

1 STATE BAR OF NEVADA

2 SOUTHERN NEVADA DISCIPLINARY BOARD

3 STATE BAR OF NEVADA,)

4 Complainant,)

5 vs.)

6 RANDAL R. LEONARD, ESQ.,)

Nevada Bar No. 6716,)

7 Respondent)



FILED

AUG 22 2016

STATE BAR OF NEVADA
BY: *[Signature]*
OFFICE OF BAR COUNSEL

8
9 **PUBLIC REPRIMAND**

10 TO: Randal Leonard, Esq.:
500 S Eighth Street
11 Las Vegas, NV 89101

12 **Case No. SG14-0027/ Shantel Wilson**

13 Shantel Wilson ("Wilson") retained you to represent her after she was injured in a
vehicle accident on April 11, 2010. In addition to representing Wilson, you also
14 represented William Earnest and Christina Garcia who were likewise in Wilson's vehicle
at the time of the accident. All three (3) cases were settled in 2011.

15 In her grievance letter, received by the State Bar on January 7, 2014, Wilson
16 complained that although you had retained funds from her settlement to pay her medical
providers, she had recently received calls from two (2) of her providers indicating that
17 they had not yet been paid. Wilson sought assistance from the State Bar to confirm what
funds you received, and what bills had been paid.

18 In your March 5, 2014, response to the State Bar, you explained that you settled
19 all three (3) third-party claims with Primero Insurance on or about March 11, 2011, for the
policy limits. You added that as the at fault party's policy had a \$30,000 per accident
20 limit, the settlement was pro-rated to provide \$15,000 to Wilson, \$10,000 to Garcia and
\$5,000 to Earnest. The settlement checks were issued on or about April 28, 2011, and
21 deposited into your trust account on or about May 3, 2011.

22 Thereafter, on or about June 14, 2011, you settled the UIM claim with State Farm
Insurance for the policy limits of \$50,000 for Wilson, as she sustained the most injuries.
23 The settlement check was deposited into your trust account on or about June 23, 2011.
You were also able to secure medical payments coverage of \$5,000 for Wilson,
24 \$3,867.50 for Garcia, and \$1,223.90 for Earnest. These checks were deposited into your
trust account on or about April 11, 2011.

25 You provided copies of checks issued to pay your clients' unpaid medical
providers that were dated between December 23, 2013, and March 4, 2014, the day prior

1 to the date of your response. You had previously issued checks to Wellcare Pharmacy
2 on behalf of all three (3) clients in or about October 2011, and to St. Rose Dominican
Hospital on behalf of Garcia in or about August 2012.

3 You then explained that the delay in paying the remaining medical providers was
4 caused because these files were mistakenly sent to storage. You added that you had
5 sufficient funds in your trust account to cover the checks that had just written, and
6 provided a copy of your trust account activity statement covering the period of December
5, 2013, to March 4, 2014, to demonstrate that your account had a balance of \$17,183.02
as of March 4, 2014. (On that date, you should have had \$9,777.12 remaining in trust for
Wilson and Garcia).

7 As part of its investigation, the State Bar subpoenaed your trust account records
8 from Wells Fargo Bank for the period of January 1, 2011, through March 6, 2015.

9 Based on the settlements, you should have maintained \$13,514.22 in your trust
10 account between August 17, 2012, (the last date he had issued a check on behalf of
Garcia or Wilson prior to receiving this grievance), and January 8, 2014, for the benefit of
Wilson and Garcia to cover the unpaid lienholders.

11 However, according to the records obtained from Wells Fargo Bank, the trust
12 account balance fell below that amount on multiple occasions between August 17, 2012,
and October 7, 2013, falling as low as \$4,253.60 on June 7, 2013.

13 Further, it appeared that in addition to the funds that should have been in trust for
14 Wilson and Garcia on June 7, 2013, you should also have also maintained at least an
15 additional \$5,378.50 in trust on behalf of other clients whose settlements had been
deposited into your trust account prior to that date, but were not distributed until on or
about September 19, 2013, when you issued checks to Dr. Steven Holper to pay liens

16 On July 9, 2014, the State Bar sent you follow up correspondence asking you to
17 explain why your clients' funds were not appropriately maintained in your trust account.
18 The State Bar also asked you to confirm that you had paid Nevada Spine Clinic on behalf
of Wilson, and Dr. Holper on behalf of Garcia, as these providers were identified as
19 lienholders in the settlement disbursement statements sent with your response, but you
did not provide proof that checks were issued to pay those specific liens, and there was
20 no record of such payments in the first set of subpoenaed records received from Wells
Fargo Bank.

21 The State Bar also asked you to explain why on February 9, 2014, you issued a
22 check from your trust account to Dr. Holper for \$948.94 on behalf of Earnest when,
according to the signed settlement disbursement sheet you provided, you had not
withheld funds from Earnest's settlement to make such a payment.

23 In your response to the State Bar dated July 27, 2014, you stated that you would
24 respond to the trust account issues after reviewing your records, but you had sent a
25 check to pay Nevada Spine Clinic on behalf of Wilson, and would send proof once you
received the cancelled check.

1 You provided a revised unsigned settlement statement regarding the distribution of
2 Earnest's settlement, adding the \$948.94 disbursement to Dr. Holper, and reducing
3 Earnest's portion of the settlement by the amount paid to Dr. Holper. Earnest, however,
had received the higher amount back in May 2011, and you provided no evidence to
suggest that you had asked Earnest to return the overpayment that he had received.

4 You also provided a revised unsigned settlement disbursement statement
5 regarding the distribution of Garcia's settlement. You now claimed that Dr. Holper had
6 been paid directly by State Farm under the medical payments coverage. Garcia's
7 revised statement also included an additional \$5,000 in total recovery, as it included the
8 amount paid to Garcia in medical payments coverage, which resulted in a higher
attorney's fee for you on the revised statement when compared to the original statement
signed by Garcia. Further, you claimed that you had withheld \$985.14 from Garcia's
settlement to pay a lien for "Emergency Transportation" which was not on Garcia's
original settlement disbursement statement.

9 On September 19, 2014, as you had not sent a supplemental response pursuant
10 to your July 27, 2014, letter, the State Bar sent you another letter reminding you that you
had not provided a complete response to the State Bar's July 9, 2014, letter.

11 In a letter dated October 12, 2014, you provided a copy of the cancelled check
12 issued to Nevada Spine Clinic on July 27, 2014, on behalf of Wilson for \$760.00, but
provided no other information.

13 On October 23, 2014, the State Bar sent additional correspondence reminding you
14 again that you had not explained why your clients' funds were not properly maintained in
your trust account. The State Bar also asked you to explain the overpayment to Earnest
15 and if the funds had been returned to your trust account, and if the Emergency
Transportation lien had been paid on behalf of Garcia.

16 In your November 4, 2014, response, you claimed "as a result of your
17 investigation, I am aware of the time periods where money should have been maintained
18 in the trust account. However, the trust account is in balance and has been since that
time."

19 You then stated that due to confusion over which bills had been paid directly by
20 the insurance company for Garcia and Earnest, you inadvertently overpaid Earnest \$948,
but had refunded that amount to your trust account. However, there is no deposit from
you personally into the trust account for that or any other amount between the time you
21 issued the check to Holper and March 2015, although it is feasible you deducted that
amount from earned fees you would have otherwise withdrawn.

22 You provided a copy of an invoice dated February 22, 2011, from American
23 Medical Response ("AMR"), which was identified as "Emergency Transportation" on
Garcia's revised settlement statement, showing that Garcia's AMR bill showed a zero
24 balance. The balance was deducted from the bill by an "adjustment," so it is hard to tell if
the bill was actually paid or written off by AMR, as Garcia's case had not settled on
25 February 22, 2011. Further, as the AMR bill had been taken care of, it was unclear why
you included it on the revised settlement statement as a lien payment that had to be

1 withheld from Garcia's settlement, and additional correspondence was sent to you for
2 further explanation.

3 In your February 12, 2015, response, you again stated there had been confusion
4 over what bills had been paid directly by the insurance company, and you thought AMR
5 had been paid by State Farm. You acknowledged that the funds you had identified as
6 being withheld on the revised settlement disbursement statement to pay AMR should be
7 paid to Garcia, but stated that you did not have her current address. You indicated that
8 you would try and locate Garcia to send her the refund and send confirmation to our
9 office. You testified that you had located Garcia and paid over the refund.

10 The Panel appreciated the fact that you have taken responsibility for this issue and
11 the fact that you have provided an audit of your trust account, however you are reminded
12 of the need to keep client funds in trust. As such, you violated Rule of Professional
13 Conduct (RPC) 1.3 (Diligence), RPC 1.15 (Safekeeping Property), RPC 8.1 (Bar
14 Admission and disciplinary Matters), and RPC 8.4 (Misconduct), and are hereby **PUBLICLY
15 REPRIMANDED.**

16 DATED this 22nd day of August, 2016.

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19 Candace C. Carlyon, Esq., Chair
20 Southern Nevada Disciplinary Panel
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