

Committee Opinion  
February 1, 1988

LEGAL ETHICS OPINION 1027

ATTORNEY – BUSINESS INTERESTS  
WHICH MAY AFFECT PROFESSIONAL  
JUDGMENT.

You wish to know whether or not it is improper for an attorney to represent the legal affairs of a business when the attorney has a personal or financial interest in that business.

Disciplinary Rule 5-101(A) [ DR:5-101] states that "A lawyer shall not accept employment if the exercise of his professional judgment on behalf of his client may be affected by his own financial, business, property or personal interests except with the consent of his client after full and adequate disclosure under the circumstances."

Disciplinary Rule 5-104(A) [ DR:5-104] provides that "A lawyer shall not enter into a business transaction with a client if they have differing interests therein and if the client expects the lawyer to exercise his professional judgment therein for the protection of the client, unless the client has consented after full and adequate disclosure under the circumstances and provided that the transaction was not unconscionable, unfair or inequitable when made."

Based upon the facts presented and the above cited disciplinary rules, as long as the attorney's professional judgment on behalf of his client is not affected by his financial interest and disclosure is made and consent received, it is not improper for an attorney to represent the legal affairs of a business when the attorney has a personal or financial interest in the business.

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