

## MINUTES

**COMMITTEE:** Ethics Committee

**DATE:** February 5, 1998

**14. CHAPTER 7, RULE 1: WHETHER LAWYER CAN TAKE MORTGAGE TO SECURE FEES IN THE SUBJECT MATTER OF LITIGATION AND IMPLICATIONS IF LAWYER JOINED AS A PARTY**

A lawyer asked whether he would be in breach of Chapter 7, Rule 1 or some other rule if he took a mortgage against certain property owned by his client to secure his fees. If he is permitted to take such a mortgage, he also asks whether he would have to withdraw as counsel if he were joined as a party to litigation involving the foreclosure of the property.

The Committee was of the view that the lawyer is permitted to take a mortgage against the property in these circumstances, but would be obliged to withdraw as counsel if he is named as a party in the litigation.

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