1

2

3 STATE BAR OF NEVADA,

VS.

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20 21

22

23

24

25

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD

FILE JUL - 5 2016

TEBAR OFNEVAL

OFFICE OF BAR COUNSE.

PUBLIC REPRIMAND

TO: Michael S. Myers, Esq.:

MICHAEL S. MYERS, ESQ.,

Nevada Bar No. 1494,

Respondent

Complainant,

SG12-1337/Carolina Cornejo

Your client Carolina Cornejo ("Cornejo") retained you to represent her in a personal injury matter. In her August 20, 2012, letter to the State Bar, Cornejo complained that her case had settled for \$150,000 in May of 2006, but she had never received an accounting of how the funds were disbursed. According to Cornejo, she tried multiple times to reach you, but she was never able to speak with you. Cornejo indicated that her last conversation with the office staff was in April 2012, when she was told that they were still trying to get her liens reduced.

In your initial response to the State Bar dated September 13, 2012, you admitted that your staff "dropped the ball," adding that the staff member responsible for the file and forwarding messages to you left the firm in July 2012. According to you. Cornejo's case settled for \$150,000, but her medical bills exceeded \$175,000. You stated that your staff tried to secure lien reductions, but some providers did not respond, others wanted to negotiate for higher amounts, and others under one umbrella billed separately. You said that since receiving the grievance you had contacted Cornejo and assured her that you would take all steps necessary to conclude her case.

Your response was sent to Cornejo for comment. In response, Cornejo provided a copy of a letter she had written to you on October 6, 2012, wherein she demanded that you provide her with a complete copy of her file relevant to her medical billings and lien reduction requests, as well as the balance of funds in your trust account, and she would resolve the liens herself.

After this demand, you met with Cornejo and provided her with a check in the amount of \$78,855.41, representing the balance of funds available to her, along with all of the documentation she requested. You indicated that you would continue to make your office available to Cornejo to assist her in reducing the liens, if she desired. You added that you did not dispute Cornejo's claim that her phone calls were not returned.

On January 3, 2013, the State Bar sent additional correspondence to you asking you to provide more specific information and documentation regarding Cornejo's settlement. In your response to the State Bar, you confirmed that Cornejo's settlement occurred in May 2006, and you provided a copy of the settlement check dated May 19, 2006. You explained that the check was deposited into the firm's trust account at Bank West of Nevada, but that trust account had been closed and all funds transferred to a new trust account with Bank of Nevada.

You provided a copy of the disbursal sheet signed by Cornejo on June 9, 2006. According to the disbursal sheet and records provided, you immediately issued a check for \$8,992.33 to your firm as reimbursement for costs, and transferred \$60,000 to yourself for your attorney fees. The balance of \$81,007.67 was kept in trust to pay Cornejo's medical providers. After taking your fees, you issued only three (3) checks to pay medical providers: the first on January 7, 2007; the second on October 11, 2007; and the third on April 30, 2010. The balance remaining after these checks were issued was the \$78,855.41 which was paid directly to Cornejo on October 10, 2012.

As part of its investigation into this matter, the State Bar subpoenaed the bank account records for the trust account of your firm, from January 2008 to October 2012 to determine if Cornejo's funds had been maintained in the trust account during that period. Those records reflect that in July 2010, the trust account balance fell to \$32,255.03 and remained below the \$78,855.41 amount that should have been maintained in trust just for the Cornejo matter; and that the balance remained under said amount for approximately two (2) weeks, until a settlement check in another client's matter was deposited in the account on July 19, 2010.

As mitigating factors, you not only made Cornejo whole, but after the substantial delay, Cornejo received more money than she would have likely received in the ordinary course. You further agreed to indemnify Cornejo from any future claims which might be asserted by any unpaid providers. Finally, you have taken substantial remedial steps to audit your trust account and minimize the risk of future similar errors.

Nonetheless, the Panel unanimously concluded that you violated Rule of Professional Conduct (RPC) 1.4 (Communication), for failing to keep Cornejo apprised of the status of her case and not returning phone calls. You are reminded that the attorney, not his staff, is responsible for key communications with clients. You further violated RPC 1.15 (Safekeeping Property) for failing to keep Cornejo's monies in trust and resolving her liens in a timely fashion and are hereby **PUBLICLY REPRIMANDED**.

DATED this $\frac{51}{2}$ day of July, 2016.

Robert J. Caldwell, Esq., Chair

Southern Nevada Disciplinary Panel