

1 **Rule 5.4B. Professional Independence of a Lawyer**

2 (a) Notwithstanding Rule 5.4A, and if permitted by Utah Supreme Court Standing  
3 Order No. 15, a lawyer may provide legal services pursuant to section (b) of this Rule  
4 only if there is at all times no interference with the lawyer's:

5 (1) professional independence of judgment,

6 (2) duty of loyalty to a client, and

7 (3) protection of client confidences.

8 (b) A lawyer may practice law with nonlawyers, or in an organization, including a  
9 partnership, in which a financial interest is held or managerial authority is exercised by  
10 one or more persons who are nonlawyers, provided that the nonlawyers or the  
11 organization has been authorized as required by Utah Supreme Court Standing Order  
12 No. 15 and provided the lawyer shall:

13 (1) before accepting a representation, provide written notice to a prospective  
14 client that one or more nonlawyers holds a financial interest in the organization  
15 in which the lawyer practices or that one or more nonlawyers exercises  
16 managerial authority over the lawyer; and

17 (2) set forth in writing to a client the financial and managerial structure of the  
18 organization in which the lawyer practices.

19 **Comments**

20 [1] The provisions of this Rule are to protect the lawyer's professional independence of  
21 judgment, to assure that the lawyer is loyal to the needs of the client, and to protect  
22 clients from the disclosure of their confidential information. Where someone other than  
23 the client pays the lawyer's fee or salary, manages the lawyer's work, or recommends  
24 retention of the lawyer, that arrangement does not modify the lawyer's obligation to the  
25 client. As stated in paragraph (a), such arrangements must not interfere with the  
26 lawyer's professional judgment. See also Rule 1.8(f) (lawyer may accept compensation

27 from a third party as long as there is no interference with the lawyer's independent  
28 professional judgment and the client gives informed consent). This Rule does not lessen  
29 a lawyer's obligation to adhere to the Rules of Professional Conduct and does not  
30 authorize a nonlawyer to practice law by virtue of being in a business relationship with  
31 a lawyer. It may be impossible for a lawyer to work in a firm where a nonlawyer owner  
32 or manager has a duty to disclose client information to third parties, as the lawyer's  
33 duty to maintain client confidences would be compromised.

34 [2] The Rule also expresses traditional limitations on permitting a third party to direct  
35 or regulate the lawyer's professional judgment in rendering legal services to another.  
36 See also Rule 1.8(f) (lawyer may accept compensation from a third party as long as there  
37 is no interference with the lawyer's independent professional judgment and the client  
38 gives informed consent).

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