

covers it also, this point. Now, rule 6 says, in part, it's unprofessional to represent conflicting interests except by express consent of all concerned given after a full disclosure of the facts. In every one of the instances cited by Mr. Cox as apparent conflict of interest, or necessarily involving a conflict of interest, he has stated and on the exhibits he has used supportative of his conclusion, indicates full disclosure, indicate full knowledge by everybody concerned, and in every instance that I know of that he cites, he indicates that the receipt of money from the lessee benefited the client that the attorney was serving.

A perfect example is the Wind Free Country Club. The situation cited by Mr. Cox on page 20, the Palm Canyon Country Club and the Tahquitz Trailer Park, in that situation, the lessee didn't have enough money to continue making payment and needed a moratorium. The lessee consulted with each of the individual guardians and conservators and Indians involved if there were no fiduciaries, with the express negotiation between the lessee and the representatives of all the lessors, and I believe, the negotiations at least, if not appearing in the Bureau offices were done with the express prior consent of the Bureau, resulted in agreement that there would be a moratorium in the payment of rent. The negotiations were completed without the involvement of any attorneys. The respective fiduciaries, after they had concluded the agreement, executed the agreement, or at least agreed upon it, then went to their respective attorneys, and they said, "Get court approval, and don't bill us, the lessee's going to pay." The individual attorney then prepared the petitions for court approval of the moratorium agreement, obtained the approval, and then obtained his fee from the lessee. This was not only a conflict of interest because obviously the attorney in that situation was representing his client in getting court approval upon an agreement that his client had already reached, so there was, first, no conflict of interest, but even assuming there was conflict of interest, there was certainly full knowledge, because the client brought the deal to the attorney, and said, "Here's something I have agreed upon, now you go get it done," so if the client was the one who initiated the contract, the attorney certainly can't be classified as not disclosing to the client what the client had already done. It's ridiculous, and yet Mr. Cox, in every situation, said there was a conflict of interest here, and I don't understand how he could have come up with that conclusion. Now, do you have any questions on that?

Mr. EDMONDSON. Yes. Not with the cases you have cited, but if everything was by agreement with the parties and with the full disclosure and agreed to on all sides, do you think that the record in this KDES item, for which a bill was submitted for \$3,500 and then reduced to \$500, bears that out?

Mr. CLEARY. Mr. Hollowell, like many clients, sometimes does not express the true picture. When I was sitting back there, I was dissatisfied with his explanation of the events that transpired. Could I explain it as I understand it, and as I understood it by examining his records?

Mr. EDMONDSON. If you would, and reconcile it with your statement that all of the situations that are cited in this report are instantive of harmonious agreements between all the parties on what the fees were going to be and—