

FILED
FEB 11 2016
DISCIPLINARY
BOARD

BEFORE THE
DISCIPLINARY BOARD
OF THE
WASHINGTON STATE BAR ASSOCIATION

In re

CHRISTOPHER LEE NEAL,
Lawyer (Bar No. 33339).

WSBA File No. 14-01970.

STIPULATION TO ONE-YEAR
SUSPENSION

Under Rule 9.1 of the Rules for Enforcement of Lawyer Conduct (ELC), the following Stipulation to One-Year Suspension is entered into by the Office of Disciplinary Counsel (ODC) of the Washington State Bar Association (Association) through disciplinary counsel Jonathan Burke, Respondent's Counsel Anne I. Seidel, and Respondent lawyer Christopher Neal.

Respondent understands that he is entitled under the ELC to a hearing, to present exhibits and witnesses on his behalf, and to have a hearing officer determine the facts, misconduct and sanction in this case. Respondent further understands that he is entitled under the ELC to appeal the outcome of a hearing to the Disciplinary Board, and, in certain cases, the Supreme Court. Respondent further understands that a hearing and appeal could result in an

ORIGINAL

002

1 outcome more favorable or less favorable to him. Respondent chooses to resolve this
2 proceeding now by entering into the following stipulation to facts, misconduct and sanction to
3 avoid the risk, time, and expense attendant to further proceedings.

4 **I. ADMISSION TO PRACTICE**

5 1. Respondent was admitted to practice law in the State of Washington on January 29,
6 2003.

7 **II. STIPULATED FACTS**

8 2. During all material times, Respondent operated a law office as a sole practitioner
9 focusing on representing clients in tax related matters.

10 3. During all material times, Respondent did not maintain complete trust account
11 records, including a check register, client ledgers, copies of deposit slips and cancelled checks,
12 and client ledger reconciliations.

13 4. During all material times, Respondent did not maintain complete and accurate billing
14 records for clients.

15 5. In 2009, Dr. James Strong (Strong) hired Respondent in connection with a tax
16 matter.

17 6. During May and June 2012, Respondent received a number of checks totaling
18 \$36,000 paid by Strong (\$23,000) or paid on behalf of Strong (\$13,000). There are conflicting
19 accounts regarding \$6,000 of the \$36,000 total paid to Respondent by Strong on behalf of
20 Strong.¹ It is undisputed that \$30,000 of the \$36,000 total were paid to Respondent for the
21 purpose of resolving Strong's tax dispute with the Internal Revenue Service (IRS).

22
23 ¹ Respondent claims that the \$6,000 represented payment of outstanding fees, but Strong disputes this
24 claim. There is insufficient evidence to ascertain who is correct.

1 7. On May 16, 2012, Respondent deposited two checks totaling \$13,000 paid on behalf
2 of Strong into Respondent's IOLTA account at Sterling Bank.

3 8. On June 14, 2012, Respondent deposited four checks from Strong totaling \$23,000
4 into his general account.² On June 20, 2012, Respondent transferred \$28,000 from his general
5 account into his IOLTA Account at Sterling Bank. Of the \$28,000 transferred, \$17,000
6 represented funds paid by Strong.

7 9. On February 6, 2013, ODC opened a grievance against Respondent after receiving
8 notice that his IOLTA at Bank of America was overdrawn by \$493.55. At the time, Respondent
9 had an IOLTA account at Sterling Bank and an IOLTA account at Bank of America. The
10 grievance against Respondent involved the IOLTA at Bank of America, not the IOLTA at
11 Sterling Bank where Strong's funds were deposited.

12 10. On December 3, 2013, ODC dismissed the grievance. In its dismissal letter, ODC
13 warned Respondent that he needed to take all necessary steps to promptly fix his trust account
14 and bring his practices into compliance with RPC 1.15B by maintaining current trust account
15 records, including a checkbook register, client ledgers, copies of deposit slips and cancelled
16 checks, and client ledger reconciliations.

17 11. After receiving the December 3, 2013 letter, Respondent took no steps to fix his trust
18 account records and to bring his practices in compliance with RPC 1.15B.

19 12. In March 2014, Strong met with Respondent and inquired about obtaining some of
20 the money he had paid to Respondent to resolve Strong's IRS debt. Respondent incorrectly
21 told Strong that he believed that he had already paid the funds to the IRS.

22 13. During and after August 2014, Strong continued to attempt to retrieve his money

23 _____
² Respondent claims that \$6,000 of the \$23,000 paid by Strong represented payment for outstanding fees.

1 from Respondent but was unable to do so. Respondent was absent from the office with health
2 problems during a significant period of this time

3 14. On October 20, 2014, the balance in Respondent's trust account was \$25,367.63,
4 reflecting that Respondent had used at least \$4,632.37 of Strong's money for other purposes.

5 15. On October 29, 2014, Strong filed a grievance against Respondent with ODC.

6 16. At this time, Respondent is unable to complete a reconstruction of his trust account
7 due to his health. It cannot be ascertained whether other client funds deposited into
8 Respondent's trust account were used for other purposes.

9 17. Respondent did ascertain that a substantial amount of the \$30,000 belonging to
10 Strong was used for other purposes.

11 18. Respondent ascertained that on or about May 28, 2014, Respondent disbursed funds
12 from his IOLTA account to former client CM that exceeded the amount that CM had in
13 Respondent's IOLTA account by \$5,000.

14 19. Respondent ascertained that on September 20, 2014 he disbursed \$10,000 from his
15 IOLTA account on behalf of former client E when E had no funds in the IOLTA account.

16 20. Respondent knew or should have known that he was not properly handling trust
17 account funds.

18 21. On February 3, 2015, Respondent returned \$30,000 to Strong.

19 22. During the period from 2012 through present, Respondent has been suffering from a
20 number of medical and health problems and personal problems. These health and personal
21 problems are described in more detail in the Confidential Attachment to Stipulation to
22 Suspension – To Be Filed Under Seal. Respondent's health problems did not cause him to
23 engage in ethical misconduct, but did impact his ability to deal with ethical issues and recall
24

1 facts.

2 **III. STIPULATION TO MISCONDUCT**

3 23. By failing to maintain trust account records, including the checkbook register, client
4 ledgers, copies of deposit slips and cancelled checks, and client ledger reconciliations,
5 Respondent violated RPC 1.15B(a) and RPC 1.15A(h)(2).

6 24. By failing to provide Strong with a written accounting, Respondent violated RPC
7 1.15A(e).

8 25. By failing to safeguard Strong's money and by disbursing Strong's money to others,
9 Respondent violated RPC 1.15A(c).

10 26. By disbursing funds from his IOLTA account to DM and on behalf of E that
11 exceeded the amount of funds DM and E had in the IOLTA account, Respondent violated RPC
12 1.15A(h)(8).

13 **IV. PRIOR DISCIPLINE**

14 27. On August 10, 2015, a hearing officer approved Respondent's stipulation to receive
15 a reprimand for failing to diligently represent and communicate with a client, and for
16 negligently charging unreasonable fees to that client.

17 **V. APPLICATION OF ABA STANDARDS**

18 28. The following American Bar Association Standards for Imposing Lawyer Sanctions
19 (1991 ed. & Feb. 1992 Supp.) apply to this case:

20 **4.1 Failure to Preserve the Client's Property**

21 4.11 Disbarment is generally appropriate when a lawyer knowingly converts
22 client property and causes injury or potential injury to a client.

23 **4.12 Suspension is generally appropriate when a lawyer knows or should**
24 **know that he is dealing improperly with client property and causes injury or**
potential injury to a client.

1 4.13 Reprimand is generally appropriate when a lawyer is negligent in dealing
2 with client property and causes injury or potential injury to a client.

3 4.14 Admonition is generally appropriate when a lawyer is negligent in dealing
4 with client property and causes little or no actual or potential injury to a client.

5 29. Respondent knew or should have known that he was not properly complying with
6 the trust account rules by not maintain trust account records. Respondent knew or should have
7 known that he was dealing improperly with Strong's money and/or the other client funds in his
8 trust account.

9 30. Respondent's conduct caused actual and/or potential injury to Strong and/or other
10 clients.

11 31. The presumptive sanction for Respondent's conduct is suspension under ABA
12 Standard 4.12.

13 32. The following aggravating factor applies under ABA Standard 9.22:

14 (a) Prior disciplinary offense (Respondent received a reprimand for failing to
15 diligently represent and communicate with a client, and for negligently
16 charging unreasonable fees); and

17 (b) Substantial experience in the practice of law (Respondent was admitted in
18 2003).

19 33. The following mitigating factors apply under ABA Standard 9.32:

20 (c) Personal or emotional problems. (Respondent's health and personal
21 problems are detailed in the Confidential Attachment to Stipulation to
22 Suspension.); and

23 (d) Remorse.

24 34. It is an additional mitigating factor that Respondent has agreed to resolve this matter
at an early stage of the proceedings.

35. On balance the aggravating and mitigating factors do not require a departure from
the presumptive sanction.

1 **VI. STIPULATED DISCIPLINE**

2 36. The parties stipulate that Respondent shall receive a one-year suspension for his
3 conduct.

4 37. **Fitness To Practice.** Respondent's reinstatement to practice is conditioned upon
5 Respondent providing a written evaluation demonstrating fitness to return to practice law from a
6 health professional evaluator acceptable to disciplinary counsel. The evaluator, who may be his
7 treating physician, will be provided with the Confidential Attachment to Stipulation to
8 Suspension and will address the health issues described in it in addition to any pending mental
9 health or health issues that could impact Respondent's fitness to practice law. Respondent and
10 Disciplinary Counsel will agree on the examiner and the timing of the exam. If Respondent and
11 Disciplinary Counsel cannot reach agreement, the parties shall present written material to the
12 Disciplinary Board Chair for the determination of these issues. Respondent will execute all the
13 necessary releases to permit the evaluator to obtain all necessary treatment records and make a
14 report to Disciplinary Counsel regarding Respondent's fitness to resume the practice of law.

15 38. If the evaluation concludes that Respondent is not fit to resume the practice of law,
16 Respondent (or his counsel) and Disciplinary Counsel shall meet to discuss the evaluator's
17 report and determine what steps should be taken to address the evaluator's concerns so that
18 Respondent can resume the active practice of law. If Respondent and Disciplinary Counsel
19 cannot reach an agreement, both parties shall present written materials to the Disciplinary Board
20 Chair. The Disciplinary Board Chair shall decide the conditions under which Respondent shall
21 return to the active practice of law.

22 39. **Two Year Probation.** Respondent will be subject to probation for a period of two
23 years commencing upon Respondent's reinstatement to the practice of law, with periodic
24

1 | reviews under ELC 13.8 of his trust account practices, and shall comply with the specific
2 | probation terms set forth below:

- 3 | a) Respondent shall carefully review and fully comply with RPC 1.15A and RPC
4 | 1.15B, and shall carefully review the current version of the publication, Managing
Client Trust Accounts: Rules, Regulations, and Common Sense.
- 5 | b) For all law practice client matters, Respondent shall have a written fee agreement
6 | signed by the client, which agreements are to be maintained for least seven years
7 | (see RPC 1.15B(a)(3)). Respondent shall maintain accurate billing records for
8 | clients.
- 9 | c) On a quarterly basis, Respondent shall provide ODC's audit staff with all trust-
10 | account records for the time period to be reviewed by ODC's audit staff and
11 | disciplinary counsel for compliance with the RPC:
- 12 | i) Months 1 – 3. By no later than the 30th day of the fourth month after the
13 | commencement of probation, Respondent shall provide the trust account
14 | records from the date of his/her reinstatement to the end of the third full
15 | month.
- 16 | ii) Months 4 – 6. By no later than the 30th day of the seventh month after the
17 | commencement of probation, Respondent shall provide the trust account
18 | records from the end of the previously provided quarter through the end of
19 | month six.
- 20 | iii) Months 7 – 9. By no later than the 30th day of the tenth month after the
21 | commencement of probation, Respondent shall provide the trust account
22 | records from the end of the previously provided quarter through the end of
23 | month nine.
- 24 | iv) Months 10 – 12. By no later than the 30th day of the thirteenth month after
the commencement of probation, Respondent shall provide the trust
account records from the end of the previously provided quarter through
the end of month twelve.
- v) Months 13– 15. By no later than the 30th day of the sixteenth month after
the commencement of probation, Respondent shall provide the trust
account records from the end of the previously provided quarter through
the end of month fifteen.
- vi) Months 16 – 18. By no later than the 30th day of the nineteenth month after
the commencement of probation, Respondent shall provide the trust
account records from the end of the previously provided quarter through
the end of month eighteen.

1 vii) Months 19 – 21. By no later than the 30th day of the twenty-second month
2 after the commencement of probation, Respondent shall provide the trust
3 account records from the end of the previously provided quarter through
4 the end of month twenty-one.

5 The trust account records Respondent provides to ODC for each quarterly review of
6 his trust account will include: (a) a complete checkbook register for his/her trust
7 account covering the period being reviewed, (b) complete individual client ledger
8 records for any client with funds in Respondent's trust account during all or part of
9 the period being reviewed, as well as for Respondent's own funds in the account (if
10 any), (c) copies of all trust-account bank statements, deposit slips, and cancelled
11 checks covering the period being reviewed, (d) copies of all trust account client
12 ledger reconciliations for the period being reviewed, and (e) copies of
13 reconciliations of Respondent's trust account check register covering the period
14 being reviewed. The ODC's Audit Manager or designee will review Respondent's
15 trust account records for each period.

16 d) On the same quarterly time schedule set forth in the preceding paragraph,
17 Respondent will provide ODC's Audit Manager or designee with copies of any and
18 all law practice fee agreements entered into within the time period at issue.

19 e) The ODC's Audit Manager or designee may request additional financial or client
20 records if needed to verify Respondent's compliance with RPC 1.15A and/or 1.15B.
21 Within twenty days of a request from ODC's Audit Manager or designee for
22 additional records needed to verify Respondent's compliance with RPC 1.15A
23 and/or RPC 1.15B, Respondent will provide ODC's Audit Manager or designee the
24 additional records requested.

 f) Respondent will reimburse the Association for time spent by ODC's Audit Manager
 or designee in reviewing and reporting on Respondent's records to determine
 his/her compliance with RPC 1.15A and RPC 1.15B, at the rate of \$85 per hour.
 Respondent will make payment within thirty days of each written invoice setting
 forth the auditor's time and payment due.

40. **Reconstruction.** As a condition of reinstatement from suspension, Respondent
shall complete the following steps to determine whether any funds are owed to clients or third
parties:

- 1 a) Respondent shall have a Certified Public Accountant, lawyer, or bookkeeper
2 experienced in handling lawyer trust accounts, approved by ODC, reconstruct³ or
3 approve of Respondent's reconstruction of his trust account records for the time
4 period of May 1, 2013 to April 30, 2015 in compliance with the requirements of
5 RPC 1.15A and RPC 1.15B, using all available client records and financial records
6 to assist in the identification of funds received and disbursed. Respondent shall do
7 so at his own expense. Respondent shall not be eligible for a certification of
8 completion of specific conditions of suspension under ELC 13.3(b)(1)(B) unless
9 Respondent provides the reconstructed trust-account records to ODC at least 60
10 days prior to seeking certification of completion. Respondent shall promptly
11 provide additional records and information to ODC if requested to facilitate ODC's
12 assessment of the completeness and accuracy of the reconstruction.⁴
- 13 b) The reconstruction may, or may not, reveal that one or more clients have not
14 received all funds to which they are entitled. If the reconstructed trust-account
15 records for the time period of May 1, 2013 to April 30, 2015 indicate that any client
16 is owed funds, then Respondent shall provide each client, in writing, with a
17 complete updated accounting of his receipt and disbursement of all funds. The
18 accounting shall identify the source, date and amount of all funds received, and the
19 recipient, purpose, date and amount of all funds disbursed. Respondent shall not be
20 eligible for a certification of completion of specific conditions of suspension under
21 ELC 13.3(b)(1)(B) unless Respondent provides ODC with proof that he has done
22 so, and with copies of the accountings, at least 60 days prior to seeking certification
23 of completion.

24 VII. RESTITUTION

41. If the reconstructed trust-account records for the time period of May 1, 2013 to
April 30, 2015 indicate that any client is owed funds, then Respondent is required to make full
restitution to each client of all funds owed. Respondent shall pay to the client interest on those
funds, at a rate of 6%, calculated from the date on which the client (or third party as directed by
the client) was first entitled to receive the funds to the date on which repayment is made.

³ "Reconstruction" involves the preparation, for all funds put into and removed from the trust account, of accurate client ledgers, check register, reconciliations between the check register balances and the balances of the bank statements, and reconciliations between the check register balances and the combined total of all the client ledger balances.

⁴ Respondent acknowledges and agrees that if information in reconstructed trust account records or in other information or records provided to ODC under paragraph 40 reveals any acts of misconduct not specifically identified in this Stipulation, ODC may investigate and/or prosecute such additional misconduct to the extent otherwise authorized by the ELC.

1 Reinstatement is conditioned on full payment of restitution, with interest.

2 **VIII. COSTS AND EXPENSES**

3 42. In light of Respondent's willingness to resolve this matter by stipulation at an early
4 stage of the proceedings, Respondent shall pay attorney fees and administrative costs of
5 \$1,791.60 (representing the sum of \$500 in costs and \$1,291.60 in expenses) in accordance with
6 ELC 13.9(i). The Association will seek a money judgment under ELC 13.9(l) if these costs are
7 not paid within 30 days of approval of this stipulation. Reinstatement from suspension or
8 disbarment is conditioned on payment of costs.

9 **IX. VOLUNTARY AGREEMENT**

10 43. Respondent states that prior to entering into this Stipulation he has consulted
11 independent legal counsel regarding this Stipulation, that Respondent is entering into this
12 Stipulation voluntarily, and that no promises or threats have been made by ODC, the
13 Association, nor by any representative thereof, to induce the Respondent to enter into this
14 Stipulation except as provided herein.

15 44. Once fully executed, this stipulation is a contract governed by the legal principles
16 applicable to contracts, and may not be unilaterally revoked or modified by either party.

17 **X. LIMITATIONS**

18 45. This Stipulation is a compromise agreement intended to resolve this matter in
19 accordance with the purposes of lawyer discipline while avoiding further proceedings and the
20 expenditure of additional resources by the Respondent and ODC. Both the Respondent lawyer
21 and ODC acknowledge that the result after further proceedings in this matter might differ from
22 the result agreed to herein.

23 46. This Stipulation is not binding upon ODC or the respondent as a statement of all
24

1 existing facts relating to the professional conduct of the respondent lawyer, and any additional
2 existing facts may be proven in any subsequent disciplinary proceedings.

3 47. This Stipulation results from the consideration of various factors by both parties,
4 including the benefits to both by promptly resolving this matter without the time and expense of
5 hearings, Disciplinary Board appeals, and Supreme Court appeals or petitions for review. As
6 such, approval of this Stipulation will not constitute precedent in determining the appropriate
7 sanction to be imposed in other cases; but, if approved, this Stipulation will be admissible in
8 subsequent proceedings against Respondent to the same extent as any other approved
9 Stipulation.

10 48. Under Disciplinary Board policy, in addition to the Stipulation, the Disciplinary
11 Board shall have available to it for consideration all documents that the parties agree to submit
12 to the Disciplinary Board, and all public documents. Under ELC 3.1(b), all documents that
13 form the record before the Board for its review become public information on approval of the
14 Stipulation by the Board, unless disclosure is restricted by order or rule of law.


15 49. If this Stipulation is approved by the Disciplinary Board and Supreme Court, it will
16 be followed by the disciplinary action agreed to in this Stipulation. All notices required in the
17 Rules for Enforcement of Lawyer Conduct will be made.

1 50. If this Stipulation is not approved by the Disciplinary Board and Supreme Court, this
2 Stipulation will have no force or effect, and neither it nor the fact of its execution will be
3 admissible as evidence in the pending disciplinary proceeding, in any subsequent disciplinary
4 proceeding, or in any civil or criminal action.


5 WHEREFORE the undersigned being fully advised, adopt and agree to this Stipulation
6 to Discipline as set forth above.

7 
8 _____
9 Christopher Lee Neal, Bar No. 33339
10 Respondent

Dated: 12/6/15

11 
12 _____
13 Anne I. Seidel, Bar No. 22742
14 Counsel for Respondent

Dated: 12/11/15

15 
16 _____
17 Jonathan Burke, Bar No. 20910
18 Senior Disciplinary Counsel

Dated: 12/11/15