

STATE OF MINNESOTA
IN SUPREME COURT
46994

AMENDMENT TO MINNESOTA CODE
OF PROFESSIONAL RESPONSIBILITY

O R D E R

WHEREAS, the Lawyers Professional Responsibility Board has petitioned the Supreme Court to amend Canon 5 of the Minnesota Code of Professional Responsibility and a hearing was had with respect to said petition on June 5, 1981,

NOW, THEREFORE, IT IS HEREBY ORDERED that DR5-103(B) is amended to read as follows:

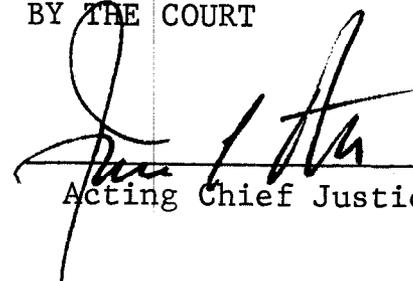
DR 5-103 AVOIDING ACQUISITION OF INTEREST IN LITIGATION

* * * * *

- (B) While representing a client in connection with contemplated or pending litigation, a lawyer shall not advance or guarantee financial assistance to his client, except:
- (1) A lawyer may advance or guarantee the expenses of litigation, including court costs, expenses of investigation, expenses of medical examination, and costs of obtaining and presenting evidence, provided the client remains ultimately liable for the expenses.
 - (2) A lawyer may guarantee a loan reasonably needed to enable the client to withstand delay in litigation that would otherwise put substantial pressure on the client to settle a case because of financial hardship rather than on the merits, provided the client remains ultimately liable for repayment of the loan without regard to the outcome of the litigation and, further provided, that no promise of such financial assistance was made to the client by the lawyer, or by another in his behalf, prior to the employment of that lawyer by that client.

DATED: November 6, 1981.

BY THE COURT


Acting Chief Justice

SUPREME COURT
FILED

NOV 9 1981

JOHN McCARTHY
CLERK