Disciplinary Rules and Procedures Committee  
Meeting of January 11, 2019  
Macon, Georgia

MINUTES

Chair John Haubenreich called the meeting to order at 2:00 p.m.

Attendance:


Guests: Justice Keith R. Blackwell, Tia Milton (phone), Anthony B. Askew, and Bridget Bagley.

The Committee approved the Minutes from the October 17, 2018 meeting.

Action Items:

Rule 4-204.1:  
The Committee voted to amend section a(1), (2), and (4) to clarify that the Office of the General Counsel may send a Notice of Investigation to the State Disciplinary Board whether the investigation is based upon receipt of a grievance form or receipt of credible information.

Rule 1.15(III):  
The Committee voted to amend section (c)(2)(i) and (ii) to eliminate the 3-day grace period.

Rule 1.0 and Rule 8.4:  
The Committee voted to remove Rule 1.0(e)(5). The Committee voted to make Rule 8.4(b) consistent with the changes to Rule 1.0(e). The Committee also voted to remove “or upon the imposition of the first offender probation” from Rule 8.4(b)(2). The motion passed 14-3-0.

Rule 1.1  
The Committee voted to change comment 6 and add comment 7 to address a lawyer’s obligation of competence in technology and wellness.
**Rule 1.18**
The Committee voted to add Rule 1.18 to address duties to prospective clients.

**Rule 1.6**
The Committee voted to remove comment 4a and not to add proposed comment 4b if/when Rule 1.18 is passed by the Supreme Court of Georgia. The Committee also voted to add “See Rule 1.18” to comment 1 if/when Rule 1.18 is passed by the Supreme Court of Georgia.

**Rule 4-228**
The Committee voted to amend Rule 4-228 to address issues regarding disposing of property and housekeeping changes.

Revisions approved at this meeting:

**Rule 4-204.1. Notice of Investigation**

a. A Notice of Investigation shall accord the respondent reasonable notice of the charges against him and a reasonable opportunity to respond to the charges in writing. The Notice shall contain:

1. a statement that the grievance or written description pursuant to Rule 4-202(b) is being transmitted to the State Disciplinary Board;
2. a copy of the grievance or written description pursuant to Rule 4-202(b);
3. a list of the Rules that appear to have been violated;
4. the name and address of the State Disciplinary Board member assigned to investigate the grievance matter and a list of the State Disciplinary Board members; and
5. a statement of the respondent’s right to challenge the competency, qualifications or objectivity of any State Disciplinary Board member.

b. The form for the Notice of Investigation shall be approved by the State Disciplinary Board.

c. The Office of the General Counsel shall cause the Notice of Investigation to be served upon the respondent pursuant to Rule 4-203.1.

**RULE 1.15(III) RECORD KEEPING; TRUST ACCOUNT OVERDRAFT NOTIFICATION; EXAMINATION OF RECORDS**

a. Required Bank Accounts: Every lawyer who practices law in Georgia and who receives money or other property on behalf of a client or in any other fiduciary capacity shall maintain, in an approved financial institution as defined by this Rule rule, a trust account
or accounts, separate from any business and personal accounts. Funds received by the lawyer on behalf of a client or in any other fiduciary capacity shall be deposited into this account. The financial institution shall be in Georgia or in the state where the lawyer's office is located, or elsewhere with the written consent and at the written request of the client or third person.

b. Description of Accounts:

1. A lawyer shall designate all trust accounts, whether general or specific, as well as all deposit slips and checks drawn thereon, as an "Attorney Trust Account," "Attorney Escrow Account" "IOLTA Account" or "Attorney Fiduciary Account." The name of the attorney or law firm responsible for the account shall also appear on all deposit slips and checks drawn thereon.

2. A lawyer shall designate all business accounts, as well as all deposit slips and all checks drawn thereon, as a "Business Account," a "Professional Account," an "Office Account," a "General Account," a "Payroll Account," "Operating Account" or a "Regular Account."

3. Nothing in this Rule shall prohibit a lawyer from using any additional description or designation for a specific business or trust account including fiduciary accounts maintained by the lawyer as executor, guardian, trustee, receiver, agent or in any other fiduciary capacity.

c. Procedure:

1. Approved Institutions:

   i. A lawyer shall maintain his or her trust account only in a financial institution approved by the State Bar of Georgia, which shall annually publish a list of approved institutions.

      A. Such institutions shall be located within the State of Georgia, within the state where the lawyer's office is located, or elsewhere with the written consent and at the written request of the client or third-person. The institution shall be authorized by federal or state law to do business in the jurisdiction where located and shall be federally insured. A financial institution shall be approved as a depository for lawyer trust accounts if it abides by an agreement to
report to the Office of the General Counsel whenever any properly payable instrument is presented against a lawyer trust account containing insufficient funds, and the instrument is not honored. The agreement shall apply to all branches of the financial institution and shall not be canceled except upon thirty 30 days notice in writing to the Office of the General Counsel. The agreement shall be filed with the Office of the General Counsel on a form approved by the Investigative Panel of the State Disciplinary Board. The agreement shall provide that all reports made by the financial institution shall be in writing and shall include the same information customarily forwarded to the depositor when an instrument is presented against insufficient funds. If the financial institution is located outside of the State-state of Georgia, it shall also agree in writing to honor any properly issued State Bar of Georgia subpoena.

B. In addition to the requirements above, the financial institution must also be approved by the Georgia Bar Foundation and agree to offer IOLTA Accounts in compliance with the additional requirements set out in Part XV of the Rules of the State Bar of Georgia.

ii. The Georgia Bar Foundation may waive the provisions of this Rule rule in whole or in part for good cause shown. A lawyer or law firm may appeal the decision of the Georgia Bar Foundation by application to the Supreme Court of Georgia.

2. Timing of Reports:

i. The financial institution shall file a report with the Office of the General Counsel of the State Bar of Georgia in every instance where a properly payable instrument is presented against a lawyer trust account containing insufficient funds, and such instrument is not honored within three business days of presentation.

ii. The report shall be filed with the Office of the General Counsel within fifteen 15 days of the date of the presentation of the instrument, even if the
instrument is subsequently honored. After the three business days provided in (2)-(i) above.

3. Nothing shall preclude a financial institution from charging a particular lawyer or law firm for the reasonable cost of producing the reports and records required by this Rule rule.

4. Every lawyer and law firm maintaining a trust account as provided by these Rule rules is hereby and shall be conclusively deemed to have consented to the reporting and production requirements mandated by this Rule rule and shall indemnify and hold harmless each financial institution for its compliance with the aforesaid reporting and production requirements.

d. Effect on Financial Institution of Compliance: The agreement by a financial institution to offer accounts pursuant to this Rule rule shall be a procedure to advise the State Disciplinary Board of conduct by lawyers and shall not be deemed to create a duty to exercise a standard of care or a contract with third parties that may sustain a loss as a result of lawyers overdrawing lawyer trust accounts.

e. Availability of Records: A lawyer shall not fail to produce any of the records required to be maintained by these Rule rules at the request of the Investigative Panel of the State Disciplinary Board or the Supreme Court of Georgia. This obligation shall be in addition to and not in lieu of the procedures contained in Part IV of these Rule rules for the production of documents and evidence.

f. Audit for Cause: A lawyer shall not fail to submit to an Audit for Cause conducted by the State Disciplinary Board pursuant to Bar Rule 4-111.

The maximum penalty for a violation of this Rule rule is disbarment.

Comment

[1] Each financial institution wishing to be approved as a depository of client trust funds must file an overdraft notification agreement with the Office of the General Counsel of the State Bar of Georgia. The State Bar of Georgia will publish a list of approved institutions at least annually.

[2] The overdraft agreement requires that all overdrafts be reported to the Office of the General
Counsel of the State Bar of Georgia whether or not the instrument is honored. It is improper for a lawyer to accept "overdraft privileges" or any other arrangement for a personal loan on a client trust account, particularly in exchange for the institution's promise to delay or not to report an overdraft. The institution must notify the Office of the General Counsel of all overdrafts even where the institution is certain that its own error caused the overdraft or that the matter could have been resolved between the institution and the lawyer within a reasonable period of time.

[3] The overdraft notification provision is not intended to result in the discipline of every lawyer who overdraws a trust account. The lawyer or institution may explain occasional errors. The provision merely intends that the Office of the General Counsel receive an early warning of improprieties so that corrective action, including audits for cause, may be taken.

Waiver

[4] A lawyer may seek to have the provisions of this Rule waived if the lawyer or law firm has its principal office in a county where no bank, credit union, or savings and loan association will agree or has agreed to comply with the provisions of this Rule. Other grounds for requesting a waiver may include significant financial or business harm to the lawyer or law firm, such as where the unapproved bank is a client of the lawyer or law firm or where the lawyer serves on the board of the unapproved bank.

[5] The request for a waiver should be in writing, sent to the Georgia Bar Foundation, and should include sufficient information to establish good cause for the requested waiver.

[6] The Georgia Bar Foundation may request additional information from the lawyer or law firm if necessary to determine good cause.

Audits

[7] Every lawyer's financial records and trust account records are required records and therefore are properly subject to audit for cause. The audit provisions are intended to uncover errors and omissions before the public is harmed, to deter those lawyers who may be tempted to misuse client's funds and to educate and instruct lawyers as to proper trust accounting methods. Although
the auditors will be employed by the Office of the General Counsel of the State Bar of Georgia, it is intended that disciplinary proceedings will be brought only when the auditors have reasonable cause to believe discrepancies or irregularities exist. Otherwise, the auditors should only educate the lawyer and the lawyer's staff as to proper trust accounting methods.

[8] An audit for cause may be conducted at any time and without advance notice if the Office of the General Counsel receives sufficient evidence that a lawyer poses a threat of harm to clients or the public. The Office of the General Counsel must have the written approval of the Chairman of the Investigative Panel of the State Disciplinary Board and the President-elect of the State Bar of Georgia to conduct an audit for cause.

RULE 1.0. TERMINOLOGY AND DEFINITIONS

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

(b) “Confidential Proceedings” denotes any proceeding under these Rules which occurs prior to a filing in the Supreme Court of Georgia.

(c) “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 a lawyer promptly transmits to the person confirming an oral informed consent. See paragraph (l) 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 lawyer must obtain or transmit it within a reasonable time thereafter.

(d) “Consult” or “consultation” denotes communication of information reasonably sufficient to permit the client to appreciate the significance of the matter in question.

(e) “Conviction” or “convicted” denotes any of the following accepted by a court, whether or not a sentence has been imposed:

(1) a guilty plea;

(2) a plea of nolo contendere;

(3) a verdict of guilty; or

(4) a verdict of guilty but mentally ill;

(5) a plea entered under the Georgia First Offender Act, OCGA § 42-8-60 et seq., or a substantially similar statute in Georgia or another jurisdiction.
Professional Conduct unless the respondent affirmsively recites the facts.

Notice of Discipline, denounces a Notice by the State Disciplinary Board that the
respondent will be subject to a disciplinary sanction for violation of one or more Georgia Rules of
Professional Conduct. This notice is accompanied by the facts alleged against the
respondent.

1. Denounces a person not authorized to practice law by either the
Supreme Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

2. Denounces a person not authorized to practice law by either the
terior of the United States, or the District of Columbia, or
Superior Court of Georgia or the Rules (including the Vice Admission)
of the State Disciplinary Board that the respondent is practicing law without authorization.

3. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

4. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

5. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

6. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

7. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

8. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

9. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

10. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

11. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

12. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

13. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

14. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

15. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

16. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

17. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

18. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

19. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.

20. Denounces a person not authorized to practice law by either the
Superior Court of Georgia or the Rules of the State Disciplinary Board that the
respondent is practicing law without authorization.
(q) "Partner" denotes a member of a partnership, a shareholder in a law firm organized pursuant to Rule 1-203 (d), or a member of an association authorized to practice law.

(r) "Petition for Voluntary Surrender of License" denotes a Petition for Voluntary Discipline in which the respondent voluntarily surrenders his license to practice law in this State. A voluntary surrender of license is tantamount to disbarment.

(s) "Probable Cause" denotes a finding by the State Disciplinary Board that there is sufficient evidence to believe that the respondent has violated one or more of the provisions of Part IV, Chapter 1 of the Bar Rules.

(t) "Prospective Client" denotes a person who consults with a lawyer about the possibility of forming a client-lawyer relationship with respect to a matter. **(approved at 7/18/18 meeting)

(tu) "Public Proceedings" denotes any proceeding under these Rules that has been filed with the Supreme Court of Georgia.

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

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

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

(wy) "Respondent" denotes a person whose conduct is the subject of any disciplinary investigation or proceeding.

(yz) "Screened" denotes the isolation of a lawyer 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 lawyer is obligated to protect under these Rules or other law.

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

(aeb) "Tribunal" denotes a court, an arbitrator in an 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 legal judgment directly affecting a party's interests in a particular matter.
“Writing” or “written” denotes a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or video recording and e-mail. 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.

RULE 8.4 MISCONDUCT

a. It shall be a violation of the Georgia Rules of Professional Conduct for a lawyer to:

1. violate or knowingly attempt to violate the Georgia Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;

2. be convicted of a felony;

3. be convicted of a misdemeanor involving moral turpitude where the underlying conduct relates to the lawyer's fitness to practice law;

4. engage in professional conduct involving dishonesty, fraud, deceit or misrepresentation;

5. fail to pay any final judgment or rule absolute rendered against such lawyer for money collected by him or her as a lawyer within ten days after the time appointed in the order or judgment;

6. 
   i. state an ability to influence improperly a government agency or official by means that violate the Georgia Rules of Professional Conduct or other law;
   ii. state an ability to achieve results by means that violate the Georgia Rules of Professional Conduct or other law;
   iii. achieve results by means that violate the Georgia Rules of Professional Conduct or other law;

7. knowingly assist a judge or judicial officer in conduct that is a violation of applicable rules of judicial conduct or other law; or

8. commit a criminal act that relates to the lawyer's fitness to practice law or reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer, where the lawyer has admitted in judicio, the commission of such act.

b. (1) “Conviction” or “convicted” denotes any of the following accepted by a court, whether or not a sentence has been imposed:

1. a guilty plea;

2. a plea of nolo contendere;
3. a verdict of guilty;
4. a verdict of guilty but mentally ill; or

1. For purposes of this Rule, conviction shall include any of the following accepted by a court, whether or not a sentence has been imposed:
   i. a guilty plea;
   ii. a plea of nolo contendere;
   iii. a verdict of guilty; or
   iv. a verdict of guilty but mentally ill.

2. The record of a conviction Conviction or disposition in any jurisdiction based upon a guilty plea, a plea of nolo contendere, a verdict of guilty, or a verdict of guilty but mentally ill, or upon the imposition of first offender probation shall be conclusive evidence of such conviction Conviction or disposition and shall be admissible in proceedings under these disciplinary rules.

   c. This Rule shall not be construed to cause any infringement of the existing inherent right of Georgia Superior Courts to suspend and disbar lawyers from practice based upon a conviction of a crime as specified in paragraphs (a) (1), (a) (2) and (a) (3) above.

   d. Rule 8.4 (a) (1) does not apply to any of the Georgia Rules of Professional Conduct for which there is no disciplinary penalty.

The maximum penalty for a violation of Rule 8.4 (a) (1) is the maximum penalty for the specific Rule violated. The maximum penalty for a violation of Rule 8.4 (a) (2) through (c) is disbarment.

Comment

[1] The prohibitions of this Rule as well as the prohibitions of Bar Rule 4-102 prevents a lawyer from attempting to violate the Georgia Rules of Professional Conduct or from knowingly aiding or abetting, or providing direct or indirect assistance or inducement to another person who violates or attempts to violate a rule of professional conduct. A lawyer may not avoid a violation of the rules by instructing a nonlawyer, who is not subject to the rules, to act where the lawyer can not.

[2] This Rule, as its predecessor, is drawn in terms of acts involving "moral turpitude" with, however, a recognition that some such offenses concern matters of personal morality and have no specific connection to fitness for the practice of law. Here the concern is limited to those matters which fall under both the rubric of "moral turpitude" and involve underlying conduct relating to the fitness of the lawyer to practice law.

[3] Many kinds of illegal conduct reflect adversely on fitness to practice law, such as offenses involving fraud and the offense of willful failure to file an income tax return. However, some kinds of offenses carry no such implication. Traditionally, the distinction was drawn in terms of offenses involving "moral turpitude." That concept can be construed to include offenses
concerning some matters of personal morality, such as adultery and comparable offenses, that have no specific connection to fitness for the practice of law. Although a lawyer is personally answerable to the entire criminal law, a lawyer should be professionally answerable only for offenses that indicate lack of those characteristics relevant to law practice. Offenses involving violence, dishonesty, breach of trust, or serious interference with the administration of justice are in that category. A pattern of repeated offenses, even ones of minor significance when considered separately, can indicate indifference to legal obligation.


[5] A lawyer may refuse to comply with an obligation imposed by law upon a good faith belief that no valid obligation exists. The provisions of Rule 1.2(d) concerning a good faith challenge to the validity, scope, meaning or application of the law apply to challenges of legal regulation of the practice of law.

[6] Persons holding public office assume responsibilities going beyond those of other citizens. A lawyer's abuse of public office can suggest an inability to fulfill the professional role of lawyers. The same is true of abuse of positions of private trust such as trustee, executor, administrator, guardian, agent and officer, director or manager of a corporation or other organization.

RULE 1.1 COMPETENCE

A lawyer shall provide competent representation to a client. Competent representation as used in this Rule means that a lawyer shall not handle a matter which the lawyer knows or should know to be beyond the lawyer's level of competence without associating another lawyer who the original lawyer reasonably believes to be competent to handle the matter in question. Competence requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.

The maximum penalty for a violation of this Rule is disbarment.

Comment

Legal Knowledge and Skill

[1A] The purpose of these rules is not to give rise to a cause of action nor to create a presumption
that a legal duty has been breached. These Rules are designed to provide guidance to lawyers and to provide a structure for regulating conduct through disciplinary agencies. They are not designed to be a basis for civil liability.

[1B] In determining whether a lawyer employs the requisite knowledge and skill in a particular matter, relevant factors include the relative complexity and specialized nature of the matter, the lawyer's general experience, the lawyer's training and experience in the field in question, the preparation and study the lawyer is able to give the matter and whether it is feasible to refer the matter to, or associate or consult with, a lawyer of established competence in the field in question. In many instances, the required proficiency is that of a general practitioner. Expertise in a particular field of law may be required in some circumstances.

[2] A lawyer need not necessarily have special training or prior experience to handle legal problems of a type with which the lawyer is unfamiliar. A newly admitted lawyer can be as competent as a practitioner with long experience. Some important legal skills, such as the analysis of precedent, the evaluation of evidence and legal drafting, are required in all legal problems. Perhaps the most fundamental legal skill consists of determining what kind of legal problems a situation may involve, a skill that necessarily transcends any particular specialized knowledge. A lawyer can provide adequate representation in a wholly novel field through necessary study. Competent representation can also be provided through the association of a lawyer of established competence in the field in question.

[3] In an emergency a lawyer may give advice or assistance in a matter in which the lawyer does not have the skill ordinarily required where referral to or consultation or association with another lawyer would be impractical. Even in an emergency, however, assistance should be limited to that reasonably necessary in the circumstances, for ill-considered action under emergency conditions can jeopardize the client's interest.

[4] A lawyer may accept representation where the requisite level of competence can be achieved by reasonable preparation. This applies as well to a lawyer who is appointed as counsel for an unrepresented person subject to Rule 6.2: Accepting Appointments.
Thoroughness and Preparation

[5] Competent handling of a particular matter includes inquiry into and analysis of the factual and legal elements of the problem, and use of methods and procedures meeting the standards of competent practitioners. It also includes adequate preparation. The required attention and preparation are determined in part by what is at stake; major litigation and complex transactions ordinarily require more elaborate treatment than matters of lesser consequence.

Maintaining Competence

[6] To maintain the requisite knowledge and skill, a lawyer should engage in continuing study and education. To maintain the requisite knowledge and skill, a lawyer should keep abreast of changes in the law and its practice, including the benefits and risks associated with relevant technology, engage in continuing study and education, and comply with all continuing legal education requirements to which the lawyer is subject.

[7] A lawyer’s mental, emotional, and physical well-being impacts the lawyer’s ability to represent clients and to make responsible choices in the practice of law. Maintaining the mental, emotional, and physical ability necessary for the representation of a client is an important aspect of maintaining competence to practice law. See also Rule 1.16(a)(2).

Rule 1.18: Duties to Prospective Client

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

(b) Even when no client-lawyer relationship ensues, a lawyer 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) A lawyer 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 lawyer received information from the prospective client that could be significantly harmful to that person in the matter, except as provided in paragraph (d). If a lawyer is disqualified from representation under this paragraph, no lawyer in a firm with which that lawyer is associated may knowingly undertake or continue representation in such a matter, except as provided in paragraph (d).

(d) When the lawyer has received disqualifying information as defined in paragraph (c), representation is permissible if both the affected client and the prospective client have given informed consent, confirmed in writing.

Comment

[1] Prospective clients, like clients, may disclose information to a lawyer, place documents or other property in the lawyer's custody, or rely on the lawyer's advice. A lawyer's consultations with a prospective client usually are limited in time and depth and leave both the prospective client and the lawyer free (and sometimes required) to proceed no further. Hence, prospective clients should receive some but not all of the protection afforded clients.

[2] A person becomes a prospective client by consulting with a lawyer about the possibility of forming a client-lawyer relationship with respect to a matter. Whether communications, including written, oral, or electronic communications, constitute a consultation depends on the circumstances. For example, a consultation is likely to have occurred if a lawyer, either in person or through the lawyer's advertising in any medium, specifically requests or invites the submission of information about a potential representation without clear and reasonably understandable warnings and cautionary statements that limit the lawyer's obligations, and a person provides
information in response. See also Comment [4]. In contrast, a consultation does not occur if a person provides information to a lawyer in response to advertising that merely describes the lawyer’s education, experience, areas of practice, and contact information, or provides legal information of general interest. Such a person communicates information unilaterally to a lawyer, without any reasonable expectation that the lawyer is willing to discuss the possibility of forming a client-lawyer relationship, and is thus not a "prospective client." Moreover, a person who communicates with a lawyer for the purpose of disqualifying the lawyer is not a “prospective client.”

[3] It is often necessary for a prospective client to reveal information to the lawyer during an initial consultation prior to the decision about formation of a client-lawyer relationship. The lawyer often must learn such information to determine whether there is a conflict of interest with an existing client and whether the matter is one that the lawyer is willing to undertake. Paragraph (b) prohibits the lawyer from using or revealing that information, except as permitted by Rule 1.9, even if the client or lawyer decides not to proceed with the representation. The duty exists regardless of how brief the initial conference may be.

[4] In order to avoid acquiring disqualifying information from a prospective client, a lawyer considering whether or not to undertake a new matter should limit the initial consultation to only such information as reasonably appears necessary for that purpose. Where the information indicates that a conflict of interest or other reason for non-representation exists, the lawyer should so inform the prospective client or decline the representation. If the prospective client wishes to retain the lawyer, and if consent is possible under Rule 1.7, then consent from all affected present or former clients must be obtained before accepting the representation.
[5] A lawyer may condition a consultation with a prospective client on the person's informed consent that no information disclosed during the consultation will prohibit the lawyer from representing a different client in the matter. See Rule 1.0(l) for the definition of informed consent. If the agreement expressly so provides, the prospective client may also consent to the lawyer's subsequent use of information received from the prospective client.

[6] Even in the absence of an agreement, under paragraph (c), the lawyer is not prohibited from representing a client with interests adverse to those of the prospective client in the same or a substantially related matter unless the lawyer has received from the prospective client information that could be significantly harmful if used in the matter.

[7] Under paragraph (c), the prohibition in this Rule is imputed to other lawyers as provided in Rule 1.10, but, under paragraph (d), imputation may be avoided if the lawyer obtains the informed consent, confirmed in writing, of both the prospective and affected clients.

[8] For the duty of competence of a lawyer who gives assistance on the merits of a matter to a prospective client, see Rule 1.1. For a lawyer's duties when a prospective client entrusts valuables or papers to the lawyer's care, see Rule 1.15.

GRPC RULE 1.6 CONFIDENTIALITY OF INFORMATION (the committee voted to changes to Comment 1, 4A and 4B if Rule 1.18 is passed by the Supreme Court of Georgia.)
(All other changes were made at previous meetings 6/9/17, 10/27/17, 1/5/18 and 7/18/18).

a. A lawyer shall maintain in confidence all information gained in the professional relationship with a client, including information which the client has requested to be held inviolate or the disclosure of which would be embarrassing or would likely be detrimental to the client, unless the client gives informed consent, except for disclosures that are
impliedly authorized in order to carry out the representation, or are required by these Rules or other law, or by order of the Court.

b.

1. A lawyer may reveal information covered by paragraph (a) which the lawyer reasonably believes necessary:
   i. to avoid or prevent harm or substantial financial loss to another as a result of client criminal conduct or third party criminal conduct clearly in violation of the law;
   ii. to prevent serious injury or death not otherwise covered by subparagraph (i) above;
   iii. to establish a claim or defense on behalf of the lawyer in a controversy between the lawyer and the client, to establish a defense to a criminal charge or civil claim against the lawyer based upon conduct in which the client was involved, or to respond to allegations in any proceeding concerning the lawyer’s representation of the client;
   iv. to secure legal advice about the lawyer’s compliance with these Rules.
   v. to detect and resolve conflicts of interest arising from the lawyer’s change of employment or from changes in the composition or ownership of a firm, but only if the revealed information would not compromise the attorney-client privilege or otherwise prejudice the client.

2. In a situation described in paragraph (b) (1), if the client has acted at the time the lawyer learns of the threat of harm or loss to a victim, use or disclosure is permissible only if the harm or loss has not yet occurred.

3. Before using or disclosing information pursuant to paragraph (b) (1) (i) or (ii), if feasible, the lawyer must make a good faith effort to persuade the client either not to act or, if the client has already acted, to warn the victim.

e. The lawyer may, where the law does not otherwise require, reveal information to which the duty of confidentiality does not apply under paragraph (b) without being subjected to disciplinary proceedings.

d. The lawyer shall reveal information under paragraph (b) as the applicable law requires.
The duty of confidentiality shall continue after the client-lawyer relationship has terminated.

The maximum penalty for a violation of this Rule is disbarment.

Comment

[1] The lawyer is part of a judicial system charged with upholding the law. One of the lawyer's functions is to advise clients so that they avoid any violation of the law in the proper exercise of their rights. See Rule 1.18. **(approved at 1/11/19 meeting if Rule 1.18 is passed by The Supreme Court of Georgia).

[2] The observance of the ethical obligation of a lawyer to hold inviolate confidential information of the client not only facilitates the full development of facts essential to proper representation of the client but also encourages people to seek early legal assistance.

[3] Almost without exception, clients come to lawyers in order to determine what their rights are and what is, in the maze of laws and regulations, deemed to be legal and correct. The common law recognizes that the client's confidences must be protected from disclosure. Based upon experience, lawyers know that almost all clients follow the advice given, and the law is upheld.

[4] A fundamental principle in the client-lawyer relationship is that the lawyer maintain confidentiality of information relating to the representation. The client is thereby encouraged to communicate fully and frankly with the lawyer even as to embarrassing or legally damaging subject matter.

[4A] Information gained in the professional relationship includes information gained from a person (prospective client) who discusses the possibility of forming a client-lawyer relationship with respect to a matter. Even when no client-lawyer relationship ensues, the restrictions and exceptions of these Rules as to use or revelation of the information apply, e.g. Rules 1.9 and 1.10. **(approved at 1/11/19 meeting only if Rule 1.18 is passed by The Supreme Court of Georgia)
[4B] A person becomes a prospective client by consulting with a lawyer about the possibility of forming a client-lawyer relationship with respect to a matter. Whether communications, including written, oral, or electronic communications, constitute a consultation depends on the circumstances. For example, a consultation is likely to have occurred if a person provides information in response to a lawyer’s invitation to submit information about a potential representation, unless the lawyer’s invitation includes clear and reasonably understandable warnings and cautionary statements that limit the lawyer’s obligations. A consultation may occur in person or through the lawyer’s advertising in any medium. In contrast, a consultation does not occur if a person provides information to a lawyer in response to advertising that merely describes the lawyer’s education, experience, areas of practice, and contact information, or provides legal information of general interest. Such a person communicates information unilaterally to a lawyer, without any reasonable expectation that the lawyer is willing to discuss the possibility of forming a client-lawyer relationship, and is thus not a "prospective client." Moreover, a person who communicates with a lawyer for the purpose of disqualifying the lawyer is not a "prospective client." **(at 1/11/19 meeting Committee voted not to add 4B if Rule 1.18 is passed by The Supreme Court of Georgia)**

[5] The principle of confidentiality is given effect in two related bodies of law, the attorney-client privilege (which includes the work product doctrine) in the law of evidence and the rule of confidentiality established in professional ethics. The attorney-client privilege applies in judicial and other proceedings in which a lawyer may be called as a witness or otherwise required to produce evidence concerning a client. The rule of client-lawyer confidentiality applies in situations other than those where evidence is sought from the lawyer through compulsion of law. Rule 1.6 applies not merely to matters communicated in confidence by the client but also to all information gained in the professional relationship, whatever its source. A lawyer may not disclose such information except as authorized or required by the Rules of Professional Conduct or other law. See also Scope. The requirement of maintaining confidentiality of information gained in the professional relationship applies to government lawyers who may disagree with the client's policy goals.
Authorized Disclosure

[6] A lawyer is impliedly authorized to make disclosures about a client when appropriate in carrying out the representation, except to the extent that the client's instructions or special circumstances limit that authority. In litigation, for example, a lawyer may disclose information by admitting a fact that cannot properly be disputed, or in negotiation by making a disclosure that facilitates a satisfactory conclusion.

[7] Lawyers in a firm may, in the course of the firm's practice, disclose to each other information relating to a client of the firm, unless the client has instructed that particular information be confined to specified lawyers.

[7A] A lawyer's confidentiality obligations do not preclude a lawyer from securing confidential legal advice about the lawyer's personal responsibility to comply with these Rules. In most situations, disclosing information to secure such advice will be impliedly authorized for the lawyer to carry out the representation. Even when the disclosure is not impliedly authorized paragraph (b)(1)(iv) permits such disclosure because of the importance of a lawyer's compliance with the Rules of Professional Conduct.

Disclosure Adverse to Client

[8] The confidentiality rule is subject to limited exceptions. In becoming privy to information about a client, a lawyer may foresee that the client intends serious harm to another person. The public is better protected if full and open communication by the client is encouraged than if it is inhibited.

[9] Several situations must be distinguished. First, the lawyer may not knowingly assist a client in conduct that is criminal or fraudulent. See Rule 1.2(d). Similarly, a lawyer has a duty under Rule 3.3(a)(4) not to use false evidence.

[10] Second, the lawyer may have been innocently involved in past conduct by the client that was
criminal or fraudulent. In such a situation the lawyer has not violated Rule 1.2(d), because to "knowingly assist" criminal or fraudulent conduct requires knowing that the conduct is of that character.

[11] Third, the lawyer may learn that a client intends prospective conduct that is criminal and likely to result in death or substantial bodily harm. As stated in paragraph (b)(1), the lawyer has professional discretion to reveal information in order to prevent such consequences. The lawyer may make a disclosure in order to prevent death or serious bodily injury which the lawyer reasonably believes will occur. It is very difficult for a lawyer to "know" when such a heinous purpose will actually be carried out, for the client may have a change of mind.

[12] The lawyer's exercise of discretion requires consideration of such factors as the nature of the lawyer's relationship with the client and with those who might be injured by the client, the lawyer's own involvement in the transaction and factors that may extenuate the conduct in question. Where practical, the lawyer should seek to persuade the client to take suitable action. In any case, a disclosure adverse to the client's interest should be no greater than the lawyer reasonably believes necessary to the purpose. A lawyer's decision not to take preventive action permitted by paragraph (b)(1) does not violate this Rule.

Withdrawal

[13] If the lawyer's services will be used by the client in materially furthering a course of criminal or fraudulent conduct, the lawyer must withdraw, as stated in Rule 1.16(a)(1).

[14] After withdrawal the lawyer is required to refrain from making disclosure of the client's confidences, except as otherwise provided in Rule 1.6. Neither this rule nor Rule 1.8(b) nor Rule 1.16(d) prevents the lawyer from giving notice of the fact of withdrawal, and the lawyer may also withdraw or disaffirm any opinion, document, affirmation, or the like.

[15] Where the client is an organization, the lawyer may be in doubt whether contemplated conduct will actually be carried out by the organization. Where necessary to guide conduct in
connection with this Rule, the lawyer may make inquiry within the organization as indicated in Rule 1.13(b).

Dispute Concerning a Lawyer's Conduct

[16] Where a legal claim or disciplinary charge alleges complicity of the lawyer in a client's conduct or other misconduct of the lawyer involving representation of the client, the lawyer may respond to the extent the lawyer reasonably believes necessary to establish a defense. The same is true with respect to a claim involving the conduct or representation of a former client. The lawyer's right to respond arises when an assertion of such complicity has been made. Paragraph (b)(1)(iii) does not require the lawyer to await the commencement of an action or proceeding that charges such complicity, so that the defense may be established by responding directly to a third party who has made such an assertion. The right to defend, of course, applies where a proceeding has been commenced. Where practicable and not prejudicial to the lawyer's ability to establish the defense, the lawyer should advise the client of the third party's assertion and request that the client respond appropriately. In any event, disclosure should be no greater than the lawyer reasonably believes is necessary to vindicate innocence, the disclosure should be made in a manner which limits access to the information to the tribunal or other persons having a need to know it, and appropriate protective orders or other arrangements should be sought by the lawyer to the fullest extent practicable.

[17] If the lawyer is charged with wrongdoing in which the client's conduct is implicated, the rule of confidentiality should not prevent the lawyer from defending against the charge. Such a charge can arise in a civil, criminal or professional disciplinary proceeding, and can be based on a wrong allegedly committed by the lawyer against the client, or on a wrong alleged by a third person; for example, a person claiming to have been defrauded by the lawyer and client acting together. A lawyer entitled to a fee is permitted by paragraph (b)(1)(iii) to prove the services rendered in an action to collect it. This aspect of the rule expresses the principle that the beneficiary of a fiduciary relationship may not exploit it to the detriment of the fiduciary. As stated above, the lawyer must make every effort practicable to avoid unnecessary disclosure of information relating to a representation, to limit disclosure to those having the need to know it, and to obtain protective
orders or make other arrangements minimizing the risk of disclosure.

Detection of Conflicts of Interest

[18] Paragraph (b)(1)(v) recognizes that lawyers in different firms may need to disclose limited information to each other to detect and resolve conflicts of interest, such as when a lawyer is considering an association with another firm, two or more firms are considering a merger, or a lawyer is considering the purchase of a law practice. See Rule 1.17, Comment [7]. Under these circumstances, lawyers and law firms are permitted to disclose limited information, but only once substantive discussions regarding the new relationship have occurred. Any such disclosure should ordinarily include no more than the identity of the persons and entities involved in a matter, a brief summary of the general issues involved, and information about whether the matter has terminated. Even this limited information, however, should be disclosed only to the extent reasonably necessary to detect and resolve conflicts of interests that might arise from the possible new relationship. Moreover, the disclosure of any information is prohibited if it would compromise the attorney-client privilege or otherwise prejudice the client (e.g., the fact that a corporate client is seeking advice on a corporate takeover that has not been publicly announced; that a person has consulted a lawyer about the possibility of divorce before the person’s intentions are known to the person’s spouse; or that a person has consulted a lawyer about a criminal investigation that has not led to a public charge). Under those circumstances, paragraph (a) prohibits disclosure unless the client or former client gives informed consent. A lawyer’s fiduciary duty to the lawyer’s firm may also govern a lawyer’s conduct when exploring an association with another firm and is beyond the scope of these Rules.

[19] Any information disclosed pursuant to paragraph (b)(1)(v) may be used or further disclosed only to the extent necessary to detect and resolve conflicts of interest. Paragraph (b)(1)(v) does not restrict the use of information acquired by means independent of any disclosure pursuant to paragraph (b)(1)(v). Paragraph (b)(1)(v) also does not affect the disclosure of information within a law firm when the disclosure is otherwise authorized, see Comment [7], such as when a lawyer in a firm discloses information to another lawyer in the same firm to detect and resolve conflicts of interest that could arise in connection with undertaking a new representation.
Disclosures Otherwise Required or Authorized

[48-20] The attorney-client privilege is differently defined in various jurisdictions. If a lawyer is called as a witness to give testimony concerning a client, absent waiver by the client, paragraph (a) requires the lawyer to invoke the privilege when it is applicable. The lawyer must comply with the final orders of a court or other tribunal of competent jurisdiction requiring the lawyer to give information about the client.

[49-21] The Rules of Professional Conduct in various circumstances permit or require a lawyer to disclose information relating to the representation. See Rules 2.2, 2.3, 3.3 and 4.1. In addition to these provisions, a lawyer may be obligated or permitted by other provisions of law to give information about a client. Whether another provision of law supersedes Rule 1.6 is a matter of interpretation beyond the scope of these Rules, but a presumption should exist against such a supersession.

[22] Paragraph (b) permits disclosure only to the extent the lawyer reasonably believes the disclosure is necessary to accomplish one of the purposes specified. Where practicable, the lawyer should first seek to persuade the client to take suitable action to obviate the need for disclosure. In any case, a disclosure adverse to the client’s interest should be no greater than the lawyer reasonably believes necessary to accomplish the purpose. If the disclosure will be made in connection with a judicial proceeding, the disclosure should be made in a manner that limits access to the information to the tribunal or other persons having a need to know it and appropriate protective orders or other arrangements should be sought by the lawyer to the fullest extent practicable.

[23] Paragraph (b) permits but does not require the disclosure of information relating to a client’s representation to accomplish the purposes specified. In exercising the discretion conferred by this Rule, the lawyer may consider such factors as the nature of the lawyer’s relationship with the client and with those who might be injured by the client, the lawyer’s own involvement in the transaction and factors that may extenuate the conduct in question. A lawyer’s decision not to disclose as permitted by paragraph (b) does not violate this Rule. Disclosure may be required,
however, by other Rules. Some Rules require disclosure only if such disclosure would be permitted by paragraph (b). See Rules 1.2(d), 4.1(b), 8.1 and 8.3. Rule 3.3, on the other hand, requires disclosure in some circumstances regardless of whether such disclosure is permitted by this Rule. See Rule 3.3(c).

Acting Competently to Preserve Confidentiality

[24] A lawyer should make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information covered by this Rule. A lawyer should make reasonable efforts to safeguard information relating to the representation of a client against unauthorized access by third parties and against inadvertent or unauthorized disclosure by the lawyer or other persons who are participating in the representation of the client or who are subject to the lawyer’s supervision. See Rules 1.1, 5.1 and 5.3. Factors to be considered in determining the reasonableness of the lawyer’s efforts include, but are not limited to, the sensitivity of the information, the likelihood of disclosure if additional safeguards are not employed, the cost of employing additional safeguards, the difficulty of implementing the safeguards, and the extent to which the safeguards adversely affect the lawyer’s ability to represent clients (e.g., by making a device or important piece of software excessively difficult to use). Whether a lawyer may be required to take additional steps to safeguard a client’s information in order to comply with other law, such as state and federal laws that govern data privacy or that impose notification requirements upon the loss of, or unauthorized access to, electronic information, is beyond the scope of these Rules. For a lawyer’s duties when sharing information with nonlawyers outside the lawyer’s own firm, see Rule 5.3, Comments [3]-[4].

[25] When transmitting a communication that includes information relating to the representation of a client, the lawyer should take reasonable precautions to prevent the information from coming into the hands of unintended recipients. This duty, however, does not require that the lawyer use special security measures if the method of communication affords a reasonable expectation of privacy. Special circumstances, however, may warrant special precautions. Factors to be considered in determining the reasonableness of the lawyer’s expectation of confidentiality include the sensitivity of the information and the extent to which the privacy of the communication is protected by law or by a confidentiality agreement. Whether a lawyer may be required to take
additional steps in order to comply with other law, such as state and federal laws that govern data privacy, is beyond the scope of these Rules.

Rule 4-228. Receiverships

(a) Definitions.

Absent Lawyer—An Attorney - a member of the State Bar of Georgia (or a Domestic or Foreign lawyer authorized to practice law in Georgia) who has disappeared, died, been disbarred, disciplined or suspended, incarcerated, become so impaired as to be unable to properly represent his or her clients, or who otherwise poses such a substantial threat of harm to his or her clients or the public that it is necessary for the Supreme Court of Georgia to appoint a Receiver.

(b) Appointment of Receiver.

Upon a final determination by the Supreme Court of Georgia, on a petition filed by the State Bar of Georgia, that a lawyer has become may petition the Supreme Court of Georgia to appoint a receiver to take charge of an absent lawyer, and that no partner, associate, attorney’s client files when necessary to protect the interests of clients and the public. The respondent, his or her partners, associates or legal representatives, or the State Bar of Georgia may file a Motion for Reconsideration of the Court’s order granting or denying the petition. Any such petition, motion or other appropriate representative is available to notify his clients of this fact, the pleading filed with the Court shall be served as set forth in Bar Rule 4-203.1.
(2) The Supreme Court of Georgia may enter an order that appointing a member or members of the State Bar of Georgia as Receiver to take charge of the Absent Attorney's client files and records.

(3) If the Office of the General Counsel is not able to locate a member who is willing to be appointed as Receiver, the State Bar of Georgia may petition the Supreme Court of Georgia to appoint a lawyer from the Office of the General Counsel as Receiver to take charge of the Absent Attorney's files and records.

(4) The Receiver shall take custody of client legal files, records and property. The Receiver shall not be responsible for or take custody of the Absent Attorney's personal or business property unless necessary to return client files and property. If the Receiver determines that the Absent Attorney's personal or business property is commingled with client files, records and property, the Receiver shall make every effort to return such files to the Absent Attorney or his or her estate. Personal files that cannot be returned after reasonable efforts by the Receiver may be destroyed as set forth in subsection (g) below. Personal property that cannot be returned after reasonable efforts by the receiver to take charge of the absent lawyer's files and records. Such receiver may be appropriately disposed of.

(5) The Receiver shall review the files, and diligently attempt to notify the absent lawyer's Absent Attorney's clients and take such reasonable steps as seem indicated to protect the interests of the clients and the public. A motion for reconsideration may be taken from the issuance or denial of such protective order by the respondent, his partners, associates, or legal representatives or by the State Bar of Georgia, and the public. The Receiver shall not be required to act as legal counsel for a client in any matter.
2. If the receiver should encounter, or anticipate, situations not covered by the original Order of appointment, including but not limited to, those concerning issues regarding proper procedure and scope of authority, the receiver may petition the Supreme Court of Georgia for such further order or orders as may be necessary or appropriate to address the situation or issue so encountered or anticipated.

3. (7) The receiver shall be entitled to release to each client the papers, money, or other files, records and property to which the appropriate client is entitled. Before releasing the property, the receiver may require a receipt from the client for the files and property.

(c) Applicability of Lawyer-Client Rules:

1. (1) Confidentiality: The receiver shall not be permitted to disclose any information contained in the files and records in his care without the consent of the client, or the client's, guardian, administrator, executor or lawful representative to whom such file or record relates, except as clearly necessary to carry out the order of the Supreme Court of Georgia or, upon application, by order of the Supreme Court of Georgia.

2. Lawyer-Client Relationship: Privilege: The receiver relationship standing alone does not create a lawyer-client relationship between the receiver and the clients of the absent lawyer. However, the lawyer-client privilege Rule 1.6 [Confidentiality] shall apply to communications by or between the receiver and the clients of the absent lawyer to the same
extent as it would have applied to communications by or to the absent lawyer Absent Attorney.

(d) Trust Account:

1. (1) If after appointment the receiver Receiver should determine that the absent lawyer Absent Attorney maintained one or more trust accounts and that there are no provisions extant that would allow the clients, or other appropriate entities, to receive from the accounts the funds to which they are entitled, the receiver Receiver may petition the Supreme Court of Georgia or its designee for an order extending the scope of the receivership Receivership to include the management of the said trust account or accounts. In the event if the scope of the receivership Receivership is extended to include the management of the trust account or accounts, the receiver Receiver shall file quarterly with the Supreme Court of Georgia or its designee a report showing the activity in and status of said accounts.

2. (2) Service on a bank or financial institution of a copy of the order extending the scope of the receivership Receivership to include management of the trust account or accounts shall operate as a modification of any agreement of deposit among such bank or financial institution, the absent lawyer Absent Attorney and any other party to the account so as to make the receiver Receiver a necessary signatory on any trust account maintained by the absent lawyer Absent Attorney with such bank or financial institution. The Supreme Court of Georgia or its designee, on application by the receiver Receiver, may order that the receiver Receiver shall be sole signatory on any such account to the extent necessary for the purposes of these Rules and may direct the disposition and distribution of client and other funds.
3. (3) In determining ownership of funds in the trust accounts, including by subrogation or indemnification, the receiver should act as a reasonably prudent lawyer maintaining a client trust account. The receiver may (i) rely on a certification of ownership issued by an auditor employed by the receiver; or (ii) interplead any funds of questionable ownership into the appropriate Superior Court; or (iii) proceed under the terms of the Disposition of Unclaimed Property Act (O.C.G.A. § 44-12-190 et seq.). If the absent lawyer's trust account does not contain sufficient funds to meet known client balances, the receiver may disburse funds on a pro rata basis.

(e) Payment of Expenses of Receiver:

4. (1) The receiver shall be entitled to reimbursement for actual and reasonable costs incurred by the receiver for expenses, including, but not limited to, (i) the actual and reasonable costs associated with the employment of accountants, auditors, and bookkeepers as necessary to determine the source and ownership of funds held in the absent lawyer's trust account, and (ii) reasonable costs of secretarial, postage, bond premiums, and moving and storage expenses associated with carrying out the receiver's duties. Application for allowance of costs and expenses shall be made by affidavit to the Supreme Court of Georgia, or its designee, who may determine the amount of the reimbursement. The application shall be accompanied by an accounting in a form and substance acceptable to the Supreme Court of Georgia or its designee. The amount of reimbursement as determined by the Supreme Court of Georgia or its designee shall be paid to the receiver by the State Bar of Georgia. The State Bar of Georgia may seek from a court of competent jurisdiction a judgment against the absent
Absent Attorney or his or her estate in an amount equal to the amount paid by the State Bar of Georgia to the Receiver. The amount of reimbursement as determined by the Supreme Court of Georgia or its designee shall be considered as prima facie evidence of the fairness of the amount, and the burden of proof shall shift to the Absent Attorney or his or her estate to prove otherwise.

2. The provision of paragraph (e)-(1) above shall apply to all Receivers serving on the effective date of this Rule and thereafter.

(f) Receiver-Client Relationship.

With full disclosure and the informed consent, as defined in Bar Rule 1.0 (th), of any client of the Absent Attorney, the Receiver may, but need not, choose to accept employment to complete any legal matter. Any written consent by the client shall include an acknowledgment that the client is not obligated to use the Receiver.

(g) Unclaimed and Abandoned Files.

(1) If upon completion of the Receivership there are files belonging to the clients of the Absent Attorney that have not been claimed, the Receiver shall deliver them to the State Bar of Georgia as custodian of the unclaimed client files.

(2) The State Bar of Georgia as custodian or Receiver shall store the files, hold all unclaimed client files until such files have been closed for at least six years, after which time the State Bar of Georgia may exercise its discretion in maintaining or destroying the unclaimed files.
2. (3) If the receiver determines that an unclaimed file contains a Last Will and Testament, the receiver may, but shall not be required to do so, file said Last Will and Testament in the office of the Probate Court in such county as to the receiver may seem appropriate.

(4) In emergency situations and when necessary to protect the confidentiality of client information or to otherwise protect client interests, the State Bar of Georgia may take custody of client files that have been abandoned by an absent attorney without petitioning the Supreme Court of Georgia for a receivership. If after examination of the files it appears that a receivership is necessary, the State Bar of Georgia may petition the Supreme Court of Georgia for appointment of a receiver. The State Bar of Georgia may maintain or destroy abandoned files as set forth in (g)(2)(ii) of this Rule.

(h) Professional Liability Insurance. Only lawyers who maintain

(h) In order to serve as a Receiver an attorney must either maintain an Errors & Omissions insurance policy which includes coverage for conduct as a Receiver, or be eligible for coverage under an errors and omissions insurance policy maintained by the State Bar of Georgia.

(i) Requirement of Bond.

(i) The Supreme Court of Georgia or its designee may require the Receiver to post a surety bond conditioned upon the faithful performance of his or her duties and in an amount satisfactory to the Supreme Court of Georgia or its designee. The State Bar of Georgia shall reimburse the Receiver for the cost of such bond, subject to reimbursement as set forth in paragraph (e) supra.
(j) Immunity:

(1) The Supreme Court of Georgia recognizes the actions of the State Bar of Georgia and the appointed receiver to be within the Court's regulatory function, and being regulatory in nature, the State Bar of Georgia and the receiver are entitled to that immunity customarily afforded to court-appointed receivers.

(2) The immunity granted in paragraph (j) (1) above shall not apply if the receiver is employed by a client of the absent lawyer to continue the representation.

b. Service. Service under this Rule may be perfected under Rule 4-203.1.