

**IADC 2023 PROFESSIONAL LIABILITY ROUNDTABLE**

NEW YORK, NY

MAY 18, 2023

**Cautionary Tales  
from Recent Malpractice Cases**

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## Table of Contents

	<u>Page</u>
I. ABA Model Rule 1.2: Scope of Representation & Allocation of Authority Between Client & Lawyer .....	1
II. ABA Model Rule 1.4: Communications .....	1
III. ABA Model Rule 1.7: Conflict of Interest: Current Clients .....	2
IV. ABA Model Rule 2.1: Advisor .....	3
V. ABA Model Rule 3.1: Meritorious Claims & Contentions .....	3
VI. ABA Model Rule 3.3: Candor Toward the Tribunal .....	3
VII. ABA Model Rule 3.4: Fairness to Opposing Party & Counsel .....	4-5
VIII. Recent Cases:	
<i>Lewis Brisbois Bisgaard &amp; Smith, LLP v. Michael Joseph Bitgood a/k/a “Michael Easton,” et al.</i> , Case No. 4:22-cv-3279, in the U.S. District Court for the Southern District of Texas, Houston Division;	
<i>Haynes and Boone, LLP and Arthur L. Howard v. NFTD, LLC f/k/a Bernardo Group, LLC; Bernardo Holdings, LLC; Peter J. Cooper, and Jacqueline Miller</i> , 631 S.W.3d 65 (Tex. 2021);	
<i>NFTD, LLC f/k/a Bernardo Group, LLC; Bernardo Holdings, LLC; Peter J. Cooper; and Jacqueline Miller v. Haynes &amp; Boone LLP and Arthur L. Howard</i> , 652 S.W.3d 546 (Tex. App. – Houston [14 <sup>th</sup> Dist.] 2022, no pet.);	
<i>Doe v. Burke Wise Morrissey &amp; Kaveny, LLC, et al.</i> , 2022 IL App (1 <sup>st</sup> ) 211283, 2022 WL 5297636;	
<i>In the Matter of Rudolph Giuliani</i> , 197 A.D.3d 1 (2021);	
<i>Commission for Lawyer Discipline v. Sidney Powell</i> , DC.22-02562, in the 116 <sup>th</sup> District Court, Dallas, County, Texas (2023); and	
<i>In re: McClenny Moseley &amp; Associates PLLC</i> , Case No. 2:22-cv-04277-JDC-KK, in the U.S. District Court for the Western District of Louisiana.	

**I. ABA Model Rule 1.2: Scope of Representation & Allocation of Authority  
Between Client & Lawyer**

***Client-Lawyer Relationship***

(a) Subject to paragraphs (c) and (d), a lawyer shall abide by a client's decisions concerning the objectives of representation and, as required by Rule 1.4, shall consult with the client as to the means by which they are to be pursued. A lawyer may take such action on behalf of the client as is impliedly authorized to carry out the representation. A lawyer shall abide by a client's decision whether to settle a matter. In a criminal case, the lawyer shall abide by the client's decision, after consultation with the lawyer, as to a plea to be entered, whether to waive jury trial and whether the client will testify.

(b) A lawyer's representation of a client, including representation by appointment, does not constitute an endorsement of the client's political, economic, social or moral views or activities.

(c) A lawyer may limit the scope of the representation if the limitation is reasonable under the circumstances and the client gives informed consent.

(d) A lawyer shall not counsel a client to engage, or assist a client, in conduct that the lawyer knows is criminal or fraudulent, but a lawyer may discuss the legal consequences of any proposed course of conduct with a client and may counsel or assist a client to make a good faith effort to determine the validity, scope, meaning or application of the law.

**II. ABA Model Rule 1.4: Communications**

***Client-Lawyer Relationship***

(a) A lawyer shall:

(1) promptly inform the client of any decision or circumstance with respect to which the client's informed consent, as defined in Rule 1.0(e), is required by these Rules;

(2) reasonably consult with the client about the means by which the client's objectives are to be accomplished;

(3) keep the client reasonably informed about the status of the matter;

(4) promptly comply with reasonable requests for information; and

(5) consult with the client about any relevant limitation on the lawyer's conduct when the lawyer knows that the client expects assistance not permitted by the Rules of Professional Conduct or other law.

(b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.

### **III. ABA Model Rule 1.7: Conflict of Interest: Current Clients**

#### ***Client-Lawyer Relationship***

(a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:

(1) the representation of one client will be directly adverse to another client; or

(2) there is a significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by a personal interest of the lawyer.

(b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), a lawyer may represent a client if:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law;

(3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal; and

(4) each affected client gives informed consent, confirmed in writing.

#### **IV. ABA Model Rule 2.1: Advisor**

##### ***Counselor***

In representing a client, a lawyer shall exercise independent professional judgment and render candid advice. In rendering advice, a lawyer may refer not only to law but to other considerations such as moral, economic, social and political factors, that may be relevant to the client's situation.

#### **V. ABA Model Rule 3.1: Meritorious Claims & Contentions**

##### ***Advocate***

A lawyer shall not bring or defend a proceeding, or assert or controvert an issue therein, unless there is a basis in law and fact for doing so that is not frivolous, which includes a good faith argument for an extension, modification or reversal of existing law. A lawyer for the defendant in a criminal proceeding, or the respondent in a proceeding that could result in incarceration, may nevertheless so defend the proceeding as to require that every element of the case be established.

#### **VI. ABA Model Rule 3.3: Candor Toward the Tribunal**

##### ***Advocate***

(a) A lawyer shall not knowingly:

(1) make a false statement of fact or law to a tribunal or fail to correct a false statement of material fact or law previously made to the tribunal by the lawyer;

(2) fail to disclose to the tribunal legal authority in the controlling jurisdiction known to the lawyer to be directly adverse to the position of the client and not disclosed by opposing counsel; or

(3) offer evidence that the lawyer knows to be false. If a lawyer, the lawyer's client, or a witness called by the lawyer, has offered material evidence and the lawyer comes to know of its falsity, the lawyer shall take reasonable remedial measures, including, if necessary, disclosure to the tribunal. A lawyer may refuse to offer evidence, other than the testimony of a defendant in a criminal matter, that the lawyer reasonably believes is false.

(b) A lawyer who represents a client in an adjudicative proceeding and who knows that a person intends to engage, is engaging or has engaged in criminal or fraudulent conduct related to the proceeding shall take reasonable remedial measures, including, if necessary, disclosure to the tribunal.

(c) The duties stated in paragraphs (a) and (b) continue to the conclusion of the proceeding, and apply even if compliance requires disclosure of information otherwise protected by Rule 1.6.

(d) In an *ex parte* proceeding, a lawyer shall inform the tribunal of all material facts known to the lawyer that will enable the tribunal to make an informed decision, whether or not the facts are adverse.

## **VII. ABA Model Rule 3.4: Fairness to Opposing Party & Counsel**

### ***Advocate***

A lawyer shall not:

(a) unlawfully obstruct another party's access to evidence or unlawfully alter, destroy or conceal a document or other material having potential evidentiary value. A lawyer shall not counsel or assist another person to do any such act;

(b) falsify evidence, counsel or assist a witness to testify falsely, or offer an inducement to a witness that is prohibited by law;

(c) knowingly disobey an obligation under the rules of a tribunal except for an open refusal based on an assertion that no valid obligation exists;

(d) in pretrial procedure, make a frivolous discovery request or fail to make reasonably diligent effort to comply with a legally proper discovery request by an opposing party;

(e) in trial, allude to any matter that the lawyer does not reasonably believe is relevant or that will not be supported by admissible evidence, assert personal knowledge of facts in issue except when testifying as a witness, or state a personal opinion as to the justness of a cause, the credibility of a witness, the culpability of a civil litigant or the guilt or innocence of an accused; or

(f) request a person other than a client to refrain from voluntarily giving relevant information to another party unless:

(1) the person is a relative or an employee or other agent of a client; and

(2) the lawyer reasonably believes that the person's interests will not be adversely affected by refraining from giving such information.