

Committee Opinion  
October 13, 1988

LEGAL ETHICS OPINION 1137

BUSINESS ACTIVITIES – CONFLICT OF  
INTEREST – DISCLOSURE: PERSONAL  
INTEREST OF PARTNER IN FIRM  
ADVERSE TO CLIENT.

Your inquiry sets forth the following facts. Plaintiff (as the next friend or guardian for his mother) has filed suit against defendant for negligence and fraud related to the home care provided to the mother, who is an elderly person. Plaintiff is represented by a law firm, and a member of the firm is a general partner in a partnership that includes defendant as a limited partner and has as its sole function the management and possible sale of a building. The partnership is considering renting its building to the defendant. The law firm representing plaintiff has a waiver from plaintiff that covers any potential conflicts that might arise between the representation of plaintiff and the firm's member also being a general partner in a partnership that includes the defendant as a limited partner.

Although your inquiry raises two separate questions, they are essentially the same. Does a conflict arise (that affects the defendant) from the law firm's representation of the plaintiff while at the same time a member of the law firm is a general partner in a partnership that includes the defendant as a limited partner and which is considering leasing partnership property to the defendant?

The Committee is of the opinion that the potential conflict of interest that exists from your inquiry is one that exists between the plaintiff and the law firm that represents the plaintiff, and the conflict does not extend to the defendant. Your inquiry does not raise an attorney client relationship between defendant and the law firm as a result of their business relationship, nor does it state that the law firm ever rendered any legal advice to the defendant. The Committee does not address the potential conflict question between the law firm and plaintiff since your inquiry does not ask about this, and you also state that a waiver has been signed by the plaintiff "for any conflicts that might arise from the plaintiff's standpoint."

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