

IN RE: LAURA B. ALDERMAN

S.J.C. Judgment of Disbarment entered by Justice Ireland on September 18, 2008, with an effective date of October 20, 2008.¹

SUMMARY²

The respondent was disbarred for misconduct in seven matters. In October 2005, the respondent joined the law practice of another attorney and they formed a limited liability partnership (the firm). The respondent neglected six matters and made intentional misrepresentations to clients and to counsel to conceal her neglect. In four of these matters, the respondent intentionally misused unearned retainers with actual deprivation resulting and failed to make restitution in two of those cases. In two other matters, the respondent intentionally misused clients' funds held back at the real estate closings to pay taxes and a judgment lien with actual deprivation resulting. The respondent then abandoned her practice. The respondent also forged her husband's name and the other attorney's name on two joint bankruptcy petitions.

In the first matter, the respondent was retained to file a complaint for divorce on behalf of the client, and she received a \$2,500 retainer. In September 2005, the respondent cashed the client's retainer check and intentionally misused the funds for personal purposes unrelated to the client. The respondent had not earned any of the retainer.

In October 2005, the client reconciled with his wife, discharged the respondent and demanded that the respondent return his retainer. The respondent agreed to refund the client's retainer.

In November 2005, the respondent wrote a check payable to the client for \$2,500, drawn on the firm's IOLTA account, using unrelated trust funds, which had been knowingly misappropriated from the firm's conveyancing account.

By cashing the client's retainer check and intentionally expending his retainer for personal purposes unrelated to the client, the respondent violated Mass. R. Prof. C. 1.15(b), (c), and (d), and 8.4(c).

By remitting clients' funds to the client that were misappropriated from the firm's conveyancing account, the respondent intentionally misused trust funds in violation of Mass. R. Prof. C. 1.15(c) and (d), and 8.4(c).

In the second matter, the respondent's law partner conducted a real estate closing as settlement agent for the purchaser and withheld \$2,164.73 from the settlement distribution to pay a tax lien and back taxes owed the city. Shortly thereafter, the respondent's law partner asked the respondent to find out the amount due on the tax lien and any additional taxes and to pay that amount to the city. The respondent failed to do so and instead intentionally used the settlement funds in the conveyancing account to make unauthorized disbursements to herself and refunds to other clients. The respondent's intentional misuse of the settlement held to pay taxes resulted in actual deprivation.

By failing to determine the amount due and to remit the funds withheld at the closing for taxes due to the city, the respondent violated Mass. R. Prof. C. 1.2(a) and 1.3.

By withdrawing trust funds from the conveyancing account for her own business or personal purposes, instead of paying the taxes, the respondent intentionally misused trust funds with actual deprivation resulting, in violation of Mass. R. Prof. C. 1.15(c) and (d), and 8.4(c).

In the third matter, the respondent conducted a real estate closing in December 2005, as settlement agent. There was a recorded judgment lien against the property for the client's hospital bills in the amount of \$3,925. As a condition of the refinance loan, the respondent withheld \$3,925 to pay the judgment.

The respondent intentionally misused the funds to pay her unrelated personal and business expenses, resulting in actual deprivation. In January 2006, the respondent misrepresented to counsel for the hospital that she had sent a check to pay the judgment lien in early January 2006.

By falsely representing to counsel that she had sent a check for the \$3,925 judgment, the respondent violated Mass. R. Prof. C. 4.1(a) and 8.4(c).

By intentionally using settlement funds to pay unrelated business and personal expenses with actual deprivation resulting, the respondent violated Mass. R. Prof. C. 1.15(b), (c), and (d), and 8.4(c).

In the fourth matter, in September 2005, the respondent was retained to represent the client in her divorce. The client paid the respondent a \$2,000 retainer. The respondent did not deposit the retainer into a trust account. Instead, the respondent deposited the check into the firm operating account. By November 2005, the respondent had intentionally misused the client's retainer funds for her own personal or business purposes. The respondent performed little or no work for the client and thus had not earned the retainer.

The client repeatedly telephoned the respondent about the status of her case. In February 2006, the respondent falsely represented to the client that she had filed the complaint for divorce on her behalf. However, in March 2006, the client learned that the respondent had not filed a complaint for divorce. The client then contacted the respondent's law partner and asked her to refund her retainer. In March and April 2006, the respondent's law partner paid the client's successor counsel \$2,180.46 from her own personal funds. After the client filed a complaint with bar counsel, the respondent sent the client a refund in the amount of \$2,000.

By failing to promptly file a complaint for divorce on behalf of the client and to perform any substantial services on her behalf, the respondent violated Mass. R. Prof. C. 1.2(a) and 1.3.

By falsely representing to the client that she had filed a complaint for divorce on her behalf, the respondent violated Mass. R. Prof. C. 8.4(c).

By failing to keep the client reasonably informed about the status of her case, the respondent violated Mass. R. Prof. C. 1.4.

By failing to deposit the client's retainer in a trust account, by intentionally misusing the client's funds for her own business or personal purposes, and by failing to promptly deliver to the client a refund, the respondent violated Mass. R. Prof. C. 1.15(b), (c), and (d), and 8.4(c).

In the fifth matter, the client retained the respondent in January 2006, to represent her in her divorce and paid the respondent a \$1,000 retainer. The respondent did not deposit the retainer into a trust account. Instead, the respondent improperly deposited the check into her and her husband's overdrawn joint personal checking account. By February 2006, the respondent had intentionally misused and spent the client's retainer funds for her own personal purposes. The respondent had not earned any of the retainer.

The client repeatedly telephoned the respondent for information on the status of her case, but the respondent did not return her phone messages and took no action of substance on her case. In late February 2006, the client spoke to the respondent who admitted that she had not done any work on her case and agreed to promptly refund her retainer, but did not do so. After the client filed a request for investigation with bar counsel, the respondent sent the client a refund in the amount of \$1,000.

By failing to promptly file a complaint for divorce and to perform any substantial services for the client, the respondent violated Mass. R. Prof. C. 1.2(a) and 1.3.

By failing to keep the client reasonably informed about the status of her case, the respondent violated Mass. R. Prof. C. 1.4.

By failing to deposit the client's retainer into a trust account, by intentionally misusing the client's funds for her own personal purposes, and by failing to promptly refund the retainer to the client, the respondent violated Mass. R. Prof. C. 1.15(b), (c), and (d), and 8.4(c).

In the sixth matter, the client engaged the services of the respondent in September 2005, to represent her in her divorce matter and paid the respondent a \$2,000 retainer. The respondent did not deposit the retainer into a trust account. Instead, the respondent improperly deposited the funds into her personal joint checking account. By October 2005, the respondent had intentionally spent and misused the retainer funds for her own purposes.

The client repeatedly telephoned the respondent for information on the status of her case. However, the respondent did not return the client's telephone messages. In April 2006, the respondent falsely represented to the client that she had filed motions with the court for temporary orders regarding the care, custody, and support of the client's two children, although she had not done so.

In May 2006, the client learned from her husband that the respondent had withdrawn from her case. The respondent never informed the client in advance that she was withdrawing from her representation and leaving the state. The client requested that the respondent provide her with her file and refund her \$2,000 retainer. The respondent did not provide the file or refund the retainer. After the client filed a request for investigation with bar counsel, the respondent sent the client a refund in the amount of \$1,200 for the unearned portion of her fee.

By failing to promptly file motions for temporary orders on behalf of the client and to perform any substantial services on her behalf, the respondent violated Mass. R. Prof. C. 1.2(a) and 1.3.

By failing to keep the client reasonably informed about the status of her case, the respondent violated Mass. R. Prof. C. 1.4.

By falsely representing to the client that she had filed motions for temporary orders on her behalf, the respondent violated Mass. R. Prof. C. 8.4(c).

By failing to deposit the client's retainer in a trust account, by intentionally misusing the client's funds for her own purposes, and by failing to promptly deliver to the client a refund, with actual deprivation resulting, the respondent violated Mass. R. Prof. C. 1.15(b), (c), and (d), and 8.4(c).

In the seventh matter, the respondent filed a chapter 13 voluntary joint petition for bankruptcy in November 2005. The respondent forged her husband's signature on the petition, and also forged the partner's signature on the petition as counsel. Later in November 2005, the petition was dismissed.

In February 2006, the respondent again filed a chapter 13 voluntary joint petition for

bankruptcy. Again, the respondent forged her husband's and the partner's signatures on the petition. In November 2006, the petition was dismissed. In April 2006, the respondent abandoned her practice and her family and moved to Virginia.

By signing her husband's name to petitions for bankruptcy without his knowledge and authority, the respondent violated Mass. R. Prof. C. 8.4(c).

By signing the partner's name as attorney on petitions for bankruptcy without her knowledge or authority, the respondent violated Mass. R. Prof. C. 8.4(c).

Bar counsel commenced disciplinary proceedings by filing a petition on June 21, 2007, against the respondent. The respondent did not timely file an answer and was defaulted. On August 9, 2007, represented by counsel, the respondent filed a motion for relief from default with an affidavit and a proposed answer. The motion was granted. A prehearing conference was held and the respondent and her counsel participated. Subsequently, respondent's counsel withdrew. In aggravation of her misconduct, the respondent failed to participate in a second prehearing conference, and failed to appear for the hearing.

A hearing committee held a hearing on December 19, 2007, and issued a report on March 31, 2008, finding the facts summarized above and recommending that the respondent be disbarred.

On May 12, 2008, the Board voted to recommend that the respondent be disbarred from the practice of law. On September 18, 2008, the Supreme Judicial Court for Suffolk County so ordered.

FOOTNOTES:

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 filed with the Supreme Judicial Court.

Please direct all questions to webmaster@massbbo.org.

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