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BEFORE THE  
DISCIPLINARY BOARD  
OF THE  
WASHINGTON STATE BAR ASSOCIATION

In re

**AMY J. FUNCHESS,**  
Lawyer (Bar No. 37436).

Proceeding No. 15#00029  
RESIGNATION FORM OF AMY J.  
FUNCHESS (ELC 9.3(b))

Amy Funchess, being duly sworn, hereby attests to the following:

1. I am over the age of eighteen years and am competent. I make the statements in this affidavit from personal knowledge.
2. I was admitted to practice law in the State of Washington on May 24, 2006.
3. I was served with the First Amended Formal Complaint and Notice to Answer in this matter on May 31, 2016.
4. After consultation with my counsel, Joshua Selig, I have voluntarily decided to resign from the Washington State Bar Association (the Association) in Lieu of Discipline under Rule 9.3 of the Rules for Enforcement of Lawyer Conduct (ELC).
5. Attached hereto as Exhibit A is Disciplinary Counsel's First Amended Formal

1 Complaint for purposes of ELC 9.3(b). I am aware of the alleged misconduct stated in  
2 disciplinary counsel's statement but, rather than defend against the allegations, I wish to  
3 permanently resign from membership in the Association.

4 6. I am submitting with this affidavit a check in the amount of \$2,011.38 made out to  
5 the Washington State Bar Association as payment for expenses and costs.

6 7. I agree to pay the following restitution: (1) \$125 to Allan Bridge within 60 days,  
7 and (2) \$5,722.50 to Cindy Daffern and/or the estate of Cindy Daffern.

8 8. I agree to pay any additional costs that may be ordered by a Review Committee  
9 under ELC 9.3(g).

10 9. I understand that my resignation is permanent and that any future application by  
11 me for reinstatement as a member of the Association is currently barred. If the Supreme Court  
12 changes this rule or an application is otherwise permitted in the future, it will be treated as an  
13 application by one who has been disbarred for ethical misconduct, and that, if I file an  
14 application, I will not be entitled to a reconsideration or reexamination of the facts, complaints,  
15 allegations, or instances of alleged misconduct on which this resignation was based.

16 10. I agree to (a) notify all other states and jurisdictions in which I am admitted, of this  
17 resignation in lieu of discipline; (b) seek to resign permanently from the practice of law in any  
18 jurisdiction where I am admitted; and (c) provide disciplinary counsel with copies of this  
19 notification and any response(s). I acknowledge that this resignation could be treated as a  
20 disbarment by all other jurisdictions.

21 11. I agree to (a) notify all other professional licensing agencies in any jurisdiction  
22 from which I have a professional license that is predicated on my admission to practice law of  
23 this resignation in lieu of discipline; (b) seek to resign permanently from any such license; and

1 (c) provide disciplinary counsel with copies of any of these notifications and any responses.

2 12. I agree that when applying for any employment, I will disclose the resignation in  
3 lieu of discipline in response to any question regarding disciplinary action or the status of my  
4 license to practice law.

5 13. I understand that my resignation becomes effective on disciplinary counsel's  
6 endorsement and filing of this document with the Clerk, and that under ELC 9.3(c) disciplinary  
7 counsel must do so promptly following receipt of this document and payment of costs and  
8 expenses.

9 14. When my resignation becomes effective, I agree to be subject to all restrictions that  
10 apply to a disbarred lawyer.

11 15. Upon filing of my resignation, I agree to comply with the same duties as a  
12 disbarred lawyer under ELC 14.1 through ELC 14.4.

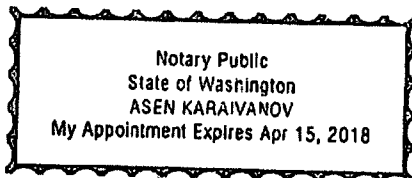
13 16. I understand that, after my resignation becomes effective, it is permanent. I will  
14 never be eligible to apply and will not be considered for admission or reinstatement to the  
15 practice of law nor will I be eligible for admission for any limited practice of law.

16 17. I certify under penalty of perjury under the laws of the State of Washington that  
17 the foregoing is true and correct.

18 May 4, 2017, Seattle, WA  
Date and Place

[Signature]  
Amy J. Panchess, Bar No. 37436

19 SUBSCRIBED AND SWORN to before me this 4<sup>th</sup> day of May, 2017.

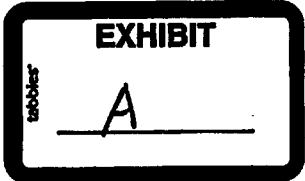


20 [Signature]  
21 NOTARY PUBLIC for the state of  
22 Washington, residing at [Address]  
23 My commission expires: Apr 15 2018

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Jonathan Burke  
Jonathan Burke, Disciplinary Counsel  
Bar No. 20910

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BEFORE THE  
DISCIPLINARY BOARD  
OF THE  
WASHINGTON STATE BAR ASSOCIATION

In re  
**AMY J. FUNCHESS,**  
Lawyer (Bar No. 37436).

Proceeding No. 15#00029  
FIRST AMENDED FORMAL COMPLAINT

Under Rule 10.3 of the Rules for Enforcement of Lawyer Conduct (ELC), the Office of Disciplinary Counsel (ODC) of the Washington State Bar Association charges the above-named lawyer with acts of misconduct under the Rules of Professional Conduct (RPC) as set forth below.

**I. ADMISSION TO PRACTICE**

1. Respondent Amy J. Funchess was admitted to the practice of law in the State of Washington on May 24, 2006.

**II. FACTS REGARDING ODC GRIEVANCE**

**A. General Trust Account Violations**

1. During all material times, Respondent's law practice focused on debt collection.

1           2.    On or about August 14, 2014, ODC sent a letter to Respondent informing her that  
2 ODC opened a grievance against Respondent based on trust account records and other records  
3 provided to ODC on or about May 23, 2014 in connection with its investigation of a grievance  
4 filed by Alan Bridge (discussed below). Respondent's trust account records reflected a number  
5 of apparent trust account violations, including a trust account deficiencies and negative client  
6 ledger balances.

7           3.    Between April 1, 2012 and October 31, 2014, Respondent knowingly used client  
8 funds in her trust account for her own benefit without entitlement.

9           4.    Between April 1, 2012 and October 31, 2014, Respondent routinely made  
10 disbursements from her trust account on behalf of clients that exceeded the amounts that those  
11 clients had on deposit.

12          5.    During all material times, Respondent's trust account records reflected that a  
13 number of client ledgers had negative balances.

14          6.    Prior to the grievance opened in August 2014, Respondent took no significant  
15 steps to stop improperly using client funds or to return funds that were improperly converted.

16          7.    In late October 2014 or early November 2014, Respondent hired a professional to  
17 reconstruct her trust account.

18          8.    Respondent's trust account reconstruction reflected that as of October 31, 2014,  
19 dozens of Respondent's clients had negative trust account balances.

20          9.    Respondent's reconstruction of her trust account accurately reflected that as of  
21 October 31, 2014, Respondent's trust account had a deficiency of \$18,000 to \$20,000.

22          10. Respondent failed to promptly reimburse her trust account for deficiencies after  
23 receiving the reconstruction.

1 11. Respondent sent emails to clients JH and KM, falsely stating that she was using  
2 her own money to pay their costs and/or expenses when Respondent knew that she was actually  
3 using funds belonging to other clients.

4 12. Respondent printed and sent client ledgers to clients, including JV and KM,  
5 reflecting that their trust account ledger had a negative balance.

6 13. Respondent converted client funds, including funds belonging to clients AV, B,  
7 CW, LR, CC, CD, CG, HS, JG, EM, M, MVL, HS, JV, and/or DV, by using client funds held in  
8 her trust account to pay herself attorney fees owed by clients who did not have sufficient funds  
9 in the trust account to pay her fees.

10 **B. UCC/MH Collection Matter**

11 14. UCC, a collection agency, hired Respondent to collect debts.

12 15. Respondent agreed to charge UCC a contingent fee of 10 percent on the amount  
13 recovered.

14 16. On August 30, 2011, UCC hired Respondent to pursue collection of a debt owed to  
15 BA by MH.

16 17. During June 2013, UCC and/or BA authorized Respondent to settle the debt owed  
17 by MH for \$5,000.

18 18. Respondent convinced MII to pay \$5,500 as final settlement, which he did by  
19 check in June 2013.

20 19. On or about June 17, 2013, Respondent deposited MH's check for \$5,500 into her  
21 general account and used these settlement proceeds for other purposes.

22 20. Respondent concealed from UCC and/or BA that she settled the debt owed by MII  
23 for \$5,500 instead of \$5,000.

1           21. Respondent knowingly did not inform UCC and/or BA about receiving the  
2 settlement proceeds, and knowingly did not promptly pay the settlement proceeds to UCC  
3 and/or BA

4           22. During the months between June 2013 and November 2013, UCC representatives  
5 repeatedly tried to reach Respondent regarding the status of MII's settlement by telephone and  
6 by leaving telephone messages.

7           23. Respondent knowingly disregarded UCC's messages and telephone calls regarding  
8 MII.

9           24. At the request of UCC, Don Scott (Scott), who works for UCC's bonding  
10 company, contacted Respondent on or about November 26, 2013 by telephone regarding the  
11 settlement of MII's debt.

12           25. During Respondent's telephone conversation with Scott, Respondent falsely told  
13 Scott that she received \$5,000 in settlement proceeds from MH in September 2013, and falsely  
14 told Scott that the check had not cleared her trust account after it was received.

15           26. Respondent knew that she received \$5,500, not \$5,000, in settlement proceeds  
16 from MII in June 2013, not September 2013, and that the settlement proceeds were deposited  
17 into her general account, not her trust account.

18           27. On or about December 15, 2014, Respondent issued a check for \$4,500 to BA  
19 from her trust account using funds belonging to other clients.

20           28. Respondent knowingly converted \$4,500 of funds belonging to other clients to  
21 conceal her conversion of MII's settlement proceeds.

22           29. Through deceit and misrepresentation, Respondent intentionally paid BA at least  
23 \$450 less than BA was entitled to receive from MII's settlement proceeds.



1        **C. CD Matter**

2            30. In late March 2012 or early April 2012, CD hired Respondent to pursue collection  
3 of judgments totaling \$17,319.10 against CD's ex-spouse.

4            31. Respondent had no written fee agreement with CD. She agreed to charge CD on  
5 an hourly basis.

6            32. On April 16, 2012, CD paid Respondent \$5,000 in advance fees and costs.

7            33. Respondent knowingly deposited the \$5,000 in advance fees and costs into her  
8 general account and converted the funds.

9            34. On May 15, 2012, Respondent obtained from the court a Writ of Execution on  
10 Personal Property belonging to CD's ex-spouse that included \$6,600 in attorney fees and \$1,800  
11 in costs.

12           35. At the time Respondent obtained the Writ of Execution from the court, Respondent  
13 knew that the amount of attorney fees and costs presented to the court was excessive and  
14 inaccurate.

15           36. On or about June 5, 2012, Respondent and three sheriff's officers appeared at the  
16 residence of CD's ex-spouse.

17           37. Respondent threatened to remove the personal possessions of CD's ex-spouse  
18 unless he immediately paid Respondent \$28,332.05, which he did.

19           38. Respondent knew that the \$28,332.05 paid by CD's ex-spouse far exceeded the  
20 debt actually owed by CD's ex-spouse because the amount paid included attorney fees and costs  
21 that were never charged or incurred.

22           39. Respondent knowingly did not inform CD about the amount of funds that  
23 Respondent recovered from CD's ex-spouse.

1           40. After Respondent deposited the \$28,332.05 check into her trust account,  
2 Respondent promptly paid herself \$6,600 on or about June 6, 2012 without the knowledge or  
3 authority of CD.

4           41. Respondent's trust account records reflect that the \$6,600 payment was the  
5 disbursement of attorney fees to Respondent in the CD matter.

6           42. The \$6,600 payment was unreasonable and/or constituted conversion of client  
7 funds.

8           43. On or about March 27, 2014, Respondent converted client funds by paying herself  
9 \$3,500 from her trust account.

10          44. Respondent falsely attributed the \$3,500 withdrawal as additional fees in the CD  
11 matter.

12          45. Respondent never informed CD that she was being charged an additional \$3,500 in  
13 fees.

14          46. Respondent's withdrawal of \$3,500 left CD's client ledger with a negative balance  
15 of \$2,422.47.

16          47. Respondent ultimately paid herself a total of \$14,700 in fees for handling CD's  
17 simple writ of execution. The fees Respondent charged to CD were excessive and  
18 unreasonable.

19          48. Respondent paid \$20,567.52 to CD. After deducting the \$5,000 in advance fees  
20 and costs CD paid Respondent, CD received a net of \$15,567.52.

21          49. Respondent never informed CD of the attorney fees she charged to CD and never  
22 explained how her fees were calculated.

23          50. When CD inquired about the fees charged, Respondent falsely told CD that the

1 initial \$5,000 payment was a flat fee.

2 51. During ODC's investigation, Respondent told CD that ODC's contact with her was  
3 improper and violated the attorney-client privilege.

4 52. Respondent made these statements knowing they were false and intending to  
5 obstruct ODC's investigation.

6 **D. KM Collection Matter**

7 53. KM hired Respondent to collect a judgment against his ex-spouse.

8 54. On September 16, 2013, Respondent sent KM a copy of his client ledger with an  
9 email that falsely stated: "Because I wanted to expeditiously get the second round of  
10 garnishment paperwork out, I went ahead and spent some of my own money to do so, as  
11 reflected in the negative balance in the ledger attached."

12 55. Respondent's email to KM was false because Respondent actually used funds in  
13 her trust account belonging to other clients, not her personal funds.

14 56. On or about June 12, 2014, KM paid approximately \$3,000 in advance costs to  
15 Respondent to pursue a writ of execution. As discussed below, KM also paid Respondent  
16 advance fees.

17 57. Respondent knowingly converted the advance costs paid by KM by depositing  
18 these funds into her general account and using them for other purposes.

19 58. In late October 2014, Respondent recovered \$13,100 for KM. Respondent did not  
20 need to use any of the advance costs paid by KM in this recovery.

21 59. Respondent attempted to charge KM an additional 30 percent contingent fee, but  
22 KM refused to pay it because he had already paid Respondent the entire flat fee that she charged  
23 to him.

1           60. On October 24, 2014, KM sent an email to Respondent requesting a full statement  
2 of disbursements and trust account transactions.

3           61. On October 26, 2014, Respondent transferred approximately \$3,000, representing  
4 unused costs belonging to KM, from her general account into her trust account. Respondent  
5 paid the unused costs and proceeds from the sale of the debtor's automobile to KM.

6           62. On or about October 28, 2014, Respondent altered the client ledger for KM in her  
7 QuickBooks software for her trust account to falsely reflect that Respondent deposited and  
8 maintained approximately \$3,000 in advance costs in her trust account.

9           63. Respondent knowingly printed the altered client ledger and sent it to KM with  
10 intent to deceive him.

11           64. After printing the altered accounting, Respondent changed KM's client ledger back  
12 to the original entries.

13           **E. Failure to Deposit and Maintain Unearned Fees into Trust Account**

14           65. Since 2011, Respondent routinely charged clients on a flat fee basis for legal  
15 services related to collection of debts.

16           66. Respondent's standard fee agreement did not contain the requisite provisions in  
17 RPC 1.5(f)(2) that exempt a lawyer from depositing and maintaining flat fees in the lawyer's  
18 trust account.

19           67. Respondent's standard practice was to deposit advance flat fees directly into her  
20 general account or personal bank accounts, or deposit advance flat fees into her trust account  
21 and then promptly transfer the flat fee portion into her general or personal bank account before  
22 it was fully earned.

23           68. During the period from June 2011 through March 2014, ODC repeatedly informed

1 Respondent that her handling of advance flat fees did not comply with the RPC.

2 69. Despite repeated warnings from ODC, Respondent did not significantly change her  
3 flat fee agreement to comply with the RPC, and repeatedly failed to comply with the trust  
4 account rules for handling advance flat fees.

5 70. On June 12, 2014, KM hired Respondent to perform legal services for an advanced  
6 flat fee of \$2,500.

7 71. There was no written fee agreement for the services to be provided to KM by  
8 Respondent.

9 72. Respondent deposited the \$2,500 flat fee into her general account.

10 73. Respondent deposited advance hourly fees into her general account, including the  
11 advance hourly fees paid by clients TZ (\$1,250) and SI (\$1,700).

12 **F. Allegations Regarding Supplemental Judgments for Writs of Execution**

13 74. When Respondent performed writs of execution, she sometimes obtained  
14 supplemental judgments through ex parte proceedings.

15 75. Some of the supplemental judgments obtained by Respondent, including the ex  
16 parte supplemental judgment in favor of SP against PP, included attorney fees and costs that  
17 were excessive and/or not actually incurred.

18 76. When Respondent obtained the supplemental judgments, she did not inform the  
19 court that the costs and fees in the proposed orders were not actually incurred.

20 77. Respondent's supporting declarations were vague and referred to the amounts  
21 requested in the proposed order as "costs" when Respondent knew that the "costs" were not  
22 actually incurred.

23 78. Respondent's method of obtaining excessive supplemental judgments was

1 | deceptive to the court.

2 | **G. Non-Cooperation with Investigation and Attempts to Obstruct Investigation**

3 | 79. During the course of the investigation of the grievance opened by ODC,  
4 | Respondent engaged in a pattern of delay, deception, making false statements, and non-  
5 | cooperation.

6 | 80. Respondent never submitted a complete response to the request for response for  
7 | the grievance sent on August 14, 2014.

8 | 81. In response to ODC's August 14, 2014 request for documents, Respondent sent  
9 | ODC a copy of the same documents she had previously provided to ODC on May 23, 2015 with  
10 | a different cover letter knowing that ODC already had those documents and was requesting  
11 | other documents.

12 | 82. When ODC subpoenaed Respondent to produce a number of client files at a  
13 | November 17, 2014 deposition, Respondent failed to produce most of the client files and/or  
14 | documents requested in the subpoena duces tecum resulting in substantial delay.

15 | 83. When Respondent produced client files, many of the files were incomplete and  
16 | were missing material and relevant documents.

17 | 84. Respondent knowingly failed to produce the client file for UCC/MH and provided  
18 | false and misleading testimony about whether the file existed.

19 | 85. Respondent knowingly did not produce many emails in the KM matter, despite  
20 | ODC's repeated requests for the entire file and all the emails in the KM matter.

21 | 86. Respondent engaged in deception by asking her former paralegal to accept  
22 | responsibility for trust account violations when Respondent knew that Respondent engaged in  
23 | the trust account violations and that her former paralegal was not employed by her during much

1 | formerly owned by Craig and records regarding payments between Capital Loans and Craig.

2 | 96. Bridge paid Respondent \$331.49 for services relating to preparing the subpoena.

3 | 97. Capital Loans did not respond to the subpoena.

4 | 98. In early September 2012, Bridge hired Respondent to pursue enforcement of the  
5 | subpoena issued to Capital Loans.

6 | 99. Respondent had no written fee agreement with Bridge.

7 | 100. Respondent required Bridge to pay approximately \$1,000 in advance fees.  
8 | representing four hours of attorney time.

9 | 101. On September 6, 2012, Respondent charged \$1,027 to Bridge's credit card for  
10 | advance fees for pursuing enforcement of the subpoena against Capital Loans.

11 | 102. Respondent did not deposit any of the advance fees paid by Bridge into her trust  
12 | account.

13 | 103. After credit card transaction fees were deducted from the \$1,027 payment, the  
14 | remaining \$990.90 of advance fees were deposited into Respondent's general account and  
15 | promptly spent for other purposes.

16 | 104. Thereafter, on September 25, 2012, Respondent drafted a short two paragraph  
17 | demand letter to Capital Loans warning the company to comply with the subpoena.

18 | 105. On October 5, 2012, Craig filed a chapter 7 bankruptcy.

19 | 106. Respondent did nothing more to enforce the subpoena.

20 | 107. Respondent did not keep time records for her work on subpoena enforcement.

21 | 108. The value of Respondent's services for subpoena enforcement was substantially  
22 | less than \$990.90.

23 | 109. Respondent did not provide Bridge with a billing statement or otherwise account

1 of the relevant time period.

2 87. In connection ODC's investigation of the CD matter, Respondent generated a false  
3 billing statement for CD, dated November 2014.

4 88. Respondent did not cooperate with ODC's attempts to have an expert review her  
5 billing software.

6 89. During Respondent's November 17, 2014 deposition, Respondent falsely testified  
7 that the reason she did not reimburse her trust account for negative balances was that she did not  
8 know how to run a client ledger report. Respondent knew how to run a client ledger report.

9 90. During her November 17, 2014 deposition, Respondent falsely testified that she  
10 changed her fee agreements to comply with the RPC after attending a CLE in November 2011.

11 91. During her November 17, 2014 deposition, Respondent falsely testified that she  
12 changed her fee agreement to comply with RPC 1.5(D)(e)(2) and/or RPC 1.15A(e) after  
13 receiving a letter from disciplinary counsel in August 2012.

### 14 III. FACTS REGARDING BRIDGE GRIEVANCE

#### 15 A. Facts Regarding Craig

16 92. On or about November 2, 2011, Allen Bridge (Bridge) obtained a default judgment  
17 of \$12,360 against Paula Craig (Craig) relating to personal loans Bridge made to Craig.

18 93. In May 2012, Bridge hired the National Association of Credit Management  
19 (NACM) to garnish Craig's wages and bank account.

20 94. NACM hired Respondent to pursue the garnishments against Craig, which were  
21 unsuccessful in recovering any funds.

22 95. On or about July 18, 2012, Bridge hired Respondent to prepare a subpoena to  
23 Capital Loans, a pawn shop, seeking the production of documents relating to assets owned or



1 for advance fees paid by Bridge for subpoena enforcement.

2 110. Respondent failed to return unearned fees to Bridge.

3 111. The total fees charged by Respondent in connection with subpoena enforcement  
4 were unreasonable.

5 112. On October 8, 2012, Bridge sent Respondent a check for \$125 as advance costs to  
6 pay a third party to investigate Craig's bank accounts.

7 113. Due to Craig's bankruptcy, Respondent did not seek to have Craig's bank accounts  
8 investigated.

9 114. On or about November 19, 2012, Respondent deposited Bridge's \$125 check for  
10 advance costs into her general account and used it for other purposes without the knowledge or  
11 consent of Bridge.

12 115. Respondent did not provide Bridge with any invoice or accounting regarding the  
13 \$125 check.

14 116. Respondent did not return the \$125 in unincurred costs to Bridge.

15 **B. Facts Regarding Bench**

16 117. On May 2, 2012, Bridge filed a collection lawsuit against Sally Bench, Craig's  
17 mother, to recover \$1,000 in personal loans Bridge made to Bench.

18 118. On September 10, 2012, the matter was referred to arbitration.

19 119. The arbitration was scheduled for February 21, 2013.

20 120. In November 2012, Bridge hired Respondent to represent him at the arbitration.

21 121. There was no written fee agreement.

22 122. On November 28, 2012, Respondent charged \$1,027.50 to Bridge's credit card.  
23 This charge represented an advance flat fee for representing Bridge at the arbitration.

1           123. After credit card fees were deducted, Respondent deposited the remaining \$999.24  
2 in advance fees paid by Bridge into her general account and used the funds for her own  
3 purposes.

4           124. Bridge also hired another lawyer, Daniel Ehrlich (Ehrlich), to represent Bridge at  
5 the arbitration.

6           125. On February 21, 2013, Ehrlich and Respondent jointly appeared at the arbitration  
7 for Bridge. Bench did not appear at the arbitration.

8           126. Ehrlich handled the arbitration. Respondent had minimal participation during the  
9 arbitration.

10           127. After the arbitration, Respondent demanded that Bridge pay her \$1,000, but Bridge  
11 refused to do so because he had already paid Respondent an advance flat fee of approximately  
12 \$1,000.

13           128. On February 21, 2013, the same day as the arbitration, Bench filed a chapter 7  
14 bankruptcy.

15           129. Due to Bench's bankruptcy, the arbitration award was vacated.

16           130. Respondent never provided Bridge with any billing statements or accountings for  
17 the funds paid to her or for the services rendered by Respondent in connection with the  
18 arbitration.

19           **C. Facts Regarding Second Lawsuit Against Bench**

20           131. On May 15, 2012, Bridge sued Bench in small claims court over \$300 in additional  
21 personal loans Bridge made to Bench in 2010.

22           132. On July 11, 2012, the court entered a \$341.31 judgment for Bridge.

23           133. On August 13, 2012, the \$341.31 judgment against Bench was transferred to King

1 County Superior Court for collection.

2 134. Bridge hired NACM to garnish Bench's wages and bank account. Bridge paid  
3 NACM directly for the garnishments.

4 135. NACM hired Respondent to perform the garnishments for Bridge.

5 136. Respondent's garnishments did not result in any recovery.

6 137. Bench's October 5, 2012 answer to the garnishment claimed that her personal  
7 property, including a 1999 Buick Century automobile, was exempt.

8 138. Respondent knew that it was unlikely that Bridge would make any recovery  
9 against Bench.

10 139. On November 15, 2012, Bridge hired Respondent to pursue collection against  
11 Bench's personal property through a writ of execution.

12 140. Respondent's written fee agreement provided that Bridge was required to pay an  
13 advance flat fee of \$4,000 that was "non-refundable" unless Respondent recovered \$4,000 in  
14 fees from Bench in connection with the execution, which Respondent knew was unlikely.

15 141. Under the circumstances, the \$4,000 flat fee charged by Respondent was excessive  
16 and unreasonable.

17 142. Respondent's written fee agreement did not comply with the provisions in RPC  
18 1.5(f)(2) that exempts lawyers from the requirement in RPC 1.15A(e) to deposit advance fees  
19 into a trust account.

20 143. Respondent's written fee agreement also required Bridge to pay advance costs of  
21 \$1,600 for the writ of execution.

22 144. On November 16, 2012, Respondent charged \$5,754.00 to Bridge's credit card for  
23 advance fees and advance costs regarding the writ of execution.

1 145. After deducting credit card fees, Respondent deposited the remaining \$5,692.11  
2 into her general account and used these funds. Respondent used the advance cost portion for  
3 other purposes.

4 146. On or about December 12, 2012, Respondent filed a Motion and Declaration for  
5 Order of Supplemental Judgment (Motion/Declaration for Supplemental Judgment) seeking the  
6 entry of an ex parte Order for Supplemental Judgment Against Bench (Supplemental Judgment)  
7 for, among other things, "recoverable costs" related to the Writ of Execution.

8 147. Respondent's Motion/Declaration for Supplemental Judgment included a request  
9 for a judgement for costs totaling \$2,951.49 plus \$4,000 in attorney fees.

10 148. Of the \$2,951.49 of requested costs, \$2,500 had not been incurred.

11 149. Respondent never informed the court that the costs requested in the proposed  
12 Supplemental Judgment were not actually incurred.

13 150. On December 19, 2012, the court entered the proposed Supplemental Judgment  
14 submitted by Respondent ex parte in connection with Respondent's Motion/Declaration for  
15 Supplemental Judgment.

16 151. The Supplemental Judgment issued by the court exceeded the amount owed by  
17 Bench because Respondent included "costs" that were never incurred.

18 152. In February 2013 and March 2013, Respondent issued checks for costs in the  
19 Bridge matter from her trust account.

20 153. At the time, Respondent issued the checks from her trust account, she used funds  
21 belonging to other clients because Respondent did not deposit Bridge's advance costs or fees  
22 into her trust account.

23 154. At Respondent's request, Bridge paid additional funds to Respondent to

1 compensate for other client funds in Respondent's trust account used by Respondent in Bridge's  
2 matter.

3 155. Respondent would have had sufficient funds in her trust account to pay Bridge's  
4 expenses had she properly deposited the advance fees and advance costs paid by Bridge into her  
5 trust account.

6 156. Using a writ of execution obtained by Respondent, the Sheriff seized Bench's 1999  
7 Buick Century and Bench's flat screen television set. These items were returned to Bench after  
8 she filed chapter 7 bankruptcy on February 21, 2013.

9 157. Respondent's representation of Bridge was effectively terminated by early April  
10 2013.

11 158. On April 23, 2013, the Sheriff's office issued a check to Respondent for \$180  
12 reflecting a partial refund of costs paid by Bridge in connection with the writ of execution.

13 159. On May 1, 2013, Respondent deposited the \$180 check from the Sheriff's office  
14 into her general account.

15 160. Respondent spent the \$180 returned by the Sheriff's office and did not inform  
16 Bridge about the refund.

17 161. Respondent never provided Bridge with a billing statement or an accounting for  
18 services rendered in connection with the writ of execution.

19 162. Respondent never provided Bridge with an accounting for costs incurred.

20 163. Respondent failed to promptly return unincurred costs.

21 164. On or about October 10, 2014, ODC sent letter to Respondent analyzing her ethics  
22 violations.

23 165. After ODC sent the October 10, 2014 letter, Respondent sent Bridge a check for

1 \$211.96 representing the reimbursement of \$180 in costs returned by the Sherriff's office plus  
2 interest.

3 166. Respondent did not return other unearned costs to Bridge and still owes Bridge  
4 unearned costs exceeding \$1,000.

5 **D. Respondent's Conduct Relating to Investigation of Bridge Grievance**

6 167. During ODC's investigation of Bridge's grievance, Respondent engaged in  
7 misrepresentation and deception to conceal her misconduct.

8 168. On or about March 3, 2014, Respondent provided ODC with a "client ledger" for  
9 Bridge containing false and deceptive entries.

10 169. In late 2014, Respondent generated an undated "billing statement" that purportedly  
11 reflected legal services provided to Bridge on an hourly basis.

12 170. Respondent never provided this "billing statement" to Bridge.

13 171. The "billing statement" contained entries for fees and costs that were unreasonable.

14 **COUNT 1**

15 172. By converting settlement proceeds belonging to UCC and/or BA, and/or by  
16 converting other client funds in her trust account to pay back BA for the funds Respondent  
17 previously converted, Respondent violated RPC 1.15A(b), RPC 8.4(b) (by violating the theft  
18 statute RCW 9A.56.020(1)), RPC 8.4(c), and/or RPC 8.4(i).

19 **COUNT 2**

20 173. By failing to deposit the settlement proceeds from MH into her trust account  
21 and/or by failing to notify UCC and/or BA of the receipt of the settlement proceedings from  
22 MH, and/or by failing to return UCC's calls regarding the status of the matter, Respondent  
23 violated RPC 1.15A(c), RPC 8.4(c), RPC 1.15A(d), and/or RPC 1.4(a).

1 **COUNT 3**

2 174. By failing to promptly deliver and pay to UCC and/or BA the settlement proceeds  
3 from MH. Respondent violated RPC 1.15A(f).

4 **COUNT 4**

5 175. By using client funds in the trust account for her own benefit without authority or  
6 entitlement. (not including the funds related to UCC/BA matter) and/or by using client funds to  
7 pay the costs of other clients who did not have funds in Respondent's trust account. Respondent  
8 violated RPC 1.15A(b), RPC 1.15A(c), RPC 1.15A(h), RPC 8.4(b) (by violating RCW  
9 9A.56.020(1)(a)), and/or RPC 8.4(c).

10 **COUNT 5**

11 176. By converting settlement proceeds belonging to CD and/or CD's ex-spouse,  
12 Respondent violated RPC 8.4(b)(theft), RPC 8.4(c), and/or RPC 1.15A(b).

13 **COUNT 6**

14 177. By charging unreasonable fees to CD. Respondent violated RPC 1.5(a), and/or  
15 RPC 8.4(c).

16 **COUNT 7**

17 178. By obtaining CD's writ of execution and/or by obtaining supplemental judgments  
18 in other cases from the court that included excessive attorney fees and/or costs that were not  
19 actually incurred, Respondent violated RPC 3.3(a), RPC 3.3(f), and/or RPC 8.4(c).

20 **COUNT 8**

21 179. By obtaining the payment from CD's ex-spouse of excessive attorney fees and  
22 costs that were not actually earned or incurred. Respondent violated RPC 8.4(c) and/or RPC  
23 8.4(d).

1 **COUNT 9**

2 180. By making false representations to clients JH and KM that Respondent was  
3 advancing personal funds, when in fact, she was using funds belonging to other clients, and/or  
4 by providing KM with an altered accounting to conceal the conversion of KM's advance costs,  
5 Respondent violated RPC 8.4(c).

6 **COUNT 10**

7 181. By failing to cooperate fully and promptly in the investigation of ODC's  
8 grievance, and/or by concealing relevant information, Respondent violated RPC 8.4(c), RPC  
9 8.4(j), ELC 1.5, ELC 5.3(f), and/or ELC 5.3(h).

10 **COUNT 11**

11 182. By knowingly making false statements, by engaging in deceptive behavior, and/or  
12 by providing false and deceptive testimony during her depositions, by attempting to persuade  
13 her paralegal to take responsibility for her trust account violations, all in connection with the  
14 investigation of the ODC grievance, Respondent violated RPC 8.1, RPC 8.4(a), RPC 8.4(c),  
15 and/or RPC 8.4(d).

16 **COUNT 12**

17 183. By converting and/or using client funds belonging Bridge and/or other clients,  
18 including advance fees and/or advance costs belonging to Bridge, Respondent violated RPC  
19 1.15A(b), and/or RPC 1.15A(h)(8), RPC 8.4(c), RPC 8.4(b) (violating the theft statute RCW  
20 9A.56.020(1)), and/or RPC 8.4(i).

21 **COUNT 13**

22 184. By failing to deposit Bridge's advance fees and/or advance costs into a trust  
23 account, Respondent violated RPC 1.15A(c) and/or RPC 1.5(f).

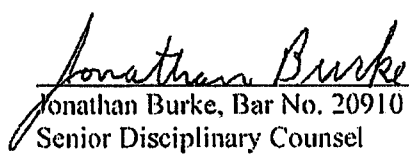


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**COUNT 14**  
 2 185. By failing to provide Bridge with an accounting of the fees and costs charged  
 3 and/or incurred in legal matters, and/or by failing to keep Bridge informed about fees and costs  
 4 incurred and/or funds returned from the Sheriff's office, Respondent violated RPC 1.15A(e),  
 5 RPC 1.15A(d), and/or RPC 1.4(a).  
 6  
**COUNT 15**  
 7 186. By charging unreasonable fees and costs to Bridge and/or by failing to promptly  
 8 return unearned fees and costs not earned or incurred, Respondent violated RPC 1.5(a), RPC  
 9 1.16(d), and/or RPC 8.4(c).  
 10  
**COUNT 16**  
 11 187. By obtaining a Supplemental Judgment against Bench for costs not actually  
 12 incurred and/or excessive fees, Respondent violated RPC 3.3(a), RPC 3.3(f), RPC 8.4(c), and/or  
 13 RPC 8.4(d).  
 14  
**COUNT 17**  
 15 188. By providing ODC with false and misleading information in connection with the  
 16 investigation of the Bridge grievance, including Bridge's purported "client ledger" and "billing  
 17 statement," Respondent violated RPC 8.1, RPC 8.4(c), and/or RPC 8.4(d).  
 18  
**COUNT 18**  
 19 189. By engaging in the unethical, unlawful, and/or dishonest conduct described in this  
 20 complaint, Respondent violated RPC 8.4(n) (conduct demonstrating unfitness to practice law).  
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THEREFORE, Disciplinary Counsel requests that a hearing be held under the Rules for Enforcement of Lawyer Conduct. Possible dispositions include disciplinary action, probation, restitution, and assessment of the costs and expenses of these proceedings.

Dated this 19<sup>th</sup> day of May, 2016.

  
Jonathan Burke, Bar No. 20910  
Senior Disciplinary Counsel