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DUTY OF COMPETENCE - receiving the package from Eric

Under ABA Rules, a lawyer must act with the needed competence in that he or she must act with the requisite knowledge, skills, thoroughness and preparation necessary in the scope of his representation. Under CA Law, a lawyer must not intentionally, negligently or repeatedly fail to act without competence. If a lawyer is not familiar with the subject matter, he or she must be able to acquire the needed knowledge within a reasonable time to competently represent the client. In addition, it is allowed for a lawyer to associate himself or herself with a more competent attorney to become competent in the subject matter himself or herself.

Here, Laura ("L") arguably violated this duty because, although she is the general counsel for MoreHome, a mortgage company, the facts do not indicate that she has ever engaged in those types of practices either. As such, Laura should have at least look into the matter contained in the package and the legal implications and not just merely "think about it". This is because, L, as the general counsel, should have thought of the possible legal consequences and legal ramifications that the documents could have on her client MoreHome. Thus, L violated her duty under ABA Rules.

Under Ca Rules, in part, L should not negligently fail to act in regards to the documents because she simply "wanted to think about it". As such, L violated this duty under Ca Rules as well.

DUTY OF DUE DILIGENCE - receiving the package from Eric

Under ABA Rules, a lawyer must act with the diligence needed in the representation of his or her client. As such, the lawyer must be able to have the diligence and the thoroughness that is needed in his or her representation of his or her client.

Under CA Law, a lawyer must not intentionally, negligently or repeatedly act without due diligence.

Here, Laura ("L") arguably violated this duty because, although she is the general counsel for MoreHome, a mortgage company, the facts do not indicate that other than "think about it", she did anything proactive in her role as the general counsel. This is to say, Laura should have at least look into the matter contained in the package and the legal implications and thought of what she needed to do with the obtained document. This is because, L, as the general counsel, should have thought of the possible legal consequences and legal ramifications that the documents could have on her client MoreHome. Thus, L violated her duty under ABA Rules.

Under Ca Rules, in part, L should not negligently fail to act in regards to the documents because she simply "wanted to think about it". As such, L violated this duty under Ca Rules.

DUTY TO MoreHOME - MoreHome is the corporate client

Under both ABA Rules and CA Rules, a corporate or general counsel's client is the corporation or the business entity itself and not the employees, officers or shareholders of the corporation.

Here, Eric, as an entry level advisor is not L's client in that, again, L's client is MoreHome. As

such, L should have brought the receipt of the package to MoreHome's attention in that the facts do not indicate if Eric even had the authority to even possess the documents. In addition, as an entry level employee, Eric should not be in a position to handle certain confidential information contained in the package.

However, under the facts, L simply took possession of the documents and told Eric that she would "think about it" and "get back to him". - in clear violation of her fiduciary duty to the Mortgage Company. L seems to have failed to realize that Eric did not represent the Company in that particular act of handing over sensitive information.

DUTY OF LOYALTY- PROVIDING COPIES OF THE DOC TO THE STATE ATTORNEY GENERAL

Under both ABA Rules and CA Law, an attorney has the duty to act in the best interest of his or her client and to avoid an conflict of interest.

Here, L simply provided copies of the documents to the State Attorney General, in direct conflict with what Mianne instructed her to do. Thus, this act breached the duty of loyalty.

DUTY TO COMMUNICATE

uNDER both CA and ABA law, a lawyer has the duty to communicate with her client so the client and make informed decisions. Here, L failed this duty by directly giving the documents to the Attorney General without even ever telling Mianne and anyone else in the corporation.

DUTY OF LOYALTY vs. Duty to NOT BREAK THE LAW

Here, under the facts, L will contend that she had to notify the attorney general because the pushing of risky mortgages could involve the Attorney General and could break the law. And, L would argue that this duty to not break the law would trump the duty of confidentiality.

However, Under CA Law, an attorney should at least notify the client and persuade the client about the illegal subject matter, and try to persuade the client from engaging the subject matter. As such L violated the duty of loyalty.

DUTY TO WITHDRAW - MANDATORY AND PERMISSIVE.

Under law, L could have a course in both mandatory and permissive withdrawal from her position as the general counsel

Here, L could have the option of resigning or withdrawing from her representation because, under the facts, it seem that a continued representation will break the state law since the State Attorney General is aggressively investigating this type of practice.

Under CA law, an attorney should at least notify the client and persuade the client about the illegal subject matter, and try to persuade the client from engaging the subject matter before withdrawing. As such, L could withdraw under the circumstances.

THE DUTY OF CONFIDENTIALITY TO MoreHome

uNDER BOTH ABA and CA law, an attorney has to be confidential in his or her representation of

the client.

Here, under both Ca and ABA rules, L breached this duty because she simply turned in the document to the attorney general without telling the company or anyone in the company.

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