Conflict of interest

BRUCE ALLAN THOMPSON

Vancouver, B.C.

Called to the Bar: September 13, 1977

Mr. Thompson acted for P Corporation in an action brought against the company in April, 1991 over the granting of stock option. As counsel, Mr. Thompson became knowledgeable about P Corporation's anticipated share distributions, including stock options.

In August, 1991 Mr. Thompson began acting for one of the principals of P Corporation (H) who was the defendant in other stock option litigation. Two other principals of P Corporation were serving as witnesses for H; P Corporation was to pay H's legal fees. Mr. Thompson learned in February, 1992 that a rift had developed between H and the two other principals. He told H that he could no longer act for any of the principals should they decide to take action against each other. Although he asked H to seek other counsel and attempted to have him sign a notice of intention to act in person, Mr. Thompson continued to help H defend the action until August, 1992.

In December, 1991 Mr. Thompson was also acting for P Corporation and H on a share and assets purchase agreement between P Corporation and two other companies. An associate of Mr. Thompson took over conduct of this matter and commenced an action on behalf of P Corporation in April, 1992. H was added as a defendant in the action in May, 1992. Mr. Thompson was not aware of this fact until April, 1993 when he assumed conduct of the action from the associate. For some reason unknown to Mr. Thompson, H had not been served in the action. Mr. Thompson did not advise H that he had been added as a defendant. He later had H served to preserve the currency of the amended writ of summons, but he took no further steps in the action.

Mr. Thompson admitted professional misconduct to the Law Society Discipline Committee in acting against H when he had previously acted for him in related litigation. Mr. Thompson never obtained H's informed consent to continue acting for P Corporation in the matter, contrary to Chapter 6, rule 7 of the *Professional Conduct Handbook* (which replaced Rule 1(1.01) of Part B of the *Handbook* on May 1, 1993). He further admitted professional misconduct for acting for H when his associate had added H as a defendant in related litigation.

The Discipline Committee accepted Mr. Thompson's admission under Law Society Rule 468, rescinded an outstanding citation against him and directed that the admission be endorsed on his professional conduct record.

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