 227(A)(6), (5) a lawyer or LLP who has been permitted to resign under C.R.C.P. 207(A)(8) or 227(A)(8), or (6) a lawyer or LLP who, for a period of six months or more, has been (i) on disability inactive status pursuant to C.R.C.P. 243.6 or (ii) suspended pursuant to C.R.C.P. 207(A)(4), 227(A)(4), 242.23, 242.24, or 260.6.

Rule 5.5. Unauthorized Practice of Law; Multijurisdictional Practice of Law

(a) An LLP shall not:

(1) practice law in this jurisdiction without a license to practice as an LLP issued by the Colorado Supreme Court;

(1.5) practice law beyond the authorization set forth by the Colorado Supreme Court in C.R.C.P. 207.1 and LLPs shall not hold themselves out or otherwise represent to the public that they are permitted to practice law beyond such authorization;

(2) practice law in a jurisdiction where doing so violates the regulations of the legal profession in that jurisdiction;

(3) assist a person who is not authorized to practice law in the performance of any activity that constitutes the unauthorized practice of law; or

(4) allow the name of a disbarred LLP or lawyer or a suspended LLP or lawyer who must petition for reinstatement to remain in the LLP firm name.

(b) An LLP shall not employ, associate professionally with, allow or aid a person the LLP knows or reasonably should know is disbarred, suspended, or on disability inactive status to perform the following on behalf of the LLP's client:

(1) render legal consultation or advice to the client;

(2) appear on behalf of a client in any hearing or proceeding or before any judicial officer, arbitrator, mediator, court, public agency, referee, magistrate, commissioner, or hearing officer;

(3) appear on behalf of a client at a deposition or other discovery matter;

(4) negotiate or transact any matter for or on behalf of the client with third parties;

(5) otherwise engage in activities that constitute the practice of law; or

(6) receive, disburse or otherwise handle client funds.

(c) Subject to the limitation set forth below in paragraph (d), an LLP may employ, associate professionally with, allow or aid an LLP or lawyer who is disbarred, suspended (whose suspension is partially or fully served), or on disability inactive status to perform research, drafting or clerical activities, including but not limited to:

(1) legal work of a preparatory nature, such as legal research, the assemblage of data and other necessary information, drafting of pleadings, briefs, and other similar documents;

(2) direct communication with the client or third parties regarding matters such as scheduling, billing, updates, confirmation of receipt or sending of correspondence and messages; and

(3) accompanying an active LLP in attending a deposition or other discovery matter for the limited purpose of providing assistance to the LLP who will appear as the representative of the client.

(d) An LLP shall not allow a person the LLP knows or reasonably should know is disbarred, suspended, or on disability inactive status to have any professional contact with clients of the LLP or of the LLP's firm unless the LLP:

(1) prior to the commencement of the work, gives written notice to the client for whom the work will be performed that the disbarred or suspended LLP or lawyer, or the LLP or lawyer on disability inactive status, may not practice law; and

(2) retains written notification for no less than two years following completion of the work.

(e) Once notice is given pursuant to C.R.C.P. 242.32 or this Rule, then no additional notice is required.

Rule 5.6. Restrictions on Right to Practice

An LLP shall not participate in offering or making:

(a) a partnership, shareholders, operating, employment, or other similar type of agreement that restricts the right of an LLP to practice after termination of the relationship, except an agreement concerning benefits upon retirement; or

(b) an agreement in which a restriction on the LLP's right to practice is part of the settlement of a client controversy.

Rule 5.7. Responsibilities Regarding Law-Related Services

(a) An LLP shall be subject to these Rules with respect to the provision of law-related services, as defined in paragraph (b), if the law-related services are provided:

(1) by the LLP in circumstances that are not distinct from the LLP's provision of legal services to clients; or

(2) in other circumstances by an entity controlled by the LLP individually or with others if the LLP fails to take reasonable measures to assure that a person obtaining the law-related services knows that the services are not legal services and that the protections of the client-LLP relationship do not exist.

(b) The term "law-related services" denotes services that might reasonably be performed in conjunction with and in substance are related to the provision of legal services, and that are not prohibited as unauthorized practice of law when provided by a nonlawyer.

PUBLIC SERVICE

Rule 6.1. Voluntary Pro Bono Publico Service

Every LLP has a professional responsibility to provide legal services to those unable to pay. An LLP should aspire to render at least fifty hours of pro bono publico legal services per year. In fulfilling this responsibility, the LLP should:

(a) provide a substantial majority of the fifty hours of legal services without fee or expectation of fee to:

(1) persons of limited means or

(2) charitable, religious, civic, community, governmental and educational organizations in matters that are designed primarily to address the needs of persons of limited means; and

(b) provide any additional legal or public services through:

(1) delivery of legal services at no fee or a substantially reduced fee to individuals, groups or organizations seeking to secure or protect civil rights, civil liberties or public rights, or charitable, religious, civic, community, governmental and educational organizations in matters in furtherance of their organizational purposes, where the payment of standard legal fees would significantly deplete the organization's economic resources or would be otherwise inappropriate;

(2) delivery of legal services at a substantially reduced fee to persons of limited means; or

(3) participation in activities for improving the law, the legal system or the legal profession.

In addition, an LLP should voluntarily contribute financial support to organizations that provide legal services to persons of limited means.

Where constitutional, statutory or regulatory restrictions prohibit government and public sector LLPs from performing the pro bono services outlined in paragraphs (a)(1) and (2), those individuals should fulfill their pro bono publico responsibility by performing services or participating in activities outlined in paragraph (b).

Rule 6.2. Accepting Appointments

An LLP shall not seek to avoid appointment as an LLP by a tribunal to represent a person except for good cause, such as:

(a) representing the client is likely to result in violation of these Rules or other law;

(b) representing the client is likely to result in an unreasonable financial or otherwise oppressive burden on the LLP; or

(c) the client or the cause is so repugnant to the LLP as to be likely to impair the client-LLP relationship or the LLP's ability to represent the client.

Rule 6.3. Membership in Legal Services Organization

An LLP may serve as a director, officer or member of a legal services organization, apart from the firm in which the LLP practices, notwithstanding that the organization serves persons having interests adverse to a client of the LLP. The LLP shall not knowingly participate in a decision or action of the organization:

(a) if participating in the decision or action would be incompatible with the LLP's obligations to a client under Rule 1.7; or

(b) where the decision or action could have a material adverse effect on the representation of a client of an LLP provided by the organization whose interests are adverse to a client of the LLP.

Rule 6.4. Law Reform Activities Affecting Client Interests

An LLP may serve as a director, officer or member of an organization involved in reform of the law or its administration notwithstanding that the reform may affect the interests of a client of the LLP. When the LLP knows that the interests of a client may be materially benefited by a decision in which the LLP participates, the LLP shall disclose that fact to the organization but need not identify the client.

Rule 6.5. Nonprofit and Court-Annexed Limited Legal Services Programs

(a) An LLP who, under the auspices of a program sponsored by a nonprofit organization or court, provides short-term limited legal services to a client without expectation by either the LLP or the client that the LLP will provide continuing representation in the matter:

(1) is subject to Rules 1.7 and 1.9(a) only if the LLP knows that the representation of the client involves a conflict of interest; and

(2) is subject to Rule 1.10 only if the LLP knows that another lawyer or LLP associated with the LLP in a law firm is disqualified by Rule 1.7 or 1.9(a) with respect to the matter.

(b) Except as provided in paragraph (a)(2), Rule 1.10 is inapplicable to a representation governed by this Rule.

INFORMATION ABOUT LEGAL SERVICES

Rule 7.1. Communications Concerning an LLP's Services

(a) An LLP shall not make a false or misleading communication about the LLP or the LLP's services. A communication is false or misleading if it contains a material misrepresentation of fact or law, or omits a fact necessary to make the statement considered as a whole not materially misleading.

(b) In all advertising, an LLP shall communicate the fact that the LLP has a limited license to practice in family law, and shall not state or imply that an LLP is licensed to practice in any other areas of law. An LLP in a firm without lawyers must use the words "Licensed Legal Paraprofessional(s)" in the firm name.

(c) An LLP shall provide a written disclosure of the limitations of the LLP's authority in initial communications with a prospective client.

Rule 7.2. Communications Concerning a Licensed Legal Paraprofessional's Services: Specific Rules

(a) An LLP may communicate information regarding the LLP's services through any media.

(b) An LLP shall not compensate, give or promise anything of value to a person for recommending the LLP's services except that an LLP 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 or qualified LLP referral service;

(3) pay for an LLP law practice in accordance with Rule 1.17;

(4) refer clients to another LLP, lawyer, or a nonlawyer professional pursuant to an agreement not otherwise prohibited under these Rules that provides for the other person to refer clients or customers to the LLP, if:

(i) the reciprocal referral agreement is not exclusive; and

(ii) the client is informed of the existence and nature of the agreement; and

(5) give nominal gifts as an expression of appreciation that are neither intended nor reasonably expected to be a form of compensation for recommending an LLP's services.

(c) An LLP shall not state or imply that an LLP is certified as a specialist in a particular field of law, unless:

(1) the LLP has been certified as a specialist by an organization that has been approved by an appropriate authority of the state or the District of Columbia or a U.S. Territory or that has been accredited by the American Bar Association; and

(2) the name of the certifying organization is clearly identified in the communication.

(d) Any communication made under this Rule must include the name and contact information of at least one LLP, lawyer, or firm responsible for its content.

Rule 7.3. Solicitation of Clients

(a) "Solicitation" or "solicit" denotes a communication initiated by or on behalf of an LLP or firm that is directed to a specific person the LLP knows or reasonably should know needs legal services in a particular matter and that offers to provide, or reasonably can be understood as offering to provide, legal services for that matter.

(b) An LLP shall not solicit professional employment by live person-to-person contact when a significant motive for the LLP's doing so is the LLP's or firm's pecuniary gain, unless the contact is with a:

(1) lawyer or an LLP;

(2) person who has a family, close personal, or prior business or professional relationship with the LLP or firm; or

(3) person who routinely uses for business purposes the type of legal services offered by the LLP.

(c) An LLP shall not solicit professional employment even when not otherwise prohibited by paragraph (b), if:

(1) the target of the solicitation has made known to the LLP a desire not to be solicited by the LLP; or

(2) the solicitation involves coercion, duress or harassment.

(d) Reserved.

(e) This Rule does not prohibit communications authorized by law or ordered by a court or other tribunal.

(f) Every communication from an LLP soliciting professional employment shall:

(1) include the words "Advertising Material" on the outside envelope, if any, and at the beginning and ending of any recorded or electronic communication, unless the recipient of the communication is a person specified in paragraphs (b)(1), (b)(2) or (b)(3);

(2) not reveal on the envelope or on the outside of a self-mailing brochure or pamphlet the nature of the person's legal problem;

(2.5) include the disclosures required by Rule 7.1(b); and

(3) be maintained for a period of five years from the date of dissemination of the communication, and include a copy or recording of each such communication and a sample of the envelope, if any, in which the communication is enclosed, unless the recipient of the communication is a person

specified in paragraphs (b)(1), (b)(2) or (b)(3).

(g) Notwithstanding the prohibitions in this Rule, an LLP may participate with a prepaid or group legal service plan operated by an organization not owned or directed by the LLP that uses live person-to-person contact to enroll members or sell subscriptions for the plan from persons who are not known to need legal services in a particular matter covered by the plan.

Rule 7.4. Reserved

Rule 7.5. Reserved

Rule 7.6. Political Contributions to Obtain Legal Engagements or Appointments by Judges

An LLP or firm without lawyers shall not accept a government legal engagement or an appointment by a judge if the LLP or firm makes a political contribution or solicits political contributions for the purpose of obtaining or being considered for that type of legal engagement or appointment.

MAINTAINING THE INTEGRITY OF THE PROFESSION

Rule 8.1. Admission and Disciplinary Matters

An applicant for admission, readmission, or reinstatement to practice law as an LLP, or an LLP in connection with an application for admission, readmission, or reinstatement, or in connection with a disciplinary matter, shall not:

(a) knowingly make a false statement of material fact; or

(b) fail to disclose a fact necessary to correct a misapprehension known by the person to have arisen in the matter, or knowingly fail to respond to a lawful demand for information from an admissions or disciplinary authority, except that this Rule does not require disclosure of information otherwise protected by Rule 1.6.

Rule 8.2. Judicial and Legal Officials

(a) An LLP shall not make a statement that the LLP knows to be false or with reckless disregard as to its truth or falsity concerning the qualifications or integrity of a judge, adjudicatory officer or public legal officer or of a candidate for election, or appointment to, or retention in, judicial or legal office.

(b) An LLP who is a candidate for retention in judicial office shall comply with the applicable provisions of the Code of Judicial Conduct.

Rule 8.3. Reporting Professional Misconduct

(a) An LLP who knows that another LLP has committed a violation of these Rules that raises a substantial question as to that LLP's honesty, trustworthiness or fitness as an LLP in other respects, shall inform the appropriate professional authority.

(a.5) An LLP who knows that a lawyer has committed a violation of the lawyer Rules of Professional Conduct that raises a substantial question as to that lawyer's honesty, trustworthiness or fitness as a lawyer in other respects, shall inform the appropriate professional authority.

(b) An LLP who knows that a judge has committed a violation of applicable rules of judicial conduct that raises a substantial question as to the judge's fitness for office shall inform the appropriate authority.

(c) This Rule does not require disclosure of information otherwise protected by Rule 1.6 or information gained by an LLP or judge while serving as a member of a peer assistance program that has been approved by the Colorado Supreme Court initially or upon renewal, to the extent that such information would be confidential if it were communicated subject to the LLP-client privilege.

Rule 8.4. Misconduct

It is professional misconduct for an LLP to:

(a) violate or attempt to violate these Rules, knowingly assist or induce another to do so, or do so through the acts of another;

(b) commit a criminal act that reflects adversely on the LLP's honesty, trustworthiness or fitness as an LLP in other respects;

(c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation, except that an LLP may advise, direct, or supervise others, including clients, law enforcement officers, and investigators, who participate in lawful investigative activities;

(d) engage in conduct that is prejudicial to the administration of justice;

(e) state or imply an ability to influence improperly a government agency or official or to achieve results by means that violate these Rules or other law;

(f) knowingly assist a judge or judicial officer in conduct that is a violation of applicable rules of judicial conduct or other law;

(f.5) knowingly assist a lawyer in conduct that is a violation of the applicable lawyer Rules of Professional Conduct or other law;

(g) engage in conduct, in the representation of a client, that exhibits or is intended to appeal to or engender bias against a person on account of that person's race, gender, religion, national origin, disability, age, sexual orientation, or socioeconomic status, whether that conduct is directed to other LLPs, counsel, court personnel, witnesses, parties, judges, judicial officers, or any persons involved in the legal process;

(h) engage in any conduct that directly, intentionally, and wrongfully harms others and that adversely reflects on an LLP's fitness to practice law; or

(i) engage in conduct the LLP knows or reasonably should know constitutes sexual harassment where the conduct occurs in connection with the LLP's professional activities.

Rule 8.5. Disciplinary Authority; Choice of Law

(a) An LLP admitted to practice in this jurisdiction is subject to the disciplinary authority of this jurisdiction, regardless of where the LLP's conduct occurs. An LLP may be subject to the disciplinary authority of both this jurisdiction and another jurisdiction for the same conduct.

(b) In any exercise of the disciplinary authority of this jurisdiction, the rules of professional conduct to be applied shall be as follows:

(1) for conduct in connection with a matter pending before a tribunal, the rules of the jurisdiction in which the tribunal sits, unless the rules of the tribunal provide otherwise; and

(2) for any other conduct, the rules of the jurisdiction in which the LLP's conduct occurred, or, if

the predominant effect of the conduct is in a different jurisdiction, the rules of that jurisdiction shall be applied to the conduct. An LLP shall not be subject to discipline if the LLP's conduct conforms to the rules of a jurisdiction in which the LLP reasonably believes the predominant effect of the LLP's conduct will occur.

Rule 9. Title - How Known and Cited

These rules shall be known and cited as the Colorado Licensed Legal Paraprofessional Rules of Professional Conduct or Colo. LLP RPC.

APPENDIX 2 TO CHAPTERS 18 TO 20

Colorado Licensed Legal Paraprofessional Rules of Professional Conduct

PREAMBLE AND SCOPE

Preamble: A Licensed Legal Paraprofessional's Responsibilities

[1] A Licensed Legal Paraprofessional (LLP), as a member of the legal profession, is a representative of clients, an officer of the legal system and a public citizen having special responsibility for the quality of justice.

[2] As a representative of clients within a limited scope, an LLP performs various functions. As advisor, an LLP provides a client with an informed understanding of the client's legal rights and obligations and explains their practical implications. As advocate, an LLP zealously asserts the client's position under the rules of the adversary system. As negotiator, an LLP seeks a result advantageous to the client but consistent with requirements of honest dealings with others. As an evaluator, an LLP acts by examining a client's legal affairs and reporting about them to the client or to others.

[3] In addition to these representational functions, an LLP may serve as a third-party neutral, a nonrepresentational role helping the parties to resolve a dispute or other matter. Some of these Rules apply directly to LLPs who are or have served as third-party neutrals. See, e.g., Rules 1.12 and 2.4 of these Rules. In addition, there are Rules that apply to LLPs who are not active in the practice of law or to practicing LLPs even when they are acting in a nonprofessional capacity. For example, an LLP who commits fraud in the conduct of a business is subject to discipline for engaging in conduct involving dishonesty, fraud, deceit or misrepresentation. See Rule 8.4 of these Rules.

[4] In all professional functions an LLP should be competent, prompt and diligent. An LLP should maintain communication with a client concerning the representation. An LLP should keep in confidence information relating to representation of a client except so far as disclosure is required or permitted by these Rules or other law.

[5] An LLP's conduct should conform to the requirements of the law, both in professional service to clients and in the LLP's business and personal affairs. An LLP should use the law's procedures only for legitimate purposes and not to harass or intimidate others. An LLP should demonstrate respect for the legal system and for those who serve it, including judges, lawyers, other LLPs, and public officials. While it is an LLP's duty, when necessary, to challenge the rectitude of official action, it is also an LLP's duty to uphold legal process.

[6] As a public citizen, an LLP should seek improvement of the law, access to the legal system, the administration of justice and the quality of service rendered by the legal profession. As a member of a learned profession, an LLP should cultivate knowledge of the law beyond its use for

clients, employ that knowledge in reform of the law and work to strengthen legal education. In addition, an LLP should further the public's understanding of and confidence in the rule of law and the justice system because legal institutions in a constitutional democracy depend on popular participation and support to maintain their authority. An LLP should be mindful of deficiencies in the administration of justice and of the fact that the poor, and sometimes persons who are not poor, cannot afford adequate legal assistance. Therefore, all LLPs should devote professional time and resources and use civic influence to ensure equal access to our system of justice for all those who because of economic or social barriers cannot afford or secure adequate legal counsel. An LLP should aid the legal profession in pursuing these objectives and should help the bar regulate itself in the public interest.

[7] Many of an LLP's professional responsibilities are prescribed in these Rules, as well as substantive and procedural law and the laws and rules governing LLPs. However, an LLP is also guided by personal conscience and the approbation of professional peers. An LLP should strive to attain the highest level of skill, to improve the law and the legal profession and to exemplify the legal profession's ideals of public service.

[8] An LLP's responsibilities as a representative of clients, an officer of the legal system and a public citizen are usually harmonious. Thus, when an opposing party is well represented, an LLP can be a zealous advocate on behalf of a client and at the same time assume that justice is being done. So also, an LLP can be sure that preserving client confidences ordinarily serves the public interest because people are more likely to seek legal advice, and thereby heed their legal obligations, when they know their communications will be private.

[9] Notwithstanding the scope of authority of an LLP, however, conflicting responsibilities are encountered. Virtually all difficult ethical problems arise from conflict between an LLP's or a lawyer's responsibilities to clients, to the legal system and to the LLP's or lawyer's own interest in remaining an ethical person while earning a satisfactory living. These Rules and the lawyer Rules of Professional Conduct often prescribe terms for resolving such conflicts. Within the framework of these Rules, however, many difficult issues of professional discretion can arise. Such issues must be resolved through the exercise of sensitive professional and moral judgment guided by the basic principles underlying the Rules. These principles include the LLP's obligation zealously to protect and pursue a client's legitimate interests, within the bounds of the law. Zealousness does not, under any circumstances, justify conduct that is unprofessional, discourteous or uncivil toward any person involved in the legal system.

[10] The legal profession is largely self-governing. Although other professions also have been granted powers of self-government, the legal profession is unique in this respect because of the close relationship between the profession and the processes of government and law enforcement. This connection is manifested in the fact that ultimate authority over the legal profession is vested largely in the courts.

[11] To the extent that LLPs meet the obligations of their professional calling, the occasion for government regulation is obviated. Self-regulation also helps maintain the legal profession's independence from government domination. An independent legal profession is an important force in preserving government under law, for abuse of legal authority is more readily challenged by a

profession whose members are not dependent on government for the right to practice.

[12] The legal profession's relative autonomy carries with it special responsibilities of self-government. The profession has a responsibility to assure that its regulations are conceived in the public interest and not in furtherance of parochial or self-interested concerns of the legal profession. Every LLP is responsible for observance of these Rules. An LLP should also aid in securing their observance by other LLPs. Neglect of these responsibilities compromises the independence of the profession and the public interest which it serves.

[13] LLPs, as well as lawyers, play a vital role in the preservation of society. The fulfillment of this role requires an understanding by LLPs of their relationship to our legal system. These Rules, when properly applied, serve to define that relationship.

SCOPE

[13A] These Rules apply to Licensed Legal Paraprofessionals (LLPs) as defined in C.R.C.P. 207.1. They are intended to govern the conduct of LLPs when serving in that capacity.

[14] These Rules are rules of reason. They should be interpreted with reference to the purposes of legal representation and of the law itself. Some of these Rules are imperatives, cast in the terms "shall" or "shall not." These define proper conduct for purposes of professional discipline. Others, generally cast in the term "may," are permissive and define areas under the Rules in which the LLP has discretion to exercise professional judgment. No disciplinary action should be taken when the LLP chooses not to act or acts within the bounds of such discretion. Other Rules define the nature of relationships between the LLP and others. These Rules are thus partly obligatory and disciplinary and partly constructive and descriptive in that they define a lawyer's professional role. Many of the Comments to the lawyer Rules of Professional Conduct use the term "should." To the extent such Comments may provide guidance to LLPs as explained in paragraph [21] below, such Comments do not add obligations but provide guidance for practicing in compliance with these Rules.

[15] These Rules presuppose a larger legal context shaping the LLP's role. That context includes court rules and statutes relating to matters of licensure, laws defining specific obligations of LLPs and substantive and procedural law in general. The Comments in the lawyer Rules of Professional Conduct may alert LLPs to their responsibilities under such other law.

[16] Compliance with these Rules, as with all law in an open society, depends primarily upon understanding and voluntary compliance, secondarily upon reinforcement by peer and public opinion and finally, when necessary, upon enforcement through disciplinary proceedings. These Rules do not, however, exhaust the moral and ethical considerations that should inform an LLP, for no worthwhile human activity can be completely defined by legal rules. These Rules simply provide a framework for the ethical practice of law.

[17] Furthermore, for purposes of determining the LLP's authority and responsibility, principles of substantive law external to these Rules determine whether a client-LLP relationship exists. Most of the duties flowing from the client-LLP relationship attach only after the client has requested the

LLP to render legal services and the LLP has agreed to do so. But there are some duties, such as that of confidentiality under Rule 1.6 of these Rules, that attach when the LLP agrees to consider whether a client-LLP relationship shall be established. See Rule 1.18 of these Rules. Whether a client-LLP relationship exists for any specific purpose can depend on the circumstances and may be a question of fact.

[18] Reserved.

[19] Failure to comply with an obligation or prohibition imposed by these Rules is a basis for invoking the disciplinary process. These Rules presuppose that disciplinary assessment of an LLP's conduct will be made on the basis of the facts and circumstances as they existed at the time of the conduct in question and in recognition of the fact that an LLP often has to act upon uncertain or incomplete evidence of the situation. Moreover, these Rules presuppose that whether or not discipline should be imposed for a violation, and the severity of a sanction, depend on all the circumstances, such as the willfulness and seriousness of the violation, extenuating factors and whether there have been previous violations.

[20] Violation of these Rules should not itself give rise to a cause of action against an LLP nor should it create any presumption in such a case that a legal duty has been breached. In addition, violation of these Rules does not necessarily warrant any other nondisciplinary remedy, such as disqualification of an LLP in pending litigation. These Rules are designed to provide guidance to LLPs and to provide a structure for regulating conduct through disciplinary agencies. They are not designed to be a basis for civil liability. Furthermore, the purpose of these Rules can be subverted when they are invoked by opposing parties as procedural weapons. The fact that these Rules are a just basis for an LLP's self-assessment, or for sanctioning an LLP under the administration of a disciplinary authority, does not imply that an antagonist in a collateral proceeding or transaction has standing to seek enforcement of these Rules. Nevertheless, since these Rules do establish standards of conduct by LLPs, in appropriate cases, an LLP's violation of a Rule may be evidence of breach of the applicable standard of conduct.

[21] The Comment accompanying each rule in the lawyer Rules of Professional Conduct explains and illustrates the meaning and purpose of the rule. Those comments may provide guidance to LLPs when the LLP rule is analogous to the rule applicable to lawyers. Similarly, the Formal Opinions of the Colorado Bar Association's Ethics Committee may provide guidance to LLPs when they interpret rules analogous to the rules applicable to LLPs. The Preamble and this note on Scope provide general orientation. The Comments to the lawyer Rules of Professional Conduct are intended as guides to interpretation, but the text of each of these Rules is authoritative.

Rule 1.0. Terminology

(a) “Belief” or “believes” denotes that the person involved actually supposed the fact in question to be true. A person’s belief may be inferred from circumstances.

(b) “Confirmed in writing,” when used in reference to the informed consent of a person, denotes informed consent that is given in writing by the person or a writing that an LLP promptly transmits to the person confirming an oral informed consent. See paragraph (e) for the definition of “informed consent.” If it is not feasible to obtain or transmit the writing at the time the person gives informed consent, then the LLP must obtain or transmit it within a reasonable time thereafter.

(b-1) “Document” includes e-mail or other electronic modes of communication subject to being read or put into readable form.

(c) “Firm” denotes a partnership, professional company, or other entity or a sole proprietorship through which a lawyer or lawyers, an LLP or LLPs, or a combination of lawyers and LLPs render legal services.

(c-1) “Firm without lawyers” denotes a firm that renders legal services provided only by LLPs.

(d) “Fraud” or “fraudulent” denotes conduct that is fraudulent under the substantive or procedural law of the applicable jurisdiction and has a purpose to deceive.

(e) “Informed consent” denotes the agreement by a person to a proposed course of conduct after the LLP has communicated adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct.

(f) “Knowingly,” “known,” or “knows” denotes actual knowledge of the fact in question. A person’s knowledge may be inferred from circumstances.

(f-1) “Licensed Legal Paraprofessional” (LLP) denotes an individual authorized to practice law to the extent authorized by C.R.C.P. 207.1.

(f-2) “Licensed Legal Paraprofessional Rules of Professional Conduct” (LLP RPCs or “these Rules”) denotes these ethical rules applicable to LLPs, in contrast to the Colorado Rules of Professional Conduct applicable to lawyers.

(g) “Partner” denotes a member of a partnership, an owner of a professional company, or a member of an association authorized to practice law, including practice as an LLP.

(1) “Professional company” has the meaning ascribed to the term in C.R.C.P. 265.

(h) “Reasonable” or “reasonably” when used in relation to conduct by an LLP denotes the conduct of a reasonably prudent and competent LLP.

(i) “Reasonable belief” or “reasonably believes” when used in reference to an LLP denotes that the LLP believes the matter in question and that the circumstances are such that the belief is reasonable.

(j) “Reasonably should know” when used in reference to an LLP denotes that an LLP of reasonable prudence and competence would ascertain the matter in question.

(k) “Screened” denotes the isolation of an LLP from any participation in a matter through the timely imposition of procedures within a firm that are reasonably adequate under the circumstances to protect information that the isolated LLP is obligated to protect under these Rules or other law.

(l) “Substantial” when used in reference to degree or extent denotes a material matter of clear and weighty importance.

(m) “Tribunal” denotes a court, an arbitrator in a binding arbitration proceeding or a legislative body, administrative agency or other body acting in an adjudicative capacity. A legislative body, administrative agency or other body acts in an adjudicative capacity when a neutral official, after the presentation of evidence or legal argument by a party or parties, will render a binding legal judgment directly affecting a party’s interests in a particular matter.

(n) “Writing” or “written” denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or videorecording, and electronic communications. A “signed” writing includes an electronic sound, symbol, or process attached to or logically associated with a writing and executed or adopted by a person with the intent to sign the writing.

CLIENT-LLP RELATIONSHIP

Rule 1.1. Competence

An LLP shall provide competent representation to a client. Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary to:

(a) perform the contracted services; and

(b) determine when the matter should be referred to a lawyer.

COMMENT

[1] An LLP is authorized to practice law only to the extent permitted by C.R.C.P. 207.1. An LLP also has an independent ethical obligation to provide competent representation to a client as to matters within an LLP’s scope of authority to practice. In determining whether an LLP employs the requisite knowledge and skill in a particular matter, relevant factors include the relative complexity and specialized nature of the matter, the LLP's general experience, the LLP's training and experience, and the preparation and study the LLP is able to give the matter.

Rule 1.2. Scope of Representation and Allocation of Authority Between Client and LLP

(a) Subject to paragraphs (c) and (d), an LLP shall abide by a client’s decisions concerning the objectives of representation and, as required by Rule 1.4, shall consult with the client as to the means by which they are to be pursued. An LLP may take such action on behalf of the client as is

impliedly authorized to carry out the representation. An LLP shall abide by a client's decision whether to settle a matter.

(b) An LLP's representation of a client does not constitute an endorsement of the client's political, economic, social or moral views or activities.

(c) LLPs must confine their services to those allowed in C.R.C.P 207.1 and must provide a written disclosure of the limits of the LLPs authority. An LLP may limit the scope or objectives, or both, of the representation if the limitation is reasonable under the circumstances and the client gives informed consent. An LLP may provide limited representation to pro se parties as permitted by C.R.C.P. 11(b) and C.R.C.P. 311(b).

(d) An LLP shall not counsel a client to engage, or assist a client, in conduct that the LLP knows is criminal or fraudulent, but an LLP may discuss the legal consequences of any proposed course of conduct with a client and may counsel or assist a client to make a good faith effort to determine the validity, scope, meaning or application of the law.

(e) An LLP shall not act beyond an LLP's authorized scope of practice, unless the LLP is authorized to do so by law or court order.

Rule 1.3. Diligence

An LLP shall act with reasonable diligence and promptness in representing a client.

Rule 1.4. Communication

(a) An LLP shall:

(1) promptly inform the client of any decision or circumstance with respect to which the client's informed consent, as defined in Rule 1.0(e), is required by these Rules;

(2) reasonably consult with the client about the means by which the client's objectives are to be accomplished;

(3) keep the client reasonably informed about the status of the matter;

(4) promptly comply with reasonable requests for information; and

(5) consult with the client about any relevant limitation on the LLP's conduct when the LLP knows that the client expects assistance not permitted by the LLP Rules of Professional Conduct or other law.

(b) An LLP shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.

Rule 1.5. Fees

(a) An LLP shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:

(1) the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;

(2) the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the LLP;

(3) the fee customarily charged in the locality for similar legal services provided by an LLP;

(4) the amount involved and the results obtained;

(5) the time limitations imposed by the client or by the circumstances;

(6) the nature and length of the professional relationship with the client;

(7) the experience, reputation, and ability of the LLP or LLPs performing the services; and

(8) whether the fee is flat or hourly

(b) Before or within a reasonable time after commencing the representation, the LLP shall communicate to the client, in writing,

(1) the basis or rate of the fee and expenses for which the client will be responsible except when the LLP will continue to charge a regularly-represented client on the same basis or rate; and

(2) the scope of the representation.

The LLP shall communicate promptly to the client in writing any changes in the basis or rate of the fee or expenses.

(c) An LLP shall not enter into an arrangement for, charge, or collect any fee, the payment or amount of which is contingent upon the outcome of the case.

(d) Other than in connection with the sale of an LLP or law practice pursuant to Rule 1.17, an LLP may enter into an arrangement for the division of a fee with another LLP or lawyer who is not in the same firm as the LLP only if:

(1) the division is in proportion to the services performed by each lawyer or LLP;

(2) the client agrees to the arrangement, including the basis upon which the division of fees shall be made, and the client's agreement is confirmed in writing; and

(3) the total fee is reasonable.

(e) Referral fees are prohibited.

(f) Fees are not earned until the LLP confers a benefit on the client or performs a legal service for the client. Advances of unearned fees are the property of the client and shall be deposited in the trust account pursuant to Rule 1.15B(a)(1) until earned. If advances of unearned fees are in the form of property other than funds, then the LLP shall hold such property separate from the LLP's own property pursuant to Rule 1.15A(a).

(g) Nonrefundable fees and nonrefundable retainers are prohibited. Any agreement that purports

to restrict a client's right to terminate the representation, or that unreasonably restricts a client's right to obtain a refund of unearned or unreasonable fees, is prohibited.

(h) A "flat fee" is a fee for specified legal services for which the client agrees to pay a fixed amount, regardless of the time or effort involved.

(1) The terms of a flat fee shall be communicated in writing before or within a reasonable time after commencing the representation and shall include the following information:

(i) A description of the services the LLP agrees to perform;

(ii) The amount to be paid to the LLP and the timing of payment for the services to be performed;

(iii) If any portion of the flat fee is to be earned by the LLP before conclusion of the representation, the amount to be earned upon the completion of specified tasks or the occurrence of specified events; and

(iv) The amount or the method of calculating the fees the LLP earns, if any, should the representation terminate before completion of the specified tasks or the occurrence of specified events.

(2) If all or any portion of a flat fee is paid in advance of being earned and a dispute arises about whether the LLP has earned all or part of the flat fee, the LLP shall comply with Rule 1.15A(c) with respect to any portion of the flat fee that is in dispute.

(3) The form Flat Fee Agreement following the comment to this Rule may be used for flat fee agreements and shall be sufficient. The authorization of this form shall not prevent the use of other forms consistent with this Rule.

FORM FLAT FEE AGREEMENT

The client _____ ("Client") retains _____ ("LLP" [or "Firm"]) to perform the legal services specified in Section I, below, for a flat fee as described below.

I. Legal Services to Be Performed. In exchange for the fee described in this Agreement, LLP will perform the following legal services ("Services"): [*Insert specific description of the scope and/or objective of the representation.*]

II. Flat Fee. This is a flat fee agreement. Client will pay LLP [or Firm] $ _____ for LLP's [or Firm's] performance of the Services described in Section I, above, plus costs as described in Section VI, below. Client understands that Client is NOT entering into an hourly fee arrangement. This means that LLP [or Firm] will devote such time to the representation as is necessary, but the LLP's [or Firm's] fee will not be increased or decreased based upon the number of hours spent.

III. When Fee Is Earned. The flat fee will be earned in increments, as follows:

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

Description of increment: _____ Amount earned: _____

[*Alternatively:* The flat fee will be earned when LLP [or Firm] provides Client with [*specified description of work*].

IV. When Fee Is Payable. Client shall pay LLP [or Firm] [*Select one:* in advance, as billed, or as the services are completed]. Fees paid in advance shall be placed in LLP's [or Firm's] trust account and shall remain the property of Client until they are earned. When the fee or part of the fee is earned pursuant to this Agreement, it becomes the property of LLP [or Firm].

V. Right to Terminate Representation and Fees on Termination. Client has the right to terminate the representation at any time and for any reason, and LLP [or firm] may terminate the representation in accordance with Rule 1.16 of the Colorado Rules of Professional Conduct. In the event that Client terminates the representation without wrongful conduct by LLP [or Firm] that would cause LLP [or Firm] to forfeit any fee, or LLP [or Firm] justifiably withdraws in accordance with Rule 1.16 from representing Client, Client shall pay, and LLP [or Firm] shall be entitled to, the fee or part of the fee earned by LLP [or Firm] as described in Section I, above, up to the time of termination. In a litigation matter, Client shall pay, and LLP [or Firm] shall be entitled to, the fee or part of the fee earned up to the time when the court grants LLP's motion for withdrawal. If the representation is terminated between the completion of increments described in Section III above, Client shall pay a fee based on [an hourly rate of $ _____] [the percentage of the task completed] [*other specified method*]. However, such fees shall not exceed the amount that would have been earned had the representation continued until the completion of the increment, and in any event all fees shall be reasonable.

VI. Costs. Client is liable to LLP [or Firm] for reasonable expenses and disbursements. Examples of such expenses and disbursements are fees payable to the Court and expenses involved in preparing exhibits. Such expenses and disbursements are estimated to be $ _____. Client authorizes LLP [or Firm] to incur expenses and disbursements up to a maximum of $ _____, which limitation will not be exceeded without Client's further written authorization. Client shall reimburse LLP for such expenditures [*Select one:* upon receipt of a billing, in specified installments, or upon completion of the Services].

Dated: _____

CLIENT:	LLP [FIRM]:
Signature	Signature

Rule 1.6. Confidentiality of Information

(a) An LLP shall not reveal information relating to the representation of a client unless the client gives informed consent, the disclosure is impliedly authorized in order to carry out the representation, or the disclosure is permitted by paragraph (b).

(b) An LLP may reveal information relating to the representation of a client to the extent the LLP reasonably believes necessary:

(1) to prevent reasonably certain death or substantial bodily harm;

(2) to reveal the client's intention to commit a crime and the information necessary to prevent the crime;

(3) to prevent the client from committing a fraud that is reasonably certain to result in substantial injury to the financial interests or property of another and in furtherance of which the client has used or is using the LLP's services;

(4) to prevent, mitigate, or rectify substantial injury to the financial interests or property of another that is reasonably certain to result or has resulted from the client's commission of a crime or fraud in furtherance of which the client has used the LLP's services;

(5) to secure legal advice about the LLP's compliance with these Rules, other law or a court order;

(6) to establish a claim or defense on behalf of the LLP in a controversy between the LLP and the client, to establish a defense to a criminal charge or civil claim against the LLP based upon conduct in which the client was involved, or to respond to allegations in any proceeding concerning the LLP's representation of the client;

(7) to detect and resolve conflicts of interest arising from the LLP's change of employment or from changes in the composition or ownership of a firm, but only if the revealed information is not protected by any LLP or attorney-client privilege and its revelation is not reasonably likely to otherwise materially prejudice the client; or

(8) to comply with other law or a court order.

(c) An LLP shall make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client.

Rule 1.7. Conflict of Interest: Current Clients

(a) Except as provided in paragraph (b), an LLP shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:

(1) the representation of one client will be directly adverse to another client; or

(2) there is a significant risk that the representation of one or more clients will be materially limited by the LLP's responsibilities to another client, a former client or a third person or by a personal interest of the LLP.

(b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), an LLP may represent a client if:

(1) the LLP reasonably believes that the LLP will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law;

(3) the representation does not involve the assertion of a claim by one client against another client represented by the LLP in the same litigation or other proceeding before a tribunal; and

(4) each affected client gives informed consent, confirmed in writing.

Rule 1.8. Conflict of Interest; Current Clients; Specific Rules

(a) An LLP shall not enter into a business transaction with a client or knowingly acquire an ownership, possessory, security or other pecuniary interest adverse to a client unless:

(1) the transaction and terms on which the LLP acquires the interest are fair and reasonable to the client and are fully disclosed and transmitted in writing in a manner that can be reasonably understood by the client;

(2) the client is advised in writing of the desirability of seeking and is given a reasonable opportunity to seek the advice of independent legal counsel on the transaction; and

(3) the client gives informed consent, in a writing signed by the client, to the essential terms of the transaction and the LLP's role in the transaction, including whether the LLP is representing the client in the transaction.

(b) An LLP shall not use information relating to representation of a client to the disadvantage of the client unless the client gives informed consent, except as permitted or required by these Rules.

(c) An LLP shall not solicit any substantial gift from a client, including a testamentary gift, unless the LLP or other recipient of the gift is related to the client. For purposes of this paragraph, related persons include a spouse, child, grandchild, parent, grandparent or other relative or individual with whom the LLP or the client maintains a close, familial relationship.

(d) Prior to the conclusion of representation of a client, an LLP shall not make or negotiate an agreement giving the LLP literary or media rights to a portrayal or account based in substantial part on information relating to the representation.

(e) An LLP shall not provide financial assistance to a client in connection with pending or contemplated litigation, except that:

(1) an LLP may advance court costs and expenses of litigation, the repayment of which may be contingent on the outcome of the matter; and

(2) an LLP representing an indigent client may pay court costs and expenses of litigation on behalf of the client.

(f) An LLP shall not accept compensation for representing a client from one other than the client unless:

(1) the client gives informed consent;

(2) there is no interference with the LLP's independence of professional judgment or with the client-LLP relationship; and

(3) information relating to representation of a client is protected as required by Rule 1.6.

(g) Reserved.

(h) An LLP shall not:

(1) make an agreement prospectively limiting the LLP's liability to a client for malpractice unless the client is independently represented in making the agreement; or

(2) settle a claim or potential claim for such liability with an unrepresented client or former client unless that person is advised in writing of the desirability of seeking and is given a reasonable opportunity to seek the advice of independent legal counsel in connection therewith.

(i) An LLP shall not acquire a proprietary interest in the cause of action or subject matter of litigation in which the LLP is representing a client, except that the LLP may acquire a lien authorized by law to secure the LLP's fee or expenses.

(j) An LLP shall not have sexual relations with a client unless a consensual sexual relationship existed between them when the client-LLP relationship commenced.

(k) While LLPs are associated in an LLP firm or a law firm, a prohibition in the foregoing paragraphs (b) through (i) that applies to any one of them shall apply to all of them.

Rule 1.9. Duties to Former Clients

(a) An LLP who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed consent, confirmed in writing.

(b) An LLP shall not knowingly represent a person in the same or a substantially related matter in which a firm with which the LLP formerly was associated had previously represented a client:

(1) whose interests are materially adverse to that person; and

(2) about whom the LLP had acquired information protected by Rules 1.6 and 1.9(c) that is material to the matter; unless the former client gives informed consent, confirmed in writing.

(c) An LLP who has formerly represented a client in a matter or whose present or former firm has formerly represented a client in a matter shall not thereafter:

(1) use information relating to the representation to the disadvantage of the former client except as

these Rules would permit or require with respect to a client, or when the information has become generally known; or

(2) reveal information relating to the representation except as these Rules would permit or require with respect to a client.

(d) An LLP shall not use or reveal information protected by Rule 1.6 and 1.9(c) acquired through that person's employment in a firm in a non-LLP capacity except as allowed by both these rules and Colo. RPC 1.6 and Colo. RPC 1.9(c).

Rule 1.10. Imputation of Conflicts of Interest: General Rule

(a) While LLPs are associated with other LLPs or lawyers in a firm, none of them shall knowingly represent a client when any one of them practicing alone would be prohibited from doing so by Rules 1.7 or 1.9, unless the prohibition is based on a personal interest of the prohibited LLP and does not present a significant risk of materially limiting the representation of the client by the remaining LLPs and lawyers in the firm.

(b) When an LLP has terminated an association with a firm, the firm is not prohibited from thereafter representing a person with interests materially adverse to those of a client represented by the formerly associated LLP and not currently represented by the firm, unless:

(1) the matter is the same or substantially related to that in which the formerly associated LLP represented the client; and

(2) any LLP or lawyer remaining in the firm has information protected by Rules 1.6 and 1.9(c) that is material to the matter.

(c) A disqualification prescribed by this Rule may be waived by the affected client under the conditions stated in Rule 1.7.

(d) The disqualification of LLPs associated in a firm with former or current government lawyers is governed by Rule 1.11.

(e) When an LLP becomes associated with a firm, no LLP associated in the firm shall knowingly represent a person in a matter in which that LLP is disqualified under Rule 1.9 unless:

(1) the matter is not one in which the personally disqualified LLP substantially participated;

(2) the personally disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom;

(3) the personally disqualified LLP gives prompt written notice (which shall contain a general description of the personally disqualified LLP’s prior representation and the screening procedures to be employed) to the affected former clients and the former clients’ current LLPs or lawyers, if known to the personally disqualified LLP, to enable the former clients to ascertain compliance with the provisions of this Rule; and

(4) the personally disqualified LLP and the partners of the firm with which the personally

disqualified LLP is now associated reasonably believe that the steps taken to accomplish the screening of material information are likely to be effective in preventing material information from being disclosed to the firm and its client.

(f) An LLP who has personally and substantially participated in a matter in a non-LLP capacity shall be screened from any personal participation in the same or substantially related matter when participating would be materially adverse to the interests of the client of the firm where the LLP previously worked in a non-LLP capacity.

Rule 1.11. Special Conflicts of Interest for Former and Current Government Officers and Employees

(a) Except as law may otherwise expressly permit, an LLP who has formerly served as a public officer or employee of the government:

(1) is subject to Rule 1.9(c); and

(2) shall not otherwise represent a client in connection with a matter in which the LLP participated personally and substantially as a public officer or employee, unless the appropriate government agency gives its informed consent, confirmed in writing, to the representation.

(b) When an LLP or lawyer is disqualified from representation under paragraph (a) of this rule or Colo. RPC 1.11, no LLP or lawyer in a firm with which that LLP or lawyer is associated may knowingly undertake or continue representation in such a matter unless:

(1) the disqualified LLP or lawyer is timely screened from any participation in the matter and is apportioned no part of the fee therefrom;

(2) the personally disqualified LLP or lawyer gives prompt written notice (which shall contain a general description of the personally disqualified LLP's prior participation in the matter and the screening procedures to be employed), to the government agency to enable the government agency to ascertain compliance with the provisions of this Rule; and

(3) the personally disqualified LLP or lawyer and the partners of the firm with which the personally disqualified LLP is now associated, reasonably believe that the steps taken to accomplish the screening of material information are likely to be effective in preventing material information from being disclosed to the firm and its client.

(c) Except as law may otherwise expressly permit, an LLP having information that the LLP knows is confidential government information about a person acquired when the LLP was a public officer or employee, may not represent a private client whose interests are adverse to that person in a matter in which the information could be used to the material disadvantage of that person. As used in this Rule, the term "confidential government information" means information that has been obtained under governmental authority and which, at the time this Rule is applied, the government is prohibited by law from disclosing to the public or has a legal privilege not to disclose and which is not otherwise available to the public. A firm with which that LLP is associated may undertake or continue representation in the matter only if the disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom.

(d) Except as law may otherwise expressly permit, an LLP currently serving as a public officer or employee:

(1) is subject to Rules 1.7 and 1.9; and

(2) shall not:

(i) participate in a matter in which the LLP participated personally and substantially while in private practice or nongovernmental employment, unless the appropriate government agency gives its informed consent, confirmed in writing; or

(ii) negotiate for private employment with any person who is involved as a party or as counsel for a party in a matter in which the LLP is participating personally and substantially.

(e) As used in this Rule, the term "matter" includes:

(1) any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, investigation, charge, accusation, arrest or other particular matter involving a specific party or parties, and

(2) any other matter covered by the conflict of interest rules of the appropriate government agency.

Rule 1.12. Former Judge, Arbitrator, Mediator or Other Third-Party Neutral

(a) Except as stated in paragraph (d), an LLP shall not represent anyone in connection with a matter in which the LLP participated personally and substantially as a judge or other adjudicative officer or law clerk to such a person or as an arbitrator, mediator or other third-party neutral, unless all parties to the proceeding give informed consent, confirmed in writing.

(b) An LLP shall not negotiate for employment with any person who is involved as a party or as a lawyer or LLP for a party in a matter in which the LLP is participating personally and substantially as a judge or other adjudicative officer or as an arbitrator, mediator or other third-party neutral. An LLP serving as a law clerk to a judge or other adjudicative officer may negotiate for employment with a party or lawyer involved in a matter in which the clerk is participating personally and substantially, but only after the LLP has notified the judge or other adjudicative officer.

(c) If an LLP is disqualified by paragraph (a), no LLP or lawyer in a firm with which that LLP is associated may knowingly undertake or continue representation in the matter unless:

(1) the disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom;

(2) the personally disqualified LLP gives prompt written notice (which shall contain a general description of the personally disqualified LLP's prior participation in the matter and the screening procedures to be employed), to the parties and any appropriate tribunal, to enable the parties to ascertain compliance with the provisions of this Rule; and

(3) the personally disqualified LLP and the partners of the firm with which the personally disqualified LLP is now associated, reasonably believe that the steps taken to accomplish the

screening of material information are likely to be effective in preventing material information from being disclosed to the firm and its client.

(d) An arbitrator selected as a partisan of a party in a multimember arbitration panel is not prohibited from subsequently representing that party.

Rule 1.13. Reserved

Rule 1.14. Client with Diminished Capacity

(a) When a client's capacity to make adequately considered decisions in connection with a representation is diminished, whether because of minority, mental impairment or for some other reason, the LLP shall, as far as reasonably possible, maintain a normal client-LLP relationship with the client.

(b) When the LLP reasonably believes that the client has diminished capacity, is at risk of substantial physical, financial or other harm unless action is taken and cannot adequately act in the client's own interest, the LLP may take reasonably necessary protective action within the LLP's authorized scope of licensure, including consulting with individuals or entities that have the ability to take action to protect the client.

(c) Information relating to the representation of a client with diminished capacity is protected by Rule 1.6. When taking protective action pursuant to paragraph (b), the LLP is impliedly authorized under Rule 1.6(a) to reveal information about the client, but only to the extent reasonably necessary to protect the client's interests.

Rule 1.15. Safekeeping Property in a Firm with Lawyers

LLPs practicing independently in a firm with lawyers are subject to Colo. RPC 1.15A through Colo. RPC 1.15E.

Rule 1.15A. General Duties of LLPs Practicing in Firms Without Lawyers Regarding Property of Clients and Third Parties

(a) An LLP practicing in a firm without a lawyer shall hold property of clients or third persons that is in the LLP's possession in connection with a representation separate from the LLP's own property. Funds shall be kept in trust accounts maintained in compliance with Rule 1.15B. Other property shall be appropriately safeguarded. Complete records of such funds and other property of clients or third parties shall be kept by the LLP in compliance with Rule 1.15D.

(b) Upon receiving funds or other property of a client or third person, an LLP shall, promptly or otherwise as permitted by law or by agreement with the client or third person, deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, promptly upon request by the client or third person, render a full accounting regarding such property.

(c) When in connection with a representation an LLP is in possession of property in which two or more persons (one of whom may be the LLP) claim interests, the property shall be kept separate by the LLP until there is a resolution of the claims and, when necessary, a severance of their interests. If a dispute arises concerning their respective interests, the portion in dispute shall be kept separate by the LLP until the dispute is resolved. The LLP shall promptly distribute all portions of the property as to which the interests are not in dispute.

(d) The provisions of Rule 1.15B, Rule 1.15C, Rule 1.15D, and Rule 1.15E apply to funds and other property, and to accounts, held or maintained by the LLP, or caused by the LLP to be held or maintained by an LLP firm through which the LLP renders legal services, in connection with a representation.

Rule 1.15B. Account Requirements for LLPs Practicing in Firms Without Lawyers

(a) Every LLP in private practice in a firm without lawyers in this state shall maintain in the LLP's own name, or in the name of the LLP's firm:

(1) A trust account or accounts, separate from any business and personal accounts and from any other fiduciary accounts that the LLP or the firm may maintain, into which the LLP shall deposit, or shall cause the firm to deposit, all funds entrusted to the LLP's care and any advance payment of fees that have not been earned or advance payment of expenses that have not been incurred. An LLP shall not be required to maintain a trust account when the LLP is not holding such funds or payments.

(2) A business account or accounts into which the LLP shall deposit, or cause the firm to deposit, all funds received for legal services. Each business account, as well as all deposit slips and all checks drawn thereon, shall be prominently designated as a "business account," an "office account," an "operating account," or a "professional account," or with a similarly descriptive term that distinguishes the account from a trust account and a personal account.

(b) One or more of the trust accounts may be a Colorado Lawyer Trust Account Foundation ("COLTAF") account. A "COLTAF account" is a pooled trust account for funds of clients or third persons that are nominal in amount or are expected to be held for a short period of time, and as such would not be expected to earn interest or pay dividends for such clients or third persons in excess of the reasonably estimated cost of establishing, maintaining, and accounting for trust accounts for the benefit of such clients or third persons. Interest or dividends paid on a COLTAF account shall be paid to COLTAF, and the LLP and the firm shall have no right or claim to such interest or dividends.

(c) Each trust account, as well as all deposits slips and checks drawn thereon, shall be prominently designated as a "trust account," provided that each COLTAF account shall be designated as a "COLTAF Trust Account." A trust account may bear any additional descriptive designation that is not misleading.

(d) Except as provided in this paragraph (d), each trust account, including each COLTAF account, shall be maintained in a financial institution that is approved by the Attorney Regulation Counsel pursuant to Rule 1.15E. If each client and third person whose funds are in the account is informed in writing by the LLP that Regulation Counsel will not be notified of any overdraft on the account,

and with the informed consent of each such client and third person, a trust account in which interest or dividends are paid to the clients or third persons need not be in an approved institution.

(e) Each trust account, including each COLTAF account, shall be an interest-bearing, or dividend-paying, insured depository account; provided that, with the informed consent of each client or third person whose funds are in the account, an account in which interest or dividends are paid to clients or third persons need not be an insured depository account. For the purpose of this provision, an "insured depository account" shall mean a government insured account at a regulated financial institution, on which withdrawals or transfers can be made on demand, subject only to any notice period which the financial institution is required to reserve by law or regulation.

(f) The LLP may deposit, or may cause the firm to deposit, into a trust account funds reasonably sufficient to pay anticipated service charges or other fees for maintenance or operation of the account. Such funds shall be clearly identified in the LLP's or firm's records of the account.

(g) All funds entrusted to the LLP shall be deposited in a COLTAF account unless the funds are deposited in a trust account described in paragraph (h) of this Rule. The foregoing requirement that funds be deposited in a COLTAF account does not apply in those instances where it is not feasible for the LLP or the firm to establish a COLTAF account for reasons beyond the control of the LLP or firm, such as the unavailability in the community of a financial institution that offers such an account; but in such case the funds shall be deposited in a trust account described in paragraph (h) of this Rule.

(h) If funds entrusted to the LLP are not held in a COLTAF account, the LLP shall deposit, or shall cause the firm to deposit, the funds in a trust account that complies with all requirements of paragraphs (c), (d), and (e) of this Rule and for which all interest earned or dividends paid (less deductions for service charges or fees of the depository institution) shall belong to the clients or third persons whose funds have been so deposited. The LLP and the firm shall have no right or claim to such interest or dividends.

(i) If the LLP or firm discovers that funds of a client or third person have mistakenly been held in a COLTAF account in a sufficient amount or for a sufficiently long time so that interest or dividends on the funds being held in such account exceeds the reasonably estimated cost of establishing, maintaining, and accounting for a trust account for the benefit of such client or third person (including without limitation administrative costs of the LLP or firm, bank service charges, and costs of preparing tax reports of such income to the client or third person), the LLP shall request, or shall cause the firm to request, a refund from COLTAF, for the benefit of such client or third persons, of the interest or dividends in accordance with written procedures that COLTAF shall publish and make available through its website and shall provide to any LLP or firm upon request.

(j) Every LLP or firm maintaining a trust account in this state shall, as a condition thereof, be conclusively deemed to have consented to the reporting and production requirements by financial institutions mandated by Rule 1.15E and shall indemnify and hold harmless the financial institution for its compliance with such reporting and production requirement.

(k) If an LLP discovers that the LLP does not know the identity or the location of the owner of funds held in the LLP's COLTAF account, or the LLP discovers that the owner of the funds is

deceased, the LLP must make reasonable efforts to identify and locate the owner or the owner's heirs or personal representative. If, after making such efforts, the LLP cannot determine the identity or the location of the owner, or the owner's heirs or personal representative, the LLP must either (1) continue to hold the unclaimed funds in a COLTAF or other trust account or (2) remit the unclaimed funds to COLTAF in accordance with written procedures published by COLTAF and available through its website or upon request. An LLP remitting unclaimed funds to COLTAF must keep a record of the remittance pursuant to Rule 1.15D(a)(1)(C). If, after remitting unclaimed funds to COLTAF, the LLP determines both the identity and the location of the owner or the owner's heirs or personal representative, the LLP shall request a refund for the benefit of the owner or the owner's estate, in accordance with written procedures that COLTAF shall publish and make available through its website and shall provide upon request.

Rule 1.15C. Use of Trust Accounts by LLPs Practicing in Firms Without Lawyers

(a) An LLP practicing in a firm without a lawyer shall not use any debit card or automated teller machine card to withdraw funds from a trust account. Cash withdrawals from trust accounts and checks drawn on trust accounts payable to "Cash" are prohibited. All trust account funds intended for deposit shall be deposited intact without deductions or "cash out" from the deposit, and the duplicate deposit slip that evidences the deposit shall be sufficiently detailed to identify each item deposited.

(b) All trust account withdrawals and transfers shall be made only by an LLP or by a person supervised by such LLP. Such withdrawals and transfers may be made only by authorized bank or wire transfer or by check payable to a named payee. Only an LLP or a person supervised by such LLP shall be an authorized signatory on a trust account.

(c) No less than quarterly, an LLP or a person supervised by such LLP shall reconcile the trust account records both as to individual clients or other persons and in the aggregate with the bank statements issued by the bank in which the trust account is maintained.

Rule 1.15D. Required Records Maintained by LLPs Practicing in Firms Without Lawyers

(a) An LLP practicing in a firm without a lawyer shall maintain, or shall cause the LLP's firm to maintain, in a current status and shall retain or cause the firm to retain for a period of seven years after the event that they record:

(1) An appropriate record-keeping system identifying each separate person for whom the LLP or firm holds funds or other property and adequately showing the following:

(A) For each trust account the date and amount of each deposit; the name and address of each payor of the funds deposited; the name and address of each person for whom the funds are held and the amount held for the person; a description of the reason for each deposit; the date and amount of each charge against the trust account and a description of the charge; the date and amount of each disbursement; and the name and address of each person to whom the disbursement is made and the amount disbursed to the person.

(B) For each item of property other than funds, the nature of the property; the date of receipt of the property; the name and address of each person from whom the property is received, the name and address of each person for whom the property is held and, if interests in the property are held by more than one person, a statement of the nature and extent of each person's interest in the property, to the extent known; a description of the reason for each receipt; the date and amount of each charge against the property and a description of the charge; the date of each delivery of the property by the LLP; and the name and address of each person to whom the property is delivered by the LLP.

(C) For any unclaimed funds remitted to COLTAF pursuant to Rule 1.15B(k), the name and last known address of the owner of the funds, if the owner of the funds is known; the date of death of a deceased owner if the owner of the funds is known; the efforts made to identify or locate the owner of the funds or a deceased owner's heirs or personal representative; the amount of the funds remitted; the period of time during which the funds were held in the LLP's or firm's COLTAF account; and the date the funds were remitted.

(2) Appropriate records of all deposits in and withdrawals from all other bank accounts maintained in connection with the LLP's legal services, specifically identifying the date, payor, and description of each item deposited as well as the date, payee, and purpose of each disbursement;

(3) Copies of all written communications setting forth the basis or rate for the fees charged by the LLP as required by Rule 1.5(b), and copies of all writings, if any, stating other terms of engagement for legal services;

(4) Copies of all statements to clients and third persons showing the disbursement of funds or the delivery of property to them or on their behalves;

(5) Copies of all bills issued to clients;

(6) Records showing payments to any persons, not in the LLP's regular employ, for services rendered or performed; and

(7) Paper copies or electronic copies of all bank statements and of all canceled checks.

(b) The records required by this Rule shall be maintained in accordance with one or more of the following recognized accounting methods: the accrual method, the cash basis method, or the income tax method. All such accounting methods shall be consistently applied. Bookkeeping records may be maintained by computer provided they otherwise comply with this Rule and provided further that printed copies can be made on demand in accordance with this Rule. They shall be located at the principal Colorado office of the LLP or of the LLP's firm.

(c) Upon the dissolution of an LLP firm, the LLPs who rendered legal services through the firm shall make appropriate arrangements for the maintenance or disposition of records and client files in accordance with this Rule and Rule 1.16A. Upon the departure of an LLP from a firm, the departing LLP and the LLPs remaining in the firm shall make appropriate arrangements for the maintenance or disposition of records and client files in accordance with this Rule and Rule 1.16A.

(d) Any of the records required to be kept by this Rule shall be produced in response to a subpoena duces tecum issued by the Regulation Counsel in connection with proceedings pursuant to

C.R.C.P. 242 or C.R.C.P. 243. When so produced, all such records shall remain confidential except for the purposes of the particular proceeding, and their contents shall not be disclosed by anyone in such a way as to violate any privilege of the LLP's client.

Rule 1.15E. Approved Institutions Applicable to LLPs Practicing in Firms Without Lawyers

(a) This Rule applies to each trust account that is subject to Rule 1.15B, other than a trust account that is maintained in other than an approved financial institution pursuant to the second sentence of Rule 1.15B(d).

(b) Each trust account shall be maintained at a financial institution that is approved by the Regulation Counsel, pursuant to the provisions and conditions contained in this Rule. The Regulation Counsel shall maintain a list of approved financial institutions, which it shall renew not less than annually. Offering a trust account or a COLTAF account is voluntary for financial institutions.

(c) The Regulation Counsel shall approve a financial institution for use for LLPs' trust accounts, including COLTAF accounts, if the financial institution files with the Regulation Counsel an agreement, in a form provided by the Regulation Counsel, with the following provisions and on the following conditions:

(1) The financial institution does business in Colorado;

(2) The financial institution agrees to report to the Regulation Counsel in the event a properly payable trust account instrument is presented against insufficient funds, irrespective of whether the instrument is honored. That agreement shall apply to all branches of the financial institution and shall not be canceled except on thirty-days' notice in writing to the Regulation Counsel.

(3) The financial institution agrees that all reports made by the financial institution shall be in the following format: (i) in the case of a dishonored instrument, the report shall be identical to the overdraft notice customarily forwarded to the depositor; (ii) in the case of an instrument that is presented against insufficient funds but that is honored, the report shall identify the financial institution, the LLP or firm for whom the account is maintained, the account number, the date of presentation for payment, and the date paid, as well as the amount of the overdraft created thereby. Report of a dishonored instrument shall be made simultaneously with, and within the time provided by law for, notice of dishonor, if any. If no such time is provided by law for notice of dishonor, or if the financial institution has honored an instrument presented against insufficient funds, then the report shall be made within five banking days of the date of presentation of the instrument.

(4) The financial institution agrees to cooperate fully with the Regulation Counsel and to produce any trust account records on receipt of a subpoena for the records issued by the Regulation Counsel in connection with any proceeding pursuant to C.R.C.P. 242 or C.R.C.P. 243. Nothing herein shall preclude a financial institution from charging an LLP or firm for the reasonable cost of producing the reports and records required by this Rule, but such charges shall not be a transaction cost to be charged against funds payable to the COLTAF program.

(5) The financial institution agrees to cooperate with the COLTAF program and shall offer a

COLTAF account to any LLP or firm who wishes to open one.

(6) With respect to COLTAF accounts, the financial institution agrees:

(A) To remit electronically to COLTAF monthly interest or dividends, net of allowable reasonable COLTAF fees as defined in subparagraph (c)(10) of this Rule, if any; and

(B) To transmit electronically with each remittance to COLTAF a statement showing, as to each COLTAF account, the name of the LLP or firm on whose account the remittance is sent; the account number; the remittance period; the rate or rates of interest or dividends applied; the account balance or balances on which the interest or dividends are calculated; the amount of interest or dividends paid; the amount and type of fees, if any, deducted; the amount of net earnings remitted; and such other information as is reasonably requested by COLTAF.

(7) The financial institution agrees to pay on any COLTAF account not less than (i) the highest interest or dividend rate generally available from the financial institution on non-COLTAF accounts when the COLTAF account meets the same eligibility requirements, if any, as the eligibility requirements for non-COLTAF accounts; or (ii) the rate set forth in subparagraph (c)(9) below. In determining the highest interest or dividend rate generally available from the financial institution to its non-COLTAF customers, the financial institution may consider factors customarily considered by the financial institution when setting interest or dividend rates for its non-COLTAF accounts, including account balances, provided that such factors do not discriminate between COLTAF accounts and non-COLTAF accounts. The financial institution may choose to pay on a COLTAF account the highest interest or dividend rate generally available on its comparable non-COLTAF accounts in lieu of actually establishing and maintaining the COLTAF account in the comparable highest interest or dividend rate product.

(8) A COLTAF account may be established by an LLP or firm and a financial institution as:

(A) A checking account paying preferred interest rates, such as market-based or indexed rates;

(B) A public funds interest-bearing checking account, such as an account used for other non-profit organizations or government agencies;

(C) An interest-bearing checking account, such as a negotiable order of withdrawal (NOW) account, or business checking account with interest; or

(D) A business checking account with an automated investment feature in overnight daily financial institution repurchase agreements or money market funds. A daily financial institution repurchase agreement shall be fully collateralized by U.S. Government Securities (meaning U.S. Treasury obligations and obligations issued or guaranteed as to principal and interest by the United States government) and may be established only with an approved institution that is “well-capitalized” or “adequately capitalized” as those terms are defined by applicable federal statutes and regulations. A “money market fund” is a fund maintained as a money market fund by an investment company registered under the Investment Company Act of 1940, as amended, which fund is qualified to be held out to investors as a money market fund under Rules and Regulations adopted by the Securities and Exchange Commission pursuant to said Act. A money market fund shall be invested solely in U.S. Government Securities, or repurchase agreements fully collateralized by U.S. Government Securities, and, at the time of the investment, shall have total assets of at least

two hundred fifty million dollars ($250,000,000).

(9) In lieu of a rate set forth in paragraph (c)(7)(i), the financial institution may elect to pay on all deposits in its COLTAF accounts, a benchmark rate, which COLTAF is authorized to set periodically, but not more frequently than every six months, to reflect an overall comparable rate offered by financial institutions in Colorado net of allowable reasonable COLTAF fees. Election of the benchmark rate is optional, and financial institutions may choose to maintain their eligibility by paying the rate set forth in paragraph (c)(7)(i).

(10) "Allowable reasonable COLTAF fees" are per-check charges, per-deposit charges, fees in lieu of minimum balances, federal deposit insurance fees, sweep fees, and reasonable COLTAF account administrative fees. The financial institution may deduct allowable reasonable COLTAF fees from interest or dividends earned on a COLTAF account, provided that such fees (other than COLTAF account administrative fees) are calculated and imposed in accordance with the approved institution's standard practice with respect to comparable non-COLTAF accounts. The financial institution agrees not to deduct allowable reasonable COLTAF fees accrued on one COLTAF account in excess of the earnings accrued on the COLTAF account for any period from the principal of any other COLTAF account or from interest or dividends accrued on any other COLTAF account. Any fee other than allowable reasonable COLTAF fees are the responsibility of, and the financial institution may charge them to, the LLP or firm maintaining the COLTAF account.

(11) Nothing contained in this Rule shall preclude the financial institution from paying a higher interest or dividend rate on a COLTAF account than is otherwise required by the financial institution's agreement with the Regulation Counsel or from electing to waive any or all fees associated with COLTAF accounts.

(12) Nothing in this Rule shall be construed to require the Regulation Counsel or any LLP or firm to make independent determinations about whether a financial institution's COLTAF account meets the comparability requirements set forth in paragraph (c)(7). COLTAF will make such determinations and at least annually will inform Regulation Counsel of the financial institutions that are in compliance with the comparability provisions of this Rule.

(13) Each approved financial institution shall be immune from suit arising out of its actions or omissions in reporting overdrafts or insufficient funds or producing documents under this Rule. The agreement entered into by a financial institution with the Regulation Counsel shall not be deemed to create a duty to exercise a standard of care and shall not constitute a contract for the benefit of any third parties that may sustain a loss as a result of LLPs overdrawing trust accounts.

Rule 1.16. Declining or Terminating Representation

(a) Except as stated in paragraph (c), an LLP shall not represent a client or, where representation has commenced, shall withdraw from the representation of a client if:

(1) the representation will result in violation of these Rules or other law;

(2) the LLP's physical or mental condition materially impairs the LLP's ability to represent the client; or

(3) the LLP is discharged.

(b) Except as stated in paragraph (c), an LLP may withdraw from representing a client if:

(1) withdrawal can be accomplished without material adverse effect on the interests of the client;

(2) the client persists in a course of action involving the LLP's services that the LLP reasonably believes is criminal or fraudulent;

(3) the client has used the LLP's services to perpetrate a crime or fraud;

(4) the client insists upon taking action that the LLP considers repugnant or with which the LLP has a fundamental disagreement;

(5) the client fails substantially to fulfill an obligation to the LLP regarding the LLP's services and has been given reasonable warning that the LLP will withdraw unless the obligation is fulfilled;

(6) the representation will result in an unreasonable financial burden on the LLP or has been rendered unreasonably difficult by the client; or

(7) other good cause for withdrawal exists.

(c) An LLP must comply with applicable law requiring notice to or permission of a tribunal when terminating a representation. When ordered to do so by a tribunal, an LLP shall continue representation notwithstanding good cause for terminating the representation.

(d) Upon termination of representation, an LLP shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred. The LLP may retain papers relating to the client to the extent permitted by other law.

Rule 1.16A. Client File Retention

(a) An LLP shall retain a client's files respecting a matter unless:

(1) the LLP delivers the file to the client or the client authorizes destruction of the file in a writing signed by the client and there are no pending or threatened legal proceedings known to the LLP that relate to the matter; or

(2) the LLP has given written notice to the client of the LLP's intention to destroy the file on or after a date stated in the notice, which date shall not be less than thirty days after the date of the notice, and there are no pending or threatened legal proceedings known to the LLP that relate to the matter.

(b) At any time following the expiration of a period of ten years following the termination of the representation in a matter, an LLP may destroy a client's files respecting the matter without notice to the client, provided there are no pending or threatened legal proceedings known to the LLP that relate to the matter and the LLP has not agreed to the contrary.

(c) Reserved.

(d) An LLP may satisfy the notice requirements of paragraph (a)(2) of this Rule by establishing a written file retention policy consistent with this Rule and by providing a notice of the file retention policy to the client in a fee agreement or in writing delivered to the client not later than thirty days before destruction of the client's file or incorporated into a fee agreement.

(e) This Rule does not supersede or limit an LLP's obligations to retain a client's file that are imposed by law, court order, or rules of a tribunal.

Rule 1.17. Sale of LLP Practice

An LLP or firm may sell or purchase an LLP practice, or an area of practice, including good will, if the following conditions are satisfied:

(a) the seller ceases to engage in the private practice as an LLP in Colorado, or in the area of practice in Colorado that has been sold;

(b) the entire practice, or the entire area of practice, is sold to one or more LLPs, lawyers, or firms;

(c) the seller gives written notice to each of the seller's clients regarding:

(1) the proposed sale;

(2) the client's right to retain another LLP or lawyer or to take possession of the file; and

(3) the fact that the client's consent to the transfer of the client's files will be presumed if the client does not take any action or does not otherwise object within sixty (60) days of mailing of the notice to the client at the client's last known address; and

(d) the fees charged clients shall not be increased by reason of the sale.

Rule 1.18. Duties to Prospective Client

(a) A person who consults with an LLP about the possibility of forming a client-LLP relationship with respect to a matter is a prospective client.

(b) Even when no client-LLP relationship ensues, an LLP who has learned information from a prospective client shall not use or reveal that information, except as Rule 1.9 would permit with respect to information of a former client.

(c) An LLP subject to paragraph (b) shall not represent a client with interests materially adverse to those of a prospective client in the same or a substantially related matter if the LLP received information from the prospective client that could be significantly harmful to the prospective client, except as provided in paragraph (d). If an LLP is disqualified from representation under this paragraph, no LLP or lawyer in a firm with which that LLP is associated may knowingly undertake or continue representation in such a matter, except as provided in paragraph (d).

(d) When the LLP has received disqualifying information as defined in paragraph (c),

representation is permissible if:

(1) both the affected client and the prospective client have given informed consent, confirmed in writing; or

(2) the LLP who received the information took reasonable measures to avoid exposure to more disqualifying information than was reasonably necessary to determine whether to represent the prospective client; and

(i) the disqualified LLP is timely screened from any participation in the matter and is apportioned no part of the fee therefrom; and

(ii) written notice is promptly given to the prospective client.

COUNSELOR

Rule 2.1. Advisor

In representing a client, an LLP shall exercise independent professional judgment and render candid advice. In rendering advice, an LLP may refer not only to law but to other considerations such as moral, economic, social and political factors, that may be relevant to the client's situation. In a matter involving or expected to involve litigation, an LLP should advise the client of alternative forms of dispute resolution that might reasonably be pursued to attempt to resolve the legal dispute or to reach the legal objective sought.

Rule 2.2. Reserved

Rule 2.3. Evaluation for Use by Third Persons

(a) An LLP may provide an evaluation of a matter affecting a client for the use of someone other than the client if the LLP reasonably believes that making the evaluation is compatible with other aspects of the LLP's relationship with the client.

(b) When the LLP knows or reasonably should know that the evaluation is likely to affect the client's interests materially and adversely, the LLP shall not provide the evaluation unless the client gives informed consent.

(c) Except as disclosure is authorized in connection with a report of an evaluation, information relating to the evaluation is otherwise protected by Rule 1.6.

Rule 2.4. LLP Serving as Third-Party Neutral

(a) An LLP serves as a third-party neutral when the LLP assists two or more persons who are not clients of the LLP to reach a resolution of a dispute or other matter that has arisen between them. Service as a third-party neutral may include service as an arbitrator, a mediator or in such other capacity as will enable the LLP to assist the parties to resolve the matter.

(b) An LLP serving as a third-party neutral shall inform unrepresented parties that the LLP is not representing them. When the LLP knows or reasonably should know that a party does not understand the LLP's role in the matter, the LLP shall explain the difference between the LLP's role as a third-party neutral and an LLP's role as one who represents a client.

ADVOCATE

Rule 3.1. Meritorious Claims and Contentions

An LLP shall not assert or controvert an issue in a negotiation, unless there is a basis in law and fact for doing so that is not frivolous.

Rule 3.2. Expediting Litigation

An LLP shall make reasonable efforts to expedite litigation consistent with the interests of the client.

Rule 3.3. Candor Toward the Tribunal

(a) An LLP shall not knowingly:

(1) make a false statement of material fact or law to a tribunal or fail to correct a false statement of material fact or law previously made to the tribunal by the LLP.

(b) Reserved.

(c) The duties stated in paragraph (a) continue to the conclusion of the proceeding, and apply even if compliance requires disclosure of information otherwise protected by Rule 1.6.

(d) Reserved.

Rule 3.4. Fairness to Opposing Party and Counsel

An LLP shall not:

(a) unlawfully obstruct another party's access to evidence or unlawfully alter, destroy or conceal a document or other material having potential evidentiary value. An LLP shall not counsel or assist another person to do any such act;

(b) falsify evidence, counsel or assist a witness to testify falsely, or offer an inducement to a witness that is prohibited by law;

(c) knowingly disobey an obligation under the rules of a tribunal except for an open refusal based on an assertion that no valid obligation exists;

(d) in pretrial procedure, make a frivolous discovery request or fail to make reasonably diligent effort to comply with a legally proper discovery request by an opposing party;

(e) in trial, allude to any matter that the LLP does not reasonably believe is relevant or that will not be supported by admissible evidence, assert personal knowledge of facts in issue except when testifying as a witness, or state a personal opinion as to the justness of a cause, the

credibility of a witness, the culpability of a civil litigant or the guilt or innocence of an accused; or

(f) request a person other than a client to refrain from voluntarily giving relevant information to another party unless:

(1) the person is a relative or an employee or other agent of a client and the LLP is not prohibited by other law from making such a request; and

(2) the LLP reasonably believes that the person's interests will not be adversely affected by refraining from giving such information.

Rule 3.5. Impartiality and Decorum of the Tribunal

An LLP shall not:

(a) seek to influence a judge, juror, prospective juror or other official by means prohibited by law;

(b) communicate ex parte with such a person during the proceeding unless authorized to do so by law or court order, or unless a judge initiates such a communication and the LLP reasonably believes that the subject matter of the communication is within the scope of the judge's authority under a rule of judicial conduct;

(c) Reserved.

(d) engage in conduct intended to disrupt a tribunal.

Rule 3.6. Trial Publicity

(a) A LLP who is participating or has participated in the investigation or litigation of a matter shall not make an extrajudicial statement that the LLP knows or reasonably should know will be disseminated by means of public communication and will have a substantial likelihood of materially prejudicing an adjudicative proceeding in the matter.

(b) Notwithstanding paragraph (a), an LLP may state:

(1) the claim, offense or defense involved and, except when prohibited by law, the identity of the persons involved;

(2) information contained in a public record;

(3) that an investigation of a matter is in progress;

(4) the scheduling or result of any step in litigation;

(5) a request for assistance in obtaining evidence and information necessary thereto;

(6) a warning of danger concerning the behavior of a person involved, when there is reason to believe that there exists the likelihood of substantial harm to an individual or to the public interest; and

(7) in a criminal case, in addition to subparagraphs (1) through (6):

(i) the identity, residence, occupation and family status of the accused;

(ii) if the accused has not been apprehended, information necessary to aid in apprehension of that person;

(iii) the fact, time and place of arrest; and

(iv) the identity of investigating and arresting officers or agencies and the length of the investigation.

(c) Notwithstanding paragraph (a), an LLP may make a statement that a reasonable LLP would believe is required to protect a client from the substantial undue prejudicial effect of recent publicity not initiated by the LLP or the LLP's client. A statement made pursuant to this paragraph shall be limited to such information as is necessary to mitigate the recent adverse publicity.

(d) No LLP associated in a firm or government agency with a lawyer or LLP subject to paragraph (a) shall make a statement prohibited by paragraph (a).

Rule 3.7. LLP as Witness

(a) An LLP shall not stand or sit at counsel table with a client during a court proceeding, communicate with a client during a court proceeding, or answer questions from the Court during a court proceeding in which the LLP is likely to be a necessary witness unless:

(1) the testimony relates to an uncontested issue;

(2) the testimony relates to the nature and value of legal services rendered in the case; or

(3) disqualification of the LLP would work substantial hardship on the client.

Rule 3.8. Reserved

Rule 3.9. Reserved

TRANSACTIONS WITH PERSONS OTHER THAN CLIENTS

Rule 4.1. Truthfulness in Statements to Others

In the course of representing a client an LLP shall not knowingly:

(a) make a false statement of material fact or law to a third person; or

(b) fail to disclose a material fact to a third person when disclosure is necessary to avoid assisting a criminal or fraudulent act by a client, unless disclosure is prohibited by Rule 1.6.

Rule 4.2. Communication with Person Represented by Counsel

In representing a client, an LLP shall not communicate about the subject of the representation with a person the LLP knows to be represented by another lawyer or LLP in the matter, unless the LLP has the consent of the other lawyer or LLP or is authorized to do so by law or a court order.

Rule 4.3. Dealing with Unrepresented Person

In dealing on behalf of a client with a person who is not represented by counsel, an LLP shall not state or imply that the LLP is disinterested. When the LLP knows or reasonably should know that the unrepresented person misunderstands the LLP's role in the matter, the LLP shall make reasonable efforts to correct the misunderstanding. The LLP shall not give legal advice to an unrepresented person, other than the advice to secure counsel, if the LLP knows or reasonably should know that the interests of such a person are or have a reasonable possibility of being in conflict with the interests of the client.

Rule 4.4. Respect for Rights of Third Persons

(a) In representing a client, an LLP shall not use means that have no substantial purpose other than to embarrass, delay, or burden a third person, or use methods of obtaining evidence that violate the legal rights of such a person.

(b) An LLP who receives a document relating to the representation of the LLP's client and knows or reasonably should know that the document was inadvertently sent shall promptly notify the sender.

(c) Unless otherwise permitted by court order, an LLP who receives a document relating to the representation of the LLP's client and who, before reviewing the document, receives notice from the sender that the document was inadvertently sent, shall not examine the document and shall abide by the sender's instructions as to its disposition.

Rule 4.5. Threatening Prosecution

(a) An LLP shall not threaten criminal, administrative or disciplinary charges to obtain an advantage in a civil matter nor shall an LLP present or participate in presenting criminal, administrative or disciplinary charges solely to obtain an advantage in a civil matter.

(b) It shall not be a violation of Rule 4.5 for an LLP to notify another person in a civil matter that the LLP reasonably believes that the other's conduct may violate criminal, administrative or disciplinary rules or statutes.

LAW FIRMS AND ASSOCIATIONS

Rule 5.1. Responsibilities of a Partner or Supervisory LLP

(a) An LLP who individually or together with other LLPs possesses comparable managerial authority in a firm without lawyers shall make reasonable efforts to ensure that the firm has in effect measures giving reasonable assurance that all LLPs in the firm conform to these Rules.

(b) An LLP shall have no direct supervisory authority over a lawyer. An LLP having direct supervisory authority over another LLP, shall make reasonable efforts to ensure that the other LLP conforms to these Rules.

(c) An LLP shall be responsible for another LLP's violation of these Rules if:

(1) the LLP orders or, with knowledge of the specific conduct, ratifies the conduct involved;

(2) the LLP is a partner or has comparable managerial authority in a firm without lawyers in which the other LLP practices, or has direct supervisory authority over the other LLP, and knows of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

Rule 5.2. Responsibilities of an LLP in a Firm

(a) An LLP is bound by these Rules notwithstanding that the LLP acted at the direction of another person.

(b) A subordinate LLP does not violate these Rules if that LLP acts in accordance with a supervisory lawyer's or supervisory LLP's reasonable resolution of an arguable question of professional duty.

Rule 5.3. Responsibilities Regarding Other Personnel in Firms Without Lawyers

With respect to other personnel employed or retained by or associated with an LLP:

(a) an LLP who individually or together with other LLPs possesses comparable managerial authority in a firm without lawyers shall make reasonable efforts to ensure that the firm has in effect measures giving reasonable assurance that the person's conduct is compatible with the professional obligations of the LLP;

(b) an LLP having direct supervisory authority over other personnel shall make reasonable efforts to ensure that their conduct is compatible with the professional obligations of the LLP;

(c) an LLP shall be responsible for conduct of such personnel that would be a violation of these Rules if engaged in by an LLP if:

(1) the LLP orders or, with the knowledge of the specific conduct, ratifies the conduct involved;

or

(2) the LLP is a partner or has comparable managerial authority in the firm in which the person is employed, or has direct supervisory authority over the person, and knows of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

Rule 5.4. Professional Independence of an LLP

(a) An LLP or firm shall not share legal fees with an individual who is not a lawyer or an LLP, except that:

(1) an agreement by an LLP with the LLP's firm, partner, or associate may provide for the payment of money, over a reasonable period of time after the LLP's death, to the LLP's estate or to one or more specified persons;

(2) an LLP who undertakes to complete unfinished legal business of a deceased LLP may pay to the estate of the deceased LLP that proportion of the total compensation which fairly represents the services rendered by the deceased LLP;

(3) an LLP who purchases the practice of a deceased, disabled, or disappeared LLP may, pursuant to the provisions of Rule 1.17, pay to the estate or other representative of that LLP the agreed-upon purchase price;

(4) an LLP or firm without lawyers may include employees who are not LLPs in a compensation or retirement plan, even though the plan is based in whole or in part on a profit-sharing arrangement, provided the plan does not otherwise violate these rules; and

(5) an LLP may share court-awarded legal fees with a nonprofit organization that employed, retained or recommended employment of the LLP in the matter.

(b) An LLP shall not form a partnership with an individual who is not a lawyer or an LLP if any of the activities of the partnership consist of the practice of law.

(c) An LLP shall not permit a person who recommends, employs, or pays the LLP to render legal services for another to direct or regulate the LLP's professional judgment in rendering such legal services.

(d) An LLP shall not practice with or in the form of a professional company that is authorized to practice law for a profit, if:

(1) An individual who is not a lawyer or an LLP owns any interest therein, except that a fiduciary representative of the estate of a lawyer or an LLP may hold the stock or interest of the lawyer for a reasonable time during administration; or

(2) An individual who is not a lawyer or an LLP has the right to direct or control the professional judgment of an LLP.

(e) An LLP shall not practice with or in the form of a professional company that is authorized to practice law for a profit except in compliance with C.R.C.P. 265.

(f) For purposes of this Rule, an individual who is not a lawyer or an LLP includes (1) a lawyer or LLP who has been disbarred, (2) a lawyer or LLP who has been suspended and who must petition for reinstatement, (3) a lawyer or LLP who is subject to an interim suspension pursuant to C.R.C.P. 242.22, (4) a lawyer or LLP who is on inactive status pursuant to C.R.C.P. 207(A)(6) or 227(A)(6), (5) a lawyer or LLP who has been permitted to resign under C.R.C.P. 207(A)(8) or 227(A)(8), or (6) a lawyer or LLP who, for a period of six months or more, has been (i) on disability inactive status pursuant to C.R.C.P. 243.6 or (ii) suspended pursuant to C.R.C.P. 207(A)(4), 227(A)(4), 242.23, 242.24, or 260.6.

Rule 5.5. Unauthorized Practice of Law; Multijurisdictional Practice of Law

(a) An LLP shall not:

(1) practice law in this jurisdiction without a license to practice as an LLP issued by the Colorado Supreme Court;

(1.5) practice law beyond the authorization set forth by the Colorado Supreme Court in C.R.C.P. 207.1 and LLPs shall not hold themselves out or otherwise represent to the public that they are permitted to practice law beyond such authorization;

(2) practice law in a jurisdiction where doing so violates the regulations of the legal profession in that jurisdiction;

(3) assist a person who is not authorized to practice law in the performance of any activity that constitutes the unauthorized practice of law; or

(4) allow the name of a disbarred LLP or lawyer or a suspended LLP or lawyer who must petition for reinstatement to remain in the LLP firm name.

(b) An LLP shall not employ, associate professionally with, allow or aid a person the LLP knows or reasonably should know is disbarred, suspended, or on disability inactive status to perform the following on behalf of the LLP's client:

(1) render legal consultation or advice to the client;

(2) appear on behalf of a client in any hearing or proceeding or before any judicial officer, arbitrator, mediator, court, public agency, referee, magistrate, commissioner, or hearing officer;

(3) appear on behalf of a client at a deposition or other discovery matter;

(4) negotiate or transact any matter for or on behalf of the client with third parties;

(5) otherwise engage in activities that constitute the practice of law; or

(6) receive, disburse or otherwise handle client funds.

(c) Subject to the limitation set forth below in paragraph (d), an LLP may employ, associate professionally with, allow or aid an LLP or lawyer who is disbarred, suspended (whose suspension is partially or fully served), or on disability inactive status to perform research, drafting or clerical activities, including but not limited to:

(1) legal work of a preparatory nature, such as legal research, the assemblage of data and other necessary information, drafting of pleadings, briefs, and other similar documents;

(2) direct communication with the client or third parties regarding matters such as scheduling, billing, updates, confirmation of receipt or sending of correspondence and messages; and

(3) accompanying an active LLP in attending a deposition or other discovery matter for the limited purpose of providing assistance to the LLP who will appear as the representative of the client.

(d) An LLP shall not allow a person the LLP knows or reasonably should know is disbarred, suspended, or on disability inactive status to have any professional contact with clients of the LLP or of the LLP's firm unless the LLP:

(1) prior to the commencement of the work, gives written notice to the client for whom the work will be performed that the disbarred or suspended LLP or lawyer, or the LLP or lawyer on disability inactive status, may not practice law; and

(2) retains written notification for no less than two years following completion of the work.

(e) Once notice is given pursuant to C.R.C.P. 242.32 or this Rule, then no additional notice is required.

Rule 5.6. Restrictions on Right to Practice

An LLP shall not participate in offering or making:

(a) a partnership, shareholders, operating, employment, or other similar type of agreement that restricts the right of an LLP to practice after termination of the relationship, except an agreement concerning benefits upon retirement; or

(b) an agreement in which a restriction on the LLP's right to practice is part of the settlement of a client controversy.

Rule 5.7. Responsibilities Regarding Law-Related Services

(a) An LLP shall be subject to these Rules with respect to the provision of law-related services, as defined in paragraph (b), if the law-related services are provided:

(1) by the LLP in circumstances that are not distinct from the LLP's provision of legal services to clients; or

(2) in other circumstances by an entity controlled by the LLP individually or with others if the LLP fails to take reasonable measures to assure that a person obtaining the law-related services knows that the services are not legal services and that the protections of the client-LLP relationship do not exist.

(b) The term "law-related services" denotes services that might reasonably be performed in conjunction with and in substance are related to the provision of legal services, and that are not prohibited as unauthorized practice of law when provided by a nonlawyer.

PUBLIC SERVICE

Rule 6.1. Voluntary Pro Bono Publico Service

Every LLP has a professional responsibility to provide legal services to those unable to pay. An LLP should aspire to render at least fifty hours of pro bono publico legal services per year. In fulfilling this responsibility, the LLP should:

(a) provide a substantial majority of the fifty hours of legal services without fee or expectation of fee to:

(1) persons of limited means or

(2) charitable, religious, civic, community, governmental and educational organizations in matters that are designed primarily to address the needs of persons of limited means; and

(b) provide any additional legal or public services through:

(1) delivery of legal services at no fee or a substantially reduced fee to individuals, groups or organizations seeking to secure or protect civil rights, civil liberties or public rights, or charitable, religious, civic, community, governmental and educational organizations in matters in furtherance of their organizational purposes, where the payment of standard legal fees would significantly deplete the organization's economic resources or would be otherwise inappropriate;

(2) delivery of legal services at a substantially reduced fee to persons of limited means; or

(3) participation in activities for improving the law, the legal system or the legal profession.

In addition, an LLP should voluntarily contribute financial support to organizations that provide legal services to persons of limited means.

Where constitutional, statutory or regulatory restrictions prohibit government and public sector LLPs from performing the pro bono services outlined in paragraphs (a)(1) and (2), those individuals should fulfill their pro bono publico responsibility by performing services or participating in activities outlined in paragraph (b).

Rule 6.2. Accepting Appointments

An LLP shall not seek to avoid appointment as an LLP by a tribunal to represent a person except for good cause, such as:

(a) representing the client is likely to result in violation of these Rules or other law;

(b) representing the client is likely to result in an unreasonable financial or otherwise oppressive burden on the LLP; or

(c) the client or the cause is so repugnant to the LLP as to be likely to impair the client-LLP relationship or the LLP's ability to represent the client.

Rule 6.3. Membership in Legal Services Organization

An LLP may serve as a director, officer or member of a legal services organization, apart from the firm in which the LLP practices, notwithstanding that the organization serves persons having interests adverse to a client of the LLP. The LLP shall not knowingly participate in a decision or action of the organization:

(a) if participating in the decision or action would be incompatible with the LLP's obligations to a client under Rule 1.7; or

(b) where the decision or action could have a material adverse effect on the representation of a client of an LLP provided by the organization whose interests are adverse to a client of the LLP.

Rule 6.4. Law Reform Activities Affecting Client Interests

An LLP may serve as a director, officer or member of an organization involved in reform of the law or its administration notwithstanding that the reform may affect the interests of a client of the LLP. When the LLP knows that the interests of a client may be materially benefited by a decision in which the LLP participates, the LLP shall disclose that fact to the organization but need not identify the client.

Rule 6.5. Nonprofit and Court-Annexed Limited Legal Services Programs

(a) An LLP who, under the auspices of a program sponsored by a nonprofit organization or court, provides short-term limited legal services to a client without expectation by either the LLP or the client that the LLP will provide continuing representation in the matter:

(1) is subject to Rules 1.7 and 1.9(a) only if the LLP knows that the representation of the client involves a conflict of interest; and

(2) is subject to Rule 1.10 only if the LLP knows that another lawyer or LLP associated with the LLP in a law firm is disqualified by Rule 1.7 or 1.9(a) with respect to the matter.

(b) Except as provided in paragraph (a)(2), Rule 1.10 is inapplicable to a representation governed by this Rule.

INFORMATION ABOUT LEGAL SERVICES

Rule 7.1. Communications Concerning an LLP's Services

(a) An LLP shall not make a false or misleading communication about the LLP or the LLP's services. A communication is false or misleading if it contains a material misrepresentation of fact or law, or omits a fact necessary to make the statement considered as a whole not materially misleading.

(b) In all advertising, an LLP shall communicate the fact that the LLP has a limited license to practice in family law, and shall not state or imply that an LLP is licensed to practice in any other areas of law. An LLP in a firm without lawyers must use the words "Licensed Legal Paraprofessional(s)" in the firm name.

(c) An LLP shall provide a written disclosure of the limitations of the LLP's authority in initial communications with a prospective client.

Rule 7.2. Communications Concerning a Licensed Legal Paraprofessional's Services: Specific Rules

(a) An LLP may communicate information regarding the LLP's services through any media.

(b) An LLP shall not compensate, give or promise anything of value to a person for recommending the LLP's services except that an LLP 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 or qualified LLP referral service;

(3) pay for an LLP law practice in accordance with Rule 1.17;

(4) refer clients to another LLP, lawyer, or a nonlawyer professional pursuant to an agreement not otherwise prohibited under these Rules that provides for the other person to refer clients or customers to the LLP, if:

(i) the reciprocal referral agreement is not exclusive; and

(ii) the client is informed of the existence and nature of the agreement; and

(5) give nominal gifts as an expression of appreciation that are neither intended nor reasonably expected to be a form of compensation for recommending an LLP's services.

(c) An LLP shall not state or imply that an LLP is certified as a specialist in a particular field of law, unless:

(1) the LLP has been certified as a specialist by an organization that has been approved by an appropriate authority of the state or the District of Columbia or a U.S. Territory or that has been accredited by the American Bar Association; and

(2) the name of the certifying organization is clearly identified in the communication.

(d) Any communication made under this Rule must include the name and contact information of at least one LLP, lawyer, or firm responsible for its content.

Rule 7.3. Solicitation of Clients

(a) "Solicitation" or "solicit" denotes a communication initiated by or on behalf of an LLP or firm that is directed to a specific person the LLP knows or reasonably should know needs legal services in a particular matter and that offers to provide, or reasonably can be understood as offering to provide, legal services for that matter.

(b) An LLP shall not solicit professional employment by live person-to-person contact when a significant motive for the LLP's doing so is the LLP's or firm's pecuniary gain, unless the contact is with a:

(1) lawyer or an LLP;

(2) person who has a family, close personal, or prior business or professional relationship with the LLP or firm; or

(3) person who routinely uses for business purposes the type of legal services offered by the LLP.

(c) An LLP shall not solicit professional employment even when not otherwise prohibited by paragraph (b), if:

(1) the target of the solicitation has made known to the LLP a desire not to be solicited by the LLP; or

(2) the solicitation involves coercion, duress or harassment.

(d) Reserved.

(e) This Rule does not prohibit communications authorized by law or ordered by a court or other tribunal.

(f) Every communication from an LLP soliciting professional employment shall:

(1) include the words "Advertising Material" on the outside envelope, if any, and at the beginning and ending of any recorded or electronic communication, unless the recipient of the communication is a person specified in paragraphs (b)(1), (b)(2) or (b)(3);

(2) not reveal on the envelope or on the outside of a self-mailing brochure or pamphlet the nature of the person's legal problem;

(2.5) include the disclosures required by Rule 7.1(b); and

(3) be maintained for a period of five years from the date of dissemination of the communication, and include a copy or recording of each such communication and a sample of the envelope, if any, in which the communication is enclosed, unless the recipient of the communication is a person

specified in paragraphs (b)(1), (b)(2) or (b)(3).

(g) Notwithstanding the prohibitions in this Rule, an LLP may participate with a prepaid or group legal service plan operated by an organization not owned or directed by the LLP that uses live person-to-person contact to enroll members or sell subscriptions for the plan from persons who are not known to need legal services in a particular matter covered by the plan.

Rule 7.4. Reserved

Rule 7.5. Reserved

Rule 7.6. Political Contributions to Obtain Legal Engagements or Appointments by Judges

An LLP or firm without lawyers shall not accept a government legal engagement or an appointment by a judge if the LLP or firm makes a political contribution or solicits political contributions for the purpose of obtaining or being considered for that type of legal engagement or appointment.

MAINTAINING THE INTEGRITY OF THE PROFESSION

Rule 8.1. Admission and Disciplinary Matters

An applicant for admission, readmission, or reinstatement to practice law as an LLP, or an LLP in connection with an application for admission, readmission, or reinstatement, or in connection with a disciplinary matter, shall not:

(a) knowingly make a false statement of material fact; or

(b) fail to disclose a fact necessary to correct a misapprehension known by the person to have arisen in the matter, or knowingly fail to respond to a lawful demand for information from an admissions or disciplinary authority, except that this Rule does not require disclosure of information otherwise protected by Rule 1.6.

Rule 8.2. Judicial and Legal Officials

(a) An LLP shall not make a statement that the LLP knows to be false or with reckless disregard as to its truth or falsity concerning the qualifications or integrity of a judge, adjudicatory officer or public legal officer or of a candidate for election, or appointment to, or retention in, judicial or legal office.

(b) An LLP who is a candidate for retention in judicial office shall comply with the applicable provisions of the Code of Judicial Conduct.

Rule 8.3. Reporting Professional Misconduct

(a) An LLP who knows that another LLP has committed a violation of these Rules that raises a substantial question as to that LLP's honesty, trustworthiness or fitness as an LLP in other respects, shall inform the appropriate professional authority.

(a.5) An LLP who knows that a lawyer has committed a violation of the lawyer Rules of Professional Conduct that raises a substantial question as to that lawyer's honesty, trustworthiness or fitness as a lawyer in other respects, shall inform the appropriate professional authority.

(b) An LLP who knows that a judge has committed a violation of applicable rules of judicial conduct that raises a substantial question as to the judge's fitness for office shall inform the appropriate authority.

(c) This Rule does not require disclosure of information otherwise protected by Rule 1.6 or information gained by an LLP or judge while serving as a member of a peer assistance program that has been approved by the Colorado Supreme Court initially or upon renewal, to the extent that such information would be confidential if it were communicated subject to the LLP-client privilege.

Rule 8.4. Misconduct

It is professional misconduct for an LLP to:

(a) violate or attempt to violate these Rules, knowingly assist or induce another to do so, or do so through the acts of another;

(b) commit a criminal act that reflects adversely on the LLP's honesty, trustworthiness or fitness as an LLP in other respects;

(c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation, except that an LLP may advise, direct, or supervise others, including clients, law enforcement officers, and investigators, who participate in lawful investigative activities;

(d) engage in conduct that is prejudicial to the administration of justice;

(e) state or imply an ability to influence improperly a government agency or official or to achieve results by means that violate these Rules or other law;

(f) knowingly assist a judge or judicial officer in conduct that is a violation of applicable rules of judicial conduct or other law;

(f.5) knowingly assist a lawyer in conduct that is a violation of the applicable lawyer Rules of Professional Conduct or other law;

(g) engage in conduct, in the representation of a client, that exhibits or is intended to appeal to or engender bias against a person on account of that person's race, gender, religion, national origin, disability, age, sexual orientation, or socioeconomic status, whether that conduct is directed to other LLPs, counsel, court personnel, witnesses, parties, judges, judicial officers, or any persons involved in the legal process;

(h) engage in any conduct that directly, intentionally, and wrongfully harms others and that adversely reflects on an LLP's fitness to practice law; or

(i) engage in conduct the LLP knows or reasonably should know constitutes sexual harassment where the conduct occurs in connection with the LLP's professional activities.

Rule 8.5. Disciplinary Authority; Choice of Law

(a) An LLP admitted to practice in this jurisdiction is subject to the disciplinary authority of this jurisdiction, regardless of where the LLP's conduct occurs. An LLP may be subject to the disciplinary authority of both this jurisdiction and another jurisdiction for the same conduct.

(b) In any exercise of the disciplinary authority of this jurisdiction, the rules of professional conduct to be applied shall be as follows:

(1) for conduct in connection with a matter pending before a tribunal, the rules of the jurisdiction in which the tribunal sits, unless the rules of the tribunal provide otherwise; and

(2) for any other conduct, the rules of the jurisdiction in which the LLP's conduct occurred, or, if

the predominant effect of the conduct is in a different jurisdiction, the rules of that jurisdiction shall be applied to the conduct. An LLP shall not be subject to discipline if the LLP's conduct conforms to the rules of a jurisdiction in which the LLP reasonably believes the predominant effect of the LLP's conduct will occur.

Rule 9. Title - How Known and Cited

These rules shall be known and cited as the Colorado Licensed Legal Paraprofessional Rules of Professional Conduct or Colo. LLP RPC.

Amended and Adopted by the Court, En Banc, April 13, 2023, effective July 1, 2023.

By the Court:

Brian D. Boatright
Chief Justice, Colorado Supreme Court