

MINUTES

COMMITTEE: Ethics Committee

DATE: June 12, 1997

3. CHAPTER 7, RULE 2: PROPRIETY OF LENDING MONEY TO CLIENTS

It was the Committee's opinion that it is improper for lawyers to lend money to their clients if the effect of lending the money is to give the lawyer an "interest in a matter" contrary to Chapter 7, Rule 1(a) of the *Professional Conduct Handbook* or would impair the lawyer's professional judgment contrary to Rule 1(b) or Rule 2. However, the Committee recognized that there may be circumstances where a lawyer can lend money to a client without violating these rules. The Committee also concluded that the financing of disbursements in a matter in which the lawyer is acting is not contrary to the rules.

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