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Duty to Loyalty to Corporation (Northwest)

Under ABA rules an attorney duty of loyalty lies to the corporation as an entity and not to the workers of the corporation, an attorney must act in the best interest of the corporation. Under CA rules, an attorney can represent a corporation and its duty of loyalty lies to the corporation, and the attorney must act in the best interest of the corporation.

Here, Arthur decided to break his duty of loyalty to Northwest because he decided to sleep with one of their employees, therefore creating a conflict of interest. Arthur was aware Cooper is a worker of Northwest, and at one point Arthur even provided Cooper with legal advise. When Arthur decided to sleep with him, while still working for Northwest Fidelity Fund, he breached his duty of loyalty to the corporation by not acting in the best interest of the corporation.

Thus, Arthur breached his duty of loyalty to the corporation under the ABA and CA rules, by not acting in its best interest and sleeping with one of their employees.

Conflict of Interest

Under ABA rules, an attorney has a conflict of interest if one of the clients interest are adverse to another client or if he represents a client that he has a close relationship with, and engages in conduct that violates the professional rules. Under CA rules an attorney has a conflict of interest if one of the clients interest are adverse to another client or if he represents a client that he has a close relationship with, and engages in conduct that violates the professional rules.

Here, there is a conflict of interest, under the ABA because Arthur represents Northwest as in house counsel, and he also confers with Cooper in regard to legal advice. Arthurs duty is to the corporation as he works for the corporation, he has a legal duty to not engage in sexual relations with the corporation employees because doing so violates the professional rules. Therefore when Cooper and Arthur decided to attend the business related conference for Northwest, and they engaged in sexual relations for the first time, Arthur created a conflict of interest for Northwest under the ABA rules. As such he can no longer work for the corporation, or give Cooper legal advice because doing so would be against the rules. He also violated the CA rules by creating a conflict of interest by engaging in conduct that violates the professional rules, (sleeping with a client's employees).

Thus, Arthur violated the ABA rule and CA rule by creating a conflict of interest when he slept with Cooper

Waiver of Conflict of Interest

Under ABA rules the attorney can get represent the client even if there is a conflict of interest, as long as the attorney is able to represent the client with diligence and competence, and he informs the client of the potential conflict of interest, obtain his consent in waiving the conflict of interest. Under CA attorney can represent the client as long as he does so knowingly, willingly, and without negligence and he informs

the client of the potential conflict of interest, obtain his consent in waiving the conflict of interest, in CA it must be in writing.

In this case, there was no waiver provided by the conflict of interest created by Arthur for him to still be adequately representing Northwest. Nothing in the pattern states that Arthur waived this conflict of interest by informing Northwest of the conflict and getting their permission to continue representation. By continuing to represent Northwest and not providing them with the knowledge of the conflict of interest Arthur violated his duty.

Thus, there is no valid waiver of the conflict under the ABA or CA rules for the conflict created by Arthur when he slept with Cooper, thus, violating the rule to obtain a valid waiver when there is a conflict.

Duty to not engage in sexual relations with clients

Under ABA and CA rules, an attorney must not engage in sexual relations with clients, unless a prior consensual relationship existed, more importantly an attorney must also not provide legal advice in exchange for sexual favors/relations doing so would violate both the ABA and CA rules.

Here, there is a violation of both the ABA and CA rules because Arthur (who worked for Northwest as counsel), while attending a business related conference for Northwest engage in consensual sexual relations with Cooper (who is a worker of Northwest) for the first time. The violation of the rule comes from the fact there was no prior consensual relationship between Cooper and Arthur, they were not dating or married, and by not being in a consensual sexual relationship prior to having sexual relations Arthur violated this rule by sleeping with the client. Arthur may argue that Cooper was never a client to him, and that he merely provided him with advice, however this argument would likely fail.

Thus, Arthur violated the ABA and CA rule to not engage in sexual relationships with clients.

Mandatory Withdraw

Under ABA rules An attorney has a duty to withdraw from representation if he knows he cannot adequately represent the client anymore, if he knows the client is causing financial harm to the corporation, if he is physically or mentally unable to continue representation, if continuing representation would violate any professional rules, or if there is good cause. Under CA rules, an attorney has a duty to withdraw if the client is asking him to engage in the fraudulent practice of law, doing so would violate the professional rules, or if there is good cause.

Here, Arthur had a duty to disclose his misconduct to the corporation or at least to try to withdrawal. This was because once he slept with Cooper he could no longer represent Northwest since by sleeping with Cooper, Arthur violated both the ABA and CA professional rules, and continuing representation after there was a violation was wrong.

Thus, Arthur violated the ABA and CA rules, by not moving or trying to withdrawal from representation after violating the professional rule to not engage in sexual relations with a client.

Duty to Report the Bar of Misconduct and Criminal Convictions

Under ABA rules, an attorney has a duty to inform the bar, of any misconduct including any convictions immediately upon them happening. Under CA rules an attorney must inform the California bar after they are convicted of any misdemeanor or felony that could affect them practicing law. Under CA an attorney must also inform the bar if they are sued 2 or more times.

Here, Under CA and ABA rules, Arthur had a duty to report to the bar as soon as he subsequently plead guilty to driving under the influence because he was convicted of a misdemeanor. By failing to do so he violated the professional rules of conduct under CA and ABA which require attorneys to report any convictions and any misconduct immediately upon them happening.

Thus, Arthur violated his duty to report misconduct and criminal convictions to the bar under ABA and CA rules.

Duty of Competence

Under ABA rules An attorney has a duty to be competent in providing representation and if he does not know a subject matter, he must learn it to adequately provide competent representation. Under CA rules, an attorney has a duty to be competent in providing representation he must act knowingly willingly and not negligent in providing representation.

Here, Arthur violated the ABA rule of competence by not becoming competent in the subject matter when he decided to take on outside work, for Greta the president of Greenacre a local org. When Greta asked Arthur to create a nonprofit corporation for Greenacre, Arthur responded that he could easily handle these matters even though he had never done this type of work. Arthur then had a duty to become competent in this matter the moment he took on this type of work. Arthur should have learned about creating nonprofit corporations before using a free AI tool to fill out the application and not verifying the information. Under CA rules, Arthur also breached his duty of competence, by providing inadequate representation by negligently not verifying the information.

Thus, Arthur breached his duty of competence under the ABA rules when he did not learn about corporations when he decided to take on a corporation case, and he also breached CA rules, by providing negligent representation in failing to check his work.

Duty to act with Diligence

Under ABA rules an attorney has a duty to act with diligence in providing adequate representation, this means checking his or her work, promptly responding to the clients, taking in cases he is able to handle. Under CA rules, an attorney has a duty to act with diligence and act knowingly, willingly and not negligently in providing representation.

Here Arthur breached his duty of diligence under the ABA rules by failing to check the work of the AI tool he used to fill out the application for the nonprofit status, and by not verifying the information because

of his carelessness, the application was rejected since they were not properly prepared. Arthur also breached the CA rule of diligence by negligently providing representation, when he choose to negligently not verify the information and Greenacre application for nonprofit status was rejected.

Thus, Arthur breached his duty to act with diligence under the ABA and CA rules.

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