



**Law Society
of Ireland**

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Lifecycle of a solicitor



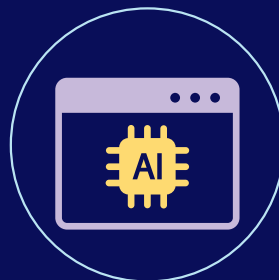
Financial Regulation



Anti Money Laundering



**Personal Indemnity Insurance
and Practising Certificates**



Artificial Intelligence



Future Regulation

Contents

1. Lifecycle of a solicitor	5
• Opening and closing a practice	6
• Opening a practice	7
• Closing a practice	14
• Closing a practice FAQ	34
• Succession planning	36
• Client expectations management checklist	37
• Onboarding new clients and file closing procedures	41
• Terms and conditions and Section 150 notice	49
• Terms and conditions of business precedent	50
• File transfer between solicitors checklist	60
• Solicitor undertakings checklist	64
• Accountable Trust Receipts	67
• LSRA complaints handling	72
• Ten steps for Planning for an Emergency	75
• Eight principles: ethical use of AI in legal practice	80
2. Financial Regulation	87
• Section 150	89
• Guidance on handling client moneys	97
• How to prepare for an inspection	106
3. Anti-money Laundering	109
• AML guidance	111
• Business Risk Assessment	120
• Client Risk Assessment	122
4. Personal Indemnity Insurance and Practising Certificates	125
• Preparing for PII renewal	127
• PII: risk management guidance	130
• PC renewal	141
5. Artificial Intelligence	147
• AI governance toolkit	149
• Tool 5.1: quarterly AI Regulatory Horizon briefing	171
6. Future Regulation	181
• The future of regulation	183
• Contributors	185

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.



1. Lifecycle of a solicitor

PRACTICE ESSENTIALS

YOUR GUIDE TO
REGULATION



PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



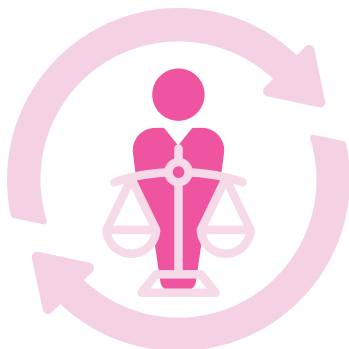
Opening and closing a practice

Section 1: Opening a practice

Section 2: Closing a practice

Section 3: Closing a practice FAQ

Section 4: Succession planning



Section 1: Opening a practice

Information for solicitors on setting up in practice

This guide provides solicitors with information on how to set up a practice, including details on what you need to do, what you must submit beforehand, compliance requirements under the Solicitor Account Regulations and other responsibilities.

1. INTRODUCTION

This guide provides solicitors with outline information about setting up a legal practice. It does not constitute legal advice and compliance with all regulatory obligations remains with the solicitor.

For further guidance, please consult:

- **Setting up your practice** - www.lawsociety.ie/setting-up-your-practice
- **Law Society Precedents** - www.lawsociety.ie/precedents
- **Regulation Answers** - www.lawsociety.ie/regulation-answers
- **Solicitor's Guide to Professional Conduct (4th Edition)** - www.lawsociety.ie/globalassets/documents/committees/conduct-guide.pdf

Information on buying a legal practice and buying into a partnership is not covered in this guide but can be found under the Buy Sell Merge section of the Law Society website:

- **Buy Sell Merge** - www.lawsociety.ie/succession-and-exit-planning/buy-sell-merge/
- **Buying a legal practice** - www.lawsociety.ie/link/b0492daa776545d9a1554700ca448a94.aspx
- **Buying into a partnership** - www.lawsociety.ie/link/458bd24ce8dc4b7b944dfdb8d3d2ab25.aspx

Quick Overview

When commencing a practice as a sole practitioner, the Law Society requires the following:

- **Practising Certificate** – You are required to hold a current practising certificate from the Law Society
- **PII Confirmation of Cover Form** - You are required to obtain professional indemnity insurance (PII) cover from a participating insurer and have the attached Confirmation of Cover Form completed and returned

- **Commencement in Practice Form** - You are required to notify the Law Society of the commencement of the practice by completing and returning the Law Society's Commencement in Practice Form
- **Headed paper** – You need to forward a copy of your headed notepaper to the Law Society which should be in accordance with the Solicitors (Practice, Conduct and Discipline) Regulations (S.I. 178 of 1996)

When selecting a date to submit your accountant's report, regulation 26 (1) of the Solicitors Accounts Regulations 2023 (S.I. 118 of 2023) requires the report to be provided to the Law Society no later than five months after your accounting date (i.e. the last day of the practice's accounting period, year-end).

If you have any queries, you can contact:

Ms Tingyu Gong, Practice Regulation Executive, Regulation Department

Law Society of Ireland, George's Court, George's Lane, Dublin 7

DX 1025 Four Courts

Tel: (01) 879 8749 | Email: t.gong@lawsociety.ie or firms@lawsociety.ie

2. BEFORE COMMENCING

If you are going to set up in practice, you are required to inform the Law Society using the Commencement in Practice form. This form should be submitted to the Law Society's Regulation Department. Once you provide the necessary information, you can commence in practice. You are not required to get approval in advance from the Law Society in order to commence.

Professional Indemnity Insurance

1. All solicitors in private practice must have the professional indemnity insurance cover of €1.5 million for each and every claim.
2. If you have been insured as a partner or an employee in another firm and commence practice on your own during a year for which your former firm had insured you, this does not cover you in your new firm.
3. It should be noted that the period of cover should run to the 30 November each year as provided for in the Regulations. Therefore, your cover should run from your firm commencement date to the 30 November.
4. You must notify your insurer if you become aware of "circumstances arising" which may give rise to a claim. This is an important condition of most PII cover.
5. You must report even if your client is not aware of the mistake that you have made and you have an opportunity to rectify the matter and do so.

Practising Certificates

You must have a practising certificate (PC) in order to provide legal services. The consequences of practising without a practising certificate are;

- The validity of any act done on behalf of a client by a solicitor who does not have a valid PC in force at the time of the act may be questioned
- A solicitor cannot raise a bill of costs for work done during a period when they do not hold a practising certificate

Practising Certificate Rules

You should have a practising certificate before you commence practice. The Law Society may act against a solicitor practising without a practising certificate including referring the solicitor to the Legal Services Regulatory Authority. Please note:

- Application forms for obtaining a practising certificate must be completed annually online through the Law Society's website here: www.lawsociety.ie/Portal/Pages/practising/pc-application
- Membership subscriptions, contributions to the Solicitors' Benevolent Association, Irish Rule of Law International, Community Law Centres and FLAC are optional
- There is a concessional membership subscription rate of €20 if you are in your first year of admission to the Roll
- The practising certificate fee must be paid before 1 February every year in order to qualify to practice from 1 January of that year
- In April, the listing of solicitors holding practising certificates on 31 March is forwarded to County Registrars, Secretaries of Bar Associations and other groups within the Courts Service
- The practising certificate fee may be apportioned pro-rata by reference to the month in which you commence in practice. However, the annual levy payable to the Legal Services Regulatory Authority is not subject to any pro-rata reduction and must be paid in full with each practising certificate
- A funding scheme for easy payment of your practising certificate fees and PII premium is made available each year

3. OTHER RESPONSIBILITIES

Solicitors Accounts Regulations

- The reporting accountant is the solicitor's own accountant. The accountant must be a member in practice and hold a practising certificate from an Institute of Chartered Accountants in Ireland or the UK
- A reporting accountant must maintain a minimum level of professional indemnity insurance as set by the Law Society. This insurance must cover claims and losses arising from the accountant's professional services, including services provided in the role as a reporting accountant
- The name of your reporting accountant must be noted on the Commencement in Practice form referred to earlier. It is essential that your reporting accountant is familiar with the requirements of the Solicitors Accounts Regulations

Accountant's Report

- Your reporting accountant must prepare and sign an annual accountant's report for submission to the Law Society
- It is your responsibility to ensure that the accountant's report is delivered to the Law Society by the due date, which is five months after your financial year-end. This responsibility remains with the solicitor and cannot be delegated to the reporting accountant
- Instruct your reporting accountant adequate time to allow sufficient time to complete the work and submit the report by the deadline

If you fail to submit your accountant's report or are late in doing so, this can have serious consequences. The solicitor may be referred to the Legal Practitioners Disciplinary Tribunal.

Professional Names & Professional Notepaper

Professional Names

- A solicitor, or firm of solicitors, usually practises under the name, or one of the names, of the solicitors or one or more of the present or former principals of the firm. If you wish to use some other name you will need approval in writing from the Law Society. Application for such approval should be made in writing to the Regulation of Practice Committee
- The nameplate of a practice may only include:
 - ✓ The name of the practice
 - ✓ The names of the solicitors
 - ✓ Their professional qualifications
 - ✓ The date the practice was established (if relevant)

Professional Notepaper

- The name of the principal or the names of all the partners should be listed even if these are included in the name of the firm
- If the names of assistant solicitors are shown on the notepaper, a differentiation should be made between their names and the names of the principals or partners
- All solicitors who are listed on the notepaper, including consultants, must hold a practising certificate. If non-solicitors are listed, their status must be unambiguously stated

Advertising

- You are entitled to advertise your services subject to compliance with the Legal Services Regulation Act 2015 (Advertising) Regulations 2019 (S.I. No. 644 of 2019)
- These regulations permit advertising but impose restrictions on the content of advertisements, particularly advertisements which relate to personal injury claims
- The advertising of legal services is now a matter within the remit of the Legal Services Regulatory Authority and not the Law Society of Ireland

Appendix 1

COMMENCEMENT IN PRACTICE FORM

1. Practice Details

Please state the exact date of commencement in practice:

Name of solicitor: _____

Practice name: _____

Practice address: _____

Telephone no: _____

Mobile no: _____

Email address: _____

Partners in practice: _____

Assistants in practice: _____

Previous practice address (if applicable): _____

Date of departure: _____

Status in previous practice:

☐ Sole Practitioner

☐ Partner

☐ Assistant

☐ Consultant

2. Practising Certificate Details:

Do you hold a current practising certificate? Yes ☐ No ☐

If no, please login to the Law Society's website to complete the application form.

3. Professional Indemnity Insurance Details

Name of Insurer: _____

I enclose a copy of confirmation from my insurer/broker: Yes ☐ No ☐

[Please tick ☒ if appropriate]

4. Solicitors Accounts Regulations

Please state the financial year adopted by you: _____

Reporting accountant's name: _____

Reporting accountant's practice name: _____

Reporting accountant's address: _____

Reporting accountant's telephone no: _____

Reporting accountant's professional qualification _____

Is your proposed accountant engaged in public practice? Yes ☐ No ☐

Has he/she previously reported to the Law Society on a solicitors practice? Yes ☐ No ☐

If not, please enclose details of:

(a) Accountant's professional qualifications

(b) Copy of accountant's professional indemnity insurance cover

(c) Copy of accountant's current practising certificate

5. Nominated Solicitor

You are required to nominate a solicitor with a current practising certificate with whom the Law Society can liaise in respect of your practice in the event of your untimely death or any other reason that might prevent you from continuing in practice:

Name and address of nominated solicitor: _____

Please note that in the event that you change the nominated solicitor, you are required to notify the Law Society accordingly.

The Law Society recommends that all solicitors nominate a solicitor as one of their executors in their wills.

6. Other

I enclose a sample of my professional notepaper: Yes ☐ No ☐

[Please tick ☒ if appropriate]

Please state any queries which you would like the Law Society to deal with relating to your practice:

I confirm that the above details are correct and that I am familiar with the requirements of the Solicitors Accounts Regulations.

SIGNED: _____

*SIGNED: _____

*SIGNED: _____

DATE: _____

*(In the case of a partnership, only one form should be submitted with each partner having signed the form)

PLEASE RETURN YOUR COMPLETED FORM TO:

Ms Tingyu Gong, Practice Regulation Executive, Regulation Department
Law Society of Ireland, George's Court, George's Lane, Dublin 7
DX 1025 Four Courts
Tel: (01) 879 8749 | Email: t.gong@lawsociety.ie or firms@lawsociety.ie

Appendix 2

THE LAW SOCIETY OF IRELAND CONFIRMATION OF MINIMUM LEVEL OF COVER

Name of Firm: _____

Address of Firm: _____

Coverage Period: _____

Policy Number: _____

Name of Underwriter(s) or Lloyd's syndicate(s) (in the case of Lloyd's syndicates the number(s) of the syndicate(s) providing the cover should be noted, together with the percentage of cover provided by each syndicate):

[Name of Insurer] _____

We confirm that for the coverage period specified above cover in accordance with the Minimum Terms and Conditions (as defined by Solicitors Professional Indemnity Insurance Regulations 2020 (S.I. 429 of 2020) as amended by the Solicitors Professional Indemnity (Amendment) Regulations 2022 (S.I. 585 of 2022)) is in place and that the cover provided is in compliance with the requirements of the Regulations in respect of the conduct of business by the above named Firm.

Signed by: _____

For and on behalf of: _____

*Please note that the confirmation of cover should either be printed on your professional notepaper or contain your company stamp.

THIS FORM SHOULD ONLY BE COMPLETED BY A PARTICIPATING INSURER OR THE BROKER WHO HAS ARRANGED THE COVER

To access an editable version of the commencement in practice form go to:
www.lawsociety.ie/globalassets/documents/pc_membership/cip_form.pdf

Section 2: Closing a practice

This guidance is aimed at solicitors retiring or ceasing to practice as sole practitioners, and for solicitors who are intending to purchase practices from them.

INTRODUCTION

If you are a sole practitioner ceasing to practice or retiring from practice, this resource will guide you through the regulatory requirements of the Law Society and detail the assistance available to you. The topics covered include:

1. Cessation Requirements
2. Wind Up of a Practice
3. Sale of a Practice
4. Death of a Principal in Practice
5. Accounts Regulations
6. Undertakings
7. Staff of the Practice
8. Law Society of Ireland
9. Contact us

1. CESSATION REQUIREMENTS

Where a firm is ceasing, the main cessation requirements are as follows:

- a) Submission of notice of Cessation of Practice to the Law Society
- b) Provision of a home or correspondence address, contact number and personal email address
- c) Distribution and storage of client files
- d) Closing reporting accountant's report
- e) Professional indemnity insurance – run-off cover (including notification of closure to the Special Purpose Fund Manager) or succeeding practice.

Notice of Cessation of Practice

A solicitor should provide notice of Cessation of Practice to the Law Society in advance of the date of cessation.

The cessation notification should include:

- a) the date of cessation of the firm
- b) reasons for cessation
- c) type of cessation (wind-down closure, take over, merger, change of principals)
- d) information regarding the intended practising status of the principal's post-cessation (retirement, transfer to another firm as a principal or assistant solicitor or consultant, in-house solicitor)
- e) the identity of firms to whom client files have been transferred and written confirmation from each firm that the files have been received
- f) the identity of the practising solicitor with access to closed, stored files and written confirmation from that solicitor of same
- g) home or correspondence address, contact number and personal email address for each principal
- h) confirmation of run-off cover from the Run-off Fund, or confirmation that a succeeding practice exists (including written confirmation from the succeeding practice)

2. WIND-UP OF PRACTICE

When a solicitor decides to cease practising, they must plan for the future of their practice. If the practice is not being sold, it must be wound up. Solicitors should prepare a wind-down plan in advance so that the practice can be closed in a voluntary, organised, efficient and compliant manner.

Before You Begin

Firms should plan for the costs involved with the wind down of the firm and consider the following:

- Decide whether the practice will be sold, transferred, or wound up
- Develop a wind-down plan and timeline
- Budget for the costs associated with closing the practice
- Ensure adequate resources are available to manage the closure process
- Maintain professional indemnity insurance (PII) and a current practising certificate for as long as legal work remains ongoing

Notify the Law Society

The first step for a solicitor when ceasing practice is to notify the Law Society. A solicitor should consider these following steps:

Initial Notification

Notify the Law Society in writing of your intention to cease practice and include the following information:

- Inform the Law Society whether the practice is being sold or wound up by emailing firms@lawsociety.ie
- Provide a permanent contact address for future correspondence

Ongoing Updates

It is important that the Law Society is in a position to answer queries from clients in relation to the whereabouts of their files that the Law Society after a solicitor has ceased practising or has retired from practice.

To ensure this, solicitors ceasing practice should complete the following steps:

- Keep the Law Society informed of progress regarding the closure and distribution of live and closed files
- Provide written confirmation that all live files have been forwarded to new solicitors nominated by the clients and provide the contact details of these solicitors
- Provide written confirmation that closed files have been returned to clients where appropriate or held in storage (not at home or in a private residence), and the details of where the files are being stored
- Provide written confirmation that closed files in storage are accessible by a nominated practising solicitor upon request by the client or the Law Society for access to the file. You must provide the contact details of the nominated practising solicitor, and written confirmation from the practising solicitor that they are willing to act in that capacity
- Provide written confirmation for client files (either live or closed) transferred to a colleague that the colleague understands that decisions relating to those files will be for him/her to make

Change of Practice Details

If you are continuing to practise in a different capacity, you must:

- Notify the Registrar of Solicitors of any change of business address within 14 days, as required under Section 81 of the Solicitors Act 1954
- Solicitors can notify the Registrar of Solicitors by emailing firms@lawsociety.ie

Manage Existing Client Work

A solicitor who is ceasing practising or retiring should plan ahead to manage existing client work. The voluntary wind down should be done over a period of time, and the solicitor should consider the following steps:

Live Files

- Stop accepting new instructions wherever possible
- Continue working only on existing matters until they are concluded, where appropriate
- Review all active files and determine whether they can be completed prior to retirement or closure
- Identify files that may need to be transferred to another solicitor until there are no files remaining

Completion of Work

- Be realistic about the time required to complete outstanding matters
- Consider whether certain matters (e.g. Land Registry registrations) may continue for months or years
- Ensure professional indemnity insurance remains in place while any legal work, including the provision of legal services or advice, is being carried out

Notifying Clients

When a solicitor practice ceases, clients of that practice should be notified promptly. It is then a matter for each client to decide to instruct a new solicitor and confirm in writing who this solicitor is. To ensure the proper management of client files when closing a practice, follow these steps:

Client Communication

- Inform all clients promptly that the practice is closing or ceasing practice
- Explain the arrangements for the future management of their files and request clients to nominate a new solicitor where necessary

Client Authorisation

- Obtain written authority from clients before transferring files, documents, or funds to another solicitor
- Ensure clients understand they may choose their own solicitor

Client Ownership of Files

- Remember that client files belong to the client, subject to:
 - Payment of outstanding fees
 - Discharge of outstanding undertakings

Transferring Live Files

- Transfer files only with the client's written authority
- Confirm receipt of transferred files by the receiving firm
- Notify the Law Society of where live files have been transferred and notify the Law Society immediately if the nominated solicitor with access to stored files changes. A practising solicitor must have access to the stored closed files of the firm at all times
- You can notify the Law Society by emailing firms@lawsociety.ie

Record Retention

- Solicitors should ensure that the practising solicitor, who has access to the open and closed files of the ceasing solicitor's former practice, retains those files for the appropriate statutory periods
- Solicitors should be aware that retention periods of some files may range from six years to indefinitely, depending on the file type
- Solicitors should factor long-term storage costs into closure planning
- Review the practice note on the retention and destruction of files which can be downloaded at: www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/data-retention-and-destruction-of-paper-and-electronic-files/
- If you are transferring files to another firm, refer to the practice note Transferring Files between Solicitors which can be downloaded at: www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/Transferring-Files-Between-Solicitors
- Solicitors can review practice notes at: www.lawsociety.ie/practicenotes

Wills and Deeds

When it comes to managing wills and deeds, like any other file, a solicitor ceasing practice must return these files to the client or transfer the files to another nominated solicitor as instructed by the client.

Solicitors should consider the following actions relating to wills and deeds:

- Provide written confirmation that all wills have been transferred to another firm of solicitors or returned to clients
- Notify clients of any arrangements regarding wills
- Notify their local bar association of the decision to cease practising and inform them of the arrangements being made in respect of wills

Remember:

- If work is being done on any files, the solicitor must have professional indemnity insurance for the firm and hold a current practising certificate
- Do not under-estimate the time that it may take to wind up the practice

Costs and Client Monies

Client Accounts

When ceasing practice, a solicitor should finalise their books. To do this, they must:

- Reconcile all client accounts in line with the Solicitors Accounts Regulations
- Ensure all client monies are properly accounted for
- Confirm arrangements regarding client funds when files are transferred
- Notify the Law Society of the position regarding client monies and where files are transferred
- Solicitors can notify the Law Society by emailing firms@lawsociety.ie

Costs of Completing Files

- Solicitors should consider whether payment may be required to another solicitor to complete ongoing work
- Where clients have already paid fees, ensure appropriate arrangements are made to protect client interests. The retiring solicitor may have to pay the new solicitor to complete the file. In these circumstances, the clients would have the option of instructing a different solicitor at the expense of the solicitor ceasing practice

Confirm Closure Requirements to the Law Society

When the above list has been completed, solicitors should be able to provide written confirmation of the following to the Law Society:

- All live files have been transferred to solicitors nominated by clients
- Closed files have been returned to clients or placed in secure storage
- The storage location of closed files (which cannot be a home or private address)
- The identity of the practising solicitor with access to stored files
- Confirmation from that solicitor that they are willing to act in that role
- Any transfer of client files to another solicitor
- The transfer or return of all wills
- The status of client monies

The Law Society cannot wind up a practice for you

The Law Society cannot deal with the wind-down of your firm on your behalf and client files cannot be sent to the Law Society to distribute. Remember:

- Do not send client files or client monies to the Law Society for distribution
- Ensure all file transfers and closure arrangements are managed directly by the practice
- Be aware that failure to properly close a practice may be regarded as abandonment of practice and serious misconduct

Distressed Closures

- The Law Society only intervenes in exceptional circumstances following a High Court order, normally where a solicitor has been struck off
- Be aware that the costs associated with such intervention may be recovered from the principal or their estate

Note: The average minimum cost of the closure of a small practice by the Law Society is €100,000. In cases where a High Court order has been made for the Law Society to take files and client moneys, the Law Society cannot carry out any legal work on the files and can only carry out a file distribution exercise.

Costs

Firms should budget for costs which may arise in the voluntary or involuntary closure of a firm which may include, but are not limited to the following:

- Accountant's fees
- A destruction exercise for closed files where the statutory period for retention has expired
- Salaries for staff to complete the work on the closure of the practice
- Redundancies
- Costs of other firms who may need to be paid to carry out certain work which the ceasing firm may be responsible for the costs of, including dealing with outstanding undertakings

Complete the Final Check List Before Closure

- ☐ No new work is being accepted
- ☐ All clients have been notified
- ☐ All live files have been completed or transferred
- ☐ All client monies have been accounted for
- ☐ All Wills have been transferred or returned
- ☐ Closed files are securely stored and accessible
- ☐ The Law Society has received all required notifications and confirmations
- ☐ Appropriate insurance and practising certificate arrangements remained in place until closure was complete
- ☐ All closure-related costs have been addressed

3. SALE OF PRACTICE

Notification to the Law Society

The following information must be provided to the Law Society as part of the notice of cessation of practice:

- The date on which the firm is being sold/transferred
- Clarification on whether all files (including closed files) are being sold or transferred to one firm, the identity of the firm, and written confirmation from the firm that they will take the files
- If the files are being distributed between various firms, details relating to the distribution of files should be provided
- Confirmation that all client moneys are being transferred as part of the sale/transfer
- If the new firm is a succeeding practice, written confirmation must be provided from the new firm and their broker stating that they are covered by their PII as a succeeding practice
- If the new firm is not a succeeding practice, confirmation must be provided from the Run-off Fund that the closing firm will be provided with run-off cover from the fund.

Changing firm structure

If a firm is changing structure, the solicitor will need to notify the Law Society.

- Complete both a cessation and commencement of practice where changing:
 - From a sole practitioner to a partnership
 - From a partnership to a sole practitioner
 - From one sole practitioner to another sole practitioner
- Complete these requirements even if:
 - The solicitors involved remain the same, and/or
 - The practice name does not change

A firm can notify the Law Society by emailing Tingyu Gong, Practice Regulation Executive, at t.gong@lawsociety.ie or firms@lawsociety.ie.

Moving to Full-Time Service of the State Checklist

A solicitor is regarded as practising in the full-time service of the State where they are required to devote their full working time to providing legal services for the State and are paid entirely from funds provided by the Oireachtas.

Sole practitioners who intend to leave private practice to take up a position in the full-time service of the State must formally cease their private practice before commencing their new role. The following steps must be taken:

- Formally cease private practice before taking up a position in the full-time service of the State

- Submit a Service of the State application form to the Law Society. Note that no fee is payable for this application
- Solicitors should note that:
 - A practising certificate is not issued to solicitors in the full-time service of the State, but this status is recorded on the Register of Practising Solicitors
 - Optional membership of the Law Society and the Solicitors Group Life Assurance Scheme remain available
- If you already hold a practising certificate and move into full-time State service during the practice year, consider applying for an ex-gratia refund of practising certificate fees for the remainder of the year
- Note that any refund is granted solely at the Law Society's discretion and is not automatic

Sale of practice

There are a variety of ways to value a legal practice:

- Agree a method for valuing the practice with the purchasing solicitor
- If only active files are being acquired, make arrangements with another solicitor for the storage and management of closed files

Work in Progress

Work in Progress (WIP) means the work which has already been carried out by the firm before the sale of the practice, but which has not yet been billed. WIP is one of the assets which the purchasing solicitor may arrange to pay the solicitor ceasing practice.

- Identify any WIP being completed before the sale but not yet billed
- Consider either of the following approaches:
 - Value WIP at the date of sale and include it as part of the purchase price; or
 - Agree that the purchaser will pay the selling solicitor a proportion of future fees collected that relates to the work completed before the sale. This can be done on a case-by-case basis. An amount equal to this value will be one of the elements of the total purchase price to be paid for the practice by the purchasing solicitor
- If using the second option, note that:
 - The purchasing solicitor may remain accountable to the selling solicitor for a number of years
 - This arrangement may assist purchasers who have difficulty raising capital to fund the purchase
- Alternatively, the purchaser will not be asked for any amount for WIP but will be required, when collecting bills for each case on which the selling solicitor did some work, to pay the selling solicitor the proportion of the bill attributable to the selling solicitor's work.

Matters for negotiation and agreement between the parties

Before proceeding with a purchase, solicitors can consult section 5 of Information for Solicitors on Purchasing a Legal Practice, which outlines in detail the traditional ways to value a legal practice. The full document is available on the Law Society's website at: www.lawsociety.ie/link/b0492daa776545d9a1554700ca448a94.aspx.

If a firm is sold, the solicitor should provide the Practice Regulation Section of the Law Society with the notice of cessation of practice as well as the following items:

- The closing accountant's report
- The employment status of solicitors for the firm (whether retiring or joining a new firm)
- The date of which the firm is sold
- Clarification on whether all files, including closed files, are being sold
- Confirmation that all client moneys are being transferred as part of the sale
- Whether the purchasing firm is a succeeding practice and if so, written confirmation from the purchasing firm to this effect

Buying and Selling a Practice

Buy Sell Merge

Buy Sell Merge is a free, online platform provided to members of the Law Society who are interested in acquiring a practice, selling or merging with another practice. Buy Sell Merge has many benefits:

- It is a confidential facility
- Solicitors considering buying, selling or merging a practice can discreetly make contact with colleagues with complimentary interests
- Buy Sell Merge facilitates solicitors to make those initial tentative steps, safe in the knowledge that their identity cannot be disclosed

Further information on how the facility can assist you is available on the Law Society website at www.lawsociety.ie/buysellmerge. Registration for this service is completed online.

Buying a Practice Checklist

- ☐ Conduct due diligence on practice
- ☐ Review files for compliance with AML regulations
- ☐ Review client risk assessments
- ☐ Review annual reporting accountants' reports for previous years
- ☐ Review the investigation reports from Law Society inspections, subsequent correspondence, and the outcome of the report

- ☐ Review the Register of Orders and ensure that all is in order
- ☐ Review any deeds or wills held by the firm
- ☐ Check if there are any extant and concluded complaints with the LSRA
- ☐ Review claims and notifications to the firm's PII, and check that all relevant claims and notifications are made in advance of the date of purchase
- ☐ Engage with the LSRA if there is any change in the LLP register

Section 31 Applications – Practice Manager

Section 61 of the Solicitors Act 1954, as substituted by Section 31 of the Solicitors (Amendment) Act 1994 provides:

“Where a solicitor who was a sole practitioner has died, his personal representative may appoint another solicitor to carry on his practice for such period and on such terms as the Law Society may think fit.”

4. DEATH OF A PRINCIPAL IN PRACTICE

When a sole practitioner has died in practice, the following guidance should be followed:

Immediate Actions

- Stop providing legal services until a Practice Manager is appointed under Section 31
- Submit a Section 31 application to the Law Society immediately following the death of the principal
- Ensure the nominated solicitor is approved by the Law Society before taking up the role
- Once approved, confirm the solicitor's appointment as Practice Manager

Submitting the Section 31 Application

- Send the application to firms@lawsociety.ie; or
- Write to the Practice Regulation Section, Regulation Department, Law Society of Ireland, George's Court, George's Lane, Dublin 7

Following Appointment

- Confirm the approved solicitor has been appointed as Practice Manager
- Maintain professional indemnity insurance throughout the wind-up period
- Arrange for the wind-up, sale, or transfer of the practice within six months. This provides time for the grant of probate to be dealt with and completion of the administration of the estate
- Note that the Practice Manager may sign cheques, deal with negotiable instruments, and handle client funds
- Ensure the Practice Manager's fees are paid by the deceased principal's estate

Advice for sole practitioners

- Consider agreeing in advance with a solicitor colleague who could act as Practice Manager in the event of death or incapacity
- Include details of the arrangement in your Will where possible
- Consider additional emergency planning measures, such as a management agreement, power of attorney, or enduring power of attorney

Further details on planning for emergencies in a sole practitioner firm, including agreements for management, power of attorney and enduring power of attorney, can be found on the Law Society's website: www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/emergency-succession-planning-in-a-sole-practitioners-or-principals-firm--second-edition

The Run-off Fund exists as part of the Special Purpose Fund. The Special Purpose Fund consists of two elements, the Assigned Risk Pool and the Run-off Fund and is managed by the Special Fund Manager who is appointed by the Law Society.

PROFESSIONAL INDEMNITY INSURANCE

About the Run-off fund

Since 1 December 2020, firms that cease practice with professional indemnity insurance (PII) in place, have no succeeding practice, and meet the required eligibility criteria, are automatically entitled to six years run-off cover through the Run-off Fund.

The Run-off Fund was established to support the orderly closure of firms, improve public protection, and make retirement and cessation of practice more manageable.

The Run-off Fund exists as part of the Special Purpose Fund, which consists of two elements, the Assigned Risks Pool and the Run-off Fund. The Special Purpose Fund is not run by the Law Society. It is managed by the Special Purpose Fund Manager who is appointed by the Law Society but acts as an agent for the participating insurers in the market.

The Special Purpose Fund Manager can be contacted at:

DWF Claims (Ireland) Ltd

8 Harcourt Street

Dublin 2

D02 AF58

Email: SPF@dwfclaims.com

Tell: +353 1 790 9400

Further information on the Run-off Fund, including Run-off Fund Guidelines, can be found from the SPF Manager directly or on the Law Society's website at: www.lawsociety.ie/professional-indemnity-insurance-pii/run-off-cover/

Run-off Fund and Professional Indemnity Insurance (PII)

A firm which intends to cease practice should consider the following actions:

Before Ceasing Practice

- Confirm that the firm has professional indemnity insurance (PII) in place on the date of cessation
- Notify the Special Purpose Fund (SPF) Manager in writing of the intention to cease practice at least 60 days before cessation (or 60 days before the expiry of PII cover, whichever is earlier). Failure to do so will result in the firm being added to the Run-off Fund as a non-compliant firm
- Consider ceasing practice before 30 November to avoid paying for a further year's PII cover
- The PII cover on the closed firm remains in place until the end of the indemnity period in which the firm ceased (30 November) and the firm then enters the Run-Off Fund if eligible

For more information, see: www.lawsociety.ie/professional-indemnity-insurance-pii/run-off-cover/

- An application to enter the Run-off Fund can also be withdrawn at any time by notifying the SPF Manager

Cessation of Practice

- Under Regulation 8(b) of the 2023 Solicitors Accounts Regulations a firm must cease practice on the notified date of cessation
- Do not provide legal services after the notified cessation date
- If the cessation date needs to change, notify the SPF Manager (SPF@dwfclaims.com) before the original cessation date

Entry to the Run-off Fund

- Confirm that there is no succeeding practice
- Ensure all Run-off Fund eligibility criteria are met
- Note that eligible firms are automatically provided with six years run-off cover through the Run-off Fund

Firms are advised, if possible, not to have a nominated closing date earlier than the date of cessation of their PII cover (normally 30 November) to give the maximum possible period for an orderly closure. Firms may close their doors and refuse any new business earlier than the date of cessation of their cover and take the extra time to thoroughly and properly wind-down their practice with PII in place.

Run-off Cover

Be aware that there are three levels of run-off cover, depending on the firm's compliance status:

- Compliant run-off firms will have cover in the Run-off Fund with the same minimum terms

and conditions as those which exist in the market

- Non-compliant run-off firms will have reduced cover in the Run-off Fund with the same minimum terms and conditions as those which exist in the market, with the exception that there will be no cover payment by insurers of such excesses for claims made by financial institutions
- ARP run-off firms will have cover in the Run-off Fund at the same level that exists in the ARP, with aggregate cover and no cover for claims by financial institutions

Succeeding practice

A succeeding practice means a practice that satisfies any one or more of the following conditions in relation to another practice (such other practice being a preceding practice for these purposes) as set out in the PII regulations in force as at the date of cessation of the firm:

- (i) The firm is held out as being a successor to the practice or part thereof of the preceding practice by whatever means such holding out occurs, or
- (ii) The firm is conducted by a partnership where half or more of the principals are identical to those persons who were principals of any partnership that conducted the preceding practice, or
- (iii) The firm it is conducted by a sole practitioner who was the sole practitioner conducting the preceding practice, or
- (iv) The firm is conducted by a sole practitioner who was one of the principals conducting the preceding practice, or
- (v) The firm is conducted by a partnership in which the sole practitioner conducting the preceding practice is a partner and where no other firm has been held out as a successor to the preceding practice, or
- (vi) The partnership which, or sole practitioner who, conducts the practice has assumed the liabilities of the preceding practice

Succeeding Practice Considerations

- Determine whether the purchasing or continuing firm could be regarded as a succeeding practice under the PII Regulations
- Consult your insurance broker and/or insurer before confirming successor status
- Notify the Law Society appropriately if a succeeding practice is established
- Note that once a succeeding practice exists, the closed firm can no longer remain in the Run-off Fund

How to avoid holding your firm out as a succeeding practice

Remember: A firm can notify the Law Society by emailing firms@lawsociety.ie

Important Points

- The closed firm in the Run-off Fund is only eligible for cover for so long as a succeeding practice does not exist. Once a succeeding practice is established, at any time, the closed firm must be removed from the Run-off Fund

- If former principals later establish or join a practice that meets the definition of a succeeding practice, the closed firm's Run-off Fund status may be affected
- Be aware that there is no time limit on the succeeding practice rule

Contact the SPF Manager or consult the Law Society's PII guidance for further information.

Information on professional indemnity insurance can be found on the Law Society's website at www.lawsociety.ie/PII or by contacting:

The Law Society's PII helpline

Email: piihelpline@lawsociety.ie | Tel (01) 879 8707

Phoenix firms

Under the PII regulations, a firm will not be permitted to practise if, at any point, it meets the definition of a succeeding practice for a closed firm in the Run-off Fund. Such firms are defined as phoenix firms.

The firm may resume practising if it provides the Law Society with written confirmation from its insurer that it is covered as a succeeding practice to the closed firm and provides written confirmation from the Special Purpose Fund Manager that there were no claims made against the closed firm in the Run-off Fund.

Infant cases

- Consider whether the practice has acted in matters involving infants
- Be aware that limitation periods in infant cases may not begin until the client reaches the age of majority, potentially extending exposure to future claims

Note: The law permits actions to be taken by an individual up to three years after a date when the individual should reasonably have discovered the loss. Where an infant case is concerned, the three-year period will only commence when the infant attains his/her majority.

5. ACCOUNTS REGULATIONS

A solicitor ceasing private practice is required to comply with their obligations under the Solicitors Accounts Regulations S.I. No 118 of 2023 to provide a closing accountant's report to the Law Society, including:

Closing Accountant's Report

- Submit a closing reporting accountant's report to the Law Society when ceasing private practice, in accordance with the Solicitors Accounts Regulations (S.I. No. 118 of 2023)
- Ensure the report covers the period from:
 - The date of the last annual reporting accountant's report; to
 - The date the practice ceased to hold, control, receive, or pay client monies

- File the report within two months of the cessation date
- Ensure all bank accounts show zero balances at the accounting date, as reflected in the bank statements
- Direct queries to the Financial Regulation Section at financialregulation@lawsociety.ie

Change of Structure – Additional Requirements

- Where the practice changes structure, the Law Society recommends closing existing bank accounts and opening new accounts
- If it is not practical to close the bank accounts and the bank accounts remain open, then the solicitor must provide the following information to the Law Society:
 - A letter from your reporting accountants stating that they are aware of the change of structure of the firm and confirming that the client account will not be closed
 - A letter from your bank stating they are aware of the change of structure of the firm

A copy of your latest bank mandate

Client Monies Checklist

Sale of Practice

- Transfer any remaining client account balances to the purchasing solicitor
- The purchasing solicitor should ensure the transferred amount matches the client account cash position
- Provide relevant client ledgers/ledger cards to the purchasing solicitor to identify ownership of client funds
- The purchasing solicitor will then be responsible for accounting to the clients and to the Law Society for the clients' monies

Clients' moneys on wind-up of practice

- In a wind-up situation all remaining balances must be distributed to the relevant clients
- Take all necessary and reasonable steps to locate clients, including advertising where appropriate

6. UNDERTAKINGS

Undertakings - personal liability

When a solicitor gives an undertaking he/she undertakes a personal liability for which the solicitor continues to be responsible, even if the practice is sold or wound up.

Enforcement of undertakings

If an undertaking constitutes a contract it can be enforced at law. Remember that:

- Contractual undertakings may be enforced through the courts

- Non-contractual undertakings may be enforced by the Law Society
- Recipients may make a formal complaint where an undertaking remains outstanding
- Failure to comply may constitute a professional conduct matter and result in personal financial loss
- The statute of limitations does not apply to enforcement of undertakings relating to professional conduct

Release of undertakings on the sale of a practice

- Record all undertakings in a register of undertakings
- Ask the purchasing solicitor to:
 - Contact each recipient
 - Substitute their own undertaking where appropriate
 - Seek a formal release of the retiring solicitor's undertaking
- Where substitution is not appropriate, ensure the purchasing solicitor:
 - Notifies the recipient of the practice purchase
 - Takes all reasonable steps to place the recipient in a position as close as possible to that which would have existed had the undertaking been fulfilled

Please see the attached practice note on taking over undertakings from closed practices published by the Guidance & Ethics Committee. It can be downloaded from www.lawsociety.ie/Solicitors/Practising/Practice-Notes/Taking-Over-Undertakings-From-Closed-Practices1/#.WrDQe2rFKM8.

Release of undertakings on the wind-up of a practice

In a wind-up situation the retiring solicitor should ensure that the solicitor newly nominated by the client follows the same procedure as above.

For further information, please consider: www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/Taking-Over-Undertakings-From-Closed-Practices1/

7. STAFF OF THE PRACTICE

When a business is closed or transferred to a new legal entity the law protects the rights of employees in those circumstances.

Protective legislation

When a practice is sold, the retiring solicitor and the purchasing solicitor should note the following:

- Consider whether the transaction constitutes a transfer under the European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003 (TUPE)

- Be aware that employees have legal protections when a practice is closed or transferred
- Note that, in a relevant transfer, employee rights and obligations under existing employment contracts generally transfer to the new owner

Redundancies – if staff redundancies are necessary, consider the following:

- Identify whether redundancies arise due to the sale or wind-up of the practice
- Ensure eligible employees receive any statutory redundancy entitlements
- Where the retiring solicitor is insolvent, employees may be entitled to claim certain unpaid employment entitlements under the Insolvency Payments Scheme administered by the Department of Employment and Social Protection

Trainee solicitors

- Notify the Law Society if the solicitor ceasing practice is a training solicitor
- Where possible, assist trainee solicitors in transferring to a new training solicitor
- For support solicitors can email traineesection@lawsociety.ie

8. LAW SOCIETY OF IRELAND

Membership of the Law Society

When a solicitor ceases to practice they may continue to be a member of the Law Society.

The Law Society provides a wide range of support services for its members. Members receive the Law Society's publications including the Gazette, Law Directory and general practice updates.

Some of the contents include:

- Financial schemes and relevant contacts within the Law Society
- Available services in the department of Solicitor Services
- An outline of the education and training within the Law Society
- Information and Guidance for the profession
- Information on available professional and personal support
- An outline of facilities within the Law Society

Members can also attend seminars and conferences and can vote in annual elections for the Council of the Law Society and attend the Annual General Meeting.

For further information please log onto the members' area of the Law Society website www.lawsociety.ie or contact the Law Society's Solicitor Services team: Tel (01) 672 4800 or email solicitorservices@lawsociety.ie

Law Society website – members’ area

The members’ area of the Law Society website provides solicitors with access to professional information and resources. Access is restricted to Law Society members using their solicitor number and surname, and any login issues can be directed to webmaster@lawsociety.ie.

The members’ area lists the services and functions of the Law Society and details the various individuals within the Law Society responsible for them.

All practice notes published in the Gazette since 1986 have been reproduced on the site and members can search for individual notes by committee, date or title.

Members can download a range of precedent documents in Word or PDF format. The Latest News section includes fee checklists, tax bands, allowances, legal updates, committee news, and updates from other jurisdictions.

Law Society Retirement Trust Scheme

The Law Society Retirement Trust Scheme is available to self-employed members under the age of 75 and those in non-pensionable employment. It offers an accessible retirement savings option, with further information available on the Law Society website (available at www.lawsociety.ie/succession-and-exit-planning/retirement-trust-scheme/) and from justASK@mercer.com.

The Solicitors Retirement Fund Committee regularly monitors the scheme and it operates within a robust governance structure.

9. CONTACT US

Information and supports for closing a practice can be found below:

Practice Regulation

- Tingyu Gong, Practice Regulation Executive: Email: T.Gong@LawSociety.ie / firms@lawsociety.ie
- Tel (01) 879 8700
- www.lawsociety.ie/succession-and-exit-planning

Regulation Answers (regulatory practice support):

- Opening Hours: Monday to Friday, from 9:00 AM to 4:00 PM
- Email: regulationanswers@lawsociety.ie
- Tel (01) 879 8788

Financial Regulation

- Email: financialregulation@lawsociety.ie

Law Society's Professional Indemnity Insurance helpline

- Email: piihelpline@lawsociety.ie
 - Tel (01) 879 8707
- www.lawsociety.ie/PII

Solicitor Services

- solicitorservices@lawsociety.ie
- Tel (01) 672 4800

Law Society Webmaster

- webmaster@lawsociety.ie

Section 3: Closing a practice FAQ

Frequency Asked Questions - Closing Reporting Accountants reports

1. I have informed the Law Society that I am ceasing in practice, what are my obligations regarding a closing reporting accountant's report?

A closing reporting accountant's report is required to be submitted to the Law Society covering the period from the date of your last annual reporting accountant's report to the date on which the practice ceased to hold, control, receive or pay client monies (i.e. - the date at which the balances on the client bank account, as per the bank statements, went to zero). This report should be submitted within three months of the date of cessation of the practice.

Your reporting accountant must also submit confirmation that the client bank account/s are closed.

2. What format should the closing reporting accountant's report take?

The closing reporting accountants report should be in the exact same format as the annual report (and include interim balancing figures if it covers a period greater than six months). The only difference is that the closing report should have zero balances as per the bank statements at the accounting date. Please note that a report which shows client monies still held in the client bank account will not be accepted by the Law Society as a closing report.

3. It is not possible for me to close my client account within the prescribed three-month period, what do I do?

You can keep your client account open pending resolution of outstanding matters e.g. matters before the taxing master. You should write to the Law Society explaining why the client account has not been closed, the timeframe within which you expect that all matters to be resolved and confirm that you will submit a closing report as soon as practicable. You must continue to submit annual reports until a zero-balance closing report is submitted.

4. I have changed from a sole practitioner to a partnership or a partnership to a sole practitioner and have been told that I need to file a zero-balance closing report. The bank accounts were never closed so this is not possible, what do I do?

The Law Society recommends that when there is a change in the structure of a practice the old bank accounts are closed and new bank accounts are opened for the new practice. However, if this was not possible your reporting accountant should submit a closing report with balances as normal within three months and submit the following documents with the report:

1. A Letter from the Firm's bankers confirming that they are aware of the change in structure of the firm
2. A copy of the new Bank Mandate
3. A letter from the Reporting Accountant along with their Closing Reporting Accountant's report that confirms that they are aware of the change in structure of the firm

Please note that the report will not be accepted as a closing report unless the above documentation is submitted.

5. Can I get an extension of the three-month deadline for submitting my closing reporting accountant's report?

Please contact the Law Society and each case will be looked at individually. Please email RAR@lawsociety.ie

6. My closing reporting accountant's report is due three months after my annual reporting accountant's report, can I submit one report covering a 15-month period?

No, an annual report and a separate closing report must be submitted.

7. Does the closing reporting accountant's report have to be dated the same as the date of cessation of the practice?

No, the closing report should be dated the date on which the balances in the client account go to zero as per the bank statements; this does not have to be the date of cessation of the practice.

8. What happens if I fail to submit my closing reporting accountant's report before the deadline?

You will receive an arrears letter from the Law Society informing you that you are late in filing your closing reporting accountant's report. If your report is still outstanding, you will receive a further letter from the Law Society calling you up to attend before a Law Society Regulation of Practice Committee meeting. If your report is received before the meeting, there is no need to attend before the committee.

Please note that if you are in difficulty meeting the three-month deadline you should contact the Law Society outlining the difficulty.

9. I have balances that have been there for years, and I can't trace the clients. Can I pay the monies to charity/to the Solicitors Benevolent Fund?

Under current legislation there is no provision to allow a solicitor to pay client money to anyone other than the beneficial owner without the written consent of the beneficial owner.

10. Please email any queries to RAR@lawsociety.ie

Section 4: Succession Planning

Introduction

This guide provides a practical overview of succession planning for solicitor firms, including the key regulatory considerations when opening or closing a practice. It is intended as a starting point to help solicitors identify the main steps, obligations and risks that can arise during a firm's lifecycle, and to support early planning for an orderly transition.

Please note, the information in this guide does not cover every circumstance. Solicitors should consult the Law Society's detailed guidance, checklists and resources available from the Succession Hub [www.lawsociety.ie/succession-and-exit-planning/] on the Law Society's website, which provides more comprehensive information on succession planning, firm closure, retirement, practice transfers and related regulatory requirements.

Resources

Succession Hub

The Succession Planning Hub is a dedicated online resource designed to help solicitors plan for retirement, succession, emergencies, firm closures, mergers, acquisitions, and changes in firm structure. It brings together practical guidance, regulatory information, checklists, case studies, articles and links to relevant Law Society services to support firms in managing transitions in an orderly and compliant manner. Solicitors are encouraged to consult the Hub when planning any significant changes to their practice. [www.lawsociety.ie/succession-and-exit-planning/]

Regulation Answers

Regulation Answers is the Law Society's regulatory support service for solicitors. It combines a dedicated online resource centre with a free helpline that provides information and guidance on general regulatory compliance issues arising in practice. The service is designed to help solicitors understand and meet their professional and regulatory obligations.

The service includes a free Regulation Answers helpline (01 879 8788) and email support at regulationanswers@lawsociety.ie. The guidance provided is intended to assist with general regulatory compliance queries but does not constitute legal advice, provide second opinions, or address specific factual situations.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Client Expectations Management Checklist

Effective management of client expectations is one of the most important factors in building trust, reducing complaints, and maintaining positive professional relationships. The following checklists are designed as a practical guide, helping to ensure that expectations around outcomes, costs, communication, timescales, and responsibilities are clearly established from the outset and consistently managed throughout the life of a matter. By setting realistic expectations early, communicating regularly, and documenting key decisions and discussions, many common sources of client dissatisfaction can be avoided. This document may be particularly useful for trainee or newly qualified solicitors.

Before accepting instructions

✓ MATTER ASSESSMENT

- ☐ Confirm the matter is within the firm's expertise, capacity, and competence
- ☐ Assess workload and ensure sufficient time is available to meet deadlines
- ☐ Identify any unusual risks or complexities
- ☐ Complete and document a risk assessment
- ☐ Check for actual or potential conflicts of interest
- ☐ Consider whether the matter should be declined or referred elsewhere
- ☐ Ensure client identity and AML checks are completed

✓ CLIENT ASSESSMENT

- ☐ Identify any vulnerability or capacity concerns
- ☐ Determine whether the client can provide valid instructions
- ☐ Consider whether additional safeguards are required
- ☐ Evaluate whether the solicitor-client relationship is likely to be manageable

At initial contact

✓ SET EXPECTATIONS EARLY

- ☐ Explain the scope of work clearly
- ☐ Discuss realistic outcomes and likely limitations
- ☐ Explain potential delays and uncertainties
- ☐ Avoid making promises you cannot guarantee
- ☐ Ask questions to fully understand the client's objectives
- ☐ Identify any unrealistic expectations immediately

✓ DEFINE THE RELATIONSHIP

- ☐ Agree communication methods (phone, email, portal, meetings)
- ☐ Agree who the primary contact will be
- ☐ Set expected response times
- ☐ Explain normal working hours and emergency arrangements
- ☐ Provide estimated timelines and key milestones
- ☐ Clarify client responsibilities and required input

Engagement documentation

- ☐ Issue Terms and Conditions of Business
- ☐ Issue a clear engagement letter
- ☐ Confirm instructions in writing
- ☐ Provide complaints procedure details
- ☐ Obtain acknowledgment or signature where possible
- ☐ Retain evidence that documents were received and understood.

Costs management

✓ AT THE START

- ☐ Provide written costs information – refer to section 150 suite for guidance
- ☐ Explain fees, VAT, and outlays
- ☐ Explain how fees are calculated if exact costs cannot yet be provided
- ☐ Agree any stage payments or payment-on-account arrangements
- ☐ Explain consequences of non-payment

✓ DURING THE MATTER

- ☐ Monitor costs regularly
- ☐ Keep time records where charging is time-based
- ☐ Provide periodic costs updates
- ☐ Issue revised cost notices when circumstances change significantly
- ☐ Ensure billing remains transparent and understandable

Communication throughout the matter

- ☐ Provide regular status updates
- ☐ Return calls and emails promptly
- ☐ Tell clients when there is no update rather than remaining silent
- ☐ Use plain English and avoid unnecessary legal jargon
- ☐ Revisit expectations as the matter progresses
- ☐ Explain developments, risks, and delays as they arise
- ☐ Confirm significant discussions and decisions in writing

Managing client relationships

- ☐ Create a positive first impression
- ☐ Build rapport before focusing on technical issues
- ☐ Maintain professionalism and accessibility
- ☐ Demonstrate empathy without over-promising
- ☐ Provide clear next steps after every significant interaction
- ☐ Ensure consistency if responsibility transfers to another solicitor

Managing difficult clients

- ☐ Actively listen before responding
- ☐ Use collaborative problem-solving
- ☐ Remain calm and professional
- ☐ Set firm boundaries for unacceptable behaviour
- ☐ Address misunderstandings directly
- ☐ Follow up with unresponsive clients appropriately
- ☐ Document significant interactions

Avoiding common causes of complaints

- ☐ Do not allow clients to chase repeatedly for updates
- ☐ Do not rely on support staff to avoid client contact
- ☐ Do not use confusing language
- ☐ Do not ignore complaints or concerns
- ☐ Do not overstate likely outcomes
- ☐ Do not agree to unrealistic deadlines or demands

Resisting the urge to tell clients what they want to hear

- ☐ Give honest advice, even when the client may not like it
- ☐ Explain risks and weaknesses in the case
- ☐ Challenge unrealistic expectations respectfully
- ☐ Educate rather than simply agree
- ☐ Base advice on professional judgment rather than client pressure
- ☐ Document advice given on significant issues

If the relationship breaks down

- ☐ Consider whether continuing to act remains appropriate
- ☐ Provide clear written notice if refusing instructions
- ☐ Give reasonable notice before terminating a retainer
- ☐ Confirm cessation of acting in writing
- ☐ Ensure all procedural obligations are met
- ☐ Account for client monies and outstanding fees

If a complaint is made

- ☐ Engage early with the complainant
- ☐ Review all relevant correspondence and files
- ☐ Follow the firm's complaints procedure
- ☐ Investigate the issues objectively
- ☐ Respond carefully and professionally
- ☐ Seek early resolution where possible
- ☐ Keep detailed records of actions taken
- ☐ Never respond emotionally or defensively

Golden Rules

- ☒ **Set expectations early, communicate regularly, document everything, review expectations throughout the matter, and always be honest about outcomes, costs, and timescales.**
- ☒ **Refer to the s. 150 suite of guidance at page 89 to support you managing client expectations on costs.**

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Onboarding new clients and file closing procedures

When a new client approaches your firm for the first time there are several professional, legal and common sense checks you should carry out before accepting instructions. A solicitor is not bound to accept instructions from any client and must not act where to do so would involve some form of unprofessional conduct, such as a conflict of interest. By extension, closing a client file requires completing all substantive work, resolving financial balances, notifying the client, and storing records securely according to regulatory retention periods. This guide provides a series of checks to be used when both onboarding a new client and correctly closing a client file in order to satisfy all regulatory and data protection requirements. Also included is an undertakings checklist, to be used both before and after giving an undertaking, and a file retention checklist with the periods of retention for each file type.

CONTENTS:

1. Initial client enquiry – preliminary checks
2. First consultation
3. Client care and engagement
 - Letter of engagement
 - Terms and Conditions of Business precedent template
4. Section 150 costs notice
5. Client bank details and cybersecurity checklist
6. AML compliance checklist
 - Risk assessments
 - Customer due diligence
7. Ending the relationship with your client
8. Closing file checklists
 - Conveyancing
 - Litigation
 - Probate
9. Undertakings checklist
10. Retention periods for each client file type

1. Initial client enquiry - preliminary checks

- ☐ Determine how the client came to the firm
- ☐ Check whether client is old, existing or new
- ☐ Identify any referrer and verify credentials if appropriate
- ☐ Carry out preliminary conflict check
- ☐ Gather basic details before first consultation
- ☐ Assess whether matter falls within firm's expertise

2. First Consultation

- ☐ Meet in office or appropriate private setting
- ☐ Allow sufficient uninterrupted time
- ☐ Listen to client's account fully
- ☐ Obtain all relevant factual information
- ☐ Identify objectives and expectations
- ☐ Explain likely process and timescales
- ☐ Set communication expectations and boundaries
- ☐ Record key instructions on file

3. Client Care & Engagement - Letter of Engagement

- ☐ Thank client for instructions
- ☐ Describe matter and scope of retainer
- ☐ Provide firm details
- ☐ Explain confidentiality obligations
- ☐ Confirm conflict of interest position
- ☐ Explain requirement for further instructions
- ☐ Provide realistic timescales
- ☐ Explain use of barristers and experts where applicable

Client Care & Engagement - Terms & Conditions

- ☐ Explain client money provisions
- ☐ Solicitors Accounts Regulations referenced
- ☐ Duty of care outlined
- ☐ Undertakings policy explained
- ☐ Professional Indemnity Insurance details provided
- ☐ Internal and LSRA complaints information included
- ☐ Client receives copy of Terms of Business

A copy of the Terms and Conditions of Business template can be found on page 50

4. Section 150 Costs Notice

- ☐ Issue upon receiving instructions
- ☐ Explain legal costs in clear language
- ☐ State estimated fee where possible
- ☐ If fee unknown, explain charging basis
- ☐ Confirm VAT applicable
- ☐ Detail expected outlays

Section 150 Costs Notice - Litigation Matters

- ☐ Explain solicitor-client costs
- ☐ Explain party-party costs
- ☐ Explain counsel fees
- ☐ Explain expert/third-party costs
- ☐ Explain withdrawal provisions
- ☐ Explain complaint procedures

For further guidance on s.150, please visit page 89

5. Client Bank Details & Cybersecurity Checklist

- ☐ Provide hard copy of firm's bank details
- ☐ Advise client bank details will never be sent by email
- ☐ Advise that any changes to bank account details will only be communicated in person or by post
- ☐ Instruct client to telephone immediately if bank details are received by email
- ☐ Provide firm's bank account details on a different coloured page
- ☐ Obtain client's bank account details
- ☐ Record warnings provided on file

6. AML Compliance Checklist - Risk Assessments

- ☐ Business Risk Assessment completed and current
- ☐ Client / transaction risk assessment completed. This should include:
 - ☐ Client type assessed
 - ☐ Geographical risk assessed
 - ☐ Matter-specific risk assessment completed
 - ☐ Source of funds risk assessed
 - ☐ Transaction risk assessed
 - ☐ Overall risk rating assigned

For more on Business Risk Assessments, see page 120

AML Compliance Checklist - Customer Due Diligence (CDD)

Individual Clients

- ☐ Verify identity and residential address (natural persons and legal entities)
- ☐ Obtain and retain identification documents
- ☐ Complete client risk assessment

Corporate Clients

- ☐ Meet in office or appropriate private setting
- ☐ Obtain Companies Registration Office/company documents
- ☐ Identify directors
- ☐ Identify beneficial owners
- ☐ Verify persons giving instructions

Source of Funds

- ☐ Source of funds established
- ☐ Documentary evidence obtained where necessary
- ☐ Source of wealth considered for higher-risk matters
- ☐ Evidence retained on file

Enhanced Due Diligence (EDD)

- ☐ Politically Exposed Persons (PEPs) screening completed
- ☐ High-risk jurisdiction review completed
- ☐ Enhanced verification undertaken where required
- ☐ Senior approval obtained if necessary

AML Compliance Checklist - Customer Due Diligence (CDD) *(continued)*

Ongoing Monitoring

- ☐ Transactions monitored
- ☐ Instructions reviewed for consistency
- ☐ CDD updated where required
- ☐ Changes in ownership/control recorded

AML Governance

- ☐ AML policies in place
- ☐ Money Laundering Reporting Officer appointed
- ☐ Staff AML training completed
- ☐ AML records retained
- ☐ Suspicious activity reporting process understood

7. Ending the relationship with your client

A solicitor should not terminate the solicitor/client relationship without good cause and without reasonable notice. Written confirmation that they have ceased to act should be provided to the client and where court proceedings have commenced, you must comply with the procedures for coming off record. Legitimate reasons for terminating a client retainer include:

- Solicitor / client relationship breaks down
- Where a solicitor has requested the client put them in funds and the client refuses to do so
- Client unwilling to take advice/provide instructions
- Harassment
- Bullying
- Loss of capacity

8. Conveyancing File Closing Checklist

Post-Completion

- ☐ Stamp duty completed
- ☐ Registration lodged/completed
- ☐ Táilte Éireann requirements satisfied
- ☐ Financial institution requirements completed
- ☐ Certificate of Title issued (if required)
- ☐ All undertakings discharged
- ☐ Title deeds sent to lender/client

Conveyancing File Closing Checklist *(continued)*

Accounts

- ☐ Client ledger reconciled
 - ☐ Outlays recovered
 - ☐ Professional fees paid
 - ☐ No balances outstanding
 - ☐ Client account balanced
-

File Closure

- ☐ Closing letter issued
- ☐ Original documents returned where appropriate
- ☐ Retention date recorded
- ☐ File archived

Litigation File Closing Checklist

- ☐ Proceedings concluded
- ☐ Settlement agreement signed and filed
- ☐ Court orders obtained where applicable
- ☐ Counsel fees discharged
- ☐ Third-party invoices paid
- ☐ Party and party costs dealt with
- ☐ Solicitor-client costs addressed
- ☐ Section 150 obligations complied with
- ☐ Outstanding undertakings discharged
- ☐ Minor's settlement approved where applicable
- ☐ Client account balanced
- ☐ Closing letter issued
- ☐ File archived

Probate File Closing Checklist

- ☐ Estate accounts completed
- ☐ Final executor meeting held
- ☐ Beneficiary distributions completed
- ☐ Capital Gains Tax issues addressed
- ☐ Capital Acquisitions Tax issues addressed
- ☐ Revenue matters concluded
- ☐ All undertakings discharged
- ☐ Receipts and releases obtained
- ☐ Client account balanced
- ☐ Closing letter issued
- ☐ File archived

9. Undertakings Checklist

Before Giving an Undertaking:

- ☐ Is the undertaking necessary?
- ☐ Do you have authority to give it?
- ☐ Is it within your control to perform?
- ☐ Is wording clear and unambiguous?
- ☐ Has it been approved internally?
- ☐ Is it Recorded in the Undertakings Register?

After Giving an Undertaking:

- ☐ Diary critical dates
- ☐ Monitor compliance
- ☐ Obtain evidence of discharge
- ☐ Update Undertakings Register
- ☐ Confirm completion in writing

10. File retention period checklist

Conveyancing	12 years
Probate	12 years
Litigation	6 years
Accounts Records	6 years
Trust Files	Life of trust + 12 years
Infant Files	Majority + limitation period
Will Drafting Notes	Indefinite
Mentally Incapacitated Persons	Indefinite

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Terms and Conditions and Section 150 notice

The Guidance and Ethics Committee of the Law Society recommends that practitioners provide clients with a Terms and Conditions of Business document along with a unique Section 150 (s.150) notice when they accept instructions to act. Both documents provide clients with requisite clarity on both the costs notice of legal services and the terms on which those services are provided.

Your s.150 notice must contain all information set out by s.150 of the Legal Services Regulation Act. Any other terms, conditions or information governing your firm's relationship with its client should be outlined in your Terms and Conditions. Key information to be included in a s.150 Notice is set out separately in this guide at page 89. The precedent document on pages 50-59 covers all services to clients. You are encouraged to adopt this to suit your own services.

Adapting your Terms and Conditions of Business document

By its nature, the Terms and Conditions of Business document is a template, suitable for many situations. When using it, you are encouraged to tailor the template so that it best reflects your individual terms of service. Before using the template, you should read and adapt the document carefully. As with any such template, responsibility for the content lies with you.

Here to help

The Guidance and Ethics Committee operates a solicitor helpline for any colleague needing to talk over any matter of professional ethics. The helpline is operated by the Committee's executive secretary David Mulvihill, senior solicitor and head of the Law Society's Practice Closures Section. All committee members are solicitors in practice and are available to provide additional support. While the helpline does not provide legal advice or offer second opinions, it is a useful colleague-to-colleague support tool, with a focus on common sense solutions.

To contact the helpline, you can email committee secretary David Mulvihill: d.mulvihill@lawsociety.ie or call 01 672 4800

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Terms and Conditions of Business Precedent

Introduction

The following pages explain our terms and conditions of business. Please note that these terms and conditions cover all services that this firm provides. As such, it may be that some elements of these terms are not relevant to your particular matter. These terms and conditions take effect and become binding on both you and us as soon as we begin acting on your behalf. Please read them carefully. We would be happy to answer any questions you may have. You can access an editable version of this Terms & Conditions of Business Precedent on the Law Society website: www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/terms-and-conditions-of-business2/

1. Information about our firm

- i. Name of Firm
- ii. Legal Status: We trade as a solicitor's firm that provides legal services
- iii. We are a limited liability partnership (to be deleted if not relevant)
- iv. Address
- v. Phone Number
- vi. Email
- vii. Website

How we are regulated

Solicitors in the Republic of Ireland are regulated by the Law Society of Ireland as detailed in the Solicitors Acts 1954 to 2015 and by the Legal Services Regulatory Authority (the Authority) under the Legal Services Regulation Act 2015.

2. Commencing the Solicitor/Client relationship

Please note that before we can commence working on your matter, the following regulatory requirements must be observed:

Identity

Anti-money laundering regulations mean that you will need to give us evidence that proves your identity, like your driving licence or passport, even if we already know you. We will also need you

to give us a document showing your permanent address, for example an electricity bill or a bank statement, which has been sent within the last three months. In the event that you live outside the jurisdiction, and we have not met in person then your identification documentation will need to be certified as true copies by an authorised person in the jurisdiction you reside.

Conflict of interest

We may not be able to act for you if there is a conflict of interest, or potential conflict between us, or between you and another client of the firm. For example, if it comes to our notice that, before we accepted your instructions, we had already accepted instructions from a person that you now want to sue, then we could not act for you.

We have internal procedures in place which are designed to identify a conflict before we accept your instructions.

If, during the course of your matter, we become aware of a potential conflict of interest we will tell you about it. We can then agree whether or not it would be appropriate for us to continue to act on your behalf. In certain circumstances we may be prohibited from identifying the reason for the conflict.

Source of assets

If you ask us to deal with any funds or property, you must have obtained them legally. If we become aware or suspect that these assets come from an illegal source, we must notify the Gardaí and the Revenue Commissioners without telling you, except in limited circumstances.

Even if you have not done anything that we must report to the authorities, we cannot transfer any assets or property funded by the proceeds of crime. This includes funds that have not been declared for tax purposes or that have been obtained by false means.

3. Our service to you

We agree to work on your matter with care and skill, in accordance with proper professional standards.

How to instruct your solicitor

It is important that you give us clear and accurate instructions from the very beginning so we may advise you fully, and that you give us any new information as your matter develops.

When you tell us your requirements, we will explain your options to you. If there is anything you do not understand, please tell us right away so that we can answer your questions. We will then advise you on the actions to take.

Updating your instructions

We may need to update your instructions from time to time, for example if:

- New issues or information arise;
- Events take an unexpected turn;
- We need more information from you, or
- Fees or expenses have not been paid.

It is important that you give us instructions when they are needed. If you fail to do this, we cannot progress your matter. This may affect the outcome and, in some cases, may mean we have no choice but to stop acting for you.

Timescale for litigation cases

Please note that legislative or Court-imposed time limits may apply to your matter, so please make sure that we have all the correct information in good time to enable us to take any necessary actions.

Confidentiality:

We will always respect the confidentiality of your affairs, but it is important to point out that in the normal course of running a solicitor's practice, we may be required to provide access to some of your data to certain entities, for example:

- The Revenue Commissioners; or
- The Law Society of Ireland; or
- The Legal Services Regulatory Authority

We also use professional and other service providers in the proper management of our firm, which may involve those firms being given some access to our files, including:

- Accountants;
- Risk assessment auditors;
- Quality control companies; and
- IT maintenance contractors

This allows us to manage our firm properly. We always try to make sure that the provider of the service is reputable and, where appropriate, we will require them to sign letters of confidentiality.

Confidentiality – maintenance and offsite storage

When we store files offsite, whether electronic or hard copy, we will take all reasonable steps to make sure that we keep your information confidential.

Force majeure

We will not be liable for failure or delay in the performance of our obligations under these Terms & Conditions of Business, if such performance is delayed or hindered by the occurrence of an unforeseeable act or event which is beyond the reasonable control of either you, the client, or us ("Force Majeure Events"). Force Majeure Events include but are not limited to Acts of God, government intervention, riot, civil or military insurrection, infectious disease epidemics such as Covid 19, natural disaster, contamination, strikes or similar acts, events or occurrences. If we are affected by a Force Majeure Event, we shall notify you within a reasonable time of being prevented or delayed in the performance of our obligations and will make reasonable efforts to mitigate the effect of the Force Majeure Event.

4. Your permissions

If we need you to give us specific permission to do something, we may ask you to sign a separate document for that particular purpose.

Otherwise, when you give us instructions, you are giving us permission to take various actions on your behalf.

Our professional promises and undertakings

If you instruct us to carry out any action on your behalf and we make a professional promise to a third party (known as an undertaking) arising from that instruction, you cannot change your mind later.

Personal Injuries Resolution Board

The Personal Injuries Resolution Board is the State body which assesses the amount of compensation due to a person who has suffered a personal injury. By instructing us to handle a personal injury case, you are authorising us to deal with the Personal Injuries Resolution Board on your behalf.

Barristers and experts

From time to time, it may be necessary to engage barristers and other experts on your behalf. You will be directly responsible for any fees imposed by such barristers and experts. We will suggest professionals, whom we believe are competent in the area of practice relevant to your matter, but the choice of barrister or other professional is ultimately your decision. They will be directly responsible to you for the quality of their work.

Information from third parties

When you engage us to handle your matter, you are giving us permission to get information from third parties to help us with your case or transaction, without asking for your permission again.

Data protection

When you instruct us to provide legal services to you, you are giving us permission to process information and personal data for our records. Our firm's Data Protection/Privacy Notice sets out the basis on which any personal data we collect from you, or that you provide to us, will be processed by us. It will also set out information in relation to your rights relating to the processing of your personal data.

When you instruct us to handle a matter, you are giving us permission to hold information for our records, including 'sensitive data' such as your:

- Personal Public Service (PPS) number; or
- Medical reports

We will only use personal or 'sensitive' information relevant to your matter.

If you have any queries about how we retain, store or use your data, please contact us and we will give you further information.

Storing Information in electronic format abroad

By asking us to handle your matter, you are allowing us to store your data and other information abroad, for example, when we engage the services of electronic storage companies who use IT storage abroad. If you have any queries, please contact us and we will give you further information.

By asking us to handle your matter, you agree that we are not responsible for any loss of, or corruption of, information by any off-site electronic storage service that we use.

Retention and destruction of your file

We will keep your information for no longer than is required or permitted by law, at which point your file will be destroyed. We will retain files in accordance with the statutory requirements and in line with current best practice guidance provided by the Law Society of Ireland. However, we never destroy original deeds or wills. We reserve the right to charge you a fee for safe-keeping or storage of original deeds or documents.

Your money

We will hold any money we receive on your behalf in compliance with the Solicitors' Accounts Regulations.

By asking us to handle your matter, you agree that we may hold any money you give us, or which we receive on your behalf, in any bank, which is a bank approved by the Central Bank. We do not have any additional responsibilities around the protection or investment of your money; our obligation extends only to holding your money on your behalf.

If we hold money for you and our bank imposes a charge (including interest) on that money, you will be required to pay that charge to us in addition to the sums set out above. Interest will be calculated on a daily basis for the period that we hold the money, at the rate imposed by the bank plus an additional 0.15% to cover the administrative costs associated with the holding of your funds in our client account and the calculation of interest payable.

You also agree that we are not legally responsible for any loss or reduction in the value of the money due to any acts or omissions of the bank or as a result of, for example, the introduction of Legislation.

By asking us to handle your matter, you agree that if we have given a professional promise or undertaking on your behalf which we cannot carry out because of the acts or omissions of the bank at which we had placed the money, you will refund us in full any loss we suffer if we are forced to carry out our promise or undertaking at our own expense.

Authority to endorse cheques

If we receive cheques payable to you, we will need your authority to sign the back of the cheques so that the bank will then accept these cheques for lodgement to our firm's client account. We will provide you with the appropriate form for signature if and when the need arises.

Appointment and indemnity for payment of taxes

The law imposes a secondary liability on us as your solicitor to ensure that tax obligations are met, and we are obliged to retain the proceeds until such time as that liability is discharged in full. For example, if we act for you in the sale of a property, and you are not resident in this jurisdiction, or if you are the legal personal representative of an estate then we may be required by the Revenue Commissioners to hold the proceeds until such time as all taxes due have been discharged and we have been satisfied that all relevant conditions for the release of funds have been met. We do this on the basis that you indemnify us. This means you agree to pay us back in full for any loss we suffer due to something you do, or omit to do, or some wrongdoing on your part.

Power to sign documents

When you engage us to handle your matter, we may ask you to give us permission to re-sign documents already signed by you. This is just for convenience. It would happen if we needed to make typing or clerical amendments or other small changes, after you had signed the document.

We would not make any changes that alter the meaning of the document. If we need this permission, we will provide you with the appropriate form for signature.

5. Fees and expenses

It is important that we carefully explain to you how we calculate our fees and that you fully understand this. Our solicitors and other staff may have to spend a considerable amount of time to provide you with the legal services you need. This is the main service for which you pay.

Information about charges in your particular case

We will outline our fees and the other expenses that you will have to pay for your particular case or transaction. This is required by law. If we are unable to agree fees with you for our services to you, we will not act on your behalf.

If we agree to charge you based on the time spent on your case, we will charge for everything we do for you, including letter writing, phone calls and so on. If our fee is based on an hourly rate, we will give you a record of the hours spent on your case on request.

From time to time, it may be appropriate to discuss which tasks you may be able to carry out yourself.

Fees and expenses in litigation cases

In litigation cases, as in any other case or transaction, when we send you a bill for fees and expenses, you are responsible for paying that bill. This is still the position if you are successful and win your case and the judge orders the other side to pay your legal costs. Even if you are successful in the proceedings and the court awards costs to you, you remain primarily liable to pay our costs irrespective of whether you recover any costs ultimately from the other party.

There are two types of costs in litigation – one type is known as party and party costs. Party and Party costs are those costs which are most often awarded by the Court and are the minimum costs necessary to bring your case including part of the solicitor's fees, barrister's fees, and outlay. Legal Practitioner and Client costs are the other type of costs. These include the party and party costs, and all other or additional work carried out by your legal team including outlay. You may still be responsible for a portion of the legal costs even where a court has made an order for costs in your favour.

Likewise, if there is a settlement of the case in your favour, which includes an agreement that the other side will pay your costs, you will still be responsible in the first instance to discharge your bill. We will try to recover as much as possible from the other side. Sometimes, however, this may not be enough to cover our bill. You are responsible for paying any balance due to us.

If we must do extra work to recover fees from the other side to the litigation, you will incur additional costs. If all or part of your costs or the other party's costs cannot be agreed with the other party, costs will have to be assessed by a court official called a Legal Costs Adjudicator, and this is likely to mean that additional work is required for which additional fees will become payable.

In litigation cases, there is always a risk that, in addition to paying our fees and expenses, you will also have to pay the legal fees and expenses of the other party to the litigation. This might happen if, for instance, you lose the case, or it was part of a settlement agreement. It is important that you fully understand this risk.

By engaging our services, you agree that we have your permission to pay any third party, whom we have engaged on your behalf, from money we receive from the other side in respect of legal costs. Barristers and expert witnesses are examples of such third parties. We will not make such payments until you have agreed the invoiced amounts of such third parties.

Payment in advance

We may require you to pay us a deposit towards our fees when we first start working on your behalf. We will agree this amount with you then.

Payment at intervals

We may bill you at intervals during your matter. We will usually do this when matters are likely to take a long time to complete.

Disagreements about bills

If there is a disagreement about any bill we send you, we will try to resolve the matter by agreement with you.

If the matter cannot be resolved, we may have to stop acting for you.

You have the right to refer the bill for review by a court official called a Legal Costs Adjudicator, or to make a complaint to the Legal Services Regulatory Authority about the bill.

Fees and expenses for additional work

In the course of a case or transaction, an unexpected issue may arise, or you may instruct us to provide additional services. This may mean we have to do extra work on your behalf for which we will have to charge.

If this happens, we are required to provide updated information in writing about the fees and expenses for any additional work.

Final bill of costs

We will issue our final bill of costs to you at the conclusion of the matter.

Solicitors' liens:

The law allows us to keep your file and other documents we hold for you, as security for costs until we have been paid for our services.

Our credit terms

Our bills are payable within 14 days of being sent to you. We reserve the right to charge interest on overdue accounts at the rate of 8% per annum. Any interest charged on overdue accounts shall be charged in accordance with the provisions of the relevant legislation.

In litigation cases, even if you win your case or your case is settled, our bill must be paid within our normal credit terms of 14 days.

Fees for property transactions

In relation to property transactions, we require our fees to be discharged on the date the property changes hands or the transaction completes.

Fees for dealing with estates of deceased persons

If we are dealing with the estate of a deceased person for you, we may send you bills at different stages in the process. This will be outlined in our Section 150 Fee Notice.

6. Dispute resolutions and complaints

If you wish to make a complaint about any aspect of our service, please send it to us in writing. We have set out our internal complaints procedure at the end of this document. We will then send you a written reply as soon as practicable or within 15 working days, including replies to any requests for information, and advising you of any actions that may need to be taken in relation to your complaint.

We hope that any complaint made to us will be resolved. However, if you are not satisfied with our response, you can make a complaint to the Legal Services Regulatory Authority. More details about making a complaint are available on the Authority's website www.lsra.ie.

Limit on liability

Our liability (and that of our present and former partners and employees) to you arising out of, or in connection with, our engagement (whether for breach of contract or of statutory duty, negligence, or otherwise) will be limited to the minimum amount of the professional indemnity insurance cover from time to time required to be maintained by us under applicable law.

Professional indemnity insurance

We confirm that we have the appropriate level of professional indemnity insurance in place, as required by law. We are insured for all advice given in the Republic of Ireland.

In the event of a situation arising where you feel it is necessary to institute a case for professional negligence against the Firm, the total amount which you can recover cannot exceed, (by virtue of the limitation set out in this clause which constitutes a contract between the Firm and you) **the minimum amount set by the Law Society in respect of which we have to have insurance cover for each and every claim, which is currently €1,500,000.00**. If you have any queries in relation to this, you should contact us immediately. Otherwise, you are deemed to accept this clause as binding on you.

Nothing in these terms and conditions shall limit our liability to you (a) for fraud or fraudulent concealment or (b) to the extent that under any applicable law liability may not be limited.

Transferring to another solicitor

We hope to reach a satisfactory result on your behalf. If you decide for any reason to transfer to another solicitor's firm, you must pay us for any work done up to that point, together with any expenses we have paid on your behalf.

This requirement will apply even to matters where we might have agreed to charge a fee only if your case was successful. If you change to another solicitor, this agreement automatically ends, and we will require payment for the work we have actually done. We will issue a bill as soon as possible. Our fees must be discharged prior to the release of the file.

The files

By law, we are obliged to keep your file for a certain time period.

If you are transferring to another solicitor, we will give you, or your new solicitor, the originals of all documents that we hold, once all fees and outlay are paid.

If we are required to remove the file from storage or schedule documents from an old file, we may charge an administration fee to you.

Ending our contract

You can end this contract at any time, but we must first carry out any undertakings or professional promises we have made on your behalf to third parties. For instance, if we promised to pay money to a third party, we must do this before the contract can end. You must pay our legal fees for doing this work, as well as for any work done to date.

We are also free to end the contract for good reason, and on reasonable notice to you. Examples of circumstances where we may have to terminate our agreement include, but are not limited to:

- A failure or undue delay in providing instructions;
- A failure or undue delay in discharging payments when requested;
- If a client was acting unreasonably;
- If a client was unwilling to accept our advice;
- If a client had not been truthful about facts relating to their case or transaction, or
- If there has been a breakdown in trust and/ or confidence between us

Enforcement of overall agreement

If a court decides that any part of this agreement between us is invalid, this will not affect the remaining terms of this agreement.

We require these terms and conditions to be signed by you.

Irrespective of whether they are in fact signed, these terms and conditions become binding once you give us instructions to proceed.

Our firm's complaints procedure

The following is our firm's complaints procedure:

- The client should bring any issue of concern to the attention of the solicitor or fee earner handling their case or transaction and the solicitor or fee earner will make every effort to resolve the issue.
- In the event that the issue is not resolved, the client can avail of this internal complaints procedure.
- To avail of the procedure, the complaint should be made by letter or email, addressed to the Principal/Partner in charge. If the complaint concerns the Principal/ Partner in charge, the complaint should be addressed to the Office Manager or some other suitable member of the firm.
- When the written complaint is received, it will be brought to the attention of the Principal/Partner in charge, or Office Manager, as appropriate.
- The complaint will then be recorded in the firm's Complaints Register.
- The client will be sent a written acknowledgement of the complaint within seven days.
- The relevant file will be reviewed by the Principal/Partner in charge, or Office Manager, as appropriate. They will discuss the matter with the solicitor or fee earner dealing with the case or transaction.
- The client will be sent a full written response within 15 working days or as soon as is practicable upon receipt of the written complaint.

Advice in relation to foreign law:

We do not provide advice about law in countries outside Ireland unless otherwise specified.

Acknowledgement

IMPORTANT

I acknowledge receipt of and confirm that I have read, understand and accept the foregoing terms and conditions of business.

I also acknowledge that your client account details for the purpose of transferring money in the future are listed below, and that I must verbally confirm the account details in advance of transferring any funds to that client account.

A/c Name: _____

Bank : _____

Account Number: _____

NSC: _____

IBAN: _____

BIC: _____

I further confirm that I have received and read the Section 150 Notice.

Dated the _____ day of _____ 20 ____

Signed: _____

To access an editable version of the Terms and Conditions of Business precedent visit www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/terms-and-conditions-of-business2/

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



File Transfer Between Solicitors – Checklist

If a client moves from a first to a second solicitor, this transfer should be facilitated via a courteous request for files and a prompt response. Unless agreed, the first solicitor should not continue to fund a case after the client has left that solicitor. Set out below are the steps that should be considered when transferring a client file between solicitor firms.

1. Confirm Client Authority

- Obtain the client's authority/instructions to transfer the file
- Verify whether there are any outstanding undertakings given by the first solicitor
- A solicitor should not cooperate with a client who seeks to leave a solicitor with an outstanding undertaking
- Where appropriate, discuss with the client the reasons for the change of solicitor
- Explain to the client that they remain responsible for paying the first solicitor for work properly completed. Contingency fee arrangements must be determined if the client moves to another solicitor. These arrangements are conditional on the first solicitor continuing to prosecute the case. If the client terminated the retainer with the first solicitor, they are entitled to their fees for work done
- Once the fees and outlay of a solicitor have been paid, the file belongs to the client

2. Review Outstanding Fees and Costs

- Request details of any outstanding fees, costs, and outlays from the first solicitor
- Ensure a bill of costs is provided without delay if costs are due
- Costs may be agreed, mediated or adjudicated
- Agree how the first solicitor's costs will be dealt with:
 - Direct payment by the client; or
 - Payment through the second solicitor (e.g. by way of undertaking for costs)

3. Address Security for Costs (if applicable)

- If the first solicitor is owed fees for work done, they are entitled to exercise a common law lien over the client file
- Determine whether the first solicitor will accept an undertaking for payment of costs as an alternative security to the lien
- If providing an undertaking, consider appropriate qualifications, including:
 - Conditional on the second solicitor not being discharged by the client
 - Conditional on sufficient funds coming under the second solicitor's control to pay the costs
 - Any other necessary qualifications, as required
- If the first solicitor accepts an undertaking regarding the payment of costs, the second solicitor should discharge all outlays immediately to the first solicitor

4. Deal with Existing Undertakings

- Identify all undertakings given by the first solicitor to third parties
- The law of principal and agent provides that, where the first solicitor has undertaken a personal liability on behalf of the client, and the client subsequently wished to transfer their business to a second solicitor, the client cannot determine the retainer without the first solicitor's consent
- The first solicitor may consent to the determination of their retainer, subject to a formal release of the undertaking by the recipient of the undertaking
- If agreed, and subject to the consent of the recipient of the undertaking, obtain formal releases from recipients of those undertakings where required
- Do not facilitate a transfer that leaves an outstanding undertaking unresolved

5. Assemble and Transfer the File

- Confirm that the first solicitor's fees and outlays have been satisfied, or that agreed arrangements are in place
- Transfer all documents that belong to the client, including:
 - Client instructions
 - Briefs
 - Correspondence with third parties
 - Documents prepared by third parties for the client's benefit
 - Any material relating to the substance of the matter that would assist the new solicitor
- Note that the first solicitor may retain:
 - Internal notes and documents prepared solely for their own benefit
 - Papers for which no charge has been made and no charge is intended
- Arrange copying at the first solicitor's expense

6. Retain a Copy of the File

- Ensure the first solicitor retains copies of the file where required by relevant statutory periods and the Solicitors Accounts Regulations

7. Notify the Court and Other Parties (if litigation is ongoing)

When the second solicitor comes on record for the client, they must:

- Prepare the appropriate notice of change of solicitor
- File the notice with the court
- Serve the notice on:
 - The opposing party
 - The discharged solicitor
- Confirm filing and service before the change takes effect

8. Consider Whether It Is Necessary to Proceed Without the File

Although proceedings without the file is not recommended, circumstances may dictate that it is necessary to assess whether urgent action is required before the file is received.

9. Special Situations

Employee solicitor leaving a firm:

- An employee leaving a firm cannot, without formal authority, take the files of clients, even the files of clients introduced by the employee
- Ensure client instructions authorising the transfer have been obtained

Partnership dissolution or partner departure:

- Should agree file ownership and transfer arrangements between former partners
- Follow the client's instructions regarding who should hold the file
- Where a firm continues to operate, leave files with the continuing firm until the client directs otherwise
- On receipt of an authority for file transfer, the first solicitor may request from the client an explanation of the reasons for the determination of the retainer

10. Final Verification Before Transfer

1. Client authority received
2. Costs and outlays identified, agreed and addressed
3. Existing undertakings released or resolved
4. Outstanding undertaking arrangements documented
5. File copied and retained where required for regulatory purposes
6. File transferred
7. Court notice of change filed and served (if applicable)
8. Client informed of ongoing cost obligations
9. Transfer completed and recorded
10. Solicitor / client relationship commences between client and second solicitor

Checklist for transferring files between first and second solicitors

Step	Action	Suggested timeline for second solicitor
1.	Obtain written authority from the client to transfer the file	Day 0
2.	Review whether the first solicitor has given any outstanding undertakings to third parties	Day 0-1
3.	Request details of outstanding fees, costs, and outlays from the first solicitor	Within 1 business day of instruction
4.	Explain to the client their continuing obligation to pay the first solicitor's properly incurred costs	Initial client meeting (Day 0-1)
5.	Agree how the first solicitor's costs will be discharged (client payment or undertaking)	Within 2-5 business days
6.	If required, provide a qualified undertaking for costs and arrange payment of any outlays	Within 5 business days of cost agreement
7.	Identify and resolve any existing undertakings given by the first solicitor, including obtaining formal releases where necessary	Within 5-10 business days
8.	First solicitor prepares file for transfer and retains copies required for regulatory and record retention purposes	Within 5 business days after costs/security arrangements are agreed
9.	Transfer client file, including correspondence, instructions, briefs, and third-party documents	Immediately following completion of Step 8
10.	Review transferred file and identify any missing documents or urgent actions	Within 2 business days of receipt
11.	File and serve Notice of Change of Solicitor (where court proceedings are active)	Within 2 business days of receiving instructions and before taking any step on record
12.	Confirm all parties have been notified and update internal systems and records	Within 1 business day of transfer completion
13.	Record completion of transfer and close transfer action log	Same day as transfer completion

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Solicitor Undertakings Checklist

An undertaking is a promise given with the consent of a client to do or give something at a future date. Responsibility for undertakings is personal to the solicitor in all cases. As an officer of the court, a solicitor's undertaking is based on the absolute honesty and integrity expected from the client, the courts and other parties to a transaction. A breach of an undertaking is a matter of professional misconduct and is enforceable by the LSRA and the High Court.

Before Giving an Undertaking

- Ensure the undertaking is provided only where absolutely necessary
- Obtain the client's written authority and consent in advance of giving an undertaking
- Confirm the matter is within your control and authority. An undertaking is binding even if it is to do, or give, something outside the solicitor's control
- Consider whether you can realistically comply with all terms of the undertaking, even if circumstances change
- Do not give an undertaking to induce or secure a client's business

Drafting & Recording

- Record the undertaking in writing wherever possible and retain a copy
- Ensure the undertaking is clear, specific, and unambiguous. Ambiguity of undertaking may be interpreted by a court or the LSRA in favour of the recipient
- Written undertakings should be signed by a principal, partner, or authorised person
- If an undertaking is given only 'on behalf of a client', and is not intended as a professional undertaking, this should be clearly stated, preferably in writing
- Undertakings 'on behalf of clients' should be addressed directly from, and signed by, the client
- Note that an Accountable Trust Receipt (ATR) is a form of undertaking - see page 67 for more
- Maintain a register of undertakings to identify and comply with overdue undertakings

Before Accepting an Undertaking

- Consider whether accepting the undertaking is prudent and confirm if it is sufficiently clear and enforceable
- An undertaking is usually honoured only as between the giver and the recipient or an assignee of the recipient
- Do not request an undertaking that you know the other solicitor cannot reasonably fulfil (e.g. where the matter is outside the solicitor's control)

Ongoing Responsibilities

- Monitor all outstanding undertakings
- If an undertaking is given that is expressed to be dependent upon a future event, you must notify the recipient immediately if that condition or future event is unlikely to occur
- Retain evidence that the undertaking has been discharged, even after the transaction has concluded

Key Professional Obligations

- Undertakings are personally binding on the solicitor
- A solicitor cannot avoid liability on an undertaking by pleading that to honour an undertaking would be a breach of duty owed to the client
- Undertakings given by staff or an assistant solicitor will bind the partners of the practice
- All partners are responsible for partnership undertakings
- Treat any breach of an undertaking as a serious professional conduct matter

Special Circumstances

Funds Held for Minors

Do not give undertakings relating to monies being recovered on behalf of a minor. The courts have exclusive jurisdiction in relation to the determination of minors' actions and the disbursement of monies paid.

In-House & Public Sector Solicitors

- The solicitor is responsible for undertakings given by themselves and staff who report to them
- Give undertakings only within your control and delegated responsibilities
- Obtain specific written authority where delegation of responsibilities is unclear
- Do not undertake matters controlled by other employees or departments
- Confirm ongoing control of the relevant function before giving the undertaking

Remember

A solicitor's undertaking is a professional promise. If given, it must be fulfilled.

This guidance has been adapted from the Solicitors Guide to Professional Conduct (4th edition). The Guide was produced by the Law Society's Guidance and Ethics Committee. The committee also operates a solicitor helpline for any guidance queries. While the helpline does not provide legal advice or offer second opinions, it is a useful colleague-to-colleague support tool, with a focus on common sense solutions.

To contact the helpline, you can email committee secretary, David Mulvihill: d.mulvihill@lawsociety.ie or call 01 672 4800.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Accountable Trust Receipts – approved standard form and new obligations

What is an Accountable Trust Receipt?

An Accountable Trust Receipt (ATR) is a commitment by a solicitor to the effect that the solicitor will hold title deeds safely, on trust, and to the order of the lender until such time as the solicitor can repay the indebtedness. When a mortgage is redeemed, the solicitor is released from their ATR.

To access the standard Law Society approved form for ATRs visit: www.lawsociety.ie/news/news/Stories/reminder-law-society-approved-form-accountable-trust-receipt-atr. Care should be taken to ensure the ATR received from the lender is in the Law Society approved format.

Key rules and best practices

Mechanism: When a property is being sold or remortgaged a solicitor will need the title deeds to the property. The title deeds are released to a solicitor subject to that solicitor signing an ATR (after they obtain their client's authority and retainer). The ATR is a commitment that the solicitor will hold the title deeds safely, on trust, and to the order of the lender until such time as the solicitor is in a position to repay all of the borrower's indebtedness as secured against the deeds themselves.

Obligation: The solicitor must return the deeds to the lender on demand unless the loan is repaid. A solicitor must not therefore release the title deeds (or use the deeds in any way which might prejudice the lender) until such time they can comply with the trust.

Misconduct: Breaking the terms of an approved ATR is treated as professional misconduct by the Law Society of Ireland.

Checking Content: The terms of any ATR should be fully considered by a solicitor to ensure it is in the recommended Law Society approved format. ATRs should only be released by the solicitor receiving the documents when the documents have been received and checked, and the practice of requiring ATRs to be given and released in advance of doing so obviously creates risks for the solicitor.

New Regulation 175 – 10-day deadline on lending institutions to release title deeds following valid request

Under Regulation 175 (S.I. No. 81/2025 - Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Consumer Protection) Regulations 2025), a regulated entity that has the title deeds to a mortgaged property in its possession or power must provide those title deeds to the legal representative of a personal consumer that is entitled to access those title deeds on accountable trust receipt within 10 working days of receipt of a valid request in writing.

A breach of this regulation by a regulated entity may lead to regulatory sanctions or potential disciplinary actions from the Central Bank of Ireland.

Top five tips

1. Caution should be exercised in dealing with other forms of ATRs (other than the version referenced above), and firms acting for lenders are reminded that this form has been recommended to avoid unnecessary negotiation of them;
2. An undertaking to pay the full amount of any claim against the documents in event of breach of the ATR is not recommended as the amount of that claim may well be in excess of the value of the relevant property or security;
3. An indemnity from a solicitor in respect of a breach of an ATR confuses solicitors' undertakings with simple contractual obligations and is not recommended. A breach of an ATR is a matter of professional misconduct on the part of the solicitor and a lender's remedy in this regard is a matter for the Court to determine in the usual way;
4. ATRs should only be released by the solicitor receiving the documents when the documents have been received and checked. Practitioners are also reminded that the sender of the documents to which the ATR relates bears the risk of the documents until such time as they have been actually received by the solicitor providing the ATR and as such the ATR does not come into effect until the documents are so received.
5. Practitioners should promptly check the documents received and acknowledge them, along with noting and communicating to the sender any necessary revisions to the ATR schedule.

For further information please refer to the following practice notes:

- www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/Law-Society-form-of-accountable-trust-receipt-ATR/
- www.lawsociety.ie/news/news/Stories/reminder-law-society-approved-form-accountable-trust-receipt-atr/

Disclaimer

The information provided above is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

LAW SOCIETY APPROVED FORMAT OF ACCOUNTABLE TRUST RECEIPT

Undertaking by Solicitor where Title Documents are –

(1) lent to Solicitor for purpose of inspection only and return

OR

(2) furnished to Solicitor for purpose of sale or mortgage of property (or part of it) and to account to Bank for net proceeds.

My/Our Client _____

Property _____

Estimated Sale Price/Mortgage Proceeds: € _____ (where property is being sold or mortgaged)

To: _____ (Name of Bank)

I/We hereby acknowledge that I/We have received on loan from you the documents of title relating to the above property, which documents are set out in the schedule hereto, for the purpose of either the inspection and return of title deeds OR the sale/mortgage of the above property or part thereof as the case may be.

[STRIKE OUT WHICHEVER OF (1) OR (2) IS NOT APPLICABLE]

TAKING UP FOR INSPECTION:

(1) I/We undertake to hold the said documents of title on your behalf and to return them to you on demand in the same condition in which they now are and not to do any act which would enable the property to become in any way charged, conveyed, assigned, leased, encumbered or disposed of.

OR

TAKING UP FOR SALE OR MORTGAGE:

(2) Pending completion of the sale/mortgage as the case may be, I/We undertake to hold the said documents of title on your behalf and to return them to you on demand in the same condition in which they now are and without the property to which they relate or any interest therein being to my/our knowledge in any way charged, conveyed, assigned, leased, encumbered, or disposed of save for the purpose of the said sale/mortgage of the above property or part thereof.

If the transaction is completed I/We undertake -
to pay to you either:

[STRIKE OUT WHICHEVER OF (A) OR (B) IS NOT APPLICABLE]

(A) the amount required to release the property from the bank's security;

OR

(B) € _____ being the agreed amount payable to you on completion of the transaction;

(C) If the documents of title relate to other property in addition to that which is the subject of the proposed sale/ mortgage, to return them to you together with a copy or copies of the appropriate instrument or instruments evidencing the transaction.

SCHEDULE

AUTHORITY

I/We confirm that I/we have my/our client's irrevocable authority to give this Undertaking and, where applicable, the prior consent of my/our client's spouse or civil partner to give this Undertaking.

Signature: _____

Name of Firm: _____

State whether Principal or Partner: _____

Address of Solicitor Or Firm: _____

CLIENT'S AUTHORITY AND RETAINER

To _____ Solicitor(s)

of _____

I/We hereby irrevocably authorise and direct you to give an undertaking in the form and containing the information set out overleaf to _____ (Name of Bank)

I/We hereby irrevocably authorise and direct you, where you act in the sale or mortgage of the above property, to pay to _____ (Name of Bank) sufficient funds out of the net proceeds of the sale/mortgage, if such funds are adequate to discharge my/our indebtedness to the said Bank, but if such funds are not adequate to pay to the said Bank the net proceeds.

And in consideration of your giving the foregoing undertaking, I/We hereby undertake that I/We will not discharge your retainer as my/our solicitor(s) in connection with the foregoing matter unless and until I/We have procured from the Bank your effective release from the obligations imposed by such undertaking and I/We hereby indemnify you and all your partners and your and their executors, administrators and assigns against any loss arising from my/our act or default.

Dated this _____ day of _____ 20 _____

Signature(s): _____

CONSENT PURSUANT TO FAMILY HOME PROTECTION ACT 1976 OR CIVIL PARTNERSHIP AND CERTAIN RIGHTS AND OBLIGATIONS OF COHABITANTS ACT 2010

I, _____ the lawful spouse / civil partner of the above named client

DO HEREBY GIVE MY PRIOR IRREVOCABLE CONSENT for the purposes of the Family Home Protection Act, 1976 (as amended) or the Civil Partnership and Certain Rights and Obligations of Cohabitants Act, 2010 to the foregoing retainer and authority of my said spouse/civil partner and to the within undertaking to be given by my spouse's/civil partner's solicitor(s).

I acknowledge that it has been recommended to me that I should obtain independent legal advice with regard to the legal implications of giving this irrevocable consent. Where I have chosen not to take such advice, I declare that I did so voluntarily.

The Property is not adversely affected by section 5 of the Family Law Act, 1981, the provisions of the Judicial Separation and Family Law Reform Act, 1989, the Family Law Act, 1995, the Family Law (Divorce) Act, 1996, or the Civil Partnership and Certain Rights and Obligations of Cohabitants Act, 2010.

Dated the _____ day of _____

Signature of Spouse or Civil Partner _____

Name of Spouse or Civil Partner in BLOCK CAPITALS _____

Witness _____

(Solicitor)

Address of Witness _____

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



LSRA Complaints Handling

This fact sheet has been developed to assist those solicitors who receive notification of a client complaint from the Legal Services Regulatory Authority (LSRA). Practical information is included to assist with preparing a response and resolving any complaint as soon as possible.

The role of the LSRA

The LSRA is a statutory body which regulates the provision of legal services by legal practitioners and ensures the maintenance and improvement of standards in the provision of legal services in the State. The LSRA is also empowered by legislation to receive and investigate complaints against legal practitioners in relation to inadequate services, excessive costs, and what might amount to misconduct. The LSRA is independent in the performance of its functions which are set out in the Legal Services Regulation Act 2015.

Current legislative position

The complaints process can be time consuming and frustrating for practitioners particularly where a complaint appears frivolous, vexatious or without foundation. In this context, the LSRA has itself recommended that the legislation be amended to empower it to dismiss certain complaints at an earlier stage, where they are manifestly inadmissible. The Law Society has welcomed the LSRA's recommendation and continues to engage with the LSRA and Government to support legislative reform aimed at improving the efficiency of the complaints process.

Steps to take which may assist if you have been notified that a complaint has been made to the LSRA about you:

1. Do not ignore the complaint or the LSRA. You should always acknowledge and engage with correspondence from the LSRA, even where a complaint appears frivolous, misconceived or without merit. Constructive engagement helps.
2. Take time to carefully read and understand the nature of the complaint and the basis on which it is made. Review the LSRA information guide for legal practitioners, available from: www.lsra.ie/for-law-professionals/ and your obligations under the legislation before responding substantively.
3. Assess admissibility. Consider the inadmissibility criteria in the legislation and if any of them apply to the complaint e.g. complaint is out of time or has already been determined by the Law Society/Solicitors Disciplinary Tribunal. Any issue of inadmissibility should be raised clearly, with professionalism and with supporting evidence.

4. Engage early and consider resolution options. The LSRA offers information resolution with trained mediators to facilitate the resolution of admissible complaints.
5. Prepare a measured, evidence-based response that accurately reflects your records, addresses the issues raised and is supported by relevant documentation. Consider legal representation or attending any meetings with a 'support person'. At all stages, hold resolution firmly in view.

Support tools and resources available from the Law Society to assist solicitors in difficulty:

Guidance and Ethics Helpline: www.lawsociety.ie/guidance-ethics-committee

This solicitor support helpline is co-ordinated by the secretary to the Guidance and Ethics Committee, to assist solicitors concerned about their own position on any matter of conduct. Solicitors should contact the secretary to the Guidance & Ethics Committee, David Mulvihill, d.mulvihill@lawsociety.ie, who will assist by directing you to published material, including guidance and practice notes and the Solicitors Guide to Professional Conduct.

Panel to Assist Solicitors in Regulatory Difficulty: www.lawsociety.ie/Solicitors/regulation/supports The Guidance & Ethics Committee facilitate the work of "The Panel". The panel is made up of solicitors who are willing to represent colleagues engaged in a regulatory process with either the Law Society or the Legal Services Regulatory Authority.

Seek support provided by your Local Bar Associations: www.lawsociety.ie/lawdirectory

There are 29 Bar Associations throughout the country. Contact details are contained in the Law Directory. Local Bar Associations can be an invaluable source of practical advice and assistance.

Consult a Colleague Helpline: www.consultacolleague.ie

The Consult a Colleague Helpline, co-ordinated by the Dublin Solicitors Bar Association, is available to confidentially assist every member of the profession nationwide with any problem, whether personal or professional, free of charge. The volunteers on the panel who provide this service are all solicitors in private practice. Each solicitor is rostered, and two solicitors are on call at all times. Callers to the helpline will hear a recorded message giving contact details of those on call. Callers can remain anonymous throughout. Phone: 01 284 84 84.

Solicitors' Benevolent Association: www.solicitorsbenevolentassociation.com

The Solicitors' Benevolent Association is a voluntary charitable body consisting of members of the Law Society of Ireland and the Law Society of Northern Ireland. It provides financial assistance to members or former members of the solicitors' profession in Ireland and their wives, husbands, widows, widowers, families and immediate dependants who are in need. Assistance is provided on a confidential basis throughout the 32 counties. The Association is independent of both Law Societies. For more information, including application forms and details on how to make an application, contact Geraldine Pearse, Solicitors' Benevolent Association Secretary, 73 Park Avenue, Dublin 4 or telephone 01 283 9528.

Law Society Psychological Services: www.lawsociety.ie/ps

The Law Society of Ireland recognises that receiving a complaint can be a disturbing and potentially distressing experience. Attending to the impact on your personal wellbeing is a vital aspect of being able to respond effectively. Seeking support from trusted friends, colleagues, or your local Bar Association can provide practical and emotional support. Solicitors often benefit from seeking additional professional support. Law Society Psychological Services offers the following supports to our members:

LegalMind: www.lawsociety.ie/LegalMind

LegalMind is an independent and subsidised therapeutic service that is designed to support the specific needs of solicitors. Law Society Psychological Services has partnered with Clanwilliam Institute for the provision of this service. Clanwilliam Institute is a registered charity dedicated to providing safe and confidential psychotherapy services for individuals, couples, and families. It is also a recognised leader in the training of Systemic Psychotherapists in Ireland.

All enquiries to LegalMind are fully confidential. All therapy sessions are conducted by highly trained professionals in a confidential forum.

How to contact LegalMind:

- Email: legalmind@clanwilliam.ie
- Telephone: 01 2055010 (normal rates apply)
- Office hours for contacting LegalMind: 9am - 5pm

If you have feedback about LegalMind, you may contact Psychological Services about this confidentially at ps@lawsociety.ie and/or use the following feedback form.

Other External Supports:

Free Legal advice – www.flac.ie

Citizen Information – www.citizensinformation.ie

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Ten Steps for Planning for an Emergency

A disastrous or emergency event can happen to anyone at any time and can come unexpectedly. If it does, you and your firm may need to adapt quickly to the situation to ensure the survival of the firm. Solicitors have a professional, ethical, and regulatory obligation to: implement reasonable measures to safeguard property and money they hold for clients or third parties, prepare for business interruption and keep clients informed about how to contact them.¹

How your firm reacts and adapts to a disastrous or emergency event can mean the difference between resuming work with some business continuity, without leaving your clients stranded or, in the worst-case scenario, closing your firm. Being unprepared for emergencies can also leave your firm's staff, clients and data vulnerable and at risk – including breaches of confidentiality, non-compliance with GDPR, or professional negligence. Here are 10 steps to take to best prepare yourself for any unforeseen disaster:

1. Carry out an Inventory

You should always know exactly what your firm has on hand so that anyone following your plan knows what needs to be recovered or replaced. You should consider including the following in your inventory:

- **Software:** Make a list of any software your firm uses. How many licenses do you have? Record how access is managed and ensure that passwords or credentials are stored securely in an encrypted system
- **Hardware:** How many computers, servers or other pieces of physical hardware does your firm have and where are they located?
- **Client files:** Should a disaster occur, have a list of all client files (digital and physical) so that they can be recovered
- **Locations:** Note the locations of everything. Include cloud and physical storage solutions, encrypted backups, and remote access protocols, ensuring compliance with confidentiality and GDPR

1. Chapter 9 of the Solicitor's Guide to Professional Conduct 4th edition

2. Do a risk assessment

Include everything in your inventory for a risk assessment. Identify the impact of each risk and ways to mitigate risks. This should include cyber risks, data loss, fraud exposure, reputational damage, and regulatory breaches in addition to physical risks such as fire or flood. Consider seeking the advice of your insurance broker to identify if there are any additional insurance products available in the context of your own firm.

3. Identify and group critical services, systems and data

For example, if client data is located on a single server, or has no back up, this could be considered critical. Items easily replaced or securely backed up may be considered lower risk but ensure ongoing compliance with confidentiality obligations.²

4. Identify supporting tools

Does your firm back up its data? How often? Where is it located (consider whether all your backups are in a separate secure location)? Document your current backup and IT arrangements and highlight any gaps that could expose client information or firm continuity. Use automation where appropriate to reduce human error and contract only with reputable GDPR-compliant providers. Consider outsourcing critical functions such as data-hosting, IT recovery, GDPR compliance, confidentiality, liability and professional indemnity risks.

5. Assign responsible individuals

Nominate specific individuals to take responsibility for plans and procedures in the event of a disastrous or emergency event. Should an emergency occur, your response team and other people should know in advance what their assigned roles and specific responsibilities are. For example, who would be responsible for client communication? Identify any service providers to be contacted. Ensure that the plan is securely stored and accessible to designated individuals. Ensure nominated successors or substitutes have been informed, agree to act, and are adequately briefed (and possibly trained) in compliance with disaster planning requirements.

6. Determine how to handle sensitive information

Document clear procedures for protecting and recovering essential records e.g. employment, financial and client files while maintaining confidentiality, privilege, and GDPR compliance.

7. Communication Plan

Prepare a written communication plan for use in emergencies. This should specify the approved means of communication (e.g. phone, email, secure messaging, video conferencing), how and when are essential personnel, service providers and clients contacted, and who will be responsible? Ensure communications are transparent, accurate and in line with your professional duty of honesty.

2. Chapter 4 of the Solicitor's Guide to Professional Conduct

8. Test and Review the Plan

Periodically test and regularly review your disaster plan to ensure all staff know their roles and that it reflects changes such as staff turnover, hybrid working arrangements or office moves. Carry out walkthroughs or simulations (e.g. cyberattack, sudden illness, natural disaster) to identify weaknesses, document lessons learned and provide refresher training.

9. Finance

Try to maintain a buffer to cover unexpected expenses that may occur. This might not always be possible and will vary from firm to firm. Review the details of your Professional Indemnity Insurance (PII) coverage annually and ensure that the details of insurers are accessible in an emergency. Consider whether additional business interruption insurance or cyber insurance would be appropriate.

10. Do not Panic. Ask for Help.

Emergency situations can be very stressful. An already stressful situation can be made much worse when you don't keep your cool. Reach out to colleagues, mentors, Consult a Colleague, or Law Society resources for assistance. Colleagues often have valuable experience in managing crises and can help minimise disruption. You may also access confidential support through the Professional Wellbeing Hub or LegalMind.

The guidance was developed by the Law Society's Guidance and Ethics Committee. The committee also operates a solicitor helpline for any guidance queries. While the helpline does not provide legal advice or offer second opinions, it is a useful colleague-to-colleague support tool, with a focus on common sense solutions. To contact the helpline, you can email committee secretary David Mulvihill: d.mulvihill@lawsociety.ie or call 01 672 4800.

Emergency plan for sole practitioner/principal firm

Action	When to use	Reason
Will	Death of principal	Appoint a solicitor as “special executor” to deal with disposal of practice after death
Agreement for management	To be used if principal is likely to return to practice and continues to hold a valid practising certificate	Sole principal continues to be responsible for all matters pertaining to the practice and must hold a PC. Agreement for management services only; no power to sell/wind up the practice. Covers temporary absences from the office where the solicitor is likely to return. Covers illness (physical and mental), maternity leave, unexplained absences and abandonment. Does not cover permanent loss of mental capacity.
Power of Attorney	To be used if principal will not, or is unlikely to return to practice as a principal	Sole principal continues to be responsible for all matters pertaining to the practice (may or may not hold a PC). Gives Attorney the power to sell the practice where the principal is <i>compos mentis</i> but too ill to attend, or does not wish to attend to, business affairs.
Enduring Power of Attorney	To be used if principal is not <i>compos mentis</i> and will not, or is unlikely to, return to practice	Solicitor is no longer in practice and no longer <i>compos mentis</i> . Enduring power of attorney would be used to sell the practice and to do any acts necessary to facilitate this.

Emergency plan for sole practitioner/principal firm (continued)

Considerations	Guidance
Who to select as executor/manager/attorney?	Remember: Duties are onerous. Arrange a reciprocal arrangement with another sole practitioner/principal. Arrangements with medium/large firm to give professional service.
Remuneration	Remuneration is by the solicitor or Estate and should be included in agreement. Consider Keyman Insurance or Income Protection Insurance to pay for costs.
Budgeting	Additional expenses if practice manager cannot attend at their own firm Wind-up can be a very expensive exercise. It is labour intensive and significant costs may arise. Files that can be destroyed may have to be destroyed professionally. Another solicitor's firm may have to be paid to take all the files not distributed to clients. Storage and access costs for closed files. Locum solicitors – additional expense. Overheads still have to be paid.
Inform the Law Society, a member of staff and a member of the family	Let them know in writing your emergency plans.
Authority to operate bank account	In some situations a full emergency plan may not need to be triggered, but the emergency might be met by having an authority in place simply to operate the firm's bank accounts.

PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Eight Principles: Ethical Use of AI in Legal Practice

Artificial Intelligence (AI) can improve efficiency, support legal research, assist with drafting, and enhance client service. However, AI tools must be used in a manner consistent with a solicitor's professional, ethical, and legal obligations.

The following principles are intended to support the responsible use of AI in legal practice in conjunction with the Law Society's guidance on Generative AI and Practice Essentials [www.lawsociety.ie/artificial-intelligence-ai/generative-ai-guidance/]

Understanding that the world of AI is rapidly evolving, further helpful resources include:

- Practice Essentials: AI [www.lawsociety.ie/artificial-intelligence-ai/practice-essentials-ai/]
- Applicable data protection guidance [www.lawsociety.ie/running-your-practice/practice-essentials-data-protection]
- The EU Artificial Intelligence Act [eur-lex.europa.eu/eli/reg/2024/1689/oj]
- Any applicable court rules or Practice Directions, including High Court Practice Direction HC 142 on the Responsible Use of Generative Artificial Intelligence in Court Documents [www.courts.ie/practice-directions/full-practice-direction?url=practice-direction-on-the-responsible-use-of-generative-artificial-intelligence-in-court-documents]

These principles apply to the use of AI generally, with particular attention to Generative AI where the risks described are specific to that technology.

1. AI Governance Framework

- Firms should develop a strong governance framework to support the ethical use of Artificial Intelligence (AI) in legal practice.
- This framework should maintain a formal AI Governance Model that provides clear oversight, accountability, and decision-making structures for the development, procurement, deployment, and use of AI systems.

- The governance framework should define roles and responsibilities, set out policies and procedures for the responsible use of AI, and ensure compliance with legal, regulatory, professional, and ethical obligations. It should also incorporate risk assessment, data protection, transparency, human oversight, and regular monitoring mechanisms to identify and mitigate potential risks, including bias, inaccuracies, confidentiality breaches, and cybersecurity threats.
- By embedding robust governance arrangements, legal practitioners can promote trust, maintain professional standards, and ensure that AI is used in a manner that safeguards client interests and upholds the integrity of the legal profession.

2. Competence & Supervision – ‘Human-in-the-loop’



DO

- Develop a sufficient understanding of any AI tool before using it, or allowing it to be used, in legal work.
- Ensure that you and your staff understand the tool's capabilities, limitations, and risks.
- Maintain appropriate human oversight and approval over all AI-assisted work.
- Ensure solicitors, trainees, staff and others using AI on behalf of the practice receive suitable training and supervision, and take appropriate measures to support the development of their AI literacy, having regard to the EU AI Act, Court directions, Law Society Practice Notes and other authorities' guidance
- Put appropriate governance procedures and checks in place regarding the use of AI within the practice, including policies on approved tools, permitted uses, confidentiality, verification, supervision and record-keeping.
- Create a knowledge bank accessible by all staff containing rules, regulations and guidance on use of AI.
- Maintain appropriate oversight and controls over technology used within the practice, including establishing approved systems and permitted use cases, and taking reasonable steps to identify, monitor, and manage unauthorised or unapproved technologies. This should include addressing the risks associated with Shadow IT, including the use of unapproved AI tools (Shadow AI), to ensure compliance with security, confidentiality, data protection, and professional obligations.



AVOID

- Using AI casually or without understanding how it works. Remember, AI should not be used within a legal practice without appropriate AI literacy training.
- Treating AI as a substitute for professional expertise.
- Allowing AI-generated outputs to be used without review.
- Using AI outputs on areas of work where you do not have sufficient expertise to fully verify the accuracy of information provided.



WHY

Solicitors have a duty to act competently and provide a proper standard of service. AI can assist legal work, but it cannot exercise legal judgment, understand context in the way a solicitor can, or assume responsibility for legal advice.



KEY PRINCIPLE:

AI should support professional judgment, not replace it

3. Confidentiality, Privilege & Data Protection



DO

- Consider your organisations AI governance framework and assess whether an AI tool is suitable for handling client information before use.
- Understand where data is stored, processed and accessed.
- Consider the implication of improper use of AI tools and data, and the impact this may have on privilege.
- Check whether information entered into the system may be retained, shared, or used to train models.
- Use appropriate security, governance and contractual safeguards, including considering your organisations AI Governance framework.
- Apply the same confidentiality, privilege and data protection safeguards to AI-enabled recording, transcription, meeting-assistant and notetaking tools.
- Comply with data protection obligations when processing personal data.
- Consider the applicable data protection requirements before processing personal data using AI, including the lawful basis for processing, data minimisation, processor arrangements, international data transfers and whether a Data Protection Impact Assessment is required.
- Ensure appropriate cybersecurity measures are in place when using AI tools, including assessing security risks, protecting against unauthorised access, and safeguarding confidential and client information throughout its lifecycle.



AVOID

- Entering personal, confidential, privileged or sensitive client information into public AI tools, or into any other AI system.
- Assuming that all AI tools provide the same level of security or privacy protection.
- Using AI systems where data handling arrangements are unclear.
- Using AI-enabled recording, transcription, or notetaking tools for client communications without obtaining any necessary consent or providing appropriate transparency to clients.
- Using AI tools to process confidential, privileged, or personal information without

appropriate safeguards for confidentiality, data protection, security, and legal professional privilege.

- Relying on AI-generated recordings, transcripts, notes, or summaries without appropriate governance, human oversight, and verification of their accuracy and reliability.



WHY

The duties of confidentiality and legal professional privilege are fundamental to the solicitor-client relationship. Careless use of AI may risk disclosure of confidential information and may also create data protection and cybersecurity risks.



KEY PRINCIPLE:

Client information must remain protected regardless of the technology used

4. Accuracy & Verification



DO

- Independently verify AI-generated legal research, case citations, quotations and legal propositions.
- Where AI is used in connection with court proceedings, comply with all applicable court rules, practice directions, declaration or disclosure requirements. Where verification is required, ensure that it is undertaken independently using reliable and authoritative sources appropriate to the material being verified.
- Check the accuracy, completeness and currency of all AI generated outputs.
- Use authoritative sources to confirm any AI-generated content.
- Ensure that you have the necessary expertise to verify AI output in areas of work before use.
- Verify the authenticity and provenance of AI-generated or AI-manipulated images, audio, video and other evidential material before relying on or submitting it.
- Where inaccurate AI-generated material has been included in a document submitted to a court, client, regulator or third party, take prompt and appropriate steps to correct the error. In court proceedings, comply with any applicable requirements concerning notification of the error, correction of the document and provision of amended versions.



AVOID

- Assuming AI outputs are correct because they are presented confidently.
- Relying on AI-generated legal authorities without verification.
- Copying AI-generated content directly into legal documents without review.
- Treating verification by another AI system as a substitute for independent verification against authoritative sources.

- Presenting fabricated, manipulated or misleading AI-generated material as genuine evidence.



WHY

Generative AI systems can produce inaccurate, misleading, incomplete or entirely fabricated information. Errors may not be obvious and can appear credible. Solicitors remain responsible for the accuracy of all work submitted to clients, courts, regulators and third parties.



KEY PRINCIPLE:

Treat AI-generated legal content as requiring verification, not as an authoritative source

5. Professional Judgement & Appropriate Use



DO

- Consider whether AI is appropriate for the task being undertaken.
- Exercise independent professional judgment at all times.
- Establish and maintain robust governance frameworks for all AI use within the practice, ensuring consistent oversight, accountability, documentation, and risk management across both legal and operational activities.
- Ensure that the use of AI across the practice remains subject to appropriate human oversight, professional judgment, and compliance with the firm's AI Governance Framework.



AVOID

- Outsourcing legal judgment to AI.
- Allowing AI-generated recommendations to determine legal strategy or advice without independent assessment.
- Using AI for tasks that require nuanced professional evaluation without adequate oversight.



WHY

AI can identify patterns and generate suggestions, but it cannot exercise professional judgment, understand broader client interests, or weigh competing ethical obligations. These responsibilities remain with the solicitor.



KEY PRINCIPLE:

Professional judgment must remain with the solicitor. The solicitor must remain the decision maker

6. Client Interests & Transparency



DO

- Consider whether the client should be informed about the use of AI in delivering legal services. Inform the client where disclosure is required by law, professional obligation or applicable rule. Otherwise, consider whether the client should be informed where the use of AI is material to the client's interests, confidentiality, service delivery, decision-making or costs.
- Ensure the use of AI supports, rather than undermines, the client's best interests.
- Consider, where appropriate, addressing the practice's use of AI in client terms and conditions or engagement documentation.



AVOID

- Using AI in ways that could mislead clients about the nature or extent of professional involvement.
- Allowing efficiency gains to compromise quality or client service.
- Charging for work in a manner that is inconsistent with professional obligations.



WHY

Trust is central to the solicitor-client relationship. Transparency helps clients understand how their matters are being handled and allows them to make informed decisions where appropriate.



KEY PRINCIPLE:

AI should be used in a way that promotes and protects the client's interests

7. Fairness, Bias & Non-Discrimination



DO

- Critically assess AI outputs for bias, unfair assumptions or discriminatory outcomes.
- Consider the impact of AI-assisted decisions on individuals and groups.
- Challenge outputs that appear inconsistent with legal or ethical standards.



AVOID

- Assuming AI-generated recommendations are neutral or objective.
- Relying on AI outputs that may disadvantage individuals unfairly.
- Allowing automated tools to perpetuate stereotypes or discriminatory outcomes.



WHY

AI systems may reflect or amplify biases arising from training data, system design, data inputs or the way they are deployed. These risks can affect legal analysis, decision-making and client outcomes.

KEY PRINCIPLE:

Solicitors should actively guard against unfair or discriminatory outcomes

8. Human Accountability



DO

- Take responsibility for all AI-assisted work produced within the practice.
- Maintain records and oversight appropriate to the nature, extent and risk of AI use, including sufficient records to demonstrate appropriate review and, where required, to explain or disclose how AI was used.
- Be prepared to explain how AI-assisted outputs were reviewed and relied upon.
- Ensure that the use of AI is sufficiently documented and transparent to allow compliance with any disclosure, reporting, or accountability requirements imposed by courts, regulators, supervisory authorities, or other applicable bodies.



AVOID

- Blaming errors on the technology.
- Treating AI as an independent decision-maker.
- Assuming responsibility can be delegated to a software provider.



WHY

Professional obligations attach to the solicitor, not the technology. AI may assist legal work, but accountability for advice, decisions and conduct remains with the solicitor.



KEY PRINCIPLE:

The solicitor remains responsible for AI-assisted professional work

QUICK ETHICAL CHECKLIST

Before using AI, ask:

- ☐ Do I understand this tool sufficiently to use it safely?
- ☐ Is client confidentiality and privilege protected?
- ☐ Have I verified the accuracy of the output?
- ☐ Am I exercising independent professional judgment?
- ☐ Should the client be informed about this use of AI?
- ☐ Have I considered possible bias or unfair outcomes?
- ☐ Am I prepared to take responsibility for the final work product?
- ☐ Am I using an approved tool and complying with applicable professional, AI, data protection and court requirements?
- ☐ If this work is for court, have I complied with any applicable Practice Direction and any verification, declaration or disclosure requirements?

If the answer to any of these questions is '**No**', or if there is uncertainty as to the applicable requirements, further review should be undertaken before using or relying on the AI output.



2. Financial Regulation

**PRACTICE
ESSENTIALS**

YOUR GUIDE TO
REGULATION



PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Financial Regulation

Section 1: Section 150

Section 2: How to handle client moneys

Section 3: How to prepare for an inspection



Section 1: Section 150 guidance

INTRODUCTION

This section 150 (s.150) guidance is designed to help solicitors comply with the legal costs notification requirements under the Legal Services Regulation Act 2015 (LSRA). S.150 of the Act assigns responsibility to practising solicitors to keep their clients updated with accurate information regarding legal costs.

This guidance provides links to a comprehensive set of editable precedent templates covering both non-contentious and contentious matters, making it easier for firms to prepare compliant s.150 notices, communicate legal costs transparently to clients, and best meet their ongoing obligations to update costs information as matters progress.

Links to practical templates for general non-litigation matters, litigation matters, Personal Injuries Resolution Board (PIRB) applications, and post-PIRB personal injury cases can be accessed via the Law Society website, together with sample wording for probate and conveyancing matters, litigation stage descriptions across a range of practice areas, and direction on bills of costs. We also provide a precedent bill of costs and dispute resolution procedure, helping practitioners manage the entire client costs communication process from initial instruction through to the conclusion of a matter.

To access the templates, go to page 96.

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

Part 1 – INTRODUCTION

1.1 HOW TO COMPLETE A S.150 NOTICE USING A LAW SOCIETY TEMPLATE

For the general matter template, all s.150 requirements are dealt with in the body of the letter. For litigation and PIAB templates, schedule 1 is also required to meet s.150 standards.

The opening and closing paragraphs of each template are suggested text only. Once the terms relating to legal costs have commenced in the templates, optional clauses are marked in the footnotes.

The description of the scope of work should be considered and tailored to each instruction. Sample text for probate and conveyancing are set out in the templates provided on the Law Society's website.

Firms may choose to include their general terms and conditions of business and a data protection notice at the end of the s.150 notice. Terms relating to costs which may apply to some firms, but which are not s.150 requirements, are included in the schedule 'further information on costs' – available through the templates. In addition, there is a selection of sample terms that practitioners may find useful when preparing their firm's s.150 notices for conveyancing, probate or litigation matters.

Firms can access a template general terms and conditions on the Law Society website here: www.lawsociety.ie/globalassets/documents/precedents/2025-template-terms-and-conditions.docx

Notices relating to litigation

There is a particularly difficult issue for consideration in notices for litigation matters, where the requirement to *certify* legal costs under s.150(4)(a) co-exists with the requirement under s.150(4)(e) to provide an outline of the work to be done in each stage of litigation together with the costs, likely costs or basis of costs. This means additional work for litigation practitioners in communicating with their clients about legal costs.

The templates deal with this issue by including a table to meet some of the litigation specific requirements of s.150(4)(e) and inserting the s.150(4)(a) certification language below the table to be modified to reflect the costs relating to each stage of the proceedings. Care should be taken to ensure that the notice meets the requirements of both s.150(4)(a) and (e).

The requirements of the legislation are complex, and creating a firm's templates will require some time and attention. However, we hope that these documents will assist firms with the preparation of their own s.150 notice templates.

1.2 S.150 LEGAL COSTS GUIDANCE

Sections 149-161 of the Legal Services Regulation Act 2015 (LSRA)

Legal Costs (s.150) Notice – Guidance

Introduction: S.150 of the Legal Services Regulation Act 2015 (LSRA) increases the responsibility of practising solicitors to keep their clients updated with accurate information with respect to legal costs.

The obligations under the section apply both to solicitors and barristers, and this should be borne in mind when considering the guidance.

Note: Practitioners should attempt to prepare their own s.150 notices as they deem fit within the confines of the legislation. The precedents provided are for guidance purposes only. There is an onus on the legal practitioner to make the notice clear to his or her client and this may necessitate alterations where there are specific needs of a client, for example, accommodation of a disability.

a. Obligations under s.150 of the LSRA

The LSRA places obligations on practising solicitors to let their clients know the legal costs that will be incurred in any given matter.

On receiving instructions from a client, a solicitor must provide a notice to the client to disclose the legal costs that will be incurred in the matter concerned or, where not reasonably practicable to do so at that time, set out the basis upon which the costs are to be calculated.¹

To avoid any dispute as to the efficacy of service by email, it is recommended that notices under the LSRA are served by registered post or the other methods set out in s.216 LSRA.

Setting out the basis of calculation of legal costs serves as a temporary placeholder. Further communication to the client is necessary. The LSRA requires solicitors, as soon as reasonably practicable, to provide the client with a notice that discloses the legal costs that will be incurred.² Many matters will require two s.150 notices and some will require more than that.

b. Legal cost agreements (s.151)

As an alternative to s.150 notices, a practitioner may enter into an agreement in writing with the client concerning the amount and the manner of payment of all or part of the legal costs payable by the client.³ There are advantages to a legal costs agreement from a practitioner's perspective, including in relation to enforceability. As drafted, the template notices meet the requirements for a template legal costs agreement.

It is important to note that the legal costs agreement must contain all the particulars required by s.150(4) if practitioners wish to avoid the need for a separate s.150 notice.⁴ Accordingly, the agreement should be checked for s.150(4) requirements prior to signature. If the client

¹ s.150(2) LSRA

² s.150(3) LSRA

³ s.151(1) LSRA

⁴ s.151(2) LSRA

will not accept amendments to their template legal costs agreement, legal practitioners should consider how to meet s.150(4) requirements. See 1.2(d) for further detail on the consequences of failure to provide a s.150 notice, where it is required.

c. Precedent s.150 notices

Precedent s.150 notices are provided on the Law Society website to assist solicitors develop their firm's precedent documentation relating to the s.150 notice. To access the templates, go to page 96.

The individual precedent notices are designed for the following circumstances:

- a) General matter
- b) Litigation matter
- c) Personal Injuries Resolution Board matters; and
- d) Personal injury litigation matter – Post Personal Injuries Assessment Board.

Warning: The terms of s.150(2) and (4) do not allow for discretion in urgent cases. If the notice is not provided, the consequences for failure to comply.

d. Consequences for failure to comply

There are a number of consequences if a practitioner fails to implement these requirements.

An important practical consequence to note is that where a bill of costs is being adjudicated by a Legal Costs Adjudicator, the Legal Costs Adjudicator does not have the authority to confirm a charge in respect of a matter or item if the matter or item has not been included in a s.150 notice or the subject of a legal costs agreement, unless the Legal Costs Adjudicator is of the opinion that to disallow the matter or item would create an injustice between the parties.⁵

An act or omission of a legal practitioner in relation to the s.150 requirements may constitute misconduct where the act or omission consists of a breach of the LSRA or regulations made under it.⁶ Sanctions will be determined by the Legal Services Regulatory Authority.

In addition, an act or omission of a legal practitioner may constitute misconduct where the act or omission consists of seeking an amount of costs in the provision of legal services which is grossly excessive.⁷

e. Requirement to update a s.150 notice

If a solicitor becomes aware of a factor which would be likely to make the legal costs incurred significantly greater than those disclosed or indicated in a s.150 notice, they are required, as soon as possible after they become aware of that factor, to provide the client concerned with a new notice.⁸

Solicitors should be alert to the requirement which provides that each s.150 notice must contain a statement of the practitioner's obligation to provide such a new s.150 notice in these circumstances.⁹

⁵ s.157(6) LSRA

⁶ s.50(m) LSRA

⁷ ss.50(l) LSRA

⁸ s.150(5) LSRA

⁹ ss. 150(4)(d) and 150(5) LSRA

f. Cases across practice areas

Circumstances will also arise where a matter which starts out in a particular work area and for which a s.150 notice was furnished, subsequently involves the creation of a new matter. For instance, litigation may become necessary in a conveyancing matter. Solicitors are reminded that an additional s.150 notice should be furnished for each matter and as soon as practicable after these circumstances arise.¹⁰

g. What are legal costs under the LSRA?

Legal costs are defined in the LSRA as fees, charges, disbursements and other costs incurred or charged in relation to contentious or non-contentious business. This captures the charges for all legal services provided by a practitioner.

Contentious business is defined as legal services provided by a legal practitioner for the purposes of, or in contemplation of, proceedings before a court, tribunal or other body, the Personal Injuries Resolution Board or an arbitrator appointed under the Arbitration Act 2010 or in connection with an arbitration, mediation or conciliation.¹¹

Non-contentious business is defined as legal services that do not relate to contentious business.¹²

h. Three headings of costs to be specified in the s.150 notice

Each s.150 notice is required to specify to the client legal costs information under three headings, unless it is not reasonably practicable to do so. These are legal costs –

- a) certified by the solicitor as having been incurred as at the date of the notice
- b) certified by the solicitor to be of a fixed nature or certain to be incurred (or if impracticable to so certify, the basis on which they are to be charged)
- c) insofar as is practicable, certified by the solicitor to be likely to be incurred¹³

Where not reasonably practicable to disclose the legal costs specified above at the time of the notice, a solicitor must set out the basis on which the costs are to be calculated.¹⁴

In addition, the practitioner must specify the amount of VAT to be charged in the costs specified.¹⁵

i. Setting out the basis of how the legal costs are calculated

A s.150 notice must set out the basis on which the amounts were or are to be calculated, explained by reference to the matters set out in paragraph 2 Schedule 1 of the LSRA.¹⁶ As explained above, it will be important to have this documentation in place as the Legal Costs Adjudicator is required to consider these matters in determining whether legal costs charged are reasonable in amount.¹⁷ Accordingly, in addition to the explanation being a requirement of the new legal costs information rules, it is also to practitioners' benefit to describe the legal costs to be charged to the client in these terms.

¹⁰ s.150(2)(a) and s.150(5)

¹¹ s.138 LSRA

¹² s.138 LSRA

¹³ s.150(4)(a) LSRA

¹⁴ s.150(2)(b) LSRA

¹⁵ s.150(4)(b) LSRA

¹⁶ s.150(4)(c), and schedule 1, paragraph 2 of the LSRA

¹⁷ s.155(1) LSRA

The following list sets out the information required by a s.150 notice, and what may be subsequently adjudicated in the event of a dispute: the complexity and novelty of the issues involved in the legal work:

- a) the skill or specialised knowledge relevant to the matter which the legal practitioner has applied to the matter
- b) the time and labour that the legal practitioner has reasonably expended on the matter
- c) the urgency attached to the matter by the client and whether this requires or required the legal practitioner to give priority to that matter over other matters
- d) the place and circumstances in which the matter was transacted
- e) the number, importance and complexity of the documents that the legal practitioner was required to draft, prepare or examine
- f) where money, property or an interest in property is involved, the amount of the money, or the value of the property or the interest in the property concerned
- g) whether or not there is an agreement to limit the liability of the legal practitioner pursuant to s. 48 of the LSRA (limitation of legal practitioner's liability by contract)
- h) whether or not the legal practitioner necessarily undertook research or investigative work and, if so, the timescale within which such work was required to be completed
- i) the use and costs of expert witnesses or other expertise engaged by the legal practitioner and whether such costs were necessary and reasonable¹⁸

j. Period of suspension of legal services

A s.150 notice must specify a period of time during which the legal practitioner shall not provide legal services.¹⁹ The suspension of legal services remains in place pending either:

- a) receipt of confirmation from the client that they wish to instruct the legal practitioner to continue to provide legal services in the matter; or
- b) the expiry date of the suspension period.²⁰

This period specified must not be longer than 10 working days.²¹

No minimum period of time for the suspension of services is specified in the LSRA. What constitutes a reasonable period for the suspension of services will vary depending on the circumstances. Practitioners must exercise discretion in determining what is reasonable in the circumstances of the matter.

It is important to note that a suspension period applies not just to the first s.150 notice issued by a solicitor or a barrister but to every subsequent s.150 notice.²²

Despite the provision explained in the paragraph above, the LSRA states that the solicitor 'shall'²³ provide legal services in relation to the matter concerned, without a period of suspension, where:

- a) in the professional opinion of the legal practitioner, not to provide those legal services would constitute a contravention of a statutory requirement or the rules of court or would prejudice the rights of the client in a manner that could not later be remedied

¹⁸ schedule 1, paragraph 2 of the LSRA

¹⁹ s.150(4)(f) LSRA

²⁰ s.150(7) LSRA

²¹ s.150(4)(f) LSRA

²² s.150(4) LSRA

²³ s.150(8) LSRA

- b) a court orders the legal practitioner to provide legal services to the client, or
- c) the matter involves litigation, a notice of trial has been served in relation to the matter, or a date has been fixed for the hearing of the matter concerned²⁴

With respect to part c), an issue arises where a solicitor is given a case that has already been assigned a hearing date. The effect of subsection c) in such a case will be to place a statutory obligation on the solicitor to provide legal services to that client, prior to agreement being reached with that client regarding legal costs. This potentially problematic issue can be avoided by conducting a preliminary inquiry regarding the service of a notice of trial or the fixing of a date for hearing prior to accepting instructions and agreeing to act in the case.²⁵ Otherwise, the solicitor may be under an immediate statutory obligation to take steps in the proceedings and to provide legal services even in the absence of an agreement regarding costs.²⁶

k. Consumer clients – cooling-off periods for contracts

In addition, solicitors who provide legal services to consumer clients are advised to have regard to the Consumer Information, Cancellation and Other Rights Regulations 2013 (SI 484 of 2013) for rules on information requirements and cooling-off periods for on-premises, off-premises and distance contracts. In circumstance where those regulations apply to the services provided to the client, the minimum ‘cooling-off period’ (as required under those regulations) is 14 days.

Solicitors who wish to use a legal costs agreement under s.151 instead of a s.150 notice must include a suspension period in the legal costs agreement or the requirement to provide the s.150 notice will continue to apply.²⁷

l. Responding to client queries on the s.150 notice

Where a client requires any clarification about a s.150 notice, a legal practitioner is required to provide such clarification as soon as is reasonably practicable after having been requested to do so by a client.²⁸

m. Extra responsibilities with respect to s.150 notices for matters involving litigation

With respect to matters that involve or are likely to involve litigation,²⁹ the practitioner must provide the following in the s.150 notice:

- a) an outline of the work to be done in each stage of the litigation process and the costs or likely costs or basis of costs involved in each such stage, including the likelihood of engaging a practising barrister, expert witnesses, or providers of other services
- b) a statement of the legal practitioner’s obligation under s.150(6) of the LSRA to ascertain the likely costs or basis of cost of engaging a practising barrister, expert witness or provider of any other service, and in providing this information to the client they must satisfy themselves that they have secured the client’s approval to engage the person
- c) information as to the likely legal and financial consequences of the client’s withdrawal from the litigation and its discontinuance, and

²⁴ s. 150(4)(f) and ss.150(7), (8) LSRA

²⁵ s.150(2) LSRA

²⁶ Thank you to the Bar of Ireland for their submission on this issue, reproduced here in part.

²⁷ s.151(2) LSRA

²⁸ s.150(9) LSRA

²⁹ Note ‘litigation’ is not defined in the LSRA. ‘Contentious business’ is defined in the LSRA.

- d) information as to the circumstances in which the client would be likely to be required to pay the costs of one or more other parties to the litigation, and information as to the circumstances in which it would be likely that the costs of the legal practitioner would not be fully recovered from other parties to the litigation³⁰

n. Extra responsibilities with respect to s.150 notices for matters involving instructing a practising barrister

When instructing a practising barrister, consider the following:³¹

- a) an obligation on a barrister to provide a s.150 notice shall be fulfilled when the barrister provides the s.150 notice to the solicitor
- b) a solicitor must immediately provide their client with the s.150 notice from a barrister, once received
- c) a duty owed by the barrister under s.150(6), (7) and (9) to his or her client shall be construed as a duty owed by the barrister to the solicitor, and
- d) the solicitor concerned shall, where the solicitor considers it appropriate or where requested by the client, request clarification of a s.150 notice from the barrister and provide that clarification immediately to the client.³²

o. Style of notices

Cost information must be written in clear language that is likely to be easily understood by the client and otherwise comply with s.150.³³ Solicitors' firms each have their own style of communication with clients and are encouraged to spend some time adapting the precedents to meet their own particular needs. Clients' expectations differ. The response of the firm's clients should be monitored and notices adapted to meet their needs on an ongoing basis.

You can access the following templates on the Law Society's website by scanning the QR code:

- Non-litigation templates
- Litigation
- Bill of costs, guidance and precedents

www.lawsociety.ie/link/5dafe4965a6a43d0938365625b5436b7.aspx

Disclaimer: While care has been taken in the drafting of these precedent notices as available on the Law Society website, no responsibility is taken by the Law Society of Ireland for any errors or omissions. Compliance with the legislation is a matter for each individual solicitor.

³⁰ Note the costs of parties other than the legal practitioner may not be recoverable. Here the legislation is silent.

³¹ Note this may be in circumstances other than a litigation matter.

³² s.150(10) LSRA

³³ s.150(1) LSRA

Section 2: Guidance on handling client moneys

Contents

1. General principles
2. Interest on client moneys
3. Prohibition on loans through client account
4. Dealing with residual balances
5. Key compliance requirements
6. Checklist: Authorised Signatories on the Client Account
7. Checklist: what to confirm before closing a client file

1. GENERAL PRINCIPLES

Solicitors hold client moneys as fiduciaries and must ensure that all client funds are properly safeguarded, accurately accounted for, and used only for the purpose for which they were received.

Solicitors should:

- Keep client moneys separate from office moneys
- Maintain accurate client ledger records
- Regularly review client account balances
- Return client funds promptly when the matter is completed
- Ensure compliance with the Solicitors Accounts Regulations 2023

2. INTEREST ON CLIENT MONEYS

Solicitor's obligations

A solicitor must either:

- Hold client moneys in an interest-bearing account and account to the client for interest earned or
- Otherwise account to the client for interest that should have been earned

This obligation applies whether the funds are held in an interest-bearing account or not.

Calculation of interest

Where client funds are not held in a dedicated interest-bearing account:

- Interest is calculated from seven days after receipt of the money
- The calculation is based on what would have been earned in a dedicated interest-bearing account selected by the solicitor at the firm's principal bank
- Interest is only payable where the amount exceeds €100 net of DIRT

Dedicated accounts

Where funds are held in a dedicated interest-bearing client account:

- All accrued interest must be credited to that account
- Interest is treated as additional client money until paid out

Client communication

Solicitors should clearly explain to clients:

- Their policy regarding client account interest
- The basis on which interest is calculated
- That client account funds must generally remain immediately accessible and therefore may not generate the same return as a private investment

Written agreements

A written agreement between the solicitor and client regarding:

- The application of client moneys and/or
- Entitlement to interest will continue to apply provided it complies with the Solicitors Accounts Regulations 2023.

3. PROHIBITION ON LOANS THROUGH THE CLIENT ACCOUNT

Borrowing from clients

A solicitor must not borrow money from a client unless:

- The client is in the business of lending money or
- The client has obtained independent legal advice beforehand

The advising solicitor must not be from the same firm.

Important restriction

Client funds held in the client account must never be used to fund a loan to the solicitor.

Lending to clients

A solicitor must not:

- Lend money directly or indirectly to a client
- Use loans as a means of obtaining instructions from a client

The payment of normal outlays during the course of legal services is not regarded as a prohibited loan.

Loans between clients

The client account must not be used in connection with loans between clients.

Accordingly:

- Client ledger transfers between lending and borrowing clients are prohibited
- Funds must not be paid from one client's client account balance directly to another client as part of a private loan arrangement

Where one client proposes to lend money to another client of the firm:

- The solicitor must advise the lender to obtain independent legal advice
 - The client account must not be used for the transaction
-

Documentation requirements for permitted loans

Where a loan transaction is permitted under the Regulations, the solicitor must retain evidence on file including:

- The written loan agreement
 - Loan amount
 - Date of agreement
 - Repayment terms
 - Evidence of independent legal advice obtained by the client
-

4. DEALING WITH RESIDUAL CLIENT BALANCES

Ongoing review

Solicitors must regularly review client ledger balances and identify:

- Delays in completing matters
- Undisbursed outlays
- Funds due to clients
- Funds due to third parties on behalf of clients

Where delays are identified, immediate corrective action should be taken and approved in writing by the compliance partner where appropriate.

Unexplained client balances after completion

Where a matter has concluded and money remains in the client account:

- Outstanding outlays and fees should first be discharged
- Any remaining funds belong to the client and should be returned promptly

The passage of time does not change the ownership of the funds.

Untraceable clients

Where:

- The solicitor has taken all reasonable steps to locate the beneficial owner and
- The client cannot be traced the funds must remain in the client account.

At present:

- There is no legislative provision allowing these funds to be transferred elsewhere
 - They cannot be paid to charity, a benevolent fund, or any other party
-

5. KEY COMPLIANCE REQUIREMENTS

Solicitors should ensure compliance with the following practical requirements:

Review outstanding balances

Regularly review client ledger balances for undue delay.

Report long outstanding balances

Client ledger balances outstanding for two years or more must be reported in Appendix 6 of the Reporting Accountant's Report.

Completion statements

At the conclusion of a matter, provide the client with a statement showing:

- Money received
- Money paid
- Any money remaining held

Prompt return of funds

Client money remaining after completion of legal services must be returned to the client as soon as practicable.

6. CHECKLIST: AUTHORISED SIGNATORIES ON THE CLIENT ACCOUNT

Use this checklist when reviewing client account signing arrangements under Regulation 9 of the Solicitors Accounts Regulation 2023.

✓ CORE COMPLIANCE REQUIREMENTS

- ☐ Is every sole authorised signatory on the client account a **solicitor who is a partner or sole practitioner** with a **current practising certificate in force**?
- ☐ Does the firm's internal procedures and bank mandates clearly distinguish between client and office account signatories to support effective compliance monitoring and to demonstrate proper control over client moneys?
- ☐ Do the firm's bank mandates reflect this requirement for both:
 - ☐ Cheque payments; and
 - ☐ Electronic funds transfers (EFTs)?
- ☐ Are all payments from the client account made in compliance with Regulation 9(5)?
- ☐ Are arrangements for the client account considered separately from the office account?

✓ USE OF STAFF AS SIGNATORIES

- ☐ If a staff member is a signatory, are they acting **only as a co-signatory**?
- ☐ Is at least one signatory on every transaction a partner or sole practitioner holding a current practising certificate?
- ☐ Are non-solicitors prevented from acting as sole signatories unless specific Law Society authorisation has been obtained under Regulation 9(5)(c)?
- ☐ Do staff members have only the level of access necessary to perform their role and not unrestricted access to client funds?

✓ BANKING MANDATE REVIEW

- ☐ Does the bank mandate prohibit a staff member from acting as sole signatory on the client account?
- ☐ Does the bank mandate comply with Regulation 9 regardless of the firm's internal payment approval procedures?
- ☐ Have both cheque payments and online banking arrangements been reviewed for compliance?
- ☐ Are authorised signatories correctly recorded in the firm's bank account register?

During regulatory inspections, confirmation of the firm's bank mandates and authorised signatories may be sought by an authorised person. These particulars must also be recorded in the firm's **bank account register**, as required under the Regulations.

✓ **ELECTRONIC PAYMENT CONTROLS**

- ☐ Is dual authorisation used for electronic payments? (recommended best practice)
- ☐ Does each user have their own online banking credentials?
- ☐ Is sharing of login details or authorisation credentials prohibited?
- ☐ Is two-factor authentication used for electronic payment systems?
- ☐ Before each payment, is the relevant client ledger reviewed to confirm sufficient client funds are held?

✓ **INTERNAL CONTROLS AND GOVERNANCE**

- ☐ Are signatory arrangements clearly documented in the firm's procedures?
- ☐ Is there clear segregation of duties between payment preparation and payment approval?
- ☐ Are partner/sole practitioner approvals evidenced and retained?
- ☐ Are controls in place to prevent unauthorised withdrawals from the client account?

✓ **IF A BREACH IS IDENTIFIED**

- ☐ Has the firm assessed whether any payment from the client account, either by cheque or electronic transfer, was made with a staff member who is not a partner or sole practitioner, acting as sole signatory?
- ☐ If so, has the matter been treated as a breach of Regulation 9(5)(a)?
- ☐ Has immediate remedial action been taken?
- ☐ Has the bank mandate been updated to ensure that only an authorised signatory is recorded as sole signatory?
- ☐ Have partners/sole practitioner documented the corrective action taken?

✓ **EXCEPTIONAL CIRCUMSTANCES: NON-SOLICITOR SOLE SIGNATORY (REGULATION 9(5)(C))**

Applications seeking authorisation for a non-solicitor to act as a sole signatory are considered by the Law Society's Regulation of Practice Committee. Before submitting an application, confirm:

- ☐ Exceptional circumstances exist and can be clearly evidenced.
- ☐ The proposed person is either:
 - ☐ A solicitor with a current practising certificate; or
 - ☐ A member of an accountancy body listed in Regulation 26(4).
- ☐ Robust documented internal controls are in place to prevent unauthorised withdrawals, including appropriate segregation of duties.
- ☐ Two-factor authentication is used for electronic payment methods.
- ☐ Transactions are only executed with documented partner approval.
- ☐ Insurance exists to compensate clients in the event of fraud by the non-solicitor signatory.
- ☐ A written application prepared for the Law Society should include:
 - ☐ Details of the exceptional circumstances;
 - ☐ Full details of internal controls and payment procedures; and
 - ☐ Evidence of the relevant insurance cover.

TOP 5 COMPLIANCE REMINDERS

1. A non-solicitor must not act as sole signatory on a client account unless expressly authorised by the Law Society in exceptional circumstances.
2. Regulation 9 applies to all payments from the client account, whether by cheque or electronic transfer.
3. Bank mandates for both cheque payments and online banking arrangements should be reviewed to ensure compliance with Regulation 9.
4. Dual authorisation of electronic payments and strong payment controls are regarded as best practice.
5. Before each payment, the relevant client ledger should be reviewed to confirm sufficient client funds are held.

This information is for guidance purposes only and does not constitute legal advice. It has been adapted from a practice note issued by the Regulation of Practice Committee. To access the full practice note, with links to the relevant legislation visit: www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/authorised-signatories-on-client-account/

7. PRACTICAL CHECKLIST – WHAT TO CONFIRM BEFORE CLOSING A CLIENT FILE

✓ **Before closing a client file, confirm that:**

- ☐ All client funds have been reconciled
- ☐ Interest obligations have been considered
- ☐ Outstanding outlays have been discharged
- ☐ Fees have been properly transferred and recorded
- ☐ Residual balances have been returned to the client
- ☐ Any untraceable client balances have been documented and retained in the client account
- ☐ No client account transactions involve loans to or between clients
- ☐ Appropriate records and supporting documentation have been retained

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

Section 3: How to prepare for an inspection

Top tips to stay compliant with the Solicitors Accounts Regulations 2023

Compliance with the Solicitors Accounts Regulations 2023 is a fundamental responsibility for every solicitor and legal practice. These regulations are designed to safeguard client funds and ensure the highest standards of professional conduct.

The following tips and reminder guidance can support solicitors with meeting their obligations and assist with compliance:

1. Maintain up-to-date accounting records

Solicitors should maintain accurate, up-to-date accounting records with clear descriptions of transactions, separate client ledgers, regular reconciliation exercises, effective filing systems of accounting records, and retain supporting documentation such as bank records and payment confirmations in line with regulatory requirements. Solicitors should hire experienced bookkeepers to assist with this work.

2. Implement good client account management procedures

Solicitors should lodge client funds to the client account, and ensure withdrawals are properly authorised. Client accounts should only be used while providing legal services.

3. Ensure office ledger accounts are up-to-date

Solicitors should maintain accurate records of office account transactions, the office side of client ledgers, ensuring bills of costs, outlays and expenses are correctly recorded, and can be properly vouched to the relevant file.

4. Conduct regular balancing statements

Every quarter, solicitors should prepare a 'client account balancing statement', and every six months they should prepare an 'office account balancing statement'. These statements should be approved by the compliance partner/principal within two months of the balancing date.

5. Conduct regular reviews of client matter balances

Solicitors should regularly review the list of client matter balances to determine if there are any unnecessary delays in dealing with client matters, and to investigate and correct any client ledger debit balances and office ledger credit balances. Professional fees should be drawn within three months, and any remaining client balances should be returned to clients within six months of the legal services being completed.

6. Maintain supporting documentation on client files

It is important to maintain proper supporting documents on each client matter file. Relevant supporting documents will enable clients' moneys, handled and dealt with by the solicitor, to be appropriately vouched for. This includes retaining records of lodgements and payments, bills of costs and authorisation to transfer fees, and evidence of outlays and payments made.

Solicitors must also maintain supporting records, including electronic payments and receipts confirmations, inter-ledger transfers vouching documentation, and final statements of account should be provided to the client on conclusion of the legal service.

Solicitors must retain evidence of compliance with Section 150 (Notice of Costs) and Section 152 (Final Bill of Costs) on each file.

7. Maintain a register of undertakings

Under Regulation 38, solicitors should keep a detailed register of all their undertakings. This register should include the date the undertaking was given, the identity of the client, the identity of the legal entity in receipt of the undertaking, and the date the undertaking was complied with. Maintaining a register of deeds is also good practice.

8. Avoid personal transactions and loans involving clients being conducted in the client account

Remember, a solicitor's personal funds must not be held or passed through the client account, and client accounts must not be used for personal or office expenditure.

Regulations 35 to 37 set out restrictions on the use of the client account for loan arrangements between solicitors and their clients, and between clients. The client account should not be used for loan arrangements to or from a client or loan arrangements between clients. If one client agrees to lend to another client, you must advise the lending client to take independent legal advice.

9. Deal with interest on client moneys where relevant

Under Regulation 8, solicitors shall hold client moneys in an interest-bearing account and account for that interest to the client. If client moneys are not held in an interest-bearing account, the solicitor must still account to the client for interest.

If a client's money earns more than €100 interest (net of DIRT), as set out in Regulation 8, this must be accounted to the client. Any interest due to the office account should be paid to the office account within three months. Many software providers can assist with calculating the interest owed to clients or due to the office account.

Under Regulation 8(5), Regulation 8 does not affect any arrangement in writing, whenever made, between a solicitor and a client relating to interest on client moneys.

10. File Annual Reporting Accountants Reports on time

Solicitors must submit Annual Report Accountants Reports to the Law Society within five months of the year-end accounting date, but a one-month extension can be granted on request. This request must be made at least 14 days in advance.

The compliance partner/principal must confirm key reviews were completed as part of the form of acknowledgement, including approval of balancing statements, review of matter balances, listing any required actions to be taken, and to confirm that computerised accounting records are properly backed up.

CONTACT US

For more information on the Reporting Accountant Reports visit: Reporting Accountants' Reports www.lawsociety.ie/financial-regulation2/reporting-accountants-reports/ or if you have queries relating to the Solicitors Accounts Regulations 2023 contact financialregulation@lawsociety.ie.

LEARN MORE

These tips will support solicitors in staying compliant with the Solicitors Accounts Regulations 2023.

To learn more about how best to manage solicitor accounts obligations, see:

- **Regulations Answers webpage:** Regulation Answers www.lawsociety.ie/regulation-answers/
- **Practice notes:**
 - Use of client account for loans to solicitors or between clients
www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/use-of-client-account-for-loans-to-solicitors-or-between-clients/
 - Interest on client moneys
www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/interest-on-client-moneys/
 - Moneys remaining in Client Account
www.lawsociety.ie/Solicitors/knowledge-base/Practice-Notes/moneys-remaining-in-client-account/

For queries, email Regulation Answers at regulationanswers@lawsociety.ie

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.



3. Anti Money Laundering



PRACTICE ESSENTIALS

YOUR GUIDE TO
REGULATION



Anti Money Laundering

Section 1: AML Guidance

Section 2: Business Risk Assessment

Section 3: Client Risk Assessment (CRA)



Section 1: AML Guidance

CONTENTS

- Introduction
- 10 steps to ensure regulatory and legal compliance with AML requirements
- Supports:
 - Business risk assessment; a practical guide on how to ensure compliance
 - Client risk assessment; steps to take to assess risk of every client and transaction
- Contact us

INTRODUCTION

As designated persons under AML/ Countering the Finance of Terrorism (CFT) legislation, solicitors must comply with a number of statutory obligations, including the following: the Criminal Justice (Money Laundering & Terrorist Financing) Act 2010 (as amended), Solicitors (Money Laundering and Terrorist Financing), Regulations 2020 (SI 377/2020) (as amended) and the various Regulations in relation to Beneficial Ownership of Trusts, Companies and Certain Financial Vehicles.

The Law Society's AML Unit is committed to keeping the profession fully updated on evolving regulatory and legal obligations, and to providing ongoing support and guidance. The AML unit has been fully operational since July 2025 when the separate strands of regulation, policy, education and external stakeholder engagement were brought under one Department as part of the Law Society's strategy to ensure that its competent authority remit is being fully met.

The AML compliance duties imposed on solicitors are broad and require performance of the following actions:

- A written Business Risk Assessment
- Documented Policies, Controls and Procedures (PCPs)
- Documented Client Risk Assessments to determine the extent of Customer Due Diligence ('CDD') measures
- CDD measures
- Beneficial Ownership checks
- Verification of Client ID
- Source of Funds, Source of Wealth and Ongoing Monitoring
- Suspicious Transaction Reporting
- AML record keeping
- AML training

The purpose of this guidance is to provide practical assistance to solicitors when complying with their AML obligations. Together with a 10-step guide, the AML Unit of the Law Society has developed infographics designed to be adapted and used by solicitors when carrying out AML regulated legal services.

10 STEPS TO ENSURE REGULATORY AND LEGAL COMPLIANCE WITH AML/CFT REQUIREMENTS

1. Conduct a Business Risk Assessment (BRA)

Section 30A of the Criminal Justice (Money Laundering & Terrorist Financing Act) 2010 (as amended) and Regulation 6 of the Solicitors (Money Laundering & Terrorist Financing) Regulations 2020 (as amended).

The BRA helps to recognise and assess the firm's exposure to money laundering and terrorist financing risks.

Consider:

- Client types
- Services provided
- Geographic risk
- Delivery channels
- Other relevant risk factors

External Factors to consider:

- The National Risk Assessment (NRA)
- Law Society guidance

Document the assessment, obtain senior management approval, and review it regularly.

Step-by-Step Guide to drafting your Business Risk Assessment

Step 1: Develop your knowledge of money laundering (ML) and terrorist financing (TF) risks inherent in legal services

Step 2: Draft your Business Risk Assessment

Step 3: Consider adapting the Law Society templates

Step 4: Conclude the BRA by assigning an overall level of risk to your firm

Step 5: Obtain senior management approval, where appropriate

Step 6: Keep the BRA under review in line with the firm's PCPs

Conclusion:

A strong Business Risk Assessment:

- Protects your firm and your reputation,
- Supports proportionate AML controls and measures, and
- Demonstrates compliance to the Law Society.

2. Implement Policies, Controls and Procedures (PCPs)

PCPs: Section 34 of the 2010 Act (as amended) and Regulation 5 of the 2020 Regulations (as amended).

Develop AML policies tailored to the firm's size, services and risk profile and based on the ML/TF risks identified in the firm's BRA.

Include procedures for:

- Risk identification and mitigation
- Client Due Diligence (CDD) controls
- Beneficial ownership verification
- Transaction monitoring
- Identification and scrutiny of unusual, large or complex transactions
- Suspicious Transaction Reporting (STR)
- Record retention
- Cash and client account policy

Review and update policies on an ongoing basis. Firms must ensure that they have clearly defined process in place for the formal review **at least annually** of the policies and procedures within the firm.

PCPs apply to all relevant persons in the firm – sole practitioners, partners and all staff involved in AML-regulated work. Senior management in the firm hold ultimate responsibility for the implementation, approval and oversight of PCPs.

Conclusion:

Robust, well-documented and actively maintained PCPs are central to AML compliance.

3. Carry Out Client Risk Assessments (CRAs)

Section 30B of the 2010 Act (as amended) and Regulation 7 of the 2020 Solicitor Regulations (as amended)

Identify and assess the risk of ML and TF presented by each client and matter before commencing work.

Determine whether the client presents a low, standard or high risk.

The CRA must be recorded on the file (Regulation 7(2)).

Consider:

- Client identity and background
- Why is the client instructing me?
- What is the purpose of the transaction or relationship?
- What level of money or assets am I likely to see on the file?
- Is the transaction structure ordinary?
- Does the transaction make sense in light of what I know about the client?

Once the basic questions have been addressed, the CRA has to go further. The real issue is whether you properly understand the client, the transaction, and, where relevant, the ownership and control structure behind it. This requires the solicitor to go further and ask additional questions.

The CRA cannot remain fixed at the start of the matter. The CRA must be kept under review throughout the life of the matter and updated as the circumstances or risk involved in the matter changes.

4. Perform Appropriate Client Due Diligence (CDD)

Simplified Client DUE Diligence (SCDD): Section 34A and Regulation 12

Standard Client Due Diligence (SDD): Sections 33, 34 and 35 and Regulations 10 and 11

Enhanced Client Due Diligence (EDD): Sections 36A, 37, 38, 39 and Regulations 13-16

The solicitor must identify the client and verify client identity on the basis of documents that can easily be relied upon before establishing a business relationship.

Apply the level of due diligence appropriate to the risk:

- Simplified CDD
- Standard CDD
- Enhanced Due Diligence (EDD)
- Identify and verify beneficial owners and individuals exercising control.
- Document the rationale for the level of CDD applied.

Simplified Client Due Diligence

Available only where the solicitor has identified, through the business risk assessment and the file-specific assessment, that the client, relationship or transaction falls within a lower-risk category and presents a lower degree of money laundering or terrorist financing risk.

Simplified due diligence does not mean no due diligence. The solicitor must still identify and verify the client, understand the purpose and intended nature of the relationship, record the reasons for the lower-risk determination and the evidence supporting it, and carry out enough ongoing monitoring to detect anything unusual or suspicious.

Standard Client Due Diligence

SDD is the ordinary application of core CDD measures:

- identifying and verifying the client
- identifying and verifying any beneficial owner where relevant
- confirming authority to act
- understanding ownership and control structures where necessary
- establishing the purpose and intended nature of the matter and
- and carrying out ongoing monitoring

Enhanced Client Due Diligence

Required where the relationship or transaction presents a higher risk of money laundering or terrorist financing.

Examples of other situations where EDD might apply include the following:

- Complex or unusual transactions
- Matters involving politically exposed persons (PEPs)
- Matters involving high risk third countries

Enhanced client due diligence requires additional measures, such as:

- A more intensive and proportionate application of the standard due diligence measures
- May require additional information about the client and any beneficial owner
- Might necessitate closer enquiry into source of funds and/or source of wealth
- More frequent and more searching ongoing monitoring and
- Approval of senior management, where appropriate

Identification and Verification of Beneficial Owners

A Beneficial Owner is any natural person(s) who ultimately owns or controls a legal entity, either through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in the entity.

The solicitor must take steps to identify the beneficial owner, take measures to verify the identity of the beneficial owner and document an understanding of the ownership and control structure of the entity.

The solicitor must ascertain that information concerning the beneficial ownership of the client is inserted in the relevant beneficial ownership register and in the Central Register. If there is a discrepancy between the information in trust's register and the Central Register, or if the trust is not registered at all, the solicitor must file a discrepancy notice to the relevant body.

5. Establish Source of Funds (SoF) and Source of Wealth (SoW)

Source of Funds asks the question, 'Where has the money from the transaction come from?' Source of Funds explains the transaction money.

Source of Wealth asks the question, 'How did this client acquire the overall financial means that make this transaction credible at all?' Source of Wealth explains the client's overall means.

Understand where transaction funds originate and where necessary how the client's wealth was accumulated.

Source of Funds questions to ask

- Where is this money coming from?
- Is it coming from an account in the client's own name?
- Who else, if anyone, is contributing to the transaction?
- If there is a third party involved, who are they, what is their relationship to the client, and why are they providing the money?

Source of Wealth questions to ask

- How did this client build the level of wealth that makes this transaction believable?
- Was it through employment over time?
- Through a successful business?
- Through investments?
- Through inherited assets?
- Through the sale of property or some other asset?

Obtain documentary evidence to support explanations provided. Solicitors should question whether they have collected enough material, having regard to the risk identified, to make this explanation genuinely credible?

Ask clear questions. Probe where necessary. Follow the money trail. Test whether the explanation actually stands up.

Apply greater scrutiny where:

- Cash is involved
- Funds come from third parties
- Funds originate from high-risk jurisdictions or
- Explanations are inconsistent or unsupported

6. Monitor Matters Throughout the Relationship

Monitoring is defined in Regulation 2 of the 2020 Solicitor Regulations (as amended).

Ensure transactions remain consistent with the client risk profile. Reassess risk where:

- New parties become involved
- Politically exposed persons (PEP) involved in the transaction
- Instructions change
- Unusual or complex transaction patterns emerge
- Funds originate from high-risk jurisdictions
- Other red flags are identified

Maintain a documented audit trail of decisions taken.

7. Report Suspicious Activity

Section 42 of the 2010 Act (as amended) and Regulation 19 of the 2020 Solicitor Regulations (as amended).

Threshold for making a report: Knowledge, suspicion or reasonable grounds to suspect, on the basis of information obtained in the course of carrying on business as a solicitor, that another person has been or is engaged in an offence of money laundering or terrorist financing.

- Submit a Suspicious Transaction Report (STR) to Financial Intelligence Unit (FIU) via goAML - www.fiu-ireland.ie and Revenue (via www.ROS.ie) whenever there is knowledge, suspicion or reasonable grounds to suspect money laundering or terrorist financing
- Suspicion does not require proof
- Report promptly
- Do not “tip off” the client or any third party about a report
- The Law Society recommends that every solicitor firm registers with goAML. goAML is a Financial Intelligence Unit reporting portal used to file STRs

8. Maintain Comprehensive Records

Section 55 of the 2010 Act (as amended) and Regulation 8 of the Solicitor Regulations 2020 (as amended).

Record maintenance and retention is one of the primary ways in which a firm demonstrates that it has properly applied a risk-based approach to AML compliance.

Retain:

- CDD documentation
- Copies of ID documents and proof of address
- Records of how client identity verified
- Client risk assessments
- Recording of where EDD was carried out, where appropriate
- Beneficial ownership information
- Source of funds/wealth evidence
- Monitoring records
- STR-related documentation, where appropriate

Keep records securely for at least five years after the business relationship ends or completion of the transaction.

Records can be maintained electronically or in hard copy. Must be easily retrievable, clearly linked to the relevant client and matter, and capable of being produced promptly in the event of an inspection.

9. Provide Ongoing AML Training

Section 54 of the 2010 Act (as amended) and Regulation 5 of the Solicitor Regulations 2020 (as amended).

Training is a preventative control. Its purpose is to ensure that suspicious activity is identified and addressed before any harm occurs.

Deliver AML training to all relevant staff. Ensure training is:

- Role-specific
- Ongoing
- Refreshed at least annually and after material legal or risk changes

Maintain evidence of training attendance and content delivered.

10. Prepare for Future Regulatory Changes

- Monitor forthcoming EU AML reforms and changes to supervisory requirements.
- Ensure systems, controls and documentation standards remain aligned with evolving regulatory expectations.
- Focus on demonstrating compliance through documented evidence of actions taken and risks assessed.

REMEMBER:

The Law Society is the competent authority and inspects AML compliance.

Every firm must appoint a capable Money Laundering Reporting Officer. This person does not need to be a partner but they must have sufficient knowledge. Solicitor practices can contact the AML Helpline for guidance.

Email: aml@lawsociety.ie

Tel: 01 879 8788

SUPPORTS

To assist solicitors with satisfying their regulatory and legal obligations, further clarification is provided with the following infographics:

1. Business risk assessment; a practical six step guide on how to ensure compliance
2. Client risk assessment; seven steps to take to assess risk of every client and transaction

Solicitors can avail of updated, free Law Society AML training designed to help solicitors comply with their statutory AML duties, currently available by visiting the Law Society LegalED Talks Hub: www.lawsocietycpd.learnskills.ie.

Two separate training videos can be accessed by logging in to the LegalED Talks Hub, and they cover the following areas:

1. Training on Core AML requirements, the current statutory framework, and real-life scenarios that solicitors in practice may encounter
2. A specific video on filing suspicious transaction reports (STR's) and using the goAML and ROS systems

Each training video is 90 minutes in duration and attracts CPD points.

In addition, the Law Society's AML unit has contributed to training for non-solicitor staff in legal practices (www.lawsociety.ie/news/news/Stories/aml-talk-for-non-solicitor-staff/) with a training video available for general viewing. This training can be viewed on the Law Society's website here: www.lawsociety.ie/news/news/Stories/aml-talk-for-non-solicitor-staff

CONTACT US

The AML helpline can assist solicitors with best practice guidance and resources. The helpline cannot provide legal advice. Solicitors needing assistance can contact the helpline via:

Email: aml@lawsociety.ie

Tel: 01 879 8788

Section 2: Business Risk Assessment

HOW TO DRAFT AN AML BUSINESS RISK ASSESSMENT

A practical six step approach for Irish legal practices. In line with the Law Society of Ireland AML Guidance and Resources.



1. Understand Your AML Risk Environment

1

REVIEW KEY SOURCES:

- National Risk Assessments
- Law Society of Ireland AML Guidance and Resources
- FATF reports and typologies
- Relevant regulatory findings

CONSIDER:

- What ML/TF risks impact your practice and which risks are relevant to your clients and services



2. Identify Risks Across Your Business

2

CLIENTS:

- Individuals
- Companies and trusts
- PEPs and higher-risk clients

SERVICES:

- Conveyancing
- Trust and company services
- Client account activity
- Higher-value transactions

GEOGRAPHY:

- Higher-risk jurisdictions;
- Sanctioned countries;
- Cross-border activity

DELIVERY CHANNELS:

- Non-face-to-face onboarding
- Reliance arrangements
- Remote working



3. Tailor the Assessment to Your Firm

REFLECT ON:

- Firm size and structure
- Areas of practice
- Client base
- Transaction types
- Specific risk exposure

Avoid a
tick-box
approach



4. Evaluate Controls and Determine Residual Risk

REVIEW CONTROLS INCLUDING:

- Customer Due Diligence (CDD)
- Enhanced Due Diligence (EDD)
- Staff training
- Screening and sanctions checks
- Escalation procedures
- Independent oversight

ASSESS:

- Inherent risk
- Control effectiveness
- Residual risk



5. Obtain Senior Management Approval

SENIOR MANAGEMENT SHOULD:

- Review the assessment
- Challenge assumptions
- Approve conclusions
- Ensure adequate resources



6. Monitor, Review and Update

REVIEW:

- At least annually
- Following significant business changes
- Following regulatory updates
- When new risks emerge

EXAMPLES:

- New service offerings
- Expansion into new jurisdictions
- Technology changes
- Emerging ML/TF risks

SOURCES

- Law Society of Ireland AML Guidance and Resources
- Law Society of Ireland Business Risk Assessment Guidance
- www.lawsociety.ie/anti-money-laundering-aml

Section 3: Client Risk Assessment (CRA)

A RISK-BASED APPROACH TO AML COMPLIANCE

Assess the level of money laundering (ML) and terrorist financing (TF) risk presented by every client and matter before establishing a business relationship or carrying out a transaction.



1. Understand the Client

CONSIDER:

- Client type
- Ownership structure
- Occupation / business activity
- Expected nature of the relationship



2. Assess Geographic Risk

CONSIDER:

- Country of residence
- Countries involved in the transaction
- High-risk third countries
- Sanctions exposure



3. Assess Matter / Service Risk

CONSIDER:

- Type of legal service
- Complexity of the transaction
- Value involved
- Use of client account or third parties



4. Assess Source of Funds & Wealth

CONSIDER:

- Origin of transaction funds
- Evidence supporting source of funds
- Source of wealth (where required)
- Consistency with client profile



5. Determine Risk Rating

ASSIGN:

- Low Risk
- Medium Risk
- High Risk

DOCUMENT:

- Risk factors identified
- Overall risk assessment
- Rationale for the rating



6. Apply Appropriate Due Diligence

LOW / MEDIUM RISK

- Standard CDD
- Ongoing monitoring

HIGHER RISK

- Enhanced Due Diligence (EDD)
- Additional verification
- Senior management approval where applicable



7. Keep the Assessment Under Review

REVIEW WHEN:

- Circumstances change
- New risk factors emerge
- Transaction activity differs from expectations



DOCUMENT, JUSTIFY AND RETAIN ALL CLIENT RISK ASSESSMENTS

Your assessment should be risk-based, proportionate to the level of risk identified, and retained as part of the firm's AML records.

RISK-BASED: Focus on the level of ML/TF risk.

PROPORTIONATE: Apply measures commensurate with the risk identified.

RETAIN: Keep accurate records for at least five years after the end of the relationship.



4. Personal Indemnity Insurance and Practising Certificates



PRACTICE ESSENTIALS

YOUR GUIDE TO
REGULATION



PERSONAL INDEMNITY INSURANCE AND PRACTISING CERTIFICATES

Section 1: Prepare for PII renewal

Section 2: Professional Indemnity Insurance:
Risk Management Guidance

Section 3: Practising Certificate (PC) Renewal



Section 1: Prepare for PII renewal

Follow 10 important tips to best prepare for the upcoming renewal of your Professional Indemnity Insurance (PII) by **1 December**.

PII PREMIUMS

In recent years, the Law Society has succeeded in reducing solicitor PII premiums by:

- reinforcing the Irish solicitors' PII market as low risk for insurers
- stabilising market conditions and signalling quality through Minimum Terms and Conditions (MTCs) and professional standards
- active engagement with incumbent and prospective insurers to sustain and expand capacity
- attracting new insurers to the market, with a focus on insurance for smaller firms

These measures brought Irish solicitors' PII from a hard to a stable market. The Law Society continues its efforts to ensure that increased insurer capacity and new entrants should maintain downward pressure on premiums.

All information, guidance and forms are available from the PII area of www.lawsociety.ie/pii

TIPS FOR RENEWAL

Preparing early is important.

1. Financing your premium

Put financing PII premiums at the top of your to-do list, including use of savings or obtaining the necessary loan facilities. You can finance payment for your PII premium, income tax, pension contributions or practising certificate fees through the Law Society's annual Finance Scheme www.lawsociety.ie/financescheme.

Also ask your broker for assistance negotiating staggered premium payments with your insurer.

2. Make your broker work for their commission

Keep in mind that brokers are providing you with a service and you are their client. They should be acting as your advocate, advisor and champion in the market. A good broker will **not** redirect you to the Law Society for assistance in obtaining insurance, as this is the role of the broker.

Ask your broker what fees they get for placing your insurance, what services they will provide you for that fee, and agree acceptable service levels with them in advance of the renewal. Remember, as the client, you are entitled to demand good quality service from your broker.

3. Do not rely on just one broker

The firms that reported the greatest reduction in premium in the last three years were those that shopped around. Brokers usually have access to only two or three insurers in the market. To maximise your chances of affordable cover, send your common proposal form to all insurers in the market, with the exception of insurers that do not cover your type of firm. Even if you have been with an insurer for years, they could change their underwriting criteria leaving you without cover unless you have a back-up.

4. Apply early

Insurers have limited capacity and so will have a maximum number of firms that they are willing to cover. You should apply as early as possible to ensure that you obtain a quote before the insurers close their books, even if you have been with your insurer for a number of years. The common proposal form and guidance have been published on the PII area of the Law Society's website www.lawsociety.ie/pii.

5. Option of variable renewal dates

You do not have to renew your cover on 1 December if you avail of variable renewal dates, permitted since 2011. Check with your broker whether they are right for you. Be warned that you may receive a higher quote outside of the downward pressure of the usual renewal period, and insurers may not be willing to write cover mid-year due to limited capacity. Even if you have variable renewal dates, your broker is still required to reconfirm your PII cover within three working days of 1 December annually.

6. First party cyber cover

Your mandatory PII automatically provides third party civil liability cyber cover as part of the Minimum Terms and Conditions (MTCs). It does not provide first party cover for your losses in the event of a cyberattack. You should discuss the possibility of obtaining separate first party cyber cover with your broker as it should act to protect you from such losses and also give you access to experts to rectify IT gaps and public relations issues after a cyberattack. Such cover also makes your firm much more attractive to insurers as it is seen as good risk management.

7. Statutory deadline to confirm cover

It is the responsibility of each firm to ensure that you have PII in place before the mandatory renewal date of 1 December. Confirmation of PII cover must be provided through the Law Society's online PII portal www.lawsociety.ie/Solicitors/business-career-resources/PII by your broker within three working days of 1 December.

8. Assigned Risks Pool

In the unlikely event that you are unable to obtain cover in the market as an existing firm; you can apply to the Assigned Risks Pool (ARP) as the insurer of last resort.

The ARP is managed by the Special Purpose Fund Manager DWF Claims (Ireland) Limited. The deadline for application to the ARP is **30 January**.

9. Cessation - Run-off Cover

If you are considering closing your firm, make an application to the Run-off Fund for run-off cover **no later than 60 days before your date of cessation**. These applications should be made to DWF Claims (Ireland) www.lawsociety.ie/professional-indemnity-insurance-pii/run-off-cover who manage the fund.

10. Further information and support

- Find information on the renewal, including guidance and forms at lawsociety.ie/PII
- The list of insurers and brokers will be published shortly **after 1 November**
- Contact the Law Society's PII helpline on 01 879 8707 or email piihelpline@lawsociety.ie
- Contact the Special Purpose Fund Manager DWF Claims (Ireland) Limited at SPF@dwfclaims.com or by phone at 01 790 9400

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

Section 2: Professional Indemnity Insurance: Risk Management Guidance

CONTENTS

- Introduction
- General management
- New clients and new matters
- Supervision and training
- File management
- Conclusion of matters
- Undertakings
- Financial
- Cybersecurity
- Remote and hybrid working risk management
- Sanctions

INTRODUCTION

One of the main factors that insurers take into account when considering the risk profile of a solicitor firm is the implementation and maintenance of risk management strategies and procedures to minimise the risk of an insurance claim against the firm. This issue is so important to insurers that 42 questions are devoted to the topic in the annual common proposal form.

High risk, or ‘distressed firms’, can find it difficult to obtain affordable cover on the professional indemnity insurance (PII) market. The PII premium a firm is quoted is generally proportionate to the level of risk of claims against the firm in the eyes of the insurer (excluding the base rate part of the premium).

Mechanisms to make firms more attractive to insurers include:

- Implementation and maintenance of risk management procedures
- Early application for renewal of PII cover
- Provision of professional and in-depth information on risk management procedures, claims and circumstance to insurers
- Commissioning an independent risk review to focus on problem areas in the firm where claims have arisen
- Implementing risk management measures in relation to claims
- Ensuring all claims and circumstances have been properly notified and accepted by the firm’s existing insurer within the same indemnity period

The purpose of these guidelines is to set out risk management policies and procedures insurers look for in firms when determining the firm’s risk profile and corresponding premium.

It should be noted that firm AI governance procedures are not requested by insurers at the time of writing as they do not yet have the claims and loss information required to cost risk. However, it is expected that insurers will begin to seek this information soon, and firms should ensure that they have good AI governance procedures already in place.

For information on AI resources to support solicitors, see:

- **Practice Essentials: AI** - www.lawsociety.ie/artificial-intelligence-ai/practice-essentials-ai
- **Generative AI Guidance** - www.lawsociety.ie/artificial-intelligence-ai/generative-ai-guidance/
- www.lawsociety.ie/ai

GENERAL MANAGEMENT

1. Risk management procedures

Formal written risk management procedures for the firm should be prepared and reviewed annually by a principal or partner in the firm. Relevant amendments to the procedure should be made following any claim or circumstance in order to reduce the likelihood of reoccurrence.

2. Risk management or quality standard

The firm may consider applying for a risk management or quality standard. If the firm achieves such a standard, information should be provided to the insurer on the following:

- the number of times the firm was audited and accredited
- the standards applied for and achieved
- the scores awarded
- the dates accreditation was achieved
- when the accreditation expires

NEW CLIENTS AND NEW MATTERS

1. Pre-instruction risk assessment

Prior to the acceptance of instructions, new matters should be subjected to a written risk assessment that is signed off by a partner or principal. The assessment should establish the following:

- that the matter is within the firm's capability, capacity and competence
- whether there are any unusual or higher than normal risk factors associated with the matter
- that there is adequate time to complete the work and meet any critical dates
- that any difficult issues relating to the matter or the client have been identified and recorded, and that these issues can be managed
- that a review of the potential exposure values has been carried out, together with consideration of whether the firm's liability will and/or should be capped (where appropriate and with the client's agreement)
- that matters will be refused or referred elsewhere where a full duty of care cannot be given, or there are unmanageable conflicts, potential conflicts or other risks

2. Engagement procedures

The firm should have formal written procedures for engaging new clients. The procedures should include the following:

- issuing and acceptance of the firm's current terms and conditions
www.lawsociety.ie/practice-essentials
- definition of the scope of the transaction
- where appropriate, limiting liability of the firm under section 44 of the Civil Law (Miscellaneous Provisions) Act 2008 and section 48 of the Legal Services Regulation Act 2015

- standard file opening processes to capture all relevant data on clients, owners, stakeholders and asset/liability details
- money laundering and client identity checks
- issuing a formal engagement letter capturing all the terms and conditions of the retainer

3. Conflict of interest procedures

All new instructions should be reviewed to ensure that actual or potential conflicts of interest, either between the client and the firm, its partners, principals, consultants or employees are systemically identifying, recorded, notified (if relevant), and managed appropriately in accordance with procedures and specific training on the subject.

4. Engagement letter

The firm's engagement letter should state the following:

- scope of instructions - the work the firm will be conducting for the client including any specific objectives
- limitation on remit - what the firm will not be doing for the client. This may be based on third party funding restrictions, referral source, other advisor involvement, or the client's wishes to limit costs or remit generally
- important dates and the implications if these are missed
- what the client is expected to do, and by when
- an estimate of how long the matter is likely to take
- the fee basis and an estimate of how much the matter will cost in total. This should include fees, disbursements, VAT and potential for other costs. If relevant, details of any fee-sharing or referral commissions should be included, as well as how these will be accounted for
- current terms and conditions of business, which may be a separate document
- where appropriate, notification and information regarding the firm's limitation of liability under section 26A of the Solicitors (Amendment) Act 1994, as inserted by section 44 of the Civil Law (Miscellaneous Provisions) Act 2008, and section 48 of the Legal Services Regulation Act 2015, which has been agreed with the client

5. Insurance product and investment engagement letter

Where the matter relates to insurance products or investments advised on and/or sold, the engagement letter should explicitly include the following:

- financial services information, which is fair, clear and not misleading
- status disclosure
- basis of advice
- demands and needs assessment and
- correspondence suitability statement

SUPERVISION AND TRAINING

It should be noted that risk management procedures regarding supervision and training are not reviewed by insurers for sole practitioners, but should be considered by sole principals and partnerships.

1. Supervision system

The firm should operate a supervision system, which should include the following:

- A defined supervision structure with clear reporting lines
- The structure should provide one or more named supervisors (the principal, nominated partners, or other experienced advisors) for all personnel, and for each field of law
- Supervisors should be qualified to supervise their assigned area of work based on their technical competence, experience and ability
- New work should be allocated and subject to early review by a partner, principal or supervisor
- Regular scheduled reviews to review workloads, check for progress and inactivity, prioritise work, and to deal with problem cases
- Agreed systems for reviewing incoming and outgoing correspondence, including post, DX, faxes and emails
- Procedures for systematic indexing, filing, updating, using and sharing of precedents and professional information
- Provision of training on identifying mortgage fraud to all partners, principals, consultants and employees who undertake conveyancing work
- Direct supervision of all principal private residence conveyancing transactions undertaken by the firm by a partner or principal

2. Partner/Principal meetings

Frequent partner/principal meetings should be scheduled to deal with planning, monitoring and reviewing of training and supervision activities.

3. Continuous professional training

Care should be taken to ensure that all solicitors in the firm have fully complied with their annual CPD requirements.

FILE MANAGEMENT

1. File audits

Frequent file audits should be carried out, including the files of partners or principals. This will assist with the early identification of problem cases.

2. File review form

A formal file review form should be created and used when auditing the firm's files. This ensures that the same file audit standard will be applied throughout the firm.

3. File progress monitoring

The firm should carry out frequent file progress monitoring on all current files. This will assist with identifying high risk problem cases or cases where there has been undue delay. Supervisors should be required to independently check on file progress as appropriate.

4. Client file management policies

The firm should have formal written client file management policies in place. These policies should include the following:

- Key information should be shown in a prominent position on the file. Examples of key information include critical dates, undertakings, risks and controls, plans and strategies
- Each file should have a summary list/plan identifying key stages, and showing which stages are complete, and which stages remain outstanding
- Files should be kept in an orderly fashion in line with an agreed format
- Files should be stored securely
- Sensitive materials should be identified and recorded on the file, together with any associated undertakings or conditions
- File correspondence should be kept in date order, and the file should be kept up to date
- Files and file contents should be identified consistently, be readily accessible, and secure, whether in paper files and cabinets, or electronic storage systems and shared drives
- Client property should be identified, recorded on the file, stored securely, and returned to the client under secure conditions
- Client confidentiality should be observed when managing client work, discussing client matters, taking files out of the office, or providing information to third party service providers
- Files should be archived securely for agreed periods and only destroyed with the approval of a partner or principal

5. Attendance notes

The firm should ensure that legible attendance notes confirming verbal instructions and/or written client instructions are held on the file with instructions confirmed in writing.

Attendance notes should be legible and should include the following:

- Requirements and objectives
- Agreed billing and charge out arrangements, in a format and level of detail sufficient to comply with your firm's obligations under section 150 of the Legal Services Regulation Act 2015 www.lawsociety.ie/practice-essentials
- Issues raised and advice given
- Options and associated risks
- Action your firm will take
- Timescales to complete the action
- Any action your client should take

6. Key dates and absenteeism

The firm should operate a system for recording, monitoring and reviewing key dates. This system should include a procedure for absenteeism.

CONCLUSION OF MATTERS

1. Conclusion review and checklist

A review, using a checklist of defined criteria, should be carried out when each case is concluded to ensure that the following have been considered and dealt with:

- All undertakings have been discharged
- Your client has been sent a letter advising that the matter has concluded, explaining the outcome and implications or other factors of note and, as appropriate, any need and timings for future review or action that your client should take
- A copy of any final document(s) produced, signed and/or sealed where appropriate, is retained on the file
- A final statement of account and fee note has been sent to your client
- Any original documents, sensitive material, property or other assets have been returned and evidenced as such
- Any client dissatisfaction or other outstanding problems have been resolved or, if not, reported as relevant
- Any intentions for case publicity involving client details have been agreed with your client
- All other concluding steps specific to work-type (such as registering and filing) and anything specific to your client's own service agreement have been completed

UNDERTAKINGS

Undertakings are one of the main areas from which claims arise. As such, the insurers are particularly concerned that firms ensure have stringent risk management procedures in place with regard to undertakings.

1. Control of undertakings procedures

The firm should establish and maintain formal procedures for the control of undertakings and keep a record of when these procedures were established and any amendments. These procedures should include all of the following:

- Information to ensure that all staff understand what an undertaking is
- The authority required for giving undertakings
- How undertakings should be worded
- Where undertakings should be recorded, for example, in a prominent position on the case file and in a central register
- Timescales for confirming oral undertakings in writing
- Maintenance of a central record of all undertakings given, discharged and not discharged
- A systemic means of monitoring undertakings by a partner or principal to ensure all obligations are fulfilled in a timely manner
- A systemic means of ensuring that the Law Society's guidelines on undertakings have been followed, see page 64 for more information.

2. Resting in contract procedures

The firm should establish and maintain formal procedures relating to matters resting in contract. These procedures should include the following:

- A list of all transactions that were or are resting in contract, including the name of the solicitor dealing with the case (and their supervisor if appropriate), and whether an undertaking has been given to a financial institution in relation to same
- Where the resting-in-contract transactions have been completed, written confirmation from the relevant lending institution that the firm has been released from the undertaking.

FINANCIAL

1. The firm should have formal written procedures in place for financial procedures, including the following:

- Details of designated cheque signatories
- The monetary limit for sole signatory cheques, or the electronic equivalent
- Monthly scheduled reconciliation of all bank accounts (client and office)
- Systems to ensure compliance with the firms obligations under the current Solicitors Accounts Regulations

CYBERSECURITY

1. Impersonation procedures

Measures, plans or controls should be implemented within the firm to prevent or mitigate against fraud in the form of:

- Impersonation of your partners, directors, officers or employees (impersonation fraud)
- Impersonation of your suppliers/vendors (payment diversion fraud)

2. Impersonation incident records

The firm should keep records of any impersonation fraud attempts, payment diversion attempts or other fraud attempts involving impersonation of partners, directors, officers or employees.

3. Phishing procedures

The firm should train all staff on the dangers of providing names and contact details of finance department staff and partners to queries “phishing” for information.

4. Fund transfer authentication procedures

Fund transfer procedures should be put in place, and all staff trained on same, especially in relation to transfers over €10,000.

All transfer instructions should be subject to authentication by the employee receiving the request including by the following methods:

- Making a call back to the requestor using a predesignated telephone number held on file for the purpose of call back
- Verifying that the requestor has the authority to make such instruction
- Prior to the payment request being actioned, ensuring supporting documentation of the payment transfer request is provided
- Verifying that any signature provided on any written instruction or telefacsimile matches that held on file
- For e-mail instructions, verifying the requestors work e-mail address has been used
- For telex or telefacsimile, ensuring the test key/algorithm matches that held on file

5. Vendor/Supplier payments procedures

- All requests for payment from vendors or suppliers should be subject to verification that such funds are properly owed to that vendor/supplier
- Payment details for the vendor/supplier should be verified with those held on file prior to payment

6. Back-up and recovery procedures

The firm should have back-up and recovery procedures in place for all mission critical systems, data and information systems.

7. Incident records

- The firm should keep detailed records of any erroneous, mistaken, improper, or unauthorised release, loss or disclosure of personally identifiable information in its care, custody, or control or anyone holding such information on behalf of the firm
- The firm should keep detailed records of any claims or complaints with respect to allegations of invasion or injury to privacy, identity theft, theft of information or breach of information security, including any requirement by the firm (by law or own volition) to provide notification to individuals due to an actual or suspected disclosure of personal information

8. Cyber liability policy

If the firm has a separate cyber liability policy in place, records should be kept on the policy including the minimum limit of the policy, whether the policy covers cyber-crime, the cyber-crime limit covered, and the renewal date of the policy.

9. “Fake president” and “social engineering” fraud procedures

The firm should have procedures in place to guard against “fake president” fraud (scams where senior executives are impersonated to trick employees into transferring money or disclosing confidential information) and “social engineering” fraud (scam where people are manipulated into transferring money or revealing sensitive information by exploiting trust, fear, authority or urgency). The procedures should include the following:

- Ongoing and relevant training should be provided to all employees in accounting and payment functions, and anyone who has authority to transfer money on “fake president” and “social engineering” fraud methods to safeguard against same
- Internal controls and procedures surrounding bank account controls, funds transfer, and any other function where money transfer can take place should be reviewed regularly to ensure that they are still appropriate and effective against such frauds
- The audit function should be briefed on the issue and ensure that fraud procedures are fully complied with during audits

10. Training

The firm should ensure that all staff are trained and assessed in privacy and security related matters such as phishing, identity theft, social media and mobile devices on at least an annual basis.

11. Privacy policy

The firm should require all staff to evidence their understanding of the firm's privacy policy including use of your network.

12. IT security provisions

The firm should establish, maintain and document specific IT security provisions in place including firewalls and anti-virus software.

REMOTE AND HYBRID WORKING RISK MANAGEMENT

The firm should maintain remote and hybrid working supervision measures and regularly review same.

SANCTIONS

The insurers will seek information on firm procedures in place in relation to sanctions including the following:

- Instructions for all payments or fund transfers over €10,000 should be subject to verification by making a call to the requestor using a predesignated telephone number held on file for the purpose of call-back
- Careful note should be taken of any dealings involving entities or governments which are targeted by UK, US or EU sanctions, and appropriate exit strategies should be put in place
- Careful note should be taken of any dealings involving Cuba, Iran or Iranian/Cuban clients. The insurers will not seek any declaration for dealings involving individual clients of Cuban or Iranian origin who are resident outside of Cuba or Iran
- If you have an operating office in Russia, Belarus or Ukraine, then you should have details of exit strategies in relation to same and what percentage of the firm's income is derived from this office in each financial year
- The firm should have a formal sanctions policy in place including regular sanction screening against UK, EU and US sanctions lists, whether same is carried out at client on-boarding and/or when sanction lists are updated, and whether counterparties are screened

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.

Section 3: Practising Certificate (PC) Renewal

CONTENTS

- What to do before applying
- Steps to take to complete your PC application
- Statutory deadline for applications – 1 February
- Updating your payment methods
- PC application process – online only
- Work changes? Changes to your practice? What to do
 - Returning to practice
 - Change of practising status
- Late applications and backdating
- Solicitors without a PC prohibited from practising
- Practising Certificate and Professional Indemnity Insurance
- Surrendering your PC application and applying for an ex-gratia refund
- Acknowledgements and receipts for completed PC application
- Supports

WHAT TO DO BEFORE APPLYING

- To access the Law Society website, you will need your solicitor number and password
- Each solicitor has a unique Virtual IBAN number for making payments; you can access yours on your solicitor portal under the title '**Your EFT payment Details**'
- You should update your bank provider with this account information so that you can transfer payments easily
- If your firm/company is paying for your practising certificate, this payment will be made by your firm admin. If there is no firm admin or you are the only solicitor in the company, you can follow the pop-up instructions to become a firm admin
- If you are an in-house solicitor, it is essential to know your company's payment run dates. It is important that **you apply for your PC** and your company **has paid** for your PC in advance of the deadline date **1 February**.
- If you are paying for your practising certificate there are many payment options available. If paying by electronic funds transfer (EFT) it is necessary to print your EFT form as part of the process. It contains two important references;
 1. Your personal VIBAN number that you will be making payment to and
 2. Your unique transaction reference number that you provide your bank as a transaction reference. The reference number format is:
REG-1234-SXXXX-FXXX

Once you have this information to hand, you are now ready to complete your PC application.

STEPS TO TAKE TO COMPLETE YOUR PC APPLICATION:

Log into the Law Society website using your solicitor number and password.

1. Review your professional details within your solicitor portal and make any updates, if necessary. Do not begin the application until such time as your professional details are updated.
2. The 'Before you begin' page provides important information. Please read this prior to completing your application.
3. Complete your PC application.
4. If paying online, a pop-up box will allow you to select your payment method (e.g. credit/debit card, Apply Pay). Please be aware that third party authentication is in place for most banks.
5. If your firm is paying for your PC by EFT, select this option and arrange for your company's firm admin to pay on your behalf.
6. If you are paying by EFT, download your EFT form. Note your VIBAN reference number and your transaction reference, as it should be used when making the payment.

7. To have a practising certificate dated from 1 January, applications must be submitted in advance of **1 February** each year.
8. The PC Guidance notes are available at each stage of the application process, should you have any queries.
9. If you need assistance, contact the Practice Regulation team at pc@lawsociety.ie or telephone: 01 672 4800.

STATUTORY DEADLINE FOR APPLICATIONS – 1 FEBRUARY

For your PC to be dated 1 January of each year, you must submit a fully completed application with full payment of fees to the Law Society on or before 1 February of each year. Any applications received after that date will bear the date of when the fully completed application and fees are received by the Law Society. This is a statutory deadline, and the Law Society does not have any discretion to backdate an application that is received after the deadline. Late applications require an application to the High Court to have PCs backdated to 1 January (see below).

UPDATING YOUR PAYMENT METHODS

There are many payment options available; debit/credit card, Google and Apple Pay, Pay by Bank or by EFT. Each solicitor and firm has its own unique VIBAN number, available to view on your solicitor portal under 'EFT payment details'. The VIBAN is also provided on the EFT form generated by you at the end of your PC application process. Also, as previously mentioned, your unique 'REG-1234-SXXX –FXXX' details are also made available so that you can provide it to your bank as the transaction reference for your payment. This will link your payment directly to your application in the Law Society's records, ensuring your PC issues without delay.

PC APPLICATION PROCESS – ONLINE ONLY

All applications for PCs, qualifying certificates, membership, and solicitors in full-time service with the State are **online only**. Solicitors wishing to apply for a Certificate of Good Standing or a Certificate of Attestation should contact pc@lawsociety.ie for guidance on the application process.

WORK CHANGES? CHANGES TO YOUR PRACTICE? WHAT TO DO.

You must notify the Law Society of any changes to your place of work, position and contact details. This also applies if you will not be applying for a PC in 2026 due to extended leave or change of career. You can submit your notification either online via your Law Society dashboard, or by emailing pc@lawsociety.ie.

Returning to practice

If you are returning to practice after a period of three years or more, you are required to complete a 'Section 61' application as part of the PC renewal process. Under this, you are required to set out in writing how you have kept up to date with legal matters since you were last issued with a PC.

A section 61 application may also be required if you did not hold a PC for the previous practice year (with the exception of solicitors in the full-time service of the State and solicitors engaging in conveyancing services for a non-solicitor employer).

To confirm whether you are required to make a section 61 application email pc@lawsociety.ie.

Change of practising status

If you held a PC in the previous practice year and do not intend to practise for some or all of the current practice year, you should notify the Law Society in writing with the relevant details on or before 1 February. Circumstances which require notifying the Law Society of a change of practising status include:

- You recently ceased practising in the current year, or are intending to cease practising in the coming year
- You will not be practising in the current practice year for any reason, including unemployment, career break, emigration, sick or maternity leave
- You will not be providing legal services, and do not require a PC until after 1 February for any reason including: unemployment, career break, emigration, sick or maternity leave

Ceasing practice

If you have decided to retire from practising and/or are considering ceasing, transferring or selling your practice, please email: firms@lawsociety.ie.

You can also visit www.lawsociety.ie/succession-and-exit-planning to access case studies which will provide a strong foundation on the regulatory requirements.

LATE APPLICATIONS AND BACKDATING

Any PC application received after 1 February will result in the PC bearing the date of receipt by the Registrar of Solicitors, rather than 1 January. The Law Society holds no legal power to allow any period of grace under any circumstances whatsoever.

You cannot provide legal services as a solicitor without a PC in force. Therefore, solicitors whose PC applications are received after 1 February (and whose PCs are therefore dated after 1 February) and who have provided legal services before that date, are required to make an application to the President of the High Court to have their Practising Certificates backdated to 1 January.

Further information on backdating PCs can be obtained by emailing backdate@lawsociety.ie. The Law Society will seek its costs of €350 per PC backdated in all cases.

SOLICITORS WITHOUT A PC PROHIBITED FROM PRACTISING

The Regulation of Practice Committee is the regulatory committee of the Law Society that has responsibility for supervising compliance with PC requirements. A special meeting of the committee will be held on a date after 1 February to consider any late or unresolved applications for PCs. At this meeting, any practising solicitors who have not either applied for a PC or informed the Law Society of their current practising status by the date of the meeting, will be considered for referral to the Legal Practitioners Disciplinary Tribunal. The Law Society reserves the right to take proceedings in the High Court seeking an order under section 18 of the Solicitors (Amendment) Act 2002 to prohibit them from practising as a solicitor without a PC in force.

PRACTISING CERTIFICATE AND PROFESSIONAL INDEMNITY INSURANCE

Practising certificates are only issued on the basis that the solicitor has professional indemnity insurance cover in place, whether a solicitor is linked to a law firm or recorded as an in-house solicitor.

Where the solicitor has not complied with the Society's Professional Indemnity Insurance Regulations, the matter will also be considered by the Regulation of Practice Committee.

SURRENDERING YOUR PC APPLICATION AND APPLYING FOR AN EX-GRATIA REFUND

If you wish to cease providing legal services for the remainder of a current calendar year, you can apply for a refund for the unexpired portion of your practising certificate.

A solicitor is not entitled to a refund for preceding years where the Law Society has not been informed of the change in practising status. Partners and senior partners are not entitled to surrender their PC when taking leave, such as sick, maternity or paternal leave.

Once your PC is surrendered you are no longer entitled to carry out the provision of any legal services or hold yourself out as a solicitor entitled to practise. If you wish to return to practise in the calendar year you have surrendered your practising certificate, you will be required to furnish a refund to the Law Society. Only then will your practising certificate re-issue to you.

Queries can be directed to pc@lawsociety.ie.

ACKNOWLEDGMENTS AND RECEIPTS FOR COMPLETED PC APPLICATION

The Law Society will acknowledge receipt of your application and fee payments. Once you have submitted the online form and payment, you can view details of your payment and email a copy to yourself under My Orders.

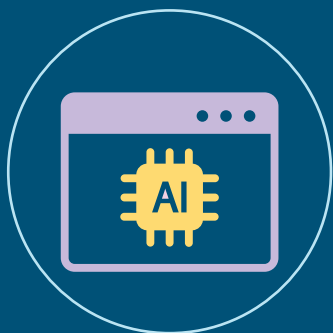
SUPPORT

Please ensure you use the latest version of Chrome or Microsoft Edge when completing your PC form. If you have any issues logging in or accessing the form, please contact webmaster@lawsociety.ie

For queries, relating to your Practising Certificate, please email: pc@lawsociety.ie

Disclaimer

This information is for guidance purposes only and does not constitute legal advice. Whilst every effort has been taken in its production, no legal responsibility is accepted, warranted or implied by the author(s) or the Law Society of Ireland in respect of any errors, omissions or misstatement.



5. Artificial Intelligence



PRACTICE ESSENTIALS

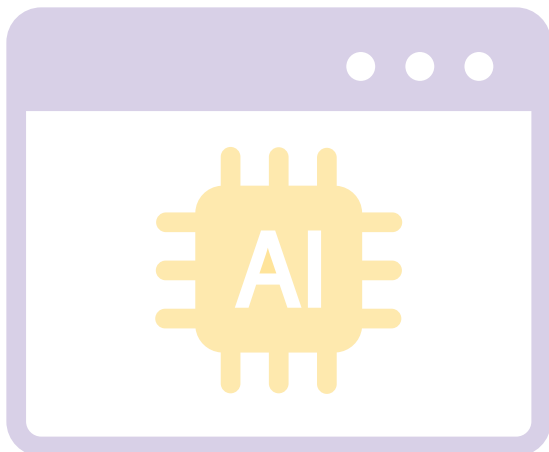
**YOUR GUIDE TO
REGULATION**



Artificial Intelligence

Section 1: AI Governance Toolkit

**Section 2: Tool 5.1: Quarterly AI Regulatory
Horizon Briefing (Word template)**



Section 1: AI Governance Toolkit

REGULATORY HORIZON WATCH

The rules around AI are changing faster than any small firm can reasonably track — EU AI Act deadlines, Law Society guidance, court directions on AI-prepared documents, insurer questions at renewal. Missing one is how a firm gets caught out.

This tool is the keeping-up habit: a fifteen-minute quarterly scan — run it with an AI assistant, or check the sources directly — then decide whether anything needs doing. This is built as a companion to Technology Committee guidance.

WHO IS IT FOR?

- Solicitors in private practice
- Practice managers
- Managing partners
- All firm sizes

Scope note: Regulatory Horizon Watch is a structured monitoring framework and quarterly briefing template designed as a companion to Technology Committee guidance — not a parallel commentary, interpretive alternative, or substitute for Law Society publications. It does not constitute legal advice. All interpretation of regulatory sources rests with the Law Society and the practitioner. Outputs should be read in light of your firm's circumstances and current Law Society guidance.

The question this tool puts you in a position to answer:

“How do I track regulatory change, client demands, and competitive shifts — without a dedicated resource?”

Route 1 — AI-Assisted scan

One prompt, four times a year

Paste the scan prompt (Section 02) into an AI assistant, verify the links it returns, note anything that needs action. Fifteen minutes once the habit is set — fast, but everything must be checked.

Route 2 — Direct source check

Eight sources, read first-hand

Work through the eight primary sources yourself (Section 02) — an hour or so a quarter. Slower, but nothing to verify: you read the source itself. Either route ends in the same Word template note for partners.

01 WHAT IT DOES

AI regulation is moving quickly, and in most firms nobody has the job of watching it. The cost of not watching is no longer hypothetical: the Court of Appeal has already had to deal with AI-invented authorities, the High Court has issued a general practice direction requiring signed declarations about generative AI use in court documents from 1 September 2026, and EU transparency duties took effect on 2 August 2026. This tool is the watching habit: a quarterly scan of the four places change comes from, ending in one question — does the firm need to do anything? You can run the scan two ways, and they are equals.

- Route 1 is a single copy-paste prompt (Section 02) for an AI assistant: fifteen minutes, but every link it returns must be checked.
- Route 2 is reading eight primary sources directly: an hour or so, with nothing to verify because you read the source itself. The rest of this page gives you both routes, and what to do when something matters.

The tool sits alongside the Law Society's own published guidance and Technology Committee output. It is deliberately **not** a parallel commentary, an interpretive alternative, or a substitute for either. Where the Law Society or the Technology Committee has spoken on a matter, that position governs. This tool's role is to help the firm *notice* when the Law Society speaks, when a regulator publishes, or when a court decides — and to log that signal in one place.

What you get

- › Two equal ways to run the quarterly scan (Section 02): a copy-paste prompt for any AI assistant with web search, with the rules for verifying what it returns — and an eight-source checklist for firms that prefer to read the primary sources directly
- › The four watch lanes — where regulatory change comes from, what to monitor in each, and who in the firm should own it
- › A quarterly briefing template (Word) for putting the result in front of partners, risk leads, or a management committee in 2–3 pages
- › Annual review prompts, at the back of the Word template, tied to policy renewal, CPD planning, and professional indemnity disclosures

What it is not

- › Not legal advice, and not regulatory advice
- › Not an interpretation of the EU AI Act, Law Society guidance, or Irish case law — it is a place to record what the authoritative sources have said and what the firm intends to do about it
- › Not a replacement for CPD, Technology Committee output, or specialist counsel
- › Not vendor-specific or product-specific — every entry is source-led

Companion, not commentary. The framework is built to make the Law Society's own published positions, and those of recognised primary regulators, easier for firms to follow. It is a discipline, not a viewpoint.

02 HOW TO USE IT — THE QUARTERLY RHYTHM

The tool is built around a simple four-step quarterly rhythm. A single named owner — typically the principal, practice manager, or risk partner — runs the cycle. Smaller firms can run a stripped-back version in under two hours per quarter.

First-time setup. Before the quarterly habit starts, there is a one-off setup: name an owner, run the first scan, and decide how the result gets recorded. An afternoon, not a project. The fifteen-minute estimate applies once the habit is running, not on day one.

1. Review — run the scan

Run the scan by either route: paste the prompt into an AI assistant and verify every link it returns, or work through the eight primary sources directly. Note anything new.

2. Brief — compile the quarterly briefing

Once a quarter, open the Word template and pull what the scan found into the four lane sections. For each, record the headline development, the source citation, an impact assessment (No action / Watch / Firm response required), and a recommended firm response. Two to three pages is the target.

3. Decide — circulate and resolve

The briefing goes to partners, the management committee, or whichever group owns AI governance in the firm. Each Firm response required item gets an owner and a due date. Watch items are noted and rolled forward. No action items are logged and closed.

4. Log — close the loop and track

Actions decided in the briefing are carried into the next quarter's template and confirmed closed or still open. Over four quarters, the run of briefings is a clean record of what the firm noticed, decided, and did.

ROUTE 1 — RUN THE SCAN WITH AN AI ASSISTANT (15 MINUTES)

Copy the prompt below, set the date, and paste it into an AI assistant with web search — Copilot, ChatGPT, Claude, or Gemini. What comes back is a lead list, not the finished record: open every link and check it says what the assistant claims before acting on it.

COPY-PASTE PROMPT — QUARTERLY MARKET SCAN

I am running a quarterly AI regulatory scan for a solicitors' firm in Ireland. Search the web for developments between [DATE OF LAST SCAN] and today in each of the four areas below. Cover the entire period — do not stop at the first prominent item. List up to three developments per area, most recent first.

Format: state your assumed scan window at the top. Present each area as a compact table with columns — Date · Development · Status (in force / adopted but not yet applying / proposed) · Classification (No action / Watch / Firm response required) · One-line reasoning · Source URL. If an area has nothing, write one line: “nothing found”.

Area 1 — EU AI Act: implementation timeline changes, Digital AI Omnibus status, European Commission AI Office guidance or delegated acts, and Irish implementation steps (AI Office of Ireland, Department of Enterprise, Data Protection Commission).

Area 2 — Law Society of Ireland: new or updated practice notes, AI guidance, Technology Committee output, or AI-related CPD additions (lawsociety.ie and the Law Society Gazette).

Area 3 — Irish courts and discipline: any reported Irish judgment or disciplinary finding in which AI-generated content featured (courts.ie); note significant foreign decisions separately, marked “principle only”.

Area 4 — Sector regulators: AI-relevant publications from the Central Bank of Ireland, the Data Protection Commission, the EDPB, the LSRA, or the Workplace Relations Commission. Rules: — Every item must carry a URL I can check.

Prefer the primary source (the regulator, court, or legislature itself); if you only have secondary coverage (a law firm blog, news article), say so.

- Only include items dated within the scan window. Do not present older material, or anything from your training data, as a new development.
- If you find nothing in an area, say “nothing found” — do not fill gaps with inferred or adjacent material.
- Ireland and the EU only, except Area 3's “principle only” foreign decisions. Do not present UK or US requirements as applying to Irish firms.
- If you are unsure whether an item is real or current, include it marked “unverified” rather than asserting it or silently dropping it.
- Do not ask clarifying questions; state any assumption you make.

End with three things:

- 1. One line:** the single most important item this quarter for a small Irish firm, and why.
- 2. New sources:** did any body, tracker, or publication channel not named above publish material relevant to this scan during the period? If so, name it, link it, and say in one line whether it should be added to future scans — including newly established bodies (e.g. a national competent authority beginning to publish).
- 3. This warning, verbatim:** “AI-generated scan. Verify every item against the linked source before relying on it or logging it — AI assistants can misdate, misread, or fabricate sources.”

Verify before you log. AI assistants can miss developments, and can cite sources that do not say what they claim — the same failure addressed in *Guerin v O’Doherty* [2026] IECA 48. Open every URL before an item goes in the log; discard anything that cannot be verified. The scan output is a lead list, never the record. No client or firm-confidential information goes into the prompt — none is needed for this task.

ROUTE 2 — CHECK THE SOURCES DIRECTLY (THE EIGHT SOURCE LIST)

The same scan, done by reading the sources first-hand. These eight cover the essential territory in an hour or so a quarter — slower than Route 1, but with nothing to verify, because you read the source itself. Many practitioners will prefer it for exactly that reason. Check them first; add sector-specific sources only where the firm has material client exposure in that area.

SOURCE	WHAT TO LOOK FOR	LANE
lawsociety.ie — Practice Notes index and AI guidance page	New or updated practice notes, Guidelines supplements, Technology Committee output	02
lawsociety.ie — CPD calendar	New AI-related CPD additions; treat as a signal that the Law Society considers a topic timely	02
Personal indemnity insurer member communications	Any AI-related question, guidance, or renewal change	02
enterprise.gov.ie/AI (AI Office of Ireland)	EU AI Act national implementation updates, NCA appointments, sandbox announcements	01
European Commission AI Office / EUR-Lex AI Act page	Implementation timeline changes, delegated acts, AI Office decisions	01
courts.ie — judgments search and practice directions	Any judgment where AI-generated content is identified; use keyword “artificial intelligence” in search. Check the practice directions index in the same visit for new or amended AI provisions	03
dpc.ie — enforcement and guidance	Enforcement decisions involving AI or automated processing; GDPR transparency enforcement	01 / 04
Isra.ie — news and publications	Any LSRA position on legal costs, practice structures, or service delivery touching AI	04

Cadence recommendation. Weekly scan of high-tempo sources (EU AI Office, Law Society practice notes index, courts.ie). Monthly scan of mid-tempo sources (Department of Enterprise AI policy, EDPB outputs, sector regulator releases). Quarterly briefing compiled, circulated, and decided. Annual review using the prompts at the back of the Word template.

OWNER MAPPING BY FIRM SIZE

FIRM SIZE	RECOMMENDED OWNER	TIME COMMITMENT
Solo / 1–3 solicitors	The principal, in a fixed 60-minute quarterly slot	1–2 hours per quarter
Small (4–15)	Practice manager or designated risk partner	2–3 hours per quarter
Medium (16–50)	Risk and compliance lead	3–4 hours per quarter, spread across the cycle
Large (50+)	Risk and compliance function, with Technology Committee or AI governance group sign-off	Half a day per quarter at the centre, plus partner review

03 THE FOUR WATCH LANES

The framework organises the monitoring task into four lanes. Each lane has a purpose, a set of primary sources, a recommended scan cadence, and a typical owner inside the firm. Together they cover the regulatory environment that materially affects how a Law Society member uses and governs AI in practice.

LANE 01

EU AI Act enforcement and implementation

The AI Act arrives as a series of dated obligations rather than one commencement, and several of those dates moved during 2026. This lane tracks what already applies, what is coming, and whether the dates have shifted again. Section 05 sets out the full position on each obligation.

What to monitor

- › **Article 4 AI literacy**, in force 2 February 2025. The Digital AI Omnibus proposes softening this obligation, not removing it
- › **Prohibited practices under Article 5**, in force 2 February 2025, together with the new prohibition on AI-generated non-consensual intimate imagery and child sexual abuse material, transitional period to 2 December 2026
- › **General-Purpose AI provider obligations**, from 2 August 2025
- › **Article 50 transparency obligations**, applying from 2 August 2026 as originally scheduled, with a four-month grace period to 2 December 2026 for the Article 50(2) marking obligation on systems already on the market
- › **Annex III standalone high-risk systems**, scheduled from 2 December 2027, deferred from 2 August 2026
- › **Annex I high-risk AI in regulated products**, scheduled from 2 August 2028, deferred from 2 August 2027
- › **National AI regulatory sandboxes**, establishment deadline 2 August 2027
- › **Official Journal publication of the Digital AI Omnibus**. Parliament endorsed the text on 16 June 2026 and the Council approved it on 29 June 2026. Until it is published, the original AI Act dates remain legally binding
- › **Code of Practice on Transparency of AI-Generated Content**, final version published 10 June 2026. Voluntary, and undergoing Commission and AI Board adequacy assessment
- › **Commission guidelines on the scope of Article 50**, draft published for consultation 8 May 2026
- › National competent authority appointments, AI Office decisions, and Commission delegated acts

Where the signal lives

- › EUR-Lex AI Act page
- › European Commission AI Office
- › AI Office of Ireland (enterprise.gov.ie), the central coordinating authority and single point of contact for Irish implementation
- › Department of Enterprise, Trade and Employment AI policy releases
- › Data Protection Commission (dpc.ie), Ireland's GDPR supervisory authority, a designated AI Act competent authority, and a required participant where sandbox activity involves personal data
- › National competent authority announcements
- › Leading Irish firm AI trackers

Cadence: Monthly

Typical owner: Risk partner

LANE 02

Law Society technology guidance and Technology Committee output

The firm's primary signal channel for what the profession is being asked to do about technology and AI. This lane follows the Law Society guidance on technology, not regulation of practice. It is already live: on 23 June 2026 the Law Society Technology Committee published guidance on AI note-taking tools in legal practice, covering consent, privilege, GDPR, data storage and vendor checklists.

What to monitor

- › Updates and supplements to the *Guidelines for the Use of Generative Artificial Intelligence by the Legal Profession in Ireland* (Law Society of Ireland, 2025)
- › New or revised practice notes touching technology or AI
- › Technology Committee output and ethics committee positions
- › CPD calendar additions on AI, which signal that the Law Society considers a topic timely
- › Professional indemnity insurer communications to members. An absence of insurer guidance on AI does not signal an absence of risk. Irish insurer guidance is at an early stage and is expected to sharpen at renewal

Where the signal lives

- › lawsociety.ie Practice Notes index
- › Legal Tech Hub
- › Law Society Gazette
- › Law Society member emails and CPD bulletins
- › PII insurer member communications

Cadence: Weekly

Typical owner: Practice manager

LANE 03

Irish court decisions and disciplinary actions

Reported Irish decisions in which AI-generated content appears in submissions, and disciplinary findings in which an AI element is identified. The lane is deliberately narrow, covering reported decisions only and only where the AI element is identified, to avoid speculative inclusion. Section 05 sets out what Practice Direction HC142 requires.

Already on the record

- › *Reddan v An Bord Pleanála* [2025] IEHC 172, the Nenagh Golf Club planning challenge
- › *Coulston v Elliott* [2024] IEHC 697
- › *Malone & McEvoy v Laois County Council, An Bord Pleanála & Booth* [2025] IEHC 345
- › *Guerin v O'Doherty* [2026] IECA 48, in which the Court of Appeal (Costello P.) set out principles for the use of AI in preparing submissions, including that a party must independently verify that every authority cited is a genuine judgment
- › **Practice Direction HC137**, Planning and Environment Court List, commenced 13 April 2026
- › **Practice Direction HC142**, Responsible Use of Generative Artificial Intelligence in Court Documents, made 29 July 2026 and in operation from 1 September 2026

What to monitor

- › courts.ie judgment releases where AI-generated content is identified
- › Solicitors Disciplinary Tribunal findings, where reported
- › New or amended practice directions containing AI provisions
- › How the HC142 declaration wording beds in across the lists, and any Law Society guidance on it
- › Bar of Ireland notices
- › Foreign decisions, for indicative principle only

Where the signal lives

- › courts.ie judgments page and practice directions index
- › Law Society Gazette case digests
- › Bar of Ireland circulars
- › Leading Irish firm AI trackers
- › Bailii, for cross-jurisdictional principle

Cadence: Weekly for courts.ie, monthly for digest commentary

Typical owner: Risk partner or litigation partner

LANE 04

Client-sector regulatory and commercial pressure

Sector AI regulation reaches client industries before it touches the firm directly, and tends to flow through to instructions. This lane also carries the commercial signal: clients making efficiency gains from AI in their own businesses have begun pressing on legal fees. Size the lane to the sectors the firm actually services.

What to monitor

- › Central Bank of Ireland AI and model risk publications
- › Data Protection Commission enforcement priorities, and EDPB outputs including the 2026 coordinated enforcement action on transparency under GDPR Articles 12 to 14
- › Sector regulator AI positions: ComReg, HPRA, EMA, and OGP guidance on AI in tendered services
- › EU Data Act milestones
- › LSRA positions on legal costs, pricing transparency, and Alternative Business Structures
- › WRC guidance on the use of AI tools to prepare material for submission to the WRC, published 26 May 2026 and updated having regard to *Guerin v O'Doherty*
- › Client-side AI procurement clauses appearing in retainers
- › Fee pressure signals from AI-adopting client sectors

Where the signal lives

- › Central Bank publications page
- › Data Protection Commission enforcement page
- › EDPB press releases
- › Isra.ie policy publications
- › workplacerelations.ie
- › Sector regulator news pages
- › Client procurement portals, where used

Cadence: Monthly

Typical owner: Sector practice group leaders, coordinated through the risk partner

A note on cadence. The cadences above are recommended minimums. A firm with material AI deployment, or a firm advising in a regulated sector, is likely to need more frequent scans of one or more lanes. The watch framework is a floor, not a ceiling.

04 THE QUARTERLY BRIEFING TEMPLATE

The briefing is a 2–3 page document, produced once a quarter, that captures what the scan found and presents it for decision. The Word template has the structure pre-built, with sample Q3 2026 entries shown as illustrative placeholders.

Structure of the briefing

SECTION	WHAT IT CONTAINS	LENGTH
Cover	Quarter and year, date of issue, firm name, prepared by, distribution list	1 line each
Executive summary	Three bullets at most. The headline of what changed this quarter, and the single most important decision being asked of the recipients	~80 words
Lane 01 — EU AI Act	What changed, source citation, impact assessment, recommended firm response, owner	~120 words
Lane 02 — LSI & Technology Committee	What changed, source citation, impact assessment, recommended firm response, owner	~120 words
Lane 03 — Courts & disciplinary	What changed, source citation, impact assessment, recommended firm response, owner	~120 words
Lane 04 — Client-sector pressure	What changed (per sector if material), source citation, impact assessment, recommended firm response, owner	~120 words
Action register update	Status of actions agreed in prior quarters — open, in progress, closed	~80 words / table
Forward look	What is on the radar for the next quarter — known dates, expected publications, scheduled deadlines	~60 words
CPD signpost	Pointer to relevant Law Society CPD content where the quarter's developments make CPD timely	1–2 lines

The briefing goes to partners — that is the point. Circulating a quarterly briefing to partners or the management committee creates a shared record of what the firm identified and what it decided. Some partnerships find this uncomfortable at first: if an item is assessed as Firm response required and the action is not completed, the record shows it. That is a feature, not a flaw — firms with a governance record are in a better position with their PII insurer, with the Law Society, and with themselves than firms without one. The briefing is a monitoring document, not a formal regulatory compliance audit.

IMPACT ASSESSMENT SCALE

Every entry across the four lanes is assigned one of three impact assessments. The three-band scale is intentionally simple and intentionally below the BLOCK / FORMALISE / ADOPT / MONITOR scale used in the audit and policy tools — because this tool is about *noticing* change, not classifying technology. The labels are internal governance decisions, not regulatory findings:

- **No action**
- **Watch**
- **Firm response required**

ASSESSMENT	MEANING	TYPICAL RESPONSE
No action	Logged for record, no change in firm posture. The development is noted, but does not affect current policy, training, or workflow.	Record only. Closed in the same quarter.
Watch	Development is material and likely to require attention, but the firm's response is contingent on a further publication, deadline, or clarification.	Rolled forward to next quarter. Owner assigned. Re-assessed each quarter. If Watch status is held for more than two consecutive quarters without change, escalate or close — do not roll indefinitely.
Firm response required	The development is material and the firm has decided a response is warranted — through policy update, CPD, supervision, or client communication. This is an internal governance classification, not a finding by a regulator, court, insurer, or the Law Society.	Owner and due date assigned. Action register entry created.

The three-band scale is an internal governance decision, not a regulatory statement. “Firm response required” means the firm has decided a response is warranted — it is not a finding by a regulator or a legal obligation. Equally, “No action” does not mean the development is legally irrelevant; it means the firm has assessed it and decided its current posture is adequate.

STANDARD RESPONSE MENU

When a signal is assessed as **Firm response required**, the following menu provides a starting point for the response entry in the briefing. Adapt to the firm’s circumstances — these are prompts, not prescriptions.

TRIGGER	TYPICAL RESPONSE
Law Society guidance update	Update internal AI policy · circulate note to relevant staff · add CPD prompt where training is indicated
Court criticism of AI-generated material	Update litigation supervision checklist · add source verification note to drafting workflow · brief relevant partners
EU AI Act date or scope change	Update internal AI compliance roadmap · re-check tool classifications against revised risk tiers · review Tool 2.3 (EU AI Act Compliance Checklist) once published
Client-sector regulator publication	Alert relevant practice group · update client intake or advice checklist where the firm advises in that sector
PII insurer guidance	Review proposal forms, disclosures, and risk documentation · flag to partners before next renewal
Article 50 / AI transparency obligation	Review client-facing AI use disclosures and internal drafting workflows for AI-generated or AI-assisted content · consult the Code of Practice on Transparency of AI-Generated Content (published 10 June 2026)

ILLUSTRATIVE Q3 2026 ENTRIES (PLACEHOLDER)

The entry below shows the shape of a single logged signal. It is **illustrative only** and should be replaced with what the firm actually finds. They are written to a hedged, non-interpretive register consistent with the rest of the toolkit.

ONE ENTRY, WORKED THROUGH

Headline development

“Practice Direction HC142, on the responsible use of generative artificial intelligence in court documents, was made on 29 July 2026 and comes into operation on 1 September 2026. It applies to court documents prepared after that date, whether or not the proceedings were instituted before it.”

Source: courts.ie practice directions index

Impact assessment: Firm response required, where the firm has contentious business in the High Court; otherwise Watch

Recommended firm response: Read the direction in full. Check the firm’s affidavit, witness statement and expert report templates against the declaration wording, and confirm who is responsible for the declaration in each case.

Owner: [Risk partner] · **Due:** Before 1 September 2026

The Word template carries fuller illustrative entries lane by lane, written in the same hedged, non-interpretive register. Replace them with what your own scan actually finds.

05 REGULATORY CONTEXT — IRELAND & EU

This section sets out, at a high level, the regulatory references that the watch framework is built around. It is a map of the territory — not an interpretation of any individual source. Where any tension or doubt arises, the position published by the Law Society or the relevant primary regulator is authoritative.

Most law firms are deployers, not providers, of AI systems. If your firm uses an AI tool — ChatGPT, Microsoft Copilot, a legal research platform, an AI drafting assistant — you are a *deployer*: an organisation that uses an AI system under its authority in the course of professional activity. The company that built and supplies the tool is the *provider*. Certain EU AI Act obligations, including the Article 4 AI-literacy requirement (in force since 2 February 2025, and proposed to be softened — not removed — under the Digital AI Omnibus), apply to deployers. The Act is not only for organisations that build AI. Firms that believe it does not apply to them because they do not build AI should review that assumption. The AI Office of Ireland is being established as a statutory independent body under the Regulation of Artificial Intelligence Bill 2026 (published 17 June 2026), and is due to be operational by 1 August 2026 as the central coordinating authority and single point of contact for EU AI Act implementation in Ireland, within a distributed model of designated national competent authorities. It is the appropriate first port of call for queries about national application (see enterprise.gov.ie).

REFERENCE	WHAT IT IS	STATUS
Guidelines for the Use of Generative Artificial Intelligence by the Legal Profession in Ireland (Law Society of Ireland, 2025)	The Law Society’s published guidance for members on the use of generative AI in legal practice. Covers confidentiality, competence, independence, non-discrimination, supervision, and the duty not to mislead.	The primary reference for Lane 02. Authoritative on Law Society positions.
EU AI Act — Article 4 (AI literacy)	Requires that providers and deployers of AI systems take measures to ensure a sufficient level of AI literacy among their staff.	In force since 2 February 2025. The Digital AI Omnibus proposes to soften — not remove — the duty, to supporting the development of AI literacy among staff (awaiting Official Journal publication).

EU AI Act — prohibited practices (Article 5)	The obligations prohibiting specified AI practices (manipulation, exploitation of vulnerabilities, social scoring, certain biometric uses). The Digital AI Omnibus adds a new prohibition on AI generating non-consensual intimate imagery and child sexual abuse material.	Original prohibitions in force since 2 February 2025. The new Article 5 prohibition carries a transitional period to 2 December 2026 (awaiting Official Journal publication).
EU AI Act — General-Purpose AI (GPAI) obligations	The provider obligations relating to general-purpose AI models, including transparency and systemic-risk obligations for the largest models.	Apply from 2 August 2025. Updates emerge through AI Office decisions and Commission delegated acts.
EU AI Act — Article 50 transparency obligations	Transparency obligations that apply differently to providers and deployers of AI systems generating synthetic content. Most law firms are deployers — not providers — of AI models. The practical watch point for solicitors is whether use of AI-generated or AI-assisted content in client work, court submissions, marketing, or public-facing materials creates a disclosure, labelling, or supervision obligation.	Apply from 2 August 2026 as originally scheduled — the Digital AI Omnibus does not defer them. A four-month grace period, to 2 December 2026, applies to the Article 50(2) marking obligation for AI systems already on the market before 2 August 2026. The Code of Practice on Transparency of AI-Generated Content — the voluntary framework supporting the Article 50(2), (4) and (5) marking and labelling obligations — was published 10 June 2026 and is undergoing adequacy assessment by the Commission and AI Board; Commission guidelines on Article 50 scope are to follow (draft published 8 May 2026).

EU AI Act — Annex III standalone high-risk AI systems	The obligations applying to standalone high-risk AI systems listed in Annex III — including biometric ID, critical infrastructure, education, employment, migration, asylum and border control, law enforcement, and justice and democratic processes. Covers documentation, human oversight, risk management, and post-market monitoring duties on providers and deployers.	Scheduled to apply from 2 December 2027 (deferred from 2 August 2026 under the Digital AI Omnibus — endorsed by Parliament 16 June 2026, approved by Council 29 June 2026, awaiting Official Journal publication).
EU AI Act — Annex I high-risk AI embedded in regulated products	The obligations applying to AI integrated into products already subject to harmonised product safety legislation — machinery, toys, lifts, medical devices, radio equipment.	Scheduled to apply from 2 August 2028 (deferred from the original 2 August 2027 date under the same Digital AI Omnibus, awaiting Official Journal publication).
EU AI Act — national AI regulatory sandboxes	The obligation on Member States to establish national AI regulatory sandboxes to support innovation in compliance with the Act.	Establishment deadline 2 August 2027 (postponed one year under the Digital AI Omnibus, awaiting Official Journal publication).
GDPR Articles 12–14 — transparency	The transparency obligations to data subjects, currently the subject of the EDPB’s 2026 coordinated enforcement action (launched 19 March 2026) with respect to AI processing.	In force. Coordinated enforcement focus during 2026, with 25 supervisory authorities participating.
Solicitors Acts 1954–2015 and the Legal Services Regulation Act 2015	The statutory framework within which the duties of competence, confidentiality, and supervision sit. AI use is governed through these existing duties — not through a separate AI rulebook.	Settled framework. Reference point for Lane 03.

Practice Direction HC142 — Responsible Use of Generative Artificial Intelligence in Court Documents	General High Court practice direction made 29 July 2026. Requires a declaration in affidavits and witness statements that generative AI has not been used to generate the substantive content of the document (para. 27), an equivalent declaration subject to express statement in expert reports (para. 29), oversight and verification of GenAI output by legal practitioners (para. 16), and that clients be informed of and understand their duty to the court (para. 17). Records that non-compliance may attract adverse costs orders, orders disregarding or rejecting court documents, or the striking out of a claim or defence (para. 35), and referral to the professional regulators.	Comes into operation 1 September 2026, applying to court documents prepared, produced or generated after that date whether or not proceedings were instituted before it. Read the direction in full; monitor under Lane 03.
Practice Direction HC137 — Planning and Environment Court List	High Court practice direction (commenced 13 April 2026) containing the first express Irish AI review duty: insofar as generative AI is used to prepare or summarise any document, the output must be subject to review appropriate to its content and purpose. Expressed to be without prejudice to any more general practice direction.	In force for the Planning and Environment List. Not referred to in HC142 and continues to apply in that List. Monitor under Lane 03.
Section 21(f) Copyright and Related Rights Act 2000	The Irish provision addressing computer-generated works. Has not yet been tested in court in respect of generative AI outputs, and sits uncomfortably alongside the EU's harmonised originality standard. The AI Advisory Council has recommended Government review.	Untested in court. To be monitored under Lanes 01 and 03 as case law develops.

Legal Services Regulatory Authority (LSRA)	The LSRA regulates legal costs, new business structures, and the competitive entry of non-traditional legal service providers in Ireland. AI affects all three areas — cost and pricing expectations, practice structure decisions, and competitive dynamics. LSRA positions on AI-adjacent questions (pricing transparency, disclosure, Alternative Business Structures) are relevant for firms considering structural change or facing fee pressure from AI-adopting clients.	No AI-specific LSRA guidance issued to date (July 2026). Monitor lsra.ie for policy positions. Relevant primarily to Lane 04.
Emerging foreign case law	Decisions from other jurisdictions where AI-generated content has been treated by courts (United States, England and Wales, Canada, Australia). Indicative of principle only.	Reference value only. Cited as “emerging [jurisdiction] case law” rather than as authority.

Legal precision. Throughout this tool — and through every entry logged in the briefing — we use hedged language by design. “Scheduled to apply from 2 December 2027, pending Official Journal publication” rather than “applies”; “is likely to require” rather than “requires”; “has not yet been tested in court” rather than “permits” or “prohibits”. The Digital AI Omnibus is precisely the kind of development that this discipline anticipates — the original Annex III high-risk application date of 2 August 2026 has shifted to 2 December 2027, and the firm’s record should track the revised dates while flagging that, although the Parliament (16 June 2026) and Council (29 June 2026) have approved the text, it does not bind until it is published in the Official Journal. The purpose is to keep the firm’s record accurate as the regulatory environment moves.

06 MAKING IT STICK

The single biggest risk for a monitoring tool is that it gets used once and never again. The framework is designed for sustainability, but it still requires a small number of practice habits to keep it alive.

Calendar integration

- › **Recurring quarterly slot.** Block a fixed 90-minute window in the firm calendar for the four cycle steps. Quarter-end works for most firms; some prefer mid-quarter so that the briefing lands before the next quarter's planning.
- › **Weekly scan reminders.** A short calendar reminder (15 minutes) on a fixed day each week for Lanes 02 and 03 (the high-tempo lanes) makes the scan a habit rather than a project.
- › **Annual review.** One longer session per year — typically aligned to policy renewal or PII renewal — using the prompts at the back of the Word template.
- › **Known EU AI Act milestones to anchor the calendar** (per the Digital AI Omnibus, endorsed by Parliament 16 June 2026 and approved by Council 29 June 2026, awaiting Official Journal publication): Article 50 transparency obligations apply from 2 August 2026 (with a four-month grace period to 2 December 2026 for the Article 50(2) marking obligation on pre-existing systems); new Article 5 prohibition on non-consensual intimate imagery and CSAM, transitional period to 2 December 2026; national AI regulatory sandboxes establishment deadline 2 August 2027; Annex III standalone high-risk obligations scheduled from 2 December 2027 (deferred from 2 August 2026); Annex I high-risk AI embedded in regulated products scheduled from 2 August 2028 (deferred from 2 August 2027).

Owner roles and escalation

- › **Named owner per lane.** Even in a solo firm, name the role responsible (e.g. “principal” for all four). In larger firms, distribute lanes by relevance: practice manager owns Lane 02, risk partner owns Lane 01, litigation partner owns Lane 03, sector practice leaders own Lane 04.
- › **Escalation triggers.** Three triggers should escalate an item out of the quarterly cycle and into immediate firm-wide attention: (a) a new Law Society practice note that materially changes existing policy; (b) a court decision in which AI-generated content was the subject of adverse comment in any reported Irish judgment; (c) a regulator publication that creates a near-term obligation for a client sector the firm advises.
- › **Documentation discipline.** Every escalation goes into the quarterly briefing with an owner and a due date, and each briefing confirms the status of the prior quarter's items. The run of briefings is the evidence base when policy is reviewed or an insurer asks how the firm tracks regulatory change.
- › **The briefing is a governance record.** Only record what the firm commits to tracking. A briefing that shows a Firm response required item with no follow-up next quarter is

evidence of a gap. If the firm decides not to act, say so with a line of rationale — that is a legitimate decision. Do not leave items open indefinitely.

- › **Cross-checks.** Where the same signal touches two lanes (e.g. a Law Society practice note that interprets EU AI Act obligations), the lane owners coordinate the response rather than working in parallel — one combined entry in the briefing, not two.

When you do not know what a signal means. Not every signal will be immediately interpretable — particularly EU AI Act delegated acts, Commission decisions, or GPAI provider obligation updates. If the owner cannot assess impact, the default action is: flag it as Watch, name it in the quarterly briefing, and identify where to get an interpretation.

The right escalation paths are:

- (1) the Law Society's Technology Committee or Practice Management helpline;
- (2) your PII insurer, who will increasingly have AI-specific guidance;
- (3) specialist external counsel for matters with material commercial exposure. Logging a signal as Watch pending interpretation is a legitimate and appropriate response — it is not a failure of the monitoring process.

Common failure modes

- › **Treating the quarterly briefing as a research exercise.** It is a decision document — every item ends in an owner and a status, not a summary. If a quarter produces no decisions, the briefing should say so plainly rather than pad the page.
- › **Letting Lane 04 drift.** Sector regulatory pressure is the hardest lane to maintain because it splits across the firm's client industries. Assign a named owner per sector cluster (financial services, life sciences, public sector, etc.) rather than treating Lane 04 as a single owner's responsibility.
- › **Skipping the annual review.** The four lanes drift over a year — sources move, owners change, regulators reorganise. The annual review is the moment to reset sources, owners, and cadence; without it the framework slowly stops reflecting the firm.

One final discipline. The briefing is short by design. If a quarterly entry runs longer than the indicated word count, that is usually a signal to escalate rather than expand — the development belongs in a Technology Committee or partner-level discussion, not a monitoring document.

07 ON LAWSOCIETY.IE AND BEYOND

Guidance

Guidelines for the Use of Generative AI by the Legal Profession in Ireland (2025)

› www.lawsociety.ie/artificial-intelligence-ai/generative-ai-guidance

Reference

EU AI Act — implementation timeline ›

› www.artificialintelligenceact.eu/implementation-timeline/

CPD Training

The Law Society's **Introduction to AI workshops**, In-Practice summit, and in-house and support-staff workshops are designed to align with the same regulatory progression that this tool tracks.

› www.lawsociety.ie/courses/cpd-courses/?filters=q_%22introduction+to+AI%22!s_custom

Updated August 2026. Law Society of Ireland AI Governance Toolkit, Tool 5.1. This tool is a structured monitoring framework and companion to Technology Committee guidance. It does not constitute legal advice and is not an interpretation of any regulatory source.

Section 2: Tool 5.1

Quarterly AI Regulatory Horizon Briefing

Word template — companion to Technology Committee guidance

Stay Ahead of the Curve

Practice managers · Managing partners · All firm sizes

Quarter / Year	
Date issued	
Firm name	
Prepared by	
Distribution	

Regulatory Horizon Watch is a structured monitoring framework and quarterly briefing template designed as a companion to Technology Committee guidance — not a parallel commentary, interpretive alternative, or substitute for Law Society publications. This document does not constitute legal advice. Outputs should be reviewed against your firm's specific circumstances and current Law Society guidance.

To access an editable version of this template visit:
www.lawsociety.ie/artificial-intelligence-ai/practice-essentials-ai/

HOW TO USE THIS TEMPLATE

This template captures one quarter's worth of regulatory monitoring across four watch lanes. It is designed to be completed once per quarter by a single named owner — typically the practice manager or risk partner — using the AI-assisted scan prompt on the Tool 5.1 page, or the source list there if checking by hand.

Companion to Technology Committee guidance

This briefing is a monitoring scaffold. It does not interpret EU AI Act provisions, Law Society guidance, or Irish case law. Where any tension or doubt arises about a development noted here, the position published by the Law Society of Ireland or the relevant primary regulator is authoritative. The template's role is to keep a clean, auditable record of what was noticed, what was decided, and who is doing what.

The quarterly rhythm — review · brief · decide · log

1. **REVIEW** — run the scan: paste the market-scan prompt from the Tool 5.1 page into an AI assistant and verify every cited source before relying on it, or check the source list on the page by hand.
2. **BRIEF** — complete this template, pulling logged signals into each lane section. Target length: 2–3 pages.
3. **DECIDE** — circulate to partners or management committee. Each Firm response required item is assigned an owner and a due date.
4. **LOG** — record decisions in the Action Register section below; carry forward Watch items; close No action items.

Impact assessment scale

No action	Watch	Firm response required
-----------	-------	------------------------

No action: development logged, no change in firm posture. Watch: material but contingent — rolled to next quarter. Firm response required: respond now through policy, CPD, supervision, or client communication.

Sample placeholders in this template appear in a gold-tinted box and are labelled **SAMPLE** — illustrative placeholder. They are not interpretations of current law and should be replaced with the firm's actual quarterly signals.

SECTION 1: EXECUTIVE SUMMARY

Three bullets at most. The headline of what changed this quarter, and the single most important decision being asked of the recipients.

- [Headline bullet — replace with text]
- [Headline bullet — replace with text]
- [Headline bullet — replace with text]

SAMPLE — illustrative placeholder.

Q3 2026 (illustrative): (1) The Digital AI Omnibus — the EU’s package of targeted amendments to the AI Act — was endorsed by the European Parliament on 16 June 2026 and approved by the Council on 29 June 2026, and is awaiting publication in the Official Journal (until then the original AI Act dates remain binding). It defers high-risk obligations: Annex III standalone high-risk AI systems are scheduled to apply from 2 December 2027 (deferred from 2 August 2026); Annex I high-risk AI embedded in regulated products from 2 August 2028 (deferred from 2 August 2027). Article 50 transparency obligations are not deferred — they apply from 2 August 2026, with a four-month grace period to 2 December 2026 for the Article 50(2) marking obligation on pre-existing systems. A new Article 5 prohibition on non-consensual intimate imagery and CSAM carries a transitional period to 2 December 2026. National AI regulatory sandboxes carry a 2 August 2027 establishment deadline. Prohibited AI practices and the Article 4 AI-literacy obligation remain in force since 2 February 2025; GPAI provider obligations since 2 August 2025. (2) The Technology Committee published guidance on AI note-taking tools in legal practice (23 June 2026) — consent, privilege, GDPR, data storage, and vendor checklists; the 2025 Guidelines remain the governing reference. (3) No reported Irish judgment this quarter in which AI-generated content was identified in submissions. Practice Direction HC142, the Practice Direction on the Responsible Use of Generative Artificial Intelligence in Court Documents, was made on 29 July 2026 and comes into operation on 1 September 2026; it requires declarations as to non-use of generative AI for the substantive content of affidavits, witness statements and expert reports, and places verification and client-information duties on legal practitioners. Practice Direction HC137 (commenced 13 April 2026) continues to apply an express AI review duty in the Planning and Environment List.

SECTION 2: LANE 01 — EU AI ACT ENFORCEMENT AND IMPLEMENTATION

Headline development	[What changed this quarter? Replace with text.]
Source citation	[Primary source / URL / date]
Impact assessment	[] No action [] Watch [] Firm response required
Recommended firm response	[What should the firm do — or not do — in response?]
Owner / due date	Owner: Due:

SAMPLE — illustrative placeholder.

Q3 2026: The Digital AI Omnibus (the EU’s package of targeted amendments to the AI Act) was endorsed by the European Parliament on 16 June 2026 and approved by the Council on 29 June 2026, following the provisional agreement of 7 May 2026; it is awaiting publication in the Official Journal, and until then the original AI Act dates remain binding. It defers EU AI Act high-risk obligations: Annex III standalone high-risk AI systems scheduled from 2 December 2027 (deferred from 2 August 2026); Annex I high-risk AI embedded in regulated products from 2 August 2028 (deferred from 2 August 2027). Article 50 transparency obligations are not deferred — they apply from 2 August 2026 as originally scheduled, with a four-month grace period to 2 December 2026 for the Article 50(2) marking obligation on AI systems already on the market before that date. A new Article 5 prohibition on non-consensual intimate imagery and CSAM carries a transitional period to 2 December 2026. National AI regulatory sandboxes establishment deadline 2 August 2027. Prohibited AI practices and the Article 4 AI-literacy obligation have been in force since 2 February 2025; GPAI provider obligations since 2 August 2025. Source: Council of the EU press release 7 May 2026 · European Parliament endorsement 16 June 2026 · Council final approval 29 June 2026 · European Commission AI Office implementation timeline page · EUR-Lex AI Act consolidated text · DETE AI policy update. Impact: Watch. Response: update internal AI compliance roadmap; the deferral does not change the substantive obligations — preparation should continue at current pace, and the 2 August 2026 Article 50 transparency date is unaffected; confirm classification of in-use AI systems against the EU AI Act risk tiers and human-oversight protocols; cross-reference to Tool 2.3 (EU AI Act Compliance Checklist) once published; monitor for Official Journal publication. Owner: Practice manager. Due: Q4 review.

SECTION 3: LANE 02 — LAW SOCIETY GUIDANCE AND TECHNOLOGY COMMITTEE OUTPUT

Headline development	[What changed this quarter? Replace with text.]
Source citation	[Primary source / URL / date]
Impact assessment	☐ No action ☐ Watch ☐ Firm response required
Recommended firm response	[What should the firm do — or not do — in response?]
Owner / due date	Owner: Due:

SAMPLE — illustrative placeholder.

Q3 2026: *The Guidelines for the Use of Generative Artificial Intelligence by the Legal Profession in Ireland (Law Society of Ireland, 2025) remain the governing reference. On 23 June 2026 the Technology Committee published guidance on AI note-taking tools in legal practice — consent, privilege, GDPR, data storage, and vendor checklists. Source: lawsociety.ie Practice Notes index · Law Society Gazette, 23 June 2026 · Technology Committee publications. Impact: Firm response required (sample) — where the firm uses or is considering AI note-taking tools; otherwise No action. Response: circulate the guidance to fee-earners and complete the vendor checklist for any tool in use before further client-facing use. Owner: Practice manager. Due: Q4 review.*

SECTION 4: LANE 03 — IRISH COURT DECISIONS AND DISCIPLINARY ACTIONS

Headline development	[What changed this quarter? Replace with text.]
Source citation	[Primary source / URL / date]
Impact assessment	[] No action [] Watch [] Firm response required
Recommended firm response	[What should the firm do — or not do — in response?]
Owner / due date	Owner: Due:

SAMPLE — illustrative placeholder.

Q3 2026: No reported Irish judgment in this quarter in which AI-generated content was identified in submissions and made the subject of judicial comment. Practice Direction HC142, the Practice Direction on the Responsible Use of Generative Artificial Intelligence in Court Documents, was made on 29 July 2026 and comes into operation on 1 September 2026, applying to court documents prepared, produced or generated after that date whether or not the proceedings were instituted before it. It requires a declaration in affidavits and witness statements that generative AI has not been used to generate the substantive content of the document (para. 27), an equivalent declaration subject to express statement in expert reports (para. 29), oversight and verification of generative AI output by legal practitioners (para. 16), and that clients be informed of and understand their duty to the court (para. 17). Non-compliance may attract adverse costs orders, orders disregarding or rejecting court documents, or the striking out of a claim or defence (para. 35), and referral to the professional regulators. Practice Direction HC137 (Planning and Environment Court List, commenced 13 April 2026) contains an express AI review duty for documents prepared or summarised with generative AI and is not referred to in HC142. Solicitors Disciplinary Tribunal matters to be monitored where reported. Emerging foreign case law (United States and England and Wales) continues to address sanctions for AI-generated citations and is noted for principle only. Source: courts.ie · Law Society Gazette · cross-jurisdictional digests. Impact: Firm response required, where the firm has contentious business in the High Court; otherwise Watch. Response: read HC142 in full; check the firm's affidavit, witness statement and expert report templates against the declaration wording and confirm who is responsible for the declaration in each case; brief fee-earners and instructing counsel; note the requirement to inform clients and witnesses of the duty to the court; check for any Law Society guidance on the direction before finalising template changes; reaffirm the internal verification protocol at the next CPD touchpoint. Owner: Litigation partner. Due: before 1 September 2026.

SECTION 5: LANE 04 — CLIENT SECTOR REGULATORY PRESSURE

Headline development	[What changed this quarter? Replace with text.]
Source citation	[Primary source / URL / date]
Impact assessment	☐ No action ☐ Watch ☐ Firm response required
Recommended firm response	[What should the firm do — or not do — in response?]
Owner / due date	Owner: Due:

SAMPLE — illustrative placeholder.

Q3 2026: The EDPB's 2026 coordinated enforcement action on transparency under GDPR Articles 12–14 is reported as ongoing; client-side privacy notice review activity is likely to flow through to instructions. Central Bank of Ireland publications on AI / model risk to be reviewed monthly. EU Data Act implementation milestones to be tracked. The WRC published guidance for parties on the use of AI tools in submissions (26 May 2026, updated having regard to *Guerin v O'Doherty*) — relevant to employment practices. Source: DPC · EDPB · Central Bank of Ireland · WRC · sector regulators. Impact: Watch — Firm response required for firms with material financial services or regulated-sector client base. Response: confirm whether privacy-notice review advice has been issued to relevant clients; check client procurement clauses on AI use. Owner: Sector practice leaders, coordinated by risk partner. Due: Q4 review.

SECTION 6: ACTION REGISTER UPDATE

Status of actions agreed in prior quarters. Carry forward open and in-progress items; close completed items; record any new actions arising from this quarter's lane entries.

#	Action	Lane	Owner	Status
1	[Action carried forward from Q2 2026]	01	[Risk partner]	[Open / In progress / Closed]
2				
3				
4				

SECTION 7: FORWARD LOOK — NEXT QUARTER

What is on the radar for the next quarter: known dates, expected publications, scheduled deadlines. Keep brief — three to five items.

- [Forward-look item — replace with text]
- [Forward-look item — replace with text]
- [Forward-look item — replace with text]

SAMPLE — illustrative placeholder.

Q4 2026 / 2027 forward look (illustrative):

(a) Article 50 transparency obligations under the EU AI Act apply from 2 August 2026, with a four-month grace period to 2 December 2026 for the Article 50(2) marking obligation on pre-existing systems. (b) New Article 5 prohibition on non-consensual intimate imagery and CSAM — transitional period ends 2 December 2026. (c) Monitor Official Journal publication of the Digital AI Omnibus (endorsed by Parliament 16 June 2026, approved by Council 29 June 2026). (d) Preparatory steps for the Annex III standalone high-risk deadline of 2 December 2027 (deferred from 2 August 2026). (e) National AI regulatory sandboxes establishment deadline 2 August 2027. (f) Anticipated Law Society CPD calendar refresh for the new training year. (g) Any DPC enforcement decisions arising from the EDPB 2026 coordinated action. (h) Outcome of the Commission and AI Board adequacy assessment of the Code of Practice on Transparency of AI-Generated Content (published 10 June 2026), and final Commission guidelines on Article 50 scope.

SECTION 8: CPD SIGNPOST

Where the quarter's developments are material — particularly under Lane 01 or Lane 02 — signpost recipients to the Law Society's then-current AI CPD offering. The introductory practitioner workshop, the In-Practice summit, and the in-house and legal support staff workshops are designed to align with the regulatory progression this tool tracks.

CPD pointers this quarter:

- › [Course / workshop / summit — replace with current LSI offering]
- › [Course / workshop / summit — replace with current LSI offering]

SECTION 9: SIGN-OFF

Role	Name	Signature	Date
Prepared by			
Approved by			

This briefing is a companion to Technology Committee guidance, not a parallel commentary. Where any tension arises between an entry in this template and a published position of the Law Society of Ireland or a relevant primary regulator, the published position governs.

SECTION 10: ANNUAL REVIEW PROMPTS — RUN ONCE A YEAR

Ideally aligned to policy renewal or PII renewal. The questions are deliberately practice-focused — no interpretation, just disciplined review.

1. Has the firm's AI Use Policy been reviewed against the current version of the Guidelines for the Use of Generative Artificial Intelligence by the Legal Profession in Ireland (Law Society of Ireland, 2025), including any supplementary practice notes issued by the Law Society or its Technology Committee during the year?
2. Review the firm's compliance posture against the EU AI Act timeline: Article 4 literacy (in force since 2 February 2025; proposed to be softened, not removed, by the Digital AI Omnibus); prohibited practices (in force since 2 February 2025), plus the new Article 5 prohibition on non-consensual intimate imagery and CSAM (transitional period to 2 December 2026); GPAI provider obligations (since 2 August 2025); Article 50 transparency obligations (apply from 2 August 2026 as originally scheduled — not deferred — with a four-month grace period to 2 December 2026 for the Article 50(2) marking obligation on pre-existing systems); national AI regulatory sandboxes (establishment deadline 2 August 2027); Annex III standalone high-risk AI systems (scheduled from 2 December 2027, deferred from 2 August 2026); Annex I high-risk AI embedded in regulated products (scheduled from 2 August 2028, deferred from 2 August 2027). Confirm the internal roadmap reflects current dates, in-use AI systems are classified against the risk tiers with the classification documented on file, and monitor for Official Journal publication of the Digital AI Omnibus.
3. Are AI literacy and competence obligations being met through CPD, induction, and supervision arrangements consistent with the Law Society's published expectations?
4. Has the firm's privacy notice been reviewed for AI processing, in light of the EDPB's 2026 coordinated enforcement action on transparency under GDPR Articles 12–14?
5. Have all Firm response required items from the four quarterly briefings produced this year been closed, or if not, are they recorded against a current owner and due date?

6. Have professional indemnity insurance disclosures been reviewed to confirm that the firm's AI use is consistent with the assumptions made at last renewal — and that no material change requires notification to the insurer?
7. Has the scan prompt been refreshed to reflect any new sources (e.g. a national competent authority once designated, or a new sector regulator publication channel), with the owner confirmed for the coming year?

These prompts are a discipline, not an interpretation. The published positions of the Law Society of Ireland and the relevant primary regulators govern. Where a prompt surfaces doubt or ambiguity, escalate to Technology Committee guidance or specialist counsel.



6. Future Regulation



PRACTICE ESSENTIALS

YOUR GUIDE TO REGULATION



Future Regulation

Section 1: The Future of Regulation

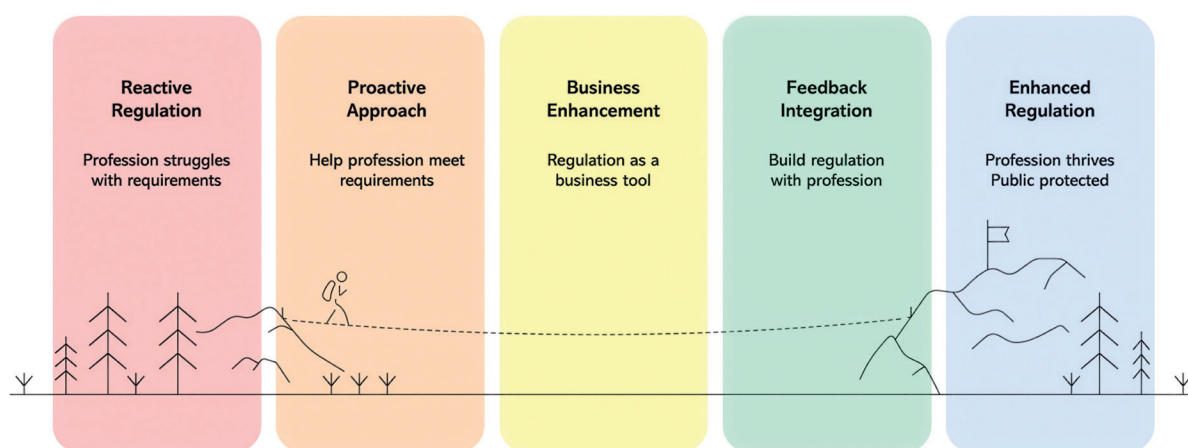
Section 2: Contributors



Section 1: The Future of Regulation

– Regulatory Performance Initiative

Transforming Regulation



The Law Society's Regulatory Performance Initiative reflects a new approach to regulation, one which sees effective regulation not simply as a compliance requirement, but as a service to the profession and a tool for business enhancement.

The initiative supports solicitors and firms to identify risks earlier, strengthen their systems and processes, and develop more resilient and sustainable practices. It moves regulatory engagement beyond a predominantly reactive model towards a more proactive relationship, where regulation provides practical guidance and insight that helps firms meet their obligations while also supporting good business practice.

Regulation can also be a valuable business enhancement tool. Many regulatory requirements around governance, financial management, client care, risk management, continuity planning and record keeping are also characteristics of well-run businesses. By presenting regulation in a more practical and constructive way, the initiative helps firms use regulatory requirements as a framework for improving efficiency, reducing avoidable risk, strengthening client service and building more robust practices. It also recognises that the regulatory burden itself should be proportionate and efficient.

By making requirements clearer, processes simpler and regulatory engagement easier to navigate, the Law Society aims to reduce unnecessary demands on solicitors' time, thereby freeing capacity to focus on clients, develop and grow their businesses, and achieve a better work-life balance.

A central part of the initiative is listening to the profession. By integrating feedback into the way regulation is designed and delivered, the Law Society is making regulatory requirements and services clearer, more accessible and more useful in practice. The result is a model of enhanced regulation in which the profession can thrive and the public remains effectively protected.

REGULATION ANSWERS

Regulation Answers is the Law Society's centralised regulatory information and triage service, providing solicitors with a single, accessible first point of contact for regulatory queries.

It is designed to help solicitors get to the right answer more quickly by resolving straightforward queries, providing practical information and guidance, and directing more complex or specialist matters to the appropriate regulatory team.

As part of the Regulatory Performance Initiative, Regulation Answers supports a more responsive, consistent and service-focused approach to regulation.

For more information, see: www.lawsociety.ie/regulation-answers/regulation-answers-helpline

Contact us:

Regulation Answers

Email: regulationanswers@lawsociety.ie

Tel: (01) 879 8788

Section 2: Contributors

This guidance booklet was developed through the collaborative efforts of colleagues across a range of teams within the Regulation and Solicitor Services departments of the Law Society.

Their expertise and insights have been invaluable in ensuring the accuracy, clarity, and practical value of this publication.

Contributing Authors:

PII and PC Renewal Resources

- Sorcha Hayes, Head of Practice Regulation

Practice Regulation Resources

- David Mulvihill, Practice Closures Manager
- Liam Barrett, Practice Closures Executive
- Lorraine O'Donoghue, Practice Regulation Executive
- Tingyu Gong, Practice Regulation Executive
- Nicola Kelly, Practice Regulation Administrator
- The Law Society's Guidance and Ethics Committee

Financial Regulation Resources

- Simon Treanor, Financial Regulation Executive
- Stephanie Furey, Investigating Accountant
- Michael O'Connor, Investigating Accountant
- Michael Costello, Investigating Accountant

Anti-Money Laundering Resources

- Tina Beattie, Head of AML
- Ciara McQuillan, AML Executive
- Riona Leahy, AML Executive

AI Supports Resources

- Derek Owens, Head of Digital Communications and Transformation
- The Law Society's Technology Law Committee
- Ger Perdisatt, Acuity AI

Editors

- Eamonn Maguire, Regulatory Communications Manager
- Siobhán Masterson, Regulatory Communications Executive

The authors and contributors would like to thank all colleagues and stakeholders who provided feedback and practical insights during the development of this guidance.

NOTES



These materials are provided for general guidance and do not constitute legal advice.

Law Society of Ireland
Blackhall Place
Dublin 7
D07 VY24

T +353 1 672 4800
W www.lawsociety.ie