



ADVISORY OPINION OF THE THE NORTH CAROLINA DISPUTE RESOLUTION COMMISSION

Advisory Opinion Number 28 (2013)

(Adopted and Issued by the Commission on December 6, 2013; Amended September 20, 2024.)

Preparing a Separation Agreement of Other Settlement Document, Standard 6

Mediator may not prepare a separation agreement or other settlement document nor file a court action for either or both of the parties.

Concern Raised

A certified mediator, who is a lawyer, is asked by a married couple to mediate an agreement to divide their property and to assign spousal support. The married couple has separated and intends to divorce, but the parties are not represented by legal counsel and have not filed pleadings with the court. They advise the mediator that they are not interested in retaining attorneys to assist them with the mediation. The mediator conducts the mediation, and the parties reach an agreement on all issues. The couple then advises the mediator that they want him to prepare a binding agreement for their signatures. Mediator asks the following:

- 1) Whether he may ethically prepare the agreement for the couple under the circumstances described and, if so, what the ethical responsibilities and constraints are that he should consider in undertaking this task?**

The parties also ask the mediator to help them file their agreement with the court. The mediator understands that because he has served as their mediator, he cannot now represent one of them in the action. (See the Standards of Professional Conduct for Mediators (Standards), Standard 7(c) and Advisory Opinion 6 (2004)). However, he questions whether he can provide other assistance to them in finalizing their agreement and asks the following:

- 2) Whether he may file an action on their behalf for the sole purpose of having their agreement incorporated into a court order by consent?**

Advisory Opinion

Question 1

Under Standard 6, a mediator may not prepare a separation agreement, settlement agreement or any other legal documents for self-represented parties. If any of the parties are represented by an

attorney, the mediator should request that attorney prepare such documents. Also, pursuant to Standard 6, a mediator may not prepare or file any documents or pleadings in court on behalf of one or more parties.

This inquiry is based upon facts that occur with great frequency. A divorcing couple asks a mediator for assistance with the resolution of financial and other issues involved in the dissolution of their marriage. They do so with the intent of “one-stop shopping.” They want to hire the mediator to help them discuss their issues and help them make decisions, and they want the mediator to prepare legal documents that will effectuate their agreement, whether by contracts, property settlement agreements, deeds, and/or consent orders. It is understandable that family mediators may be sympathetic to the desire of parties for an economical settlement and may find themselves in the position of being asked to draft binding and enforceable contracts of settlement.

Standard 6, “Legal and Other Professional Advice Prohibited,” states, “A mediator shall limit himself or herself solely to the role of mediator and shall not give legal or other professional advice during the mediation.” Accordingly, to answer the first question of this inquiry, it is necessary to decide whether the preparation of a binding agreement for unrepresented parties constitutes the practice of law. If it does, then the mediator would be in violation of Standard 6 in preparing such a document.

N.C.G.S. § 84-2.1 states that the phrase “practicing law” means “performing any legal service for any other person, firm or corporation, with or without compensation . . .” The Dispute Resolution Commission (Commission) notes that the North Carolina State Bar (State Bar) is the agency responsible for regulating the practice of law in North Carolina, and therefore, of particular importance in this inquiry is how the State Bar interprets “practicing law” within the meaning of the statute. In response to the Commission’s inquiry of the State Bar, the Commission was informed that persons who “draft” contracts for others are “practicing law.”

It is clear from the facts presented in this inquiry that the parties have asked the mediator to draft a contract settling the issues of their divorce; therefore, if mediators draft such contracts, they would be, according to the State Bar, practicing law. Accordingly, the mediator would do so in violation of Standard 6.

The Commission also cautions certified mediators to review State Bar 2012 Formal Ethics Opinion 2. In that opinion, a lawyer-mediator was asked by unrepresented businesspeople to draft a business contract that would resolve the matters in dispute in the mediation. The State Bar opined that the attorney’s conflict of interest in representing two adverse parties could not be waived because he had mediated their dispute. In other words, the attorney had a “non-consentable conflict of interest” and would improperly practice law if he drafts the contract requested by the parties. The facts of the present inquiry are similar, particularly given that the parties are not represented by legal counsel. Accordingly, when a certified mediator is presented with a fact situation as set forth in the present inquiry, the mediator should also consider the ramifications of his actions in light of the State Bar opinion.

The certified mediator may not draft the parties' settlement agreement in the circumstances presented. To do so would be in violation of Standard 6.

Question 2

To answer the second question, the Commission must first look to whether the preparation and filing of an action in a court of law is the practice of law. If it is, then the analysis in answer to the first question above would apply, and the mediator should not file the action.

N.C.G.S. § 84-2.1 states that the phrase "practicing law" means "performing any legal service for any other person, firm or corporation, with or without compensation" Clearly the preparation and filing of a lawsuit is a legal service and, therefore, the practice of law. If the lawyer-mediator assists the divorcing couple by filing an action to incorporate the agreement into a court order, then he would be practicing law, and thus, mixing the roles of mediator and lawyer.

If the mediator performs this task, and mixes the roles of mediator and lawyer, he runs the risk of violating Standard 6, as discussed above. He would also be in violation of Standard 7(c).

Standard 7(c). Conflicts of Interest provides:

A mediator who is a lawyer ... may not mediate the dispute when the mediator, the mediator's professional partners, or the mediator's co-shareholders have advised, counseled, or represented any of the parties in any matter concerning the subject of the dispute, in any action closely related to the dispute, in any preceding issue in the dispute, or in any outgrowth of the dispute.

It is clear that the mediator would violate Standards 6 and 7 if he files an action to incorporate the agreement into a court order by consent under the facts of this inquiry.

N.C. Gen. Stat. §7A-38.2(b) provides, "[t]he administration of mediator certification, regulation of mediator conduct, and certification shall be conducted through the Dispute Resolution Commission, established under the Judicial Department." On August 28, 1998, the Commission adopted an Advisory Opinions Policy encouraging mediators to seek guidance on dilemmas that arise in the context of their mediation practice. In adopting the Policy and issuing opinions, the Commission seeks to educate mediators and to protect the public.