

FILED

DEC 19 2012

DISCIPLINARY BOARD

BEFORE THE  
DISCIPLINARY BOARD  
OF THE  
WASHINGTON STATE BAR ASSOCIATION

In re

**STEPHEN L. CONROY**

Lawyer (Bar No. 5074).

Proceeding No. 11#00063

FINDINGS OF FACT, CONCLUSIONS  
OF LAW AND HEARING OFFICER'S  
RECOMMENDATION

Pursuant to Rule 10.13 of the Rules for Enforcement of Lawyer Conduct ("ELC"), a hearing was held before the undersigned Hearing Officer on September 27, 2012. Disciplinary counsel Debra Slater appeared for the Association and Respondent appeared *pro se*.

**I. FORMAL COMPLAINT**

The Respondent was charged by formal complaint dated August 16, 2011, as amended on December 21, 2011, with 15 counts of violation of the following rules of professional conduct:

**COUNT 1**

By taking the \$3,324.70 that was PEMCO's contribution to grievant Carole Christie's attorney fees, and converting them to his own use, Respondent violated RPC 1.15A(b) and/or RPC 8.4(c).

FINDINGS OF FACT, CONCLUSIONS OF LAW AND HEARING  
OFFICER'S RECOMMENDATION - 1

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1 **COUNT 2**

2 By taking the \$2,466.49 that was Calypso's contribution to Christie's attorney fees, and  
3 converting them to his own use, Respondent violated RPC 1.15A(b) and/or RPC 8.4(c).

4 **COUNT 3**

5 By taking the \$3,324.70 belonging to Christie, without her knowledge and/or consent,  
6 in violation of RCW 9A.56.030, Respondent violated RPC 8.4(b).

7 **COUNT 4**

8 By taking the \$2,466.49 belonging to Christie, without her knowledge and/or consent,  
9 in violation of RCW 9A.56.030, Respondent violated RPC 8.4(b).

10 **COUNT 5**

11 By failing to provide a written accounting to Christie, Respondent violated  
12 RPC 1.15A(e).

13 **COUNT 6**

14 By misrepresenting to Christie the amount of the settlement that remained after  
15 payment of PEMCO and Calypso's subrogated claims, the amount that was available for  
16 distribution to Christie, and the total amount of money he received in fees, Respondent violated  
17 RPC 8.4(c).

18 **COUNT 7**

19 By affixing a signature that was not Christie's genuine signature to the fee agreement  
20 and/or by offering and/or putting off the fee agreement as a true written instrument, which he  
21 knew to be forged, in violation of RCW 9A.60.020 (forgery), Respondent violated RPC 8.4(b)  
22 and/or RPC 8.4(c) and/or RPC 8.4(d) and/or RPC 8.4(i).

23 **COUNT 8**

24 By affixing a signature to the "Memo to Carole Christie," that was not Christie's  
25 genuine signature, and/or by offering and/or putting off the "Memo to Carole Christie" as a

1 true written instrument, which he knew to be forged, in violation of RCW 9A.60.020 (forgery),  
2 Respondent violated RPC 8.4(b) and/or RPC 8.4(c) and/or RPC 8.4(d) and/or RPC 8.4(i).

3 **COUNT 9**

4 By submitting to the Association as part of its investigation of Christie's grievance, the  
5 contingency fee agreement which he purported to be signed by Christie but was not,  
6 Respondent violated RPC 8.1(a) and/or RPC 8.4(b) and/or RPC 8.4(c) and/or RPC 8.4(d)  
7 and/or RPC 8.4(1) by violating ELC 5.3(e).

8 **COUNT 10**

9 By submitting to the Association as part of its investigation of Christie's grievance, the  
10 "Memo to Carole Christie," which he purported to be signed by Christie but was not,  
11 Respondent violated RPC 8.1(a) and/or RPC 8.4(b) and/or RPC 8.4(c).

12 **COUNT 11**

13 By submitting the contingent fee agreement to PEMCO, which he purported to be signed  
14 by Christie but was not, in violation of RCW 48.30.230, Respondent violated RPC 8.4(b) and/or  
15 RPC 8.4(c) and/or RPC 8.4(d) and/or RPC 8.4(d).

16 **COUNT 12**

17 By failing to pay Christie the \$250 she had paid to him for filing fees and service of  
18 process costs, and which he had received from PEMCO and Calypso, Respondent violated  
19 RPC 1.15A(f) and/or RPC 1.15A(b) and/or RPC 8.4(c).

20 **COUNT 13**

21 By failing to communicate to Christie the rate of his fee for which she would be  
22 responsible within a reasonable time after commencing the representation, Respondent violated  
23 RPC 1.5(b).

1 **COUNT 14**

2 By failing to enter into a written fee agreement signed by Christie for a contingent fee,  
3 Respondent violated RPC 1.5(c)(1).

4 **COUNT 15**

5 By failing to provide Christie with a written statement showing the remittance to the  
6 client and the method of its determination, Respondent violated RPC 1.5(c)(3).

7 **II. HEARING**

8 At the hearing on Thursday, September 27, 2012, five witnesses were sworn and  
9 presented testimony, and various exhibits were admitted into evidence. The transcript in this  
10 matter was received in mid-October and post-hearing briefs and proposed finding of fact and  
11 conclusions of law were received on November 13, 2012.<sup>1</sup>

12 **III. FINDINGS OF FACT**

13 After having considered the testimony of the witnesses and other exhibits, and having  
14 reviewed the post hearing written arguments of counsel and proposed findings of fact and  
15 conclusions of law, the Hearing Officer finds the following facts were established by a clear  
16 preponderance of the evidence. ELC 10.14(b). The following findings regarding Counts 1  
17 through 15 are based on the evidence presented at the hearing and specific exhibits or  
18 testimony indicated.

19 **A. Jurisdictional Facts.**

- 20 1. Respondent was admitted to practice law in Washington on October 18, 1973.  
21 2. A grievance was filed against Respondent on May 31, 2010.  
22 3. Respondent has no prior disciplinary actions against him.  
23  
24

25 <sup>1</sup> Respondent also sent a "Supplemental Argument" on November 21, 2012, 12 days after the extended deadline for filing post-hearing arguments and draft findings and conclusions, which was late and, accordingly, this submission was not considered by the undersigned.

1 **B. Findings of Fact Regarding Counts 1-6 of the Bar Complaint.**

- 2 1. On or about November 17, 2008, Respondent Conroy received an offer of  
3 judgment in proposed settlement from the PEMCO Insurance Company in the  
4 *Christie v. Brendemuhl* accident matter on which he had been retained to  
5 represent Ms. Christie, the grievant therein, and which underlying accident  
6 occurred on May 2, 2005 (Tr. 24, Ex. 200).
- 7 2. Within approximately four days, Respondent negotiated an increase in the initial  
8 settlement matter to \$25,000 to settle the accident claim. (Tr. 199, Ex. 133).
- 9 3. On or about November 20, 2008, Respondent and Ms. Christie met in his office  
10 and went over an offer of judgment in the amount of \$20,000 that had been  
11 served and filed by the defendants in the litigation (Tr. 47, Ex. 200).
- 12 4. Prior to the offer of judgment, Respondent had not communicated with  
13 Ms. Christie as to the basis or alternative formula for computation of his fees in  
14 the matter, nor the basis of any charges of cost advances on her behalf, nor had  
15 the Respondent entered into any written fee agreement with Ms. Christie. Tr.  
16 48.
- 17 5. Up to that point, Ms. Christie had no concept of what the Respondent's fees  
18 would be or what she might be entitled to in a settlement of the matter. Tr. 48.
- 19 6. At the November 20, 2008 meeting Mr. Conroy also did not discuss the fact that  
20 the current subrogation lien of PEMCO and that of Premera Blue Cross/Calypso  
21 could be mitigated under the decision in the *Mahler v. Szucs*, 135 Wn.2d 398  
22 (1998) case, which has revised the law and treatment of subrogation claims in  
23 personal injury settlements in this state. Tr. 108, 110-111.
- 24 7. On or about November 25, 2008, Ms. Christie agreed to the \$25,000 settlement  
25 in a telephone call with Mr. Conroy. Tr. 50. (Ms. Christie's qualified date of  
November 21, 2008 is incorrect).
8. On November 25, 2008, Respondent wrote Calypso as the adjuster/third-party  
claims administrator for Premera and inquired as to the total amount of the  
medical liens subrogated on the Christie matter. (Ex. 106).
9. On November 28, 2008, Ms. Christie wrote the Respondent expressing  
confusion about how medical bills would be resolved and frustration over the  
apparent outcome of the case and asking for additional guidance on possible  
remaining outcomes and strategies while noting her marginal financial  
circumstances which she attributed to the accident and its outcome. (Ex. 107).

- 1           10.    On December 3, 2008, PEMCO sent Respondent a letter indicating its \$10,000  
2           subrogation lien for personal injury protection was to be protected in the  
3           settlement per an attached worksheet of wage loss reimbursements and  
4           indicating that their amount of contribution towards their insured's legal  
5           expenses would need to be supported by the amount of the settlement, a copy of  
6           the fee agreement and an itemized bill for costs. (Ex. 118).
- 7           11.    Respondent sent a fax that same day to Mr. Edwards at PEMCO Insurance  
8           responding to its December 3, 2008 letter by providing the \$25,000 settlement  
9           amount, a list of itemized costs, a handwritten note indicating that the filing fee  
10          of \$250 was an additional extra and attaching a purported fee agreement dated  
11          February 26, 2008 pursuant to their request. (Ex. 118).
- 12         12.    On December 8, 2008, Calypso responded to the Respondent's November 28  
13          letter by offering to reduce its subrogated lien amount by one-third, to  
14          \$4,932.87, and disallowing any costs in pursuing the claim by Ms. Christie.  
15          Calypso included in its letter a spreadsheet totaling the cumulative costs of the  
16          original lien. (Ex. 109).
- 17         13.    On January 6, 2009, Carole Christie endorsed a settlement check of \$25,000  
18          dated December 31, 2008 and accompanied the Respondent to his bank to cash  
19          the check and deposit it into his IOLTA account (Ex. 129).
- 20         14.    On January 6, 2009, Mr. Conroy did not tell Ms. Christie that either PEMCO or  
21          Calypso had agreed to contribute to her legal fees. (Tr. 55, 56).
- 22         15.    Mr. Conroy's contravening testimony that he had in fact repeatedly told  
23          Ms. Christie verbally of those contributions at an unspecified date is not  
24          credible. (Tr. 179, 180, 191).
- 25         16.    On January 7, 2009, Mr. Conroy wrote Ms. Christie a letter regarding  
            disbursement of the settlement funds in which he describes, after consultation  
            with "the other members of the law office" [he is a sole practitioner renting  
            space from another law firm], that he must pay PEMCO \$10,000 "as required  
            by law" that he is getting \$5,000 for legal services in the case and "of course  
            nothing is left for you. We have simply paid the bills." (Ex. 110).
17.    By checks dated January 13, 2009, Respondent wrote a series of disbursements  
            from his IOLTA account relating to the settlement including \$6,375.30 for  
            PEMCO, \$4,932.87 for Calypso, and some other miscellaneous medical checks  
            and \$11,091.09 to himself with no proceeds going to Ms. Christie.  
            (Tr. 190-192, Ex. 128, 134).

- 1 18. The moneys provided by PEMCO and Calypso in reduction of their subrogation  
2 liens were the amounts contributed by them to Ms. Christie for her legal  
3 expenses which belonged to her.  
4 19. Mr. Conroy's fees should have been limited to \$5,000 but instead he paid  
5 himself over twice that amount out of trust without any contemporaneous  
6 provision of a disbursement record to Ms. Christie and without telling her  
7 anything about the *Mahler* decision's impact in reducing the original amount of  
8 the subrogation liens in contribution to her legal fees.

9 **C. Findings of Fact Regarding Counts 7-11 of the Bar Complaint.**

- 10 20. There are two focal documents in the proceeding which bear on the most  
11 significant counts of the Complaint brought by the Bar Association against the  
12 Respondent. The first is an "Agreement for Legal Services" that the grievant  
13 was alleged to have signed setting forth the terms and conditions of her  
14 retention by the Respondent. (Ex. 101).  
15 21. Exhibit 101 is a two-page agreement which reflects, *inter alia*, retention of  
16 Mr. Conroy as counsel to represent the grievant involving an automobile  
17 accident of 5/2/2002 and purports to pay counsel 33-1/3% of any sums received  
18 by settlement or at trial. The document also reflects a date of 2/26/08 and  
19 appears to be signed by both the Respondent and the grievant as counsel.  
20 22. Carole Christie testified repeatedly that she never understood the terms of  
21 Respondent's representation and that she did not sign a "contract" with  
22 Mr. Conroy. (Tr. 35).  
23 23. Ms. Christie also testified that while the signature on page 2 of Exhibit 101  
24 appeared to be her signature, she did not sign the document and she also had no  
25 copy of the document in her records. (Tr. 35).  
26 24. The Respondent testified he had presented the fee agreement to the grievant for  
27 her signature, but that Exhibit 101 was not the agreement he had her sign and  
28 the signature on Exhibit 101 was not in fact his. (Tr. 159, 160).  
29 25. Additionally, the Respondent testified that Exhibit 101 was a "fabricated  
30 document." (Tr. 160).  
31 26. Mr. Conroy further testified that he did not believe he and Ms. Christie signed a  
32 fee agreement on February 26, 2008, but that she did sign a fee agreement at  
33 some point but does not remember when and never produced another copy or  
34 version of the agreement despite being subpoenaed or otherwise asked for it by  
35 the Bar Association. (Ex. 126, Tr. 161).

- 1 27. Exhibit 101 was the only purportedly executed and integrated fee agreement  
2 between the parties produced in evidence at the hearing.
- 3 28. The document supplied by the Respondent to Mr. Kent Edwards of PEMCO on  
4 December 3, 2008 to support the settlement claim was a copy of Exhibit 101  
5 which Respondent now testifies is a fabricated document. (Ex. 118, Tr. 224, Tr.  
6 160).
- 7 29. The Respondent lacked any explanation of how or why Exhibit 101 was altered  
8 at hearing. His post-hearing arguments and bald assertions that the documents  
9 must be attributable to the actions of Ms. Christie are not supported by the  
10 evidence of record and are not credible.
- 11 30. Respondent also submitted the document (Exhibit 101) to the Association as  
12 part of its investigation of the underlying grievance which apparently came in  
13 the form of a file of banker box documents from the Respondent to the Bar.  
14 (Ex. 200, Tr. 240, 241).
- 15 31. Exhibit 101's signature from Carole Christie appears to be a "cut and paste" of  
16 her signature from Exhibit 100 and the February 26, 2008 letter to her prior  
17 counsel asking for her entire file to be sent to the Respondent. Indeed, the Bar  
18 Association expert witness on forensic document analysis, Timothy Nishimura,  
19 so testified. (Tr. 214).
- 20 32. Exhibit 130, prepared by Mr. Nishimura, establishes the source of the signature  
21 transposition on Exhibit 101 as the Christie signature affixed to Exhibit 100, the  
22 Sheffield letter, by a clear preponderance of the evidence.
- 23 33. The other critical document which relates to the Bar Association's Complaint  
24 against Respondent admitted into the record is the "Memo to Carole Christie,"  
25 Exhibit 105. Ms. Christie again testified that the signature on this document,  
while appearing to be her signature, was not in fact a signature executed by her  
on the document. (Tr. 49).
34. The Exhibit 105 "Memo to Carole Christie" was purportedly signed on  
November 20, 2008 by Respondent and Ms. Christie at a meeting on the  
proposed \$25,000 settlement offer which was not in fact tendered by PEMCO  
until November 25, 2008. (Ex. 133, Tr. 199, 200).
35. Timothy Nishimura testified that the signature of Ms. Christie on Exhibit 105  
was forged and again transposed, in this instance from Exhibit 120, a letter to  
the Association from the grievant which had been provided to the Respondent in  
a letter dated June 15, 2010 from Felice Congalton of the Bar Association.  
(Ex. 121, Tr. 215).



- 1 36. Exhibit 131, prepared by Mr. Nishimura, establishes by a clear preponderance  
2 of the evidence how the signature of Ms. Christie was transposed on to the  
3 "Memo to Carole Christie." (Ex. 105).  
4 37. Respondent's testimony regarding the alterations and source of Ms. Christie's  
5 signature on Exhibit 105 correspondingly are not credible. (Tr. 145, 146).  
6 38. Respondent knowingly provided both Exhibit 101 and Exhibit 105 to the Bar  
7 Association in the course of its investigation of this grievance.

8 **D. Findings of Fact Regarding Counts 12-15 of the Bar Complaint.**

- 9 39. Carole Christie advanced a filing fee of \$250 for the litigation which  
10 Respondent acknowledged in a receipt dated April 7, 2008. (Tr. 37 and Ex.  
11 103).  
12 40. PEMCO paid at least a portion of these costs in settling its subrogation claim  
13 and Respondent noted the filing fee of \$250 in a handwritten addendum to his  
14 letter from Kent Edwards of December 3, 2008 which he had included in that  
15 letter as an attachment in calculating Plaintiff's costs at \$811.76. (Ex. 118).  
16 41. By providing Ms. Christie nothing from the settlement, Respondent failed to  
17 reimburse her at least the 33-1/3% of the proportionate share of the filing fee  
18 which the client, not Respondent, had advanced.  
19 42. As found previously, Respondent also failed to communicate the basis of his  
20 fees or how they would be calculated within a reasonable time after  
21 commencing the representation on or about February 28, 2008.  
22 43. Even up until the actual negotiation of the settlement check by Ms. Christie on  
23 January 6, 2009 at Respondent's bank, there is evidence of record that  
24 Ms. Christie was unaware of what she would be receiving from the settlement  
25 which was only conclusively established as zero by the Respondent by letter  
dated January 7, 2009. (Tr. 54, 55; Ex. 110).  
44. Respondent never provided Carole Christie with any written statement showing  
the breakdown of the settlement fees such as that depicted in the Association's  
Exhibit 132, nor was there any written explanation to the client of how his fees  
were calculated, the amount of the subrogation lien payments actually remitted  
or any reconciliation of any moneys remaining in his IOLTA account after  
disbursements. (Tr. 192 and Tr. 232).

1 **IV. SUMMARY OF CONCLUSIONS OF LAW ON COUNTS OF THE COMPLAINT**

2 Based on the foregoing Findings of Fact again found to have been established by a clear  
3 preponderance of the evidence, the Hearing Officer makes the following Conclusions of Law:

4 **COUNT 1:** By paying himself the \$3,324.70 that was PEMCO's contribution to his  
5 client's attorney's fees under the *Mahler* Washington Supreme Court decision and which  
6 Respondent knew to be a compromise of the original subrogation lien, the Respondent violated  
7 RPC 1.15A(b), and RPC 8.4(c).

8 **COUNT 2:** Similarly, by paying himself the \$2,466.49 sum that was Calypso's  
9 contribution to Christie's attorney's fees, Respondent violated RPC 1.15A(b), and RPC 8.4(c).

10 **COUNT 3:** Because he took the \$3,324.70 amount of the PEMCO lien contributed to  
11 Ms. Christie's attorney's fees without her knowledge and/or consent, Respondent violated  
12 RPC 8.4(b) and RCW 9A.56.030.

13 **COUNT 4:** Similarly, because the Respondent took the \$2,466.49 belonging to  
14 Ms. Christie as Calypso's contribution to her attorney's fees without her knowledge and  
15 consent, Respondent violated RPC 8.4(b) and RCW 9A.56.030.

16 **COUNT 5:** In not providing a written accounting to Carole Christie detailing the  
17 amount of fees he was taking, the actual amount of the subrogation liens compromised and the  
18 amount of any funds remaining in his IOLTA account, Respondent violated RPC 1.15A (c).

19 **COUNT 6:** By intentionally misrepresenting the amount of the settlement that  
20 remained after payment of the subrogated claims and by not confiding either the amount  
21 available for distribution to Ms. Christie or the actual total amount he was receiving in fees,  
22 Respondent violated RPC 8.4(c).

23 **COUNT 7:** By superimposing a signature of Carole Christie onto the Legal Services  
24 Agreement and by proffering the fee agreement as a fully integrated document (Ex. 101) which  
25

1 he knew was falsified, Respondent violated RPC 8.4(b), RPC 8.4(c), RPC 8.4(d), RPC 8.4(i)  
2 and RCW 9.A.60.020.

3 **COUNT 8:** Similarly, by affixing/super-imposing a signature onto the "Memo to  
4 Carole Christie" that was not in fact her genuine signature and/or by proffering/putting off the  
5 document (Ex. 105) as a true written instrument which he knew to be falsified/alterd,  
6 Respondent violated RPC 8.4(b), RPC 8.4(c), RPC 8.4(d), RPC 8.4(i) and RCW 9A.60.020.

7 **COUNT 9:** In submitting to the Bar Association as part of its investigation the  
8 contingency fee agreement which he represented as signed by Ms. Christie but which he knew  
9 was not, Respondent violated RPC 8.1(a), RPC 8.4(b), RPC 8.4(c), RPC 8.4(d), and RPC 8.4(i)  
10 in violation of ELC 5.3(e).

11 **COUNT 10:** In submitting to the Association the "Memo to Carole Christie" which he  
12 passed off as signed by Ms. Christie but was not in the course of the Bar Association's  
13 investigation, Respondent violated RPC 8.1(a), RPC 8.4(b) and 8.4(c).

14 **COUNT 11:** Similarly, in submitting the contingent fee agreement to PEMCO on  
15 December 3, 2008 which he proffered as signed by Ms. Christie but which he knew was not,  
16 Respondent violated RPC 8.4(b), RPC 8.4(c), RPC 8.4(d), and RCW 48.30.230 by  
17 making/presenting a false claim for the payment of an insurance contract under the cited latter  
18 statutory provision.

19 **COUNT 12:** In failing to reimburse Carole Christie cost advances on her behalf which  
20 she had paid to him for filing fees and service costs from which he had received reimbursement  
21 from PEMCO, Respondent violated RPC 1.15A(b), RPC 1.15A(f), and RPC 8.4(c).

22 **COUNT 13:** By failing to communicate the basis or rate of his fee for which  
23 Ms. Christie would be responsible within a reasonable amount of time after commencing her  
24 representation, Respondent violated RPC 1.5(b).

25



1                    **ABA Standard 5.0    Violations of Duties Owed to the Public**

2                    **ABA Standard 5.1**    Failure to maintain personal integrity.

3                    **ABA Standard 5.11**   Disbarment is generally appropriate when:

- 4                    a) a lawyer engages in serious criminal conduct, a necessary  
5                    element of which includes intentional interference with  
6                    the administration of justice, false swearing,  
7                    misrepresentation, fraud, extortion, misappropriate or  
8                    theft...or;
- 9                    b) a lawyer engages in any other intentional conduct  
10                    involving dishonesty, fraud, deceit or misrepresentation  
11                    that adversely reflects on the lawyer's fitness to practice.

12                    **ABA Standard 6.0    Violations of Duties**  
13                    **Owed to the Legal System**

14                    **ABA Standard 6.11**   Disbarment is generally appropriate  
15                    when a lawyer, with the intent to deceive the court, makes a  
16                    false statement, submits a false statement, or improperly  
17                    holds material information and causes serious or potentially  
18                    serious injury to a party, or causes a significant or  
19                    potentially significant adverse effect on the legal  
20                    proceeding.

21                    **ABA Standard 7.0    Violations of Duties Owed As a Professional**

22                    **ABA Standard 7.1**    Disbarment is generally appropriate  
23                    when a lawyer knowingly engages in conduct that is a  
24                    violation of a duty owed as a professional with the intent to  
25                    obtain a benefit for the lawyer or another, and causes  
26                    serious or potentially serious injury to a client, the public or  
27                    the legal system.

28                    **ABA Standard 7.2**    Suspension is generally appropriate  
29                    when a lawyer knowingly engages in conduct that is a  
30                    violation of a duty owed as a professional and causes injury  
31                    or potential injury to a client, the public, or the legal  
32                    system;

33                    Having carefully weighed applicable presumptive sanctions and having considered  
34                    aggravating and mitigating circumstances set forth in Section 9.22, the Hearing Officer finds  
35                    the following aggravating factors present: b) a dishonest or selfish motive; c) a pattern of  
36                    misconduct; d) multiple offenses; e) submission of false evidence; f) false statements or other

1 deceptive practices during the disciplinary process; g) refusal to acknowledge wrongful nature  
2 of conduct; h) vulnerability of victim; i) substantial experience in the practice of law;  
3 j) indifference to making restitution; and k) illegal conduct. In reviewing the mitigating factors  
4 herein, the Hearing Officer finds the following sections in Section 9.32 here pertinent: a) the  
5 absence of a prior disciplinary record.

6 Based on this review of aggravating and mitigating factors the Hearing Officer  
7 specifically finds, pursuant to the ABA Standards for Imposing Lawyer Sanctions, the  
8 following conclusions under the Presumptive Section Standards, which are again set out by  
9 individual count.

10 **COUNT 1:** After finding the Respondent acted intentionally in converting the PEMCO  
11 contribution to his own use in violation of RPC 1.15A(b), and RPC 8.4(c), and after weighing  
12 appropriate aggravating and mitigating factors, the Hearing Officer finds the presumptive ABA  
13 Standards of 4.11 and 5.11 apply, and in applying the mitigating and aggravating factors, also  
14 finds there is no basis to depart from the presumptive standard of disbarment.

15 **COUNT 2:** In similarly finding that the payment of the \$2,466.49 amount that was  
16 Calypso's contribution to Ms. Christie's attorney's fees constituted violations of RPC 1.5A(b),  
17 RPC 1.5A(e), RPC 1.5A(f), RPC 8.4(b), RPC 8.4(c) and 8.4(i), and after weighing appropriate  
18 aggravating and mitigating factors, the hearing officer finds the presumptive ABA Standards of  
19 4.11 and 5.11 apply to these violations as well which establishes a presumptive standard of  
20 disbarment.

21 **COUNT 3:** After finding that in taking the PEMCO contribution to attorney's fees  
22 which belonged to Ms. Christie without her knowledge and consent to be a violation of RPC  
23 8.4(b), RPC 8.4(c), and RPC 8.4(i), and in applying the appropriate aggravating and mitigating  
24 factors here, the Hearing Officer finds that there is no basis to depart from a presumptive ABA  
25 Standard of 5.11 as of disbarment applying here.

1           **COUNT 4:** After finding that the Respondent's remission of the \$2,466.49 belonging  
2 to Ms. Christie which was Calypso's contribution to her attorney's fees without her knowledge  
3 and/or consent to be a violation of RCW 9.56.030 and RPC 8.4(b), and after weighing  
4 appropriate aggravating and mitigating factors, the Hearing Officer finds the presumptive ABA  
5 Standard 5.1 applies thereto and that there is no basis to depart from the presumptive standard  
6 of disbarment.

7           **COUNT 5:** In finding that Respondent's failure to provide a written accounting to  
8 Ms. Christie violated RPC 1.15A(e), and after weighing appropriate aggravating and mitigating  
9 factors, the Hearing Officer finds the presumptive ABA Standard of 4.11 applies and that there  
10 is no reason to depart from that standard of disbarment.

11           **COUNT 6:** After finding that Respondent intentionally misrepresented to Ms. Christie  
12 the amount of the settlement proceeds remaining after PEMCO and Calypso's subrogated lien  
13 claims less the contribution to attorney's fees, the amount she was to receive and the amount  
14 Respondent ultimately received to be a violation of RPC 8.4(c), and after weighing appropriate  
15 aggravating and mitigating factors, the Hearing Officer finds the presumptive ABA Standards  
16 of 4.11 and 5.11 of disbarment apply.

17           **COUNT 7:** After finding that affixing/super-imposing Ms. Christie's signature on the  
18 Agreement for Legal Services which was not her genuine signature by proffering/putting off  
19 the fee agreement as a true written instrument which he knew was not true and was  
20 falsified/alterd in violation of RCW 9A.60.020 and RPC 8.4(b), RPC 8.4(c), RPC(d), and  
21 RPC 8.4(i), and after weighing appropriate aggravating and mitigating factors, the Hearing  
22 Officer now concludes the appropriate presumptive sanction 4.11 and sanction 6.11 apply for  
23 these violations is disbarment.

24           **COUNT 8:** Similarly, after finding that affixing/super-imposing Ms. Christie's  
25 signature on the Memo to Carole Christie that was not her genuine signature and by

1 proffering/putting off the document as a true written instrument which he knew was not true  
2 and/or was falsified in violation of RCW 9A.60.020 and RPC 8.4(b), RPC 8.4(c), RPC 8.4(d),  
3 and RPC 8.4(i), and after weighing appropriate aggravating and mitigating factors, the Hearing  
4 Officer now concludes the appropriate ABA Standards 4.11 and Standard 6.11 apply, which for  
5 these violations, is disbarment.

6 **COUNT 9:** In finding the submission to the Bar Association as part of its investigation  
7 of this matter of a falsified/alterd fee agreement which purported to contain a genuine  
8 signature of Carole Christie but which he knew to be a forgery, Respondent violated  
9 RPC 8.1(a), RPC 8.4(b), RPC 8.4(c), RPC 8.4(d), and RPC 8.4(i), and after weighing the  
10 appropriate aggravating and mitigating factors, the Hearing Officer concludes that presumptive  
11 ABA Standards 5.11, 6.11 and 7.1 are applicable here which provide for disbarment as the  
12 appropriate sanction.

13 **COUNT 10:** In finding the submission to the Bar Association by Respondent as part of  
14 its investigation in this matter of a falsified/alterd "Memo to Carole Christie" which purported  
15 to contain a genuine signature of the client in which among other things she purportedly agreed  
16 to receive nothing from the settlement, Respondent violated RPC 8.1(a), RPC 8.4(b), and  
17 RPC 8.4(c), and after weighing the appropriate aggravation and mitigating factors, the Hearing  
18 Officer concludes there is no reason to depart from the application of the presumptive  
19 standards of disbarment as set forth in ABA standards 5.11 and 7.1.

20 **COUNT 11:** In finding that the submission of a contingent fee agreement, with a  
21 signature of Carole Christie which Respondent knew to be falsified/super-imposed and not her  
22 true signature a violation of RCW 48.30.230 and RPC 8.4(b), RPC 8.4(c), and RPC 8.4(d), and  
23 after weighing the appropriate aggravating and mitigating factors, the Hearing Officer  
24 concludes as well that there is no reason to depart from the presumptive standards of  
25



1 disbarment set forth in applicable ABA Standards of 5.11, 6.11 and 7.1, prescribing  
2 disbarment.

3       **COUNT 12:** In finding that Respondent failed to ever repay the \$250 filing fee and  
4 service of process costs which he had received from PEMCO which violated RPC 1.15A(b),  
5 RPC 1.15A(f), and RPC 8.4(c), and after weighing appropriate aggravating and mitigating  
6 factors, the Hearing Officer concludes that the presumptive ABA Standards 4.12 and 5.12  
7 should apply for which the sanction is suspension.

8       **COUNT 13:** In finding that Respondent failed to communicate to Carole Christie the  
9 basis or rate of his fee for which she would be responsible within a reasonable time after  
10 commencing the representation, Respondent violated RPC 1.5(b), and after weighing  
11 appropriate aggravating and mitigating factors, the Hearing Officer concludes the presumptive  
12 ABA Standard 4.62 is applicable for this violation which prescribes suspension.

13       **COUNT 14:** In finding that Respondent failed to enter into a written fee agreement  
14 actually signed by his client in aid of his attempt to obfuscate what he was to be paid and  
15 thereby violated RPC 1.5(c)(3), and after weighing appropriate aggravating and mitigating  
16 factors, the Hearing Officer concludes that ABA Standard 4.62 prescribing suspension is  
17 applicable for this violation.

18       **COUNT 15:** In finding that Respondent's failure to provide Carole Christie with a  
19 written statement showing the remittance to the client, the disbursements provided to all parties  
20 and the method of its determination, Respondent again violated RPC 1.5(c)(3), and that  
21 Respondent acted deliberately in so doing to conceal how much money he was actually paying  
22 himself and thereby seriously injuring his client, and after weighing appropriate aggravating  
23 and mitigating factors, the Hearing Officer concludes that ABA Standard 4.61 is applicable  
24 here for which the appropriate standard is disbarment.



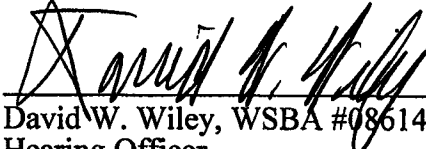
1 Here, the undersigned finds the seriousness of the violations committed by Respondent  
2 regarding: 1) the creation of the fee agreement and the memo to the client allegedly reflecting  
3 her agreement to the settlement terms; 2) the fact that she would get absolutely nothing from  
4 the settlement; 3) the fee agreement and client memo use in the Bar investigation process; and  
5 4) the Respondent's denial and lack of rationale for the discrepancy regarding the fabricated  
6 signature documents all appear to be sufficiently egregious not to be susceptible to  
7 mitigation by his lack of prior disciplinary actions.

8 In short, in the Hearing Officer's considered view the aggravating factors found here  
9 applicable under ABA Standard 9.22(b), (c), (d), (e), (f), (g), (h), (i), (j) and (k) outweigh the  
10 proposed disciplinary sanctions found in the Conclusions of Law relative to Counts 12  
11 through 14 above which do not warrant disbarment. Under *In re the Matter of the*  
12 *Disciplinary Proceeding Against Richard A. Peterson*, 120 Wn.2d 833 (1993), they are thus  
13 merged into the more serious recommended sanction of disbarment.

14 **VII. RECOMMENDATION SANCTION AND CONCLUSION, AND RESTITUTION**

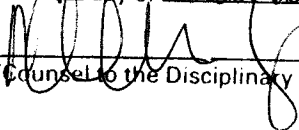
15 When multiple ethical violations are found, the ultimate sanction imposed should at  
16 least be consistent with the sanction for the most serious instance of misconduct. *Peterson* at  
17 854. Based on the aggravating and mitigating factors evaluated at length above, the Hearing  
18 Officer recommends that Respondent Steven L. Conroy be disbarred from the practice of law.  
19 Finally, I recommend that restitution to grievant Carole Christie be ordered in the amount of  
20 \$6,091.09 reflecting the total corrected disbursement amount set forth in Exhibit 132 and that  
21 future reinstatement of Respondent be conditioned on payment of restitution noted here.

22 DATED this 18 day of December, 2012.

23  
24   
25 \_\_\_\_\_  
David W. Wiley, WSBA #08614  
Hearing Officer

CERTIFICATE OF SERVICE

I certify that I caused a copy of the FOI, COL & HO's Recommendation  
to be delivered to the Office of Disciplinary Counsel and to be mailed  
to Stephen Conroy Respondent/Respondent's Counsel  
at 1227 W. W. Lyman, WA 98050, by Certified/first class mail,  
postage prepaid on the 19<sup>th</sup> day of December, 2012

  
Clerk/Counsel to the Disciplinary Board