

GENERAL INFORMATION FORM

Submitting Entity: Task Force on Corporate Responsibility

Submitted By: James H. Cheek, III, Chair

1. Summary of Recommendation(s): The recommendation is to amend Rule 1.13 of the ABA Model Rules of Professional Conduct to require the lawyer for an organizational client to report certain violations of law to higher organizational authority in certain circumstances unless reasonably believed not to be necessary in the best interest of the organization; to require the lawyer to proceed as reasonably believed necessary to assure that the organization's highest authority is informed of the lawyer's withdrawal or discharge in circumstances addressed in the proposed Rule; and to permit the lawyer to reveal client information to prevent reasonably certain substantial injury to the organization where the organization's highest authority insists upon or fails to timely address a clear violation of law. The Comment to Rule 1.13 would be amended to describe these proposed changes to the Rule.

2. Approval by Submitting Entity: The recommendation as submitted was approved by the Task Force through its adoption of its Report dated March 31, 2003.

3. Has this or a similar recommendation been submitted to the House or Board previously?

The recommendation to amend subsection (c) of Rule 1.13 is similar in certain respects to the proposal by the ABA Commission on Evaluation of the Rules of Professional Conduct to amend Rule 1.6 by adding subsections (b)(2) and (b)(3).

4. What existing Association policies are relevant to this recommendation and how would they be affected by its adoption?

The recommendation addresses core areas of concern in relation to the professional responsibilities of lawyers to their organizational clients.

5. What urgency exists which requires action at this meeting of the House?

The Task Force was directed by the President of the ABA in March 2002 to evaluate "systemic issues relating to corporate responsibility" in relation to, among other things, "the framework of laws and regulations and ethical principles governing the roles of lawyers." The Task Force believes that its recommendations merit prompt attention by the House of Delegates in light of recent changes in applicable law, including new federal legislation and related proposed and final rules regulating lawyer professional conduct by the Securities and Exchange Commission.

6. Status of legislation (if applicable): Not applicable.

7. Cost to the Association (both direct and indirect costs): None.
8. Disclosure of Interest (if applicable): None.
9. Referrals: The Task Force's Final Report is expected to be distributed to each of the Sections and Divisions and Standing Committees of the ABA.
10. Contact Person (prior to the meeting): James H. Cheek, III, Chair, Task Force on Corporate Responsibility, Bass Berry Sims, PLC, Suite 2700, 315 Deaderick St., Nashville, TN 37238-3001, business: (615) 742-6223, fax: (615) 742-6298, email jcheek@bassberry.com.
11. Contact Person (who will present the report to the House): James H. Cheek, III, Chair, Task Force on Corporate Responsibility, Bass Berry Sims, PLC, Suite 2700, 315 Deaderick St., Nashville, TN 37238-3001, business: (615) 742-6223, fax: (615) 742-6298, email jcheek@bassberry.com.