

## MINUTES

**COMMITTEE:** Ethics Committee

**DATE:** December 5, 1996

### **10. CHAPTER 7: WHETHER A LAWYER MAY ACT FOR A COMPANY IN WHICH HE HAS AN INTEREST**

A lawyer has a 21 percent interest in a company that holds property of a value of \$200,000. The total value of the lawyer's interest is \$42,000. The lawyer's sister owns a 5 percent interest worth \$10,000. The lawyer proposes to take over the responsibility for filing the company's annual reports and preparing the annual resolutions for the company. However, he wants the Committee's view about whether it would be proper for him to do this.

The Committee was of the view that, given the work the lawyer is proposing to do, the lawyer's interest and that of his sister would not reasonably be expected to affect the lawyer's professional judgment. The Committee noted that in these circumstances, however, the lawyer would not be covered by the professional liability insurance policy.

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