

IPI #1

Instructions

Choose the best answer for each question. Put the letter on the answer sheet. If you feel a question is misleading or ambiguous, place an asterisk (*) next to your answer and write your qualification on the back of the answer sheet. You may choose any of the lettered responses. You have 30 minutes for this IPI. The answer sheet must be turned in by the time written on the blackboard.

1. Leonard Lawyer is a big time criminal defense attorney in Dallas. He is licensed to practice law in Texas and in New Mexico. He recently moved to Little Rock with his family and is planning on getting a Arkansas law license and setting up a practice. Dennis Drug Dealer was just arrested in Little Rock for possession of a truckload of meth. Dennis knows of Leonard's reputation for getting big drug dealers off the hook. He wants to hire Leonard to represent him in criminal proceedings in Little Rock. Can Leonard represent Dennis?
 - a) Yes, because Leonard is a well-known criminal defense attorney.
 - b) Yes, because Leonard can appear pro hac vice on Dennis' behalf.
 - c) Yes. Because Leonard is licensed in Texas and New Mexico. Arkansas will recognize those licenses and allow him to practice by reciprocity.
 - d) No. Leonard can't represent Dennis.

2. Harold Lawson, an attorney for Main Street Law Center, has found an effective method of advertising. Each year he ships a case of printed baseball caps to all of the ambulance companies operating in his home city. The caps are green and white letters that say, "Main Street Law Center, We're here to help". Lawson approximates that only about 25% of the ambulance drivers actually wear these caps on a regular basis, but is quite happy with the results he has received. Lawson's advertising is:
 - a) Ethical, if he keeps a copy of a cap for at least five years after it is used.
 - b) Ethical, if he pays the ambulance drivers who actually wear the caps.
 - c) Unethical, because the advertisement does not include the name of attorney, Harold.
 - d) Unethical, because advertisement on baseball caps is not a proper medium listed in Rule 7.2.

3. Lucy Lawyer recently graduated from law school and passed the bar exam. During law school, Lucy decided that she was a property lawyer. To ensure that she was properly prepared to meet all her clients property needs, Lucy attempted to make herself an expert in that field. Lucy took Property, Oil and Gas, Real Estate Law, Decedent Estates, and all other property courses offered by her law school, obtaining a grade of A in each course. Lucy wrote her third year seminar paper on a property topic, as well as a note for the University's law review. All the other students in the law school asked for Lucy's property outlines and requested to be in her study groups. Lucy even attended Summer school at other law schools that offered different property courses, all with the desire to give herself a field of expertise. Lucy considers herself an expert on property law.

Lucy will open her own law firm that only handles property cases. She has recently put in an order for business cards. Which of the following statements may she ethically place on her business cards?

- (1) Lucy Lawyer Law Firm, meeting all your property needs!!
 - (2) Property Law Firm.
 - (3) Lucy Lawyer, property law expert.
 - (4) Lucy Lawyer, specializing in property law.
- a) All are ethical.
 - b) Only 2 is unethical.
 - c) Only 4 is unethical.
 - d) Only 3 and 4 are unethical.
 - e) Only 1 and 3 are unethical.
 - f) Only 1, 2 and 3 are unethical.
 - g) All are unethical.

4. Bill and Ted have an excellent adventure, and a successful law practice in rural Arkansas. In exchange for work they have done for a local dealership they receive a new vehicle. Due to an influx of new corporate business they have decided to relocate their firm to Little Rock. As a way to promote their big move to Little Rock, Bill and Ted insert fliers in the newspaper.

**Bill and Ted's Law Firm moves to the Big City! Due to recent growth our Law Firm is relocating to Little Rock effective August 1st. Stop by and visit with us at the State Fair. We will be next to the sheep barn. As part of the festivities we will be giving away a free Ford F-150. Just stop by our booth for the details.
See you there!**

In conjunction with their advertised move Bill and Ted reserve a booth at the upcoming State Fair. As part of their promotion they plan on giving away the new vehicle through a free raffle. Each person that comes by their booth at the State Fair and fills out a questionnaire is entered in the free vehicle giveaway.

Bill and Ted:

- a) Have an improper name for their firm.
 - b) Cannot ethically give away a truck because of its value.
 - c) Must include the word "advertisement" on their fliers.
 - d) Solicited clients in violation of the rules.
 - e) None of the preceding 4 statements are correct.
5. Irving R. Salzberg is licensed as both an attorney and a certified public accountant in Arkansas. A local accounting firm, Dowling & Oppenheimer Accounting, L.L.C. has hired Irving. His duties with the firm vary greatly from one week to the next. Assignments undertaken by Irving included:
- (1) Irving drafted a will and trust for a client of the firm and considered the client's normal payment for the accounting services as sufficient to cover the cost.
 - (2) Irving represented the firm in circuit court to defend against a breach of contract claim by a former client.

- (3) Irving appeared on behalf of a client in an administrative hearing conducted by the IRS concerning an audit of the client's tax returns.
- (4) Irving represented a client of the firm in circuit court in challenging the constitutionality of a local property tax.
- (5) Irving brought suit on behalf of the firm to recover fees owed by a local business who had used the firm during the past year.
- (6) Irving drafts a will for a client on his own time and receives compensation separate from his salary at the firm.

In which of the situations above was Irving in violation of the Arkansas Rules of Professional Conduct?

- a) All are ethical and permitted.
 - b) Only 1 and 4 are unethical.
 - c) Only 2 and 5 are unethical.
 - d) Only 3 and 6 are unethical.
 - e) Only 1 and 3 are unethical.
 - f) Only 4 and 5 are unethical.
 - g) Only 2 and 6 are unethical.
 - h) All are unethical and violate the Rules.
6. A, an attorney, and B, a restaurant owner, decided to form a corporation called A & B Restaurant Development, Inc. to assist restaurant owners. Each contributed \$25,000 to the corporation, and each was issued 50% of the stock. Each receives 50% of the corporation's net profits. A is the CEO of the corporation and B is the Chairman of the Board; which consists of A and B. A drafts loan agreements for the corporation and represents the corporation before regulatory agencies. B manages the day-to-day operations of the business. Is A ethically allowed to form such an association with B?
- a) No, because A is splitting legal fees with a non-lawyer .
 - b) No, because B is not allowed to be an officer or shareholder in a corporation which practices law for profit.
 - c) No, because A's professional judgment is under the control of a non-lawyer.
 - d) There is nothing wrong with this arrangement.

7. A lawyer has an obligation to keep a client reasonably informed about the status of a matter. In which of the following circumstances would a lawyer be justified in delaying transmission of information to a client.
- a) The lawyer's busy personal schedule prevents communication with the client on a regular basis.
 - b) The client's requests for information have become bothersome and annoying to the lawyer.
 - c) The client would likely act imprudently to an immediate communication.
 - d) The lawyer's busy business schedule prevents communication with the client on a regular basis.
 - e) The attorney's last bill for legal services has not been timely paid by the client.
8. Abe Attorney had a bad week in the office. That weekend, at home alone, he drank to excess. He was increasingly irritated by his daughter's cat Lucky. Without knowing awareness of his actions, he put the cat in the microwave and fried Lucky. His daughter reported him to the police. He has been charged by the law enforcement authorities with a misdemeanor.

Will Abe be professionally disciplined for his act?

- a) No. His alcoholism will be a defense.
 - b) No. The activities occurred at home, on a weekend, and did not involve clients or the legal system.
 - c) No. The criminal charges are not a felony.
 - d) Yes. It interferes with the administration of justice.
 - e) Yes. It is a criminal act that reflects on his fitness to practice law.
9. Attorney Allyson was hired to defend a client in a negligence case. Because of sloppy office management, Allyson failed to file an answer in a timely fashion, and a default judgment for \$12,000 has been entered against her client. In her ten years of practice, she had never missed a deadline in any other case.

The client (through another attorney) has now commenced a legal malpractice suit against Allyson, seeking \$12,000 compensatory damages and an additional award for punitive damages. Allyson has several possible defenses to the malpractice suit. Which defense is likely to be successful?

- a) The barrister's rule.
 - b) The lack of privity.
 - c) The comparative fault of the client.
 - d) The triviality of the mistake.
 - e) No existing duty.
 - f) The impropriety of punitive damages.
 - g) The first mistake rule.
10. The following statements involve attorney fees. Two of the acts described are unethical. Select one of them.
- a) Attorney Nicole bills her client \$1000 for a Rule 56 motion. But the motion is written by her law clerk, who is paid \$90.
 - b) Attorney Nicholas bills his client \$25 (one quarter of his hourly fee) for a 3 minute telephone call.
 - c) Attorney Olivia bills her client her normal hourly fee for traveling to and from Little Rock for a 15 minute meeting in Little Rock.
 - d) Attorney Oliver bills his client for a share of the office law library expenses and his secretary's time in typing legal documents.
 - e) Attorney Paige adds to her client's bill a 50% surcharge for the cost of outside consultants.
 - f) Attorney Peyton charges his client travel time at his normal rate for taking an evening plane to New York City and sleeping on the plane.
 - g) Attorney Ruth works for 50 minutes, takes a 10 minute break, and bills her client for one hour.
 - h) Attorney Russell bills government clients and charitable clients a rate lower than he charges other clients.