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Types of Disasters

Emergencies happen. IT IS NOT A MATTER OF IF, BUT WHEN. This Emergency Preparedness Packet will help you implement your own "Peace of Mind Plan" for your law firm to protect you, your family, your clients and your staff in the event "the bus" hits you or your office.

Strategically there are three main scenarios to keep in mind each of which can be turned into your strategic advantage:

1. THE BUS HITS YOU: By implementing the kinds of policies & procedures you should be building each month, you are actually creating a business that has value and cash-flow-ability without you being there all the time. Beyond the obvious insulation against bad things happening to you, this also gives you a big strategic advantage as those very same risk-management policies & procedures can also be used to liberate you from parts of your daily operations and allow you more time and emotional capacity to focus on your unique brilliance. There are two parts to this scenario:

- a. SUBSTANTIVE LEGAL COVERAGE:** What lawyer is going to cover for you if you are out? And what are they going to "do for you and your clients" when they cover for you? This is called "the buddy system" and you want to have an agreement in place with another lawyer in advance along with a checklist so they know what to do to help you and your clients if an emergency arises. In the beginning this is likely someone outside your firm. This can be developed in a reciprocal arrangement so they too have peace of mind. As you grow your firm, this can sometimes be a key associate or as you implement having a Managing Partner/ Senior Attorney to run the Legal Department this person can take lead.
- b. ADMINISTRATIVE COVERAGE:** If you are not able to go into the office and even worse if your second in command is not available... who knows what to do? Who is supposed to take charge to review the calendar and ensure that someone on the team is calling clients to reschedule? Who is supposed to review the deadlines list and ensuring that the legal team (Or coverage attorney if necessary) is handling the upcoming deadlines? You need to have a designated individual onboard and ready to jump in a give your firm just a little TLC and run through the checklists to ensure that things keep running smoothly.



Simplified Disaster Preparedness

2. THE BUS HITS YOUR OFFICE: Every month there is a law firm that's becoming uninhabitable due to fire, smoke, water or some other reason which prevents the lawyer(s) and staff from being able to work there. By implementing the kinds of policies & procedures we work on each month you are protecting yourself and your ability to protect your clients and cashflow in the event the bus hits just your office. No-one wakes up thinking today's going to be the day my office burns down. By planning-ahead you can not only protect yourself from the downside but you can actually turn your plan into your strategic advantage in which you can create raving fans with your team and your vendors and your clients by being able to get your team back up and running. This means having a **DISASTER RECOVERY PLAN** so backup plans can run smoothly.

3. THE BUS HITS ALL THE OFFICES IN YOUR LOCAL MARKET. Every time there's a hurricane in Miami a few smart lawyers get very, very rich. But not the way you may imagine. They get rich because they beat their competitors by opening up for business again in a matter of days after the storm passes rather than a matter of weeks or with some storms, months. The lawyers who implemented "The Buddy System" and a good "Disaster Recovery Plan" beat their competitors in returning to business as usual and in the process picked-up millions of dollars of new business from neglected clients.

Simple Natural Disaster Recovery Checklist for When the Office Becomes Damaged

- Secure the premises. If access is to be restricted for a long period, make arrangements for removal of essential documents and equipment. Contact the other Party to the “Local Short-term Space Sharing Agreement” to make arrangements.
- Hire appropriate experts to recover files that have become wet, moldy, or exposed to smoke or the outdoors.
- Notify clients via email that you are still in business and how to remain in touch with you. Suggest that they get in touch with you so you can reassure them of your continuing ability to serve them.
- Verify access to electronic files in the cloud.
- Run a report of 90-day statutes of limitations and be sure to file something to preserve your clients’ rights.
- Run a report of other deadlines and file for continuances or extensions.
- Contact property insurance carrier (via local broker).
- Contact malpractice insurance carrier.
- Verify that phones still work or order replacements for overnight delivery.
- Verify outside mail facility is still operational, and make arrangements for alternative delivery address (Mailboxes Etc., UPS Store, etc.).
- Verify bank will continue to make electronic deposits to staff and consider getting some petty cash to help everyone out.
- Contact *How to Manage* via email _____ or phone [emergency contact #].



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Emergency Contact List

Substantive Coverage Attorney (case type) _____

Substantive Coverage Attorney (case type)) _____

Substantive Coverage Attorney (case type)) _____

Staff 1) _____

Staff 2) _____

Staff 3) _____

Personal Estate Planning Attorney _____

Accountant _____

Bookkeeper _____

Banker _____

Life Insurance _____

Health Insurance _____

Disability Insurance _____

Property & Casualty Insurance _____

Malpractice Insurance _____

Technology Resources

Name _____

Name _____

Name _____



Simplified Disaster Preparedness

Simplified Disaster Preparedness Plan

1. General Instructions:

- a. Talk with _____ about the possibility of selling the practice to a young lawyer or _____. In this market, I am uncertain how to value what my practice is worth. It would cost \$_____K to equip it the way I have it, and the practice produces \$_____K a year in revenue. Talk with _____ at How to Manage a Small Law Firm before you make an offer to sell.
- b. Be aware that _____ indicates that when I am gone in any fashion, she will be done as well.
- c. You will have to monitor my email or have clerks of court update system to a new email, as orders will be electronically sent to _____ email address. You know the password.

2. Accounts Receivable:

- a. File claims with public defender's office for interim claims.
- b. Send out bills after taking \$\$ out of trust account. Carol W. should be able to help.
- c. Keep 25% of any money collected for taxes, it could get ugly in a hurry if when it gets trigger it all at once.

3. Client Files:

- a. Hold until payment is made, Release to client with receipt They can get a copy of everything, make a log of who gets what.
- b. Scan all the files and put on cds/flash drives for retention at _____'s office.

4. Malpractice and Other Insurance

- a. Malpractice Insurance: _____. Talk with _____. Be sure to discuss Tail coverage insurance requirements
- b. Cancel other coverage business Insurance, and
- c. Cancel car insurance once it is transferred.

5. The Carols (Note from RJon: There are two employees named Carol in this firm)

- a. Each one of them needs to be on the payroll for at least 2-3 months to get everything cleared out of here.
- b. They know what is upcoming, who is a pain in the ass and who can be dealt with.
- c. They will help with quarterly IRS filings and all that junk.
- d. Have Carol cancel services and re occurring bills as they need to be (Westlaw, Bankruptcy update and DrakeTax software update, carbonite.com, Gazette, theatre advertising, County Fair Advertising, xxx.com, website)

6. Law Practice Management Software: Run end of months and End of years. Print off hard copies so you have them for audit purposes. Con-tact the company for an archive of the set of books and store it.



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7. Equipment:

- a. Take home what you want from my office. (The desk and table in my office are personal possessions as are the lamp and the map.)
- b. Any data should be destroyed off the computers
- c. Car's in business name, sell or transfer and take insurance off.

8. Building: Owned by _____ JTWROS. Cancel lease only after all wind down operations are complete

9. Old files

Allow client to pick up as first option.

Files less than 7 years old need to be maintained at Ethan's office.

Anything over 7 years old needs to be shredded with the exception of abstracts, real estate contracts which should be mailed back out to the client with return receipt, signed receipt or personally signed for.

Personal stuff

I own 50% of Xxxxxxxx LLC. It is worth _____, no more no less.

I own 50% of Xxxx Farms, LLC use appraiser to determine value. Buy sell is done.

I own 50% of Xxxxxx Ave Farms, LLC. Use appraiser to determine value.

I own 16% of Xxxx, LLC. It has a buy out provision in the operating agreement.

Orange folder on table marked current tax year is for receipts and deduction items.

Farm Records are under _____ folder _____ excel " Farm stuff"

Anybody who claims I owe them money is a liar and cheat, don't pay 'em, you know how I operated things.

Investment records are in the brown folder behind my chair.

Life Insurance:

Bank: _____

Andy G: _____

Knights of Col. _____

Bar Association: _____



Simplified Disaster Preparedness

Short-Term Reciprocal Administrative Coverage Agreement

WHEREAS, a law firm is a business that benefits from being thoughtfully managed, and

WHEREAS, each Party to this agreement is either a solo practitioner or single shareholder of his or her small laws firm with limited administrative support to count on in times of emergency, and

WHEREAS, the Parties to this agreement want to enjoy the peace of mind and financial stability knowing that in the event of a short term unexpected disability, their respective law firms would not fall apart due to lack of administrative attention, The Parties enter into the following mutual agreement:

1. This is a short-term administrative coverage agreement defined as no more than [] days.
2. If either Party becomes disabled (illness, accident, natural disaster, etc.), the other Party agrees to step in and help administer the business of the disabled Party's law firm.
3. Depending on who is disabled, this agreement will refer to you as the "Disabled Party" or the "Hero."
4. Both Parties to this agreement shall prepare letters of introduction with limited power of attorney to assist the Hero in carrying out the duties contemplated herein:
5. Bookkeeper shall be instructed to provide read-only access to the firm's operating account, IOLTA, bank account(s), vendor account information, and any other financial records reasonably required to administer the business of the law firm.
6. Information technology professionals and service providers (especially E-mail accounts) shall be instructed to provide access to incoming and archived E-mail communications and firm databases. (Note: many E-mail service providers will not give access without court order, best to simply also provide login and passwords for E-mail accounts.)
7. Accountant shall be instructed to provide full cooperation.
8. Landlord shall be instructed and authorized to provide access to the property and receive payment from Hero.
9. Bank manager shall be instructed to provide full cooperation and honor checks signed by Hero on firm operating account.
10. Upon being notified of a disabling event, Hero agrees to meet with Disabled Party's staff, professional service providers, and/or vendors to:
 - Review accounts receivable and accounts payable;
 - Review IOLTA trust records, especially individual client ledger cards;
 - Review the budget, cash on hand, and short-term cash flow projections;
11. Upon being notified of a disabling event, Hero agrees to meet with Disabled

Party's staff to review the firm calendar and statutes of limitations for the next 90 days and arrange for substantive legal coverage to protect clients, cash flow, and any statutes of limitations.

12. Upon being notified of a disabling event and apprising him/herself as to the status of current operations, resources, staff capabilities and obligations of the firm, Hero agrees to:
- Administer the business of Disabled Party's law firm to ensure the business can meet its financial obligations, including making sure Disabled Party's family doesn't starve during the disability;
 - Notify all courts, opposing counsel, and only those clients who are likely to be affected during Disabled Party's disability as to the role of Hero during Disabled Party's anticipated disability;
 - Notify Disabled Party's malpractice insurance carrier of Disabled Party's disability and the role of Hero during Disabled Party's disability;
 - Arrange for qualified legal counsel to provide legal services per the firm's written client agreements.
 - If applicable, Hero shall be authorized and instructed to petition the state supreme court to appoint Hero as the temporary inventory attorney or trustee.
 - Hero shall use best professional judgment to manage and maintain Disabled Party's staff including calming everyone down and letting them know they aren't fired or in danger of losing their jobs.

Party 1
Name:
Date:

Party 2
Name:
Date:



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Short-Term Reciprocal Substantive Coverage Agreement

WHEREAS, the Parties to this agreement are the Owners of law firms who want to protect their clients, their reputations, and enjoy the peace of mind and financial stability of knowing that in the event of a short-term unexpected disability or impairment, their respective law firms would not fail due to lack of substantive client service, the Parties enter into the following agreement:

1. This is a short-term substantive coverage agreement defined as no more than [] days.
2. If either Party becomes disabled (illness, accident, natural disaster, etc.), the other Party agrees to step in and help service certain clients of the disabled Party’s law firm whose cases or matters are an appropriate fit for the Coverage Attorney’s skill-set and experience.
3. Depending on who is disabled, this agreement will refer to the “Disabled Party” or the “Coverage Provider.”
4. If Disabled Party becomes disabled it is expected that the Coverage Provider will be contacted by, the Short Term Administrative Management Coverage Attorney (the “Administrative Provider”) who has agreed to step-in and keep Disabled Party’s business running if Disabled Party becomes disabled or unable to administer his/her business.
5. The Administrative Provider should advise the Coverage Provider about any calendar, statute of limitations, and client matters likely to be affected by Disabled Party’s disability.
6. The Coverage Provider’s practice area(s) include, and as such agrees to cover all cases or matters that Administrative Provider advises the Coverage Provider are in this category.
7. Coverage Provider agrees that he/she will, unless otherwise instructed by the Administrative Provider, conduct all meetings with Disabled Party’s clients in Disabled Party’s law office.
8. Coverage Provider agrees that Disabled Party’s clients will pay Disabled Party’s firm and Disabled Party’s firm will reimburse Coverage Provider for all reasonable out of pocket expenses.
9. Coverage Provider agrees that any fees earned or collected while performing under this agreement belong to Disabled Party’s law firm and that Coverage Provider agrees to perform this work for Disabled Party at the reduced rate of \$_____ per hour (note: this should roughly represent the Coverage Provider’s actual cost.)
10. Disabled Party agrees to hold Coverage Provider harmless for any claims of malpractice for legal services performed for Disabled Party’s clients under this agreement.

Party 1
Name:
Date:

Party 2
Name:
Date:

Local Short-Term Space Sharing Agreement

WHEREAS the _____ Law Firm and the _____ Law Firm are both subject to unexpected casualty (fire, flood, burst pipes, etc.), which could render either office unusable for some period of time (a “triggering event”) and

WHEREAS the Owners of both law firms believe it is in the best interests of their respective clients, staff, cash flow, and general peace of mind to make provision for the continuation of their firms’ services in spite of a triggering event,

NOW THEREFORE, we enter into this Reciprocal Local Short-Term Space Sharing Agreement (“Agreement”) with the following terms and conditions:

1. This is a short-term space sharing agreement defined as ____ days.
2. Upon written notice or emergency phone call by either party whose office becomes unusable (“Guest”), the other party whose office remains usable (“Host”) shall provide space for the Guest and a reasonable number of support staff in the Host’s then-current office space. The Host shall not be expected to make physical alteration(s) to the then-current office space.
3. The Host may provide space in a conference room, doubling up offices, a card table in the corner, etc. *<The point being to enable the Guest to return to business as close to usual as possible, under the circumstances.>*
4. Expenses: The Host shall not charge rent for the use of the space until the 90th day upon which the Guest shall bear 100% of all office expenses including rent, supplies, etc. *<The point here is to do your buddy a favor to help him/her get back on their feet not to have them crash on your couch for the rest of their life.>*
5. The Guest shall be entitled to:
 - Plug in one or more IP phones at the Host’s office;
 - Access the Host’s internet connection but not the Host’s private local area network;
 - Store a reasonable number of paper files and office equipment at the Host’s facility; but only after being sure they are free of mold, smoke residue, etc.
6. Affected party and staff shall comport themselves in an appropriate manner consistent with Host’s internal office policies (dress code, office decorum, etc.).
7. Affected party shall provide written documentation/disclaimers signed by the clients and prospective clients visiting the Guest at the Host’s office to make clear that the emergency space sharing agreement does not create an attorney-client privilege between the Guest’s clients/prospective clients and the Host.
8. The Guest shall at all times keep physical and electronic files and confidential client information separate and apart from Host’s files.

- Affected party shall refrain from and instruct staff to refrain from discussing confidential client information with the Host and/or Host's staff (sometimes referred to as a "Chinese Wall").

Party 1
Name:
Date:

Party 2
Name:
Date:



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SAMPLE LETTER TO CLIENTS

[Letterhead]

[Date]

[Client Name]

[Client Address]

In Re: [Subject Attorney Name]; Circuit Court Case No. _____

Bar File No. _____

Dear [Client Name]:

I regret to inform you that [Name] has been [run over by a cat driving a station wagon]. Fortunately, [Name] took the precaution of protecting you by entering into an agreement with me to step in and honor his/her firm's obligations to you, his/her valued client.

At this time, I have been formally appointed by the circuit court as the Inventory Attorney. This means I am authorized to either close your account and return your file to you, refer you to other counsel, or you may do nothing, and remain a client with an active case at this firm. Please be advised that when you make the choice to remain a client of this firm, that your legal interests will be vigorously protected with the same care, attention, confidentiality and respect that you came to expect from [Name].

Should you choose to make other arrangements, and want to pick up your file in person, please call the office to schedule an appointment and we have your file ready for you. If you prefer to receive your file by mail, please use the enclosed form.

If you have any questions, out of respect for your relationship with [Name], I will be happy to schedule an appointment with you, either by telephone or in person to discuss your concerns, and help you make a decision as to your best next steps.

Very truly yours,

[Inventory Attorney Name]

Inventory Attorney



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SAMPLE Order Appointing Inventory Atty

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

In Re:

THE FLORIDA BAR,

Petitioner,

Circuit Court Case No. _____

Florida Bar File No. _____

[SUBJECT ATTORNEY NAME],

A [disbarred, deceased, suspended, etc.] attorney.

_____ /

ORDER APPOINTING INVENTORY ATTORNEY

THIS CAUSE came on to be heard upon the Petition of (The Florida Bar OR the inventory attorney) for appointment of an inventory attorney pursuant to Rule 1-3.8, Rules Regulating The Florida Bar, and the Court being otherwise fully advised in the premises and finding that:

[Subject Attorney Name] (OPTION 1: NOT SO IF DISBARRED) is a member of The Florida Bar and that he/she has been (disbarred/suspended/etc) by order of the Supreme Court of Florida,

[Subject Attorney Name] (OPTION 2) has abandoned (his/her) practice

[Subject Attorney Name] (OPTION 3) has disappeared or died and that no executor, partner, or responsible party capable of conducting (his/her) law practice affairs is known to exist; and that Subject Attorney Name] has in[his/her] actual or constructive possession files of clients or former clients and has not returned those files to such clients; and that in order to protect the rights of all concerned including Subject Attorney Name] and (his/her) clients and former clients, it is

ORDERED AND ADJUDGED:

1. [Inventory Attorney Name/Address/Phone], is hereby appointed as inventory attorney for [Subject Attorney Name] with full powers and duties pursuant to Rule 1-3.8, Rules Regulating The Florida Bar to carry out the function as inventory attorney.
2. The inventory attorney is directed to proceed as soon as possible to inventory the files of [Subject Attorney Name] and to take such action as he/she seems indicated to protect the interests of the clients of [Subject Attorney Name] as well as the interest of [Inventory Attorney Name].



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3. [Inventory Attorney Name] is specifically authorized to accept employment as attorney in connection with the activities of cases found in the files inventoried as long as each client is given a free choice for the further employment of counsel.
4. [Inventory Attorney Name] shall not be obligated to accept employment as attorney in connection with any or all the active cases found in the files inventoried but he/she, at his/her option, may refuse to handle such files.
5. The inventory attorney shall furnish a progress report to this Court with copies to The Florida Bar, c/o[Bar Attorney Name], Bar Counsel, [Branch Name/Address] within 30 days of this order, and shall thereafter furnish periodic progress reports as this court may direct until completion of the duties as inventory attorney and approval of a final report by this Court.
6. The clerk of this Court shall issue, upon application of [Inventory Attorney Name], such writs as may be necessary to carry out this order.
7. The inventory attorney, [Inventory Attorney Name], shall have specific authority to have access to any and all bank accounts of [Subject Attorney Name], whether such bank account is individual, escrow, trust, estate or in any representative capacity.

DONE AND ORDERED in Chambers at _____, _____ County, Florida, this _____ day of _____, _____.



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Sample Letter To Family

When I Die as of September 2017
Closing Down _____ Law PC

Passwords: On the yellow sheet in the desk drawer. Carol O has the other ones.

Personal Estate Attorney: NAME

NAME LAW PC ATTORNEY Nate _____-

cover all the handling of files to other attorneys listed below. If he can see the end on some files, let him keep them and finish out (i.e. almost completed estates, Pls. Etc etc) inside of the NAME Law PC name.

1. Current Files

State Public Defender: Tell the county attorneys, they should have the court appoint successor counsel, file a motion to withdraw. Cut contract with State Public defenders. Tell Clerks of court.

Federal CJA: Contact Federal Public Defenders Office in Des Moines, they will have new counsel appointed. (Should have no cases with them)

Private Clients

Refer them to

NAME,

Criminals,

David E.

Business and Farmers and LLCS

Ethan E.

Business and Farmers and LLCS

Estate Planning and Taxes

David B.

Bankruptcy

A letter will need to be sent out to the client and tell them who we are referring them to with the option to go where they like.