

KENTUCKY BAR ASSOCIATION
Ethics Opinion KBA E-274
Issued: July 1983

This opinion was decided under the Code of Professional Responsibility, which was in effect from 1971 to 1990. Lawyers should consult the current version of the Rules of Professional Conduct and Comments, SCR 3.130 (available at <http://www.kybar.org>), before relying on this opinion.

Question: May a member of a law partnership be a Professional Service Corporation?

Answer: Yes.

References: KRS 274; DR 2-102; *In re R.M.J.*, 102 S.Ct. 929 (1982); 50 L.W. 4185.

OPINION

The above request for an ethics opinion involves the following factual scenario. Sally Doe and Jane Smith have been practicing law in a law firm consisting of ten (10) members. The name of the firm is Doe and Smith. Jane Smith now desires to become a Professional Service Corporation in accordance with KRS 274. Sally Doe, as well as the other members of the firm, does not wish to become a personal service corporation.

There is no doubt that a law firm may be a Professional Service Corporation. Therefore, there is nothing legally or ethically wrong with the law firm of Doe and Smith being a Professional Service Corporation.

We assume, without deciding, that one member of a law firm may legally be a Professional Service Corporation, and the law firm not be a Professional Service Corporation.

In those situation where the law firm does not list individual members of the firm, but merely list Doe and Smith on the letter-head, there should follow below these words a statement indicating that the partnership includes one or more professional corporations. It is this Committee's feeling that the words "A partnership including Professional Service Corporation(s)" would suffice.

In those instances where members of the firm are specifically listed, individual members' names must have P.S.C. listed after their name. (KRS 274.077(1).)

Likewise, any other public representations, such as business cards, advertising, etc., must clearly state the designation P.S.C. so that there is no question of misleading the public.

In doing so it is the Ethic Committee opinion that the lawyers will be complying with DR 2-102 and In re R.M.J., 102 S.Ct. 929 (1982); 50 L.W. 4185.

Note to Reader

This ethics opinion has been formally adopted by the Board of Governors of the Kentucky Bar Association under the provisions of Kentucky Supreme Court Rule 3.530 (or its predecessor rule). The Rule provides that formal opinions are advisory only.