Ethical Considerations in Drafting Contracts

Claude E. Ducloux Attorney At Law - Austin, Texas

National Director of Education, Ethics and State Compliance – LawPay

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Claude E. Ducloux

Attorney at Law

- 40+ year seasoned attorney
- Board Certified in Civil Trial Law and Civil Appellate Law, Texas Board of Legal Specialization
- Former President, Austin Bar Association
- Received Gene Cavin Award for Lifetime Achievement in Teaching Continuing Education

Purposes and Goals

- Discuss whether the conduct presented is ethical
- Discuss when a lawyer has a duty to reveal the error of the other lawyer
- Examine when or if the lawyer must consult the client before fixing the error
- Practice strategies to avoid these problems
- Identify special duties when doing business with client

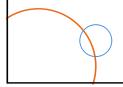




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Concepts We Will Cover

- **1. Duty of competence:** Knowing what you're doing.
- 2. Conflicts of interest: The limitations that exist when the lawyer has conflicts affecting the contract in question.
- **3. Doing business with client:** The special duties that apply when you or your firm are a party.
- **4. Truth in statements to others:** When you have to tell the truth, and when puffery become acceptable in negotiations.





Concepts We Will Cover

- **5. Dealing with unrepresented persons:** The duties that apply when preparing a contract which will be signed by an unrepresented party.
- 6. Conduct involving dishonesty, fraud, deceit, and misrepresentation.





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Rules Covering Our Concepts

- 1. Duty of competence: ABA Model Rule 1.1, 1.3; TX Rule 1.01; FL Rule 4-1.1; CA Rule 3-110; MO Rule 1.1, NY Rules 1.1, 1.3

 Competent representation requires the legal knowledge, skill, thoroughness and preparation reasonably necessary for the representation.
- 2. Conflicts of interest: ABA Rule 1.7, 1.8, 1.9; TX Rule 1.06; CA Rule 3-310; FL Rule 4-1.7-4-1.10; NY Rule 1.7(a)
- 3. Doing business with client: ABA DR 5-104; TX Rule 1.08(b); CA Rule 3-300; FL Rule 4-1.8; NY Rule 1.8(a)





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