

LEGAL ETHICS OPINION 1379

CONFLICT OF INTEREST – MULTIPLE
CLIENTS: ATTORNEY PERSUADING
FINANCE COMPANY TO LOAN FUNDS
TO CLIENT; CLIENT EXECUTING
LENDER'S DOCUMENTS IN
ATTORNEY'S OFFICE.

You have directed the Committee's attention to the conclusions of prior LE Op. 1155 indicating that it would not be improper for an attorney to persuade a finance company to loan funds to the attorney's personal injury client, or to honor the finance company's lien on the client's settlement proceeds, so long as the attorney does not guarantee or co-sign the loan. Based upon those conclusions, you have requested that the committee opine as to the propriety of the attorney receiving the completed but unsigned loan documents from the finance company, having the client execute the documents in the attorney's office, and then returning the documents to the finance company so long as the attorney undertakes no legal services for the finance company.

The Committee is of the opinion that, since the attorney is providing no legal services or advice to the lender, no attorney-client relationship with the lender arises out of the circumstances you describe since the Committee is of the opinion that the tasks you describe, when performed by the attorney for the lender, are merely those of a ministerial nature. The Committee cautions that, although the attorney is providing no legal services to the lender, the circumstances of the transaction and the attorney's performance of ministerial tasks for the lender may give rise to certain contractual obligations owed by the attorney to the finance company. Thus, the Committee is of the opinion that it would not be improper for the attorney to supervise his client's execution of the documents and then return the documents to the finance company.

Committee Opinion
November 30, 1990