

Legal Memorandum

To: Lori Scott, Attorney

From: Christina Wichert, Paralegal

Date: November 6, 2023

Re: Conflict of Interest (Kennedy Smith)

Facts

Airbnb is a client of this law firm and this law firm also acquired Kennedy Smith as a client. Kennedy Smith would like to use her residence as an Airbnb property. A new paralegal has joined the team and has previous experience working with Airbnb as a client.

Issues

1. Does a conflict of interest arise when representing Kennedy Smith, who wants to use her residence as an Airbnb?
2. Does our newly hired paralegal cause an issue with her knowledge of previously working at a law firm that had Airbnb as a client?

Rule

Rule 1.7 outlines the general rule regarding conflicts of interest. It states that a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if 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.¹

Rule 1.7 also states a lawyer shall not represent a client if the representation involves a concurrent conflict of interest, however, a lawyer may represent a client if the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client.²

Analysis

The legal facts in this case present both favorable and unfavorable outcomes regarding the conflict of interest between representing Kennedy Smith and Airbnb, as well as having a paralegal on the team with prior knowledge at a law firm that had Airbnb as a client.

The favorable aspects include recognizing that conflicts of interests can be managed, as long certain conditions are met. However, the unfavorable aspects concerning the conflict of interests between Kennedy Smith and Airbnb, as well as any ethical concerns relating to the paralegal's knowledge and the potential disclosure of confidential information. These aspects need to have an appropriate course of action, all while adhering to the ethical rules and standards outlined in Rule 1.7

Conclusion

Since there is a potential conflict of interest, to follow any ethical issues we should seek consent from Kennedy Smith and Airbnb. We should screen the new paralegal from any involvement in Kennedy Smith's case in case they have obtained any confidential information regarding Airbnb from prior experience. Disclosures, consents, etc., should be documented so it is in compliance with ethical obligations. By taking these measures, we can navigate this conflict of interest and provide the best representation to our clients.

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1. Rule 1.7: Conflict of interest: Current clients - american bar association. (n.d.). https://www.americanbar.org/groups/professional_responsibility/publications/model_rules_of_professional_conduct/rule_1_7_conflict_of_interest_current_clients/
 2. Rule 1.7: Conflict of interest: Current clients - american bar association. (n.d.). https://www.americanbar.org/groups/professional_responsibility/publications/model_rules_of_professional_conduct/rule_1_7_conflict_of_interest_current_clients/