

**Approved by  
The Legal Assembly  
of the Ukrainian Bar Association  
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## **CODE OF ETHICS FOR LEGAL BUSINESS**

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## TERMS AND DEFINITIONS

In this Code, terms and definitions shall have the following meanings:

1. "**Lawyer**" shall mean a member of the UBA who provides Services or another participant of the legal business that provides Services (law firm, attorneys' association or bureau, attorney, other practicing lawyer, individual entrepreneur, etc.) and has acceded (entirely or with reservations) to this Code by signing the relevant declaration.
2. "**Client**" shall mean a person to whom the Lawyer provides Services; where the context requires, it shall also include a potential or former Client.
3. "**Employee**" shall mean an employee of the Lawyer, including, but not limited to, a lawyer, administrative or other employee who provides professional activities of the Lawyer on a permanent basis, regardless of whether the relationship with it is based on an employment contract or otherwise.
4. "**Services**" shall mean any legal services, including legal aid, legal advice, etc.
5. "**Case**" shall mean a court case, transaction, consultation, or any other project in which the Lawyer provides Services to the Client.
6. "**Fee**" shall mean remuneration for the Services.

## **PREAMBLE**

As representatives of the legal profession, Lawyers ensure human rights and freedoms, and bear a special responsibility to society for implementing the rule of law, justice, building a state governed by the rule of law, and enhancing legal awareness as well as the legal profession.

This Code establishes the key ethical principles of efficient, rational, and fair functioning of the legal services market, raising the level of legal culture and legal awareness, as well as preventing the use of unethical practices related to the provision of legal services.

This Code has been developed with due regard to the provisions of the Code of Conduct for European Lawyers, the Charter of Core Principles of the European Legal Profession and reflects the general principles of a modern democratic society with which the legal profession is inextricably associated.

When determining the meaning of the provisions of this Code, they shall be interpreted fairly and in good faith, in line with the understanding that an impartial person of reasonable skill and professional competence would have under similar circumstances, based on the purpose of this Code and high moral standards.

## **1. GENERAL PROVISIONS**

- 1.1. This Code establishes the ethical principles of the legal business, provision of Services, organization of the Lawyers' work, and their interaction with each other, Clients, Employees, and other persons.
- 1.2. This Code shall be applied only to the extent that it does not directly contradict other codes, rules and standards, and other norms that are legally binding on representatives of certain legal professions.
- 1.3. This Code shall apply to the Lawyers regardless of how the relationship between the respective Lawyer and the Client is governed (directly or indirectly, with the Lawyer or its Employee, through other legal entities or individuals, with the involvement of subcontractors, whether the Lawyer receives a Fee or provides Services on a pro bono basis, etc.

## **2. CONFLICT OF INTEREST**

- 2.1. A conflict of interest means a conflict between the Lawyer's professional duties, whereby the provision of the Services to one Client of the Lawyer contradicts or may contradict the interests of its another Client in the same or related Case or otherwise prevents or may prevent the Lawyer from providing the Services in a quality and impartial manner. Considering the circumstances of the Case, for the purposes of this paragraph, the Client may include a group of companies to which the Client belongs or which the Client controls, or individual companies of that group.
- 2.2. A conflict of interest also includes a conflict between the Lawyer's professional duties and his or her private interests.
- 2.3. Before commencing the provision of the Services, the Lawyer shall check the absence of a conflict of interest and, in the event of a conflict of interest, shall immediately refuse to provide the Services to such Client.
- 2.4. If the Lawyer discovers a conflict of interest during the provision of the Services, such Lawyer shall immediately notify all Clients whose interests are in conflict and terminate the provision of the Services to the Client the provision of the Services to whom in the Case was started later.

The Lawyer shall also terminate the provision of the Services to all other Clients who are parties to the conflict of interest and who request termination of the Services due to the identified conflict of interest.

- 2.5. The Client, in respect of whom a conflict of interest has arisen, may claim damages from the Lawyer if such damages were caused by undue verification of the conflict of interest and it is established that the Lawyer could have detected the conflict of interest before or during the provision of the Services.
- 2.6. As an exception to the rules set forth in paragraphs 2.3 and 2.4 of the Code, the Lawyer may provide Services to the Clients in the event of a conflict of interest only provided all of the conditions below are satisfied:
  - 2.6.1. all Clients whose interests are in conflict or maybe in conflict have given their informed consent to the provision of the Services by the Lawyer in such circumstances;

- 2.6.2. according to the Lawyer's assessment, the provision of the Services to such Clients will not result in negative consequences for any of them;
  - 2.6.3. maintaining the same level of quality of Services to the Clients and ensuring their rights and interests as in the situation of absence of a conflict of interest; and
  - 2.6.4. the provision of such Services does not contradict the laws of Ukraine.
- 2.7. If, during the provision of the Service, at least one of the conditions provided for in paragraph 2.6 of the Code ceases to be met in relation to a particular Client (for example, due to a change in the situation or in the relations between the parties), the Lawyer shall immediately notify all Clients involved in the conflict of interest and transfer the Case within a reasonable time in accordance with the Client's instructions. At the same time, the Lawyer shall refrain from any actions that may harm the rights and interests of the Client whose Case is transferred in this Case or directly related Cases.
- 2.8. The Lawyer shall not act against the interests of the Client to whom the Lawyer has ceased to provide the relevant Service in the following events:
- 2.8.1. in the Case against the former Client, in which the Lawyer had previously acted as its representative;
  - 2.8.2. in the Case directly related to the Case against the former Client, in which the Lawyer acted as its representative; and
  - 2.8.3. in other Cases, using the information received in connection with the provision of Services to the former Client.
- 2.9. The provisions of paragraph 2.8 of the Code shall not apply in case the Lawyer receives the Client's informed consent to provide such Services (2.8.1, 2.8.2) or to use the information of the Client to whom the provision of the relevant Service has been terminated (2.8.3).
- 2.10. The Lawyer shall avoid situations when the Client engages it to prevent the provision of Services to opponents, competitors, or other third parties (artificial conflict of interest). An artificial conflict of interest may arise, in particular, if the scope of the Services actually ordered by the Client is significantly less than previously agreed, the Lawyer has not received information from the Client about the presence or role of other external legal advisers or the information received is unreliable, etc. Artificial conflict of interest does not create the consequences determined by this Code.
- 2.11. If the Lawyer has grounds to believe that the Client has created an artificial conflict of interest concerning it, the Lawyer shall immediately notify the Client in writing, providing appropriate reasoning. In the absence of such notice, the relevant conflict of interest shall not be considered artificial.
- 2.12. Unless otherwise agreed between the Client and the Lawyer, the conflict of interest shall be determined only concerning a particular Client's Case. In contrast to such a conflict of interest, an industry (or commercial) conflict of interest prohibits the provision of services to any or certain competitors of the Client's competitors. This may significantly limit the Lawyer's ability to apply industry expertise and work experience in the interests of other Clients. The Lawyer may or may not agree to the terms and conditions proposed by the Client to avoid industry conflict of interest. Unless the requirement to avoid an industry conflict of interest has been agreed in writing, the provision of Services to several Clients from the same industry shall not by itself (without the

presence of the features specified in paragraphs 2.1 and 2.2 above) be deemed a conflict of interest.

- 2.13. Where the Services are provided to a person other than the customer (payer) (for example, the target company orders and/or pays for the Services provided to the buyer of that company; one party to a joint venture agreement orders and/or pays for the Services provided to the other party, etc.), this shall be reflected in the relevant agreement with the Lawyer. At the same time, unless otherwise agreed with the customer and/or recipient of the Services, the person to whom the Services are provided shall be deemed the Client of the Lawyer, and the Lawyer shall always act in the interests of such person, regardless of who is the customer (payer) of the Services.
- 2.14. The Lawyer's investment in the Client's business, receipt of the Fee by way of a share in the Client's business, and other similar transactions shall require that all of the conditions below are satisfied:
  - 2.14.1. the relevant agreement is concluded in writing, and its terms are fair, reasonable, and understandable;
  - 2.14.2. The Lawyer has informed the Client in writing of all potential conflicts of interest that may arise from the relevant transaction and has recommended that the Client obtain independent legal advice regarding such transaction with the Lawyer; and
  - 2.14.3. the existence of an agreement and/or investment (share) of the Lawyer in the Client's business does not prevent the Client at any time, at its own discretion, from refusing the further provision of Services by the Lawyer.
- 2.15. The Lawyer is not recommended to hold an investment (share) in the Client's business if such investment (share) is significant for the Lawyer or the Client.

### **3. CONFIDENTIALITY**

- 3.1. The Lawyer shall adhere to the principles of reasonableness and expediency in the storage, use, and dissemination of confidential information.
- 3.2. Any information directly or indirectly (through another person) received by the Lawyer from the Client or in connection with the provision of Services to the Client shall be confidential and may not be disclosed to third parties, regardless of whether such disclosure would be contrary to the Client's interests. At the same time, information that is generally known or publicly available shall not be deemed confidential.
- 3.3. As an exception to paragraph 3.2, confidential information of the Client may be disclosed by the Lawyer:
  - 3.3.1. with the written permission of the Client, and the Client shall be notified in advance of the methods and scope of use of such confidential information;
  - 3.3.2. in the event of a dispute with the Client regarding the recovery of the unpaid Fee from the Client or the protection of honor, dignity, or business reputation, and only to the extent necessary to resolve such dispute;
  - 3.3.3. in the event that such disclosure is necessary to prevent harm to human life or health; or
  - 3.3.4. in other events and in the manner stipulated by laws or by agreement with the Client.

- 3.4. The Lawyer shall make sure that the terms and conditions of the Services provided to the Client contain provisions on confidentiality, including the term of the relevant confidentiality obligation.
- 3.5. Unless otherwise agreed with the Client, the Lawyer shall apply to the information directly or indirectly received by the Lawyer from the Client:
  - 3.5.1. confidentiality provisions that the Lawyer usually applies when providing Services to the Clients; and, at the same time,
  - 3.5.2. the standard of confidentiality is not lower than the one it applies to its own confidential information.
- 3.6. At the Client's request or at the Lawyer's suggestion, in the events provided for in paragraph 2.6 of the Code, an "ethical wall" may be applied — the Lawyer's mode of operation (including the mode of exchange or storage of information, communication), which ensures that information received by a part of the Lawyer's team while providing Services to one Client does not become available to another part of the Lawyer's team that provides Services to another Client.
- 3.7. If the Lawyer becomes aware of a leak or threat of a leak of the Client's confidential information, the Lawyer shall immediately, but not later than 72 hours, inform the Client about it, stating all the circumstances known to the Lawyer.

#### **4. CLIENT ENGAGEMENT AND INTERACTION**

- 4.1. The Lawyer shall use ethical methods of engaging Clients. Aggressive practices of engaging Clients (e.g., unfair advertising, use of unfairly obtained information, deliberate exaggeration of the probable risks to the Client or the results of the provision of Services, provision of inaccurate information about other Lawyers, etc.) shall be prohibited.
- 4.2. The Lawyer may cooperate with third parties on a compensation basis (e.g., commission, referral or engagement fee, etc.) to engage a particular Client, provided that the Client is informed of such compensation basis before the Client decides to engage the relevant Lawyer. If the Client has not been duly notified, the Lawyer shall be prohibited from making such payments in favor of third parties. At the same time, the Lawyer's cooperation with advertising firms, PR agencies, etc., does not require mandatory disclosure.
- 4.3. The Lawyer shall not, directly or indirectly, including with the involvement of third parties, exercise unfair influence on the Client (for example, offer material or other benefits to a person who decides on behalf of the Client to engage the Lawyer, etc.) to persuade the latter to engage a particular Lawyer for the provision of the Services.
- 4.4. The Lawyer is not recommended to engage in a sexual relationship with the Client unless the following requirements are met: (i) the sexual relationship began before the provision of the Services, (ii) such relationship will not affect the Lawyer's ability to provide the Services of proper quality, and (iii) the relevant emotional connection will not prevent the Client from making informed and reasonable decisions regarding the Case. In the event that the Client is a legal entity, this recommendation shall apply to persons who, on behalf of the Client, coordinate the work of the Lawyer, draw up assignments, or regularly consult with the Lawyer regarding the Client's Case.
- 4.5. The Lawyer shall prevent unfair treatment of the Clients by other Lawyers.



- 4.6. If the Lawyer becomes aware that the Client has an outstanding debt for the Services rendered by another Lawyer, the Lawyer may refuse to provide the Services to such Client, including terminating the provision of the Services and informing the Client of the reason for refusal. The rules of this paragraph shall not apply to reasonably disputed obligations of the Client.
- 4.7. The Clients shall be free to choose a Lawyer, including in case of transformation of the Lawyer (for example, liquidation or division of the Lawyer, resignation (transfer) of the Employee responsible for the Client or the Case, etc.)
- 4.8. During the transformation of the Lawyer, the persons associated (or who were associated) with it shall act solely in the interests of the Client. Such Lawyer shall promptly notify the Client being directly and materially affected by the transformation and its ability to continue to provide Services in respect of all or any of the Client's Cases.
- 4.9. Persons associated (or who were associated) with the Lawyer may also offer Services to the Client while simultaneously informing about their ability to provide such Services in respect of all or some of the Client's Cases.
- 4.10. After the Client notifies the Lawyers of its choice, they shall transfer the relevant Client's Cases, ensuring the continuity of the Services and protection of the Client's interests.

## **5. TERMINATION OF SERVICES TO CLIENTS**

- 5.1. The Lawyer may terminate the provision of the Services early by mutual agreement with the Client and/or on other grounds permitted by law.
- 5.2. The Lawyer shall terminate the provision of the Services in the Case if the further provision of such Services would violate the rules of conflict of interest, compliance, and integrity, and/or other rules provided by laws (for example, if the result sought by the Client or the means of achieving it, which the Client insists on, are unlawful; the performance of the assignment for the provision of the Services violates the Lawyer's professional rights and obligations, etc.)
- 5.3. If the Services are terminated, the Lawyer shall:
  - 5.3.1. at the Client's request, deliver to the Client or another person designated by the Client all documents, draft documents, and other materials related to the provision of the Services;
  - 5.3.2. refund a portion of the Fee for the Services that have not been rendered less the actual costs incurred unless otherwise agreed with the Client;
  - 5.3.3. comply with the obligations arising from the principles of confidentiality, prevention of conflicts of interest, and all other rules provided for by this Code; and
  - 5.3.4. if the Services are terminated at the initiative of the Lawyer, notify the Client in advance of the intention to terminate the Services and, if feasible, provide the Client with time to find another Lawyer to provide the Services.

## **6. PREVENTION OF CORRUPTION**

- 6.1. The Lawyer shall provide Services based on the principles of integrity, transparency, and compliance. The Lawyer shall adhere to the principle of zero tolerance to corruption in any of its manifestations.

- 6.2. Any participation of the Lawyer in the Services or actions that contain signs of corruption shall be prohibited. This shall include any participation of the Lawyer in the development or implementation of measures that directly or indirectly contain a corruption component, directly by the Lawyer and/or with the involvement of other persons, in the interests of the Client, the Lawyer, or third parties, etc.
- 6.3. The Lawyer is recommended to notify law enforcement authorities if it has information about the actions of other Lawyers that reasonably contain signs of corruption, subject to confidentiality and other requirements applicable to the Lawyer.

## **7. PUBLIC COMMUNICATION**

- 7.1. Lawyers shall interact with each other on the basis of respect, honesty, and fair competition. An impartial and courteous attitude towards colleagues is the basis of relations between the Lawyers.
- 7.2. Any dissemination by the Lawyer (including on its behalf, at its request, etc.) of false information or expression of personal or value judgments aimed at harming the honor, dignity, or business reputation of another Lawyer or discrediting it, including in relation to the position of another Lawyer in the Case, shall be prohibited.
- 7.3. The Lawyer's personal or judgmental opinions shall be allowed if they do not violate the provisions of this Code or the laws of Ukraine.
- 7.4. Any misidentification of the Lawyer with the Client is not allowed. The Lawyer's handling of the Client's Case shall not itself mean that the Lawyer shares the Client's political, moral, or other views or approves the Client's activities.

## **8. INTERACTION WITH EMPLOYEES**

- 8.1. The relationship between the Lawyer, as an employer, and its Employees shall be based on the labor laws unless otherwise follows from the nature of the relationship.
- 8.2. The Lawyer, as an employer, shall maintain a friendly culture and ensure respectful and dignified treatment of Employees, including concerning working hours and the exercise of all labor and other rights of Employees.
- 8.3. Any manifestations of discrimination in the field of labor (both at the stage of recruitment of Employees and in the process of implementation of labor relationships) shall be prohibited, in particular, violation of the principle of equality of rights and opportunities or creation of barriers, direct or indirect restriction of the rights of Employees based on race, color, political, religious and other beliefs and values, gender, gender identity, sexual orientation, ethnic, social or other origin, age, health status, physical capabilities, marital and property status, language or other grounds, if any of these grounds is not related to the nature of the work or the conditions of its performance.
- 8.4. Any manifestations of mobbing, bullying, harassment, or other abusive behavior against an Employee shall be prohibited.
- 8.5. Competing for talent is an important element of a fair competition. Aggressive practices of retaining Employees (e.g., agreements on non-solicitation of Employees, harassment, or damage to the Employee's reputation due to a change of employer, pressure on the Employee or his/her potential employers to retain the Employee, etc.) shall be prohibited.

## **9. FEE AND PRICE COMPETITION**

- 9.1. The Lawyer and the Client shall freely determine the amount of the Fee, the method, and the form of its payment based on the principles of reasonableness, transparency, and clarity for the Client. The Fee may be determined as a fixed amount (cost), hourly fee, weighted average hourly fee, capped fee, success fee, subscription fee, mixed fee, or any other way agreed by the Lawyer and the Client.
- 9.2. Regardless of the amount of the agreed Fee, the Lawyer shall provide high-quality Services and devote to each Case the attention sufficient and necessary for its successful completion.
- 9.3. When agreeing on the amount of the Fee, the complexity and urgency of the Case, qualifications, and workload of the Lawyer may be taken into account, among other things. At the same time, the Lawyer shall strive for the most cost-effective provision of the Services to the Client, including:
  - 9.3.1. not to create or perform unnecessary (redundant, irrelevant) work; and
  - 9.3.2. not to use unfair billing and timekeeping practices (for example, artificially increasing the amount of time actually spent or the volume of Services provided, duplication of work, charging for unpaid work, etc.)
- 9.4. The amount, method, and form of payment of the Fee may be changed only by mutual agreement between the Lawyer and the Client. If a fixed amount of the Fee is agreed upon with reservations regarding a possible increase in the amount of the Fee, the Lawyer may insist on its increase only if the Client notifies the Lawyer in advance of the occurrence of the conditions provided for in the relevant reservation.
- 9.5. The Lawyer and the Client may agree on the Success Fee (contingent fee), which is paid upon achievement of the result agreed with the Client and may be determined as a fixed amount or as a particular calculation or computation (e.g., proportion, percentage, formula, etc.) of the amount of the transaction, dispute, property value, etc.
- 9.6. Lawyers should compete with each other honestly and in good faith, including through price competition. Non-transparent or unfair pricing, such as misleading the Client about the Fee or the scope of the offered Services, deliberate underestimation of the Fee at the initial stage of the Services provision in the expectation of receiving additional compensation by artificially increasing the Fee at the subsequent stages of the Services provision, and other unfair or manipulative approaches shall not be allowed.

## **10. BUSINESS STRUCTURING**

- 10.1. Lawyers shall run their business based on the principles of transparency, compliance, and integrity.
- 10.2. Non-compliance, tax evasion, aggressive tax optimization, and creation of other unfair advantages (e.g., avoidance of payroll taxation, substitution of labor relations for business relations, unrecorded cash and cryptocurrency Fees, structuring through offshore or artificially created multiple legal entities, unauthorized subcontracting, etc.) distort competition and Client's choice and shall be unacceptable.