RE: SBAND Ethics Committee Request

The Ethics Committee of the State Bar Association of North Dakota has addressed and discussed the questions raised in your letter of June 3, 1991.

The Ethics Committee was of the opinion that your letter does not really raise a question under the Rules of Professional Conduct. The role of the Ethics Committee is to comment on the Rules of Professional Conduct and the applicability of a particular rule. We do not comment on the applicability of the general laws of the State of North Dakota. You will have to seek out the advice of an attorney licensed in the State of North Dakota or determine for yourself whether or not the practice of law as you have outlined it would be permissible under North Dakota law. We would point out, however, that any attorney practicing on behalf of the limited partnership would obviously be bound by the Rules of Professional Conduct in general. Also, in the establishment of the limited partnership, you should review Rule 5.4 concerning the association of lawyers with non-lawyers. This may not have any applicability to your situation but we did want to call it to your attention.

This letter opinion is issued to you for advisory purposes only and is not binding on you, the Courts of North Dakota, disciplinary board, grievance committees, or any other member of the Bar of the State of North Dakota.

Yours very truly,

Paul F. Richard
Chairman
Ethics Committee State Bar Association of North Dakota
June 3, 1991

Mr. Paul Richard
P.O. Box 6017
Fargo, ND 58108-6017

RE: Request for Opinion from Ethics Committee on Code of Professional Liability

Dear Mr. Richard:

I would like to request a written advisory opinion regarding a matter of legal practice within the State of North Dakota. My question is whether the State of North Dakota would permit an association of attorneys, practicing in the State of Minnesota as a Minnesota Limited Partnership, to also practice within the State of North Dakota as a limited partnership. The following hypothetical facts describe the nature of the Minnesota Limited Partnership:

1. Mr. Smith and Mr. Jones are individual attorneys, each licensed to practice law in the State of Minnesota.

2. Together, Mr. Smith and Mr. Jones will provide legal services in the State of Minnesota as a Minnesota Limited Partnership, under the name of Smith & Jones, Ltd., a Minnesota Limited Partnership. This is an appropriate method of practice under Minnesota law.

3. Smith & Jones, Ltd. would like to provide legal services in the State of North Dakota through its attorney employees licensed in the state or as co-counsel with local counsel licensed in the state.
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4. The sole managing general partner will be a Minnesota professional corporation, Smith & Jones, P.A. The professional corporation will own a two (2) percent interest in the partnership.

5. Together, Mr. Smith and Mr. Jones will own all of the stock of the professional corporation. Thus, Mr. Smith will own fifty (50) percent of the stock and Mr. Jones will own fifty (50) percent of the stock.

6. Individually, Mr. Smith and Mr. Jones will each own forty-nine (49) percent limited partnership interest in the partnership.

7. Mr. Smith and Mr. Jones will be employees practicing law under the name of the partnership.

Based upon the above facts, my inquiry is twofold:

1. Will the State of North Dakota permit the Minnesota Limited Partnership to provide legal services through its North Dakota licensed attorney employees or as co-counsel to local counsel licensed under North Dakota state law; and

2. If so, will the North Dakota Limited Partnership Act govern the duties, liabilities and operations of the aforementioned limited partnership?

Please feel free to contact me if you have any questions or need additional information.

Very truly yours,

[RFS:DJY:dr]