

## **Family Business Matters**

### **Instructions for The Lawyer**

After three years in large downtown law firm and two years in the Monmouth County prosecutor's office, you opened your own small practice in the county. You grew up there. Your parents still live there, as do many relatives and friends. You put down the first year's rent with some savings from your richer years in the law firm. You started picking up court referrals in minor criminal cases and some guardianship work. Slowly, you began building a reputation for excellent work in family and small business matters, as you helped a number of your parents' friends to set up their wills as well as partnerships and small corporations. You recently litigated a difficult divorce case with family business issues. You share office space with two other local attorneys, but your practice is your own.

You were delighted to receive a call about the possible new matter, involving a family business dispute. You understand that the potential client has minority shares in a corporation, founded by his father and now owned by the father and mother, and the three adult children. He explained over the telephone that he wants to know how to protect himself from being squeezed out of his rightful share of the family's business. He stated that he knows that his brothers have been lying to his father about the business operation and they have been distributing profits as salary to cut him out of his percentage. You suggested that he come in for an initial interview.

Prepare for the interview. Remember, the point is NOT to give advice at this time, but rather to establish a relationship with the client, learn whether you would work well together or not, and to learn what you can about the matter at hand. You want to be able to give your client wise counsel in the future (though not in this interview).

Within the context of the initial interview, you should be prepared to explain confidentiality in the lawyer-client relationship and your fee. You generally bill on an hourly basis though you have handled a few minor personal injury matters on a contingency fee arrangement. Your normal rate has been \$150 per hour, though you have adjusted it up or down, depending on the matter. For an extended litigation, you have sometimes request a retainer, against which your fees are then billed.