

IN RE: RICHARD P. BLAUSTEIN

S.J.C. Judgment of Disbarment entered by Justice Ireland on January 24, 2002.¹

SUMMARY²

This matter came before the Court on the respondent's affidavit of resignation pursuant to S.J.C. Rule 4:01, § 15. The respondent admitted in the affidavit that sufficient evidence existed to warrant findings that the facts alleged in Bar Counsel's statement of disciplinary charges could be proved, as follows.

In April 2000, the respondent was retained to represent a client in a divorce matter and paid a retainer of \$1000. The complaint for divorce was filed by the client's wife on May 23, 2000.

On June 30, 2000, the client sold certain real estate in Dorchester, Massachusetts, that he owned as trustee. The respondent attended the closing on the client's behalf. After certain additional adjustments were made, the client received from the settlement agent on July 7, 2000, a check in the amount of \$65,983 for the net proceeds.

After the client received these funds, the respondent and the client agreed that the respondent should hold a portion of the funds on the client's behalf pending the finalization of the divorce case. On July 24, 2000, the client remitted \$30,983 by treasurer's check payable to the respondent.

On July 26, 2000, the respondent deposited this check for \$30,983 to a personal account in the name of the respondent's wife. Between July 26, 2000, and September 12, 2000, the respondent or his wife intentionally expended the entirety of the \$30,983 deposit for their own business or personal purposes unrelated to the client. By August 10, 2000, two weeks after the deposit, the balance in the account was \$2401.38, and by September 12, 2000, the account was in overdraft.

In March 2001, the respondent drafted, and the respondent and the client executed, a formal agreement concerning the real estate sale proceeds that the client understood the respondent to be holding. The respondent backdated the agreement to October 4, 2000, the date that he mistakenly remembered receiving the funds. The agreement provided that the respondent would hold \$30,500 until April 10, 2001, or until the settlement of the divorce case, whichever came first. In fact, the respondent had long since expended the client's funds.

Commencing in April 2001, the client made demand upon the respondent, both orally and in writing, for the return of his funds. On or about April 24, 2001, the respondent spoke to the client and misrepresented that a check had been mailed to him. To date, no restitution has been made.

The respondent's commingling and intentional misappropriation of client funds, with intent to deprive the client of the funds at least temporarily and with actual deprivation resulting, is conduct in violation of Mass. R. Prof. C. 8.4(c),(h) and Mass. R. Prof. C. 1.15(a),(b),(d), and (e).

The respondent's drafting and execution of an agreement with the client in March 2001 misrepresenting that he continued to hold the client's funds, and his subsequent misrepresentation to the client that a check for his funds had been mailed to him, is conduct in violation of Mass. R. Prof. C. 8.4(c),(h).

On December 17, 2001, the Board of Bar Overseers voted to recommend that the affidavit of resignation be accepted and that the respondent be disbarred. The Court so ordered on January 24, 2002.

¹ The complete Order of the Court is available by contacting the Clerk of the Supreme Judicial Court for Suffolk County.

² Compiled by the Board of Bar Overseers based on the record before the Court.

Please direct all questions to webmaster@massbbo.org.

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