

A Spanish lawyer or an unauthorized advisor?

Unfortunately, in Spain there are a large number of unauthorized advisors who illegally offer legal counseling. As a foreigner, it can be difficult to find out whether the counseling being offered is from a real Spanish lawyer, or if it is from an unauthorized advisor and thus an illegal actor.

Who can provide legal advice in Spain?

Under Spanish law, it is only Spanish and foreign lawyers, who are members of the Spanish Bar Association, *Colegio de Abogados*, who are entitled to advise on legal matters in Spain. This applies to both judicial and non-judicial matters.

Lawyers must have a valid liability insurance

In order to offer legal advice in Spain, it is a requirement that the lawyer is a member of the Spanish Bar Association, *Colegio de Abogados*.

Only a person with an education in law can become a member of Colegio de Abogados

This ensures that the lawyer complies with the applicable requirements and rules on, among other things, ethics, liability insurance, disciplinary matters, independence, education and qualifications, etc.

Does liability insurance cover an unauthorised advisor?

The short answer is NO.

There are many rulings where the Spanish courts have recognized that an insurance company may refuse to cover liability for incorrect legal advice provided by a company or a person who is not a certified lawyer.

That means that even if an unauthorized advisor should have been successful in taking out a liability insurance, then the insurance company may reject to cover any liability as the unauthorised advisor is not allowed to exercise legal counselling.

A law firm or an unauthorised consulting company?

Lawyers can run their business in the form of a company, and Zafo Law S.L.P. is an example of this.

Of capital companies, only the S.L.P. can legally offer legal advice

In practice, many Spanish companies (and several unauthorised advisors), are organised in the company form S.L. or S.A., which are the most widespread forms of capital company in Spain.

Companies with the company form S.L. or S.A. cannot legally offer legal advice

What does S.L. and S.L.P. mean?

The abbreviation **S.L.** after a company name means that it is a *"Sociedad Limitada"*, ie a Spanish company with limited liability.

The abbreviation **S.L.P.** after the company name indicates *"Sociedad Limitada Profesional"*.

An S.L.P. must be registered in the Colegio de Abogados thereby ensuring control of the law firm, and it is therefore only in the company form S.L.P. that legal advice may be offered.

The majority of the shareholders in a S.L.P. must be members of the Spanish Bar Association

In the board of directors in the S.L.P. company, more than half of the members must also be members of the Spanish Bar Association.

If the company does not have a board of directors, the administrator of the company must be a lawyer and a member of the Spanish Bar Association.

Is an S.L.P. allowed to offer services from other professions?

Yes and no.

An S.L.P. may not, in addition to legal advice, offer services from other professions which, due to the risk of conflicts of interest, may be considered incompatible.

It is the opinion of the Colegio de Abogados and Zafo Law that professions, such as real estate agent or provider of financial products and insurances, are not compatible professions. Therefore, within these professions it is not allowed to offer legal advice services or vice versa.

Law firms offering services from other professions where there is no risk of conflicts of interests, must be registered in a special register with the Colegio de Abogados.

Why should I choose an S.L.P. and not an S.L.?

1. To ensure that the legal advice is provided by persons with the required professional skills and knowledge, and not by unauthorized persons without the necessary professional education.
2. To avoid conflicts of interest.
3. To ensure that the adviser has a valid and comprehensive liability insurance.
4. To ensure that the adviser has a duty of confidentiality.
5. To ensure the possibility of a disciplinary proceeding.

"Only lawyers who are members of Colegio de Abogados, are allowed to advise on legal matters in Spain"

"Find out if the company or person offering you legal advice is actually a Spanish lawyer"

How can I find out if my adviser in Spain is a Spanish lawyer?

Ask for the advisor's membership number for the Colegio de Abogados and get it confirmed at the Colegio de Abogados.

Ask for information about the company that the advisor represents (S.L. or S.L.P.) and get confirmation from the Spanish Company Register that it is an S.L.P. company.