

**BEFORE THE SUPREME COURT COMMITTEE ON PROFESSIONAL CONDUCT
PANEL B**

IN RE: Paul E. Revels, Respondent

Arkansas Bar ID#91110

CPC Docket No. 2002-056

FINDINGS AND ORDER

The formal charges of misconduct upon which this Findings and Order is based arose from information brought to the Committee's attention on July 2, 2001. The information related to the representation of Andrew Harvey Firm by Respondent in 2000 and 2001. Additional information was obtained from Respondent with regard to his trust account records pursuant to request made by the staff of the Office of the Executive Director. Further, the Investigator for the Office of Professional Conduct made contact with Linda Hargrove, Sevier County Circuit Clerk, to obtain information related to the matters made the basis of the Complaint. Ms. Hargrove's affidavit was made a part of the formal complaint.

On June 3, 2002, Respondent was served with a formal complaint. A response was filed. The information before the Panel revealed the following facts:

Andrew Harvey Firm retained Paul E. Revels, an attorney practicing primarily in DeQueen, Sevier County, Arkansas, to represent him in a matter against Deep South Insurance Company. Mr. Revels openly admitted that Mr. Firm was a client of his during the time alleged in the complaint. It was explained by Mr. Revels that Mr. Firm contacted him when he (Mr. Firm) realized that he was not going to reach an agreement with Deep South Insurance Company for the damages to his truck which had been involved in a one-vehicle accident. According to Mr. Revels, a settlement was reached but when the checks were received in his office, Mr. Firm was not sure he wished to accept this amount so they were not deposited immediately upon receipt.

At some point during the representation, Mr. Firm believed that a lawsuit had been filed on his behalf. He was under the impression that the matter was filed and had been assigned case number CIV-2001-159. Mr. Revels had prepared a document which purported to be an Order in that legal proceeding. The document set out that there had been a hearing and that the defendant was required to honor a settlement agreement within a set amount of days. This document was prepared and asserted as true despite the fact that there had been no hearing and there was no legal proceeding with that case number. In addition, Mr. Revels prepared another document which indicated that he had received a Judgment on behalf of his client and had a Writ of Garnishment issued. Mr. Revels does not deny preparing the documents, however, he denied that the number placed on the document was placed there by him or a member of his office staff. Mr. Revels denied that he placed the handwritten numbers on the pleadings and averred that the numbers were not on the pleadings when they were released from his office.

All of the information set forth in the preceding paragraph was initially brought to the attention of the Office of Professional Conduct ("OPC") by Mr. Revels' client, Mr. Firm. However, Mr. Firm declined to sign the Affidavit prepared by the staff and advised the Investigator of OPC that it was a small area where he lived and he did not want to pursue the matter. Mr. Firm also advised the Investigator that he had discussed the matter with Mr. Revels and that they had worked everything out. According to Mr. Revels, he and Mr. Firm did resolve their matters because Mr. Firm's case was concluded in a fashion with which Mr. Firm was completely satisfied.

In addition to the false documentation, there were IOLTA trust account matters which involved monies owing to Mr. Firm. The records of Mr. Revels' trust account reveal that on October 11, 2000, he deposited funds belonging to Mr. Firm and First State Bank in his trust account. The funds were from two checks dated May 11, 2000, which were held approximately four (4) months before deposit. The funds were not maintained in the trust account until remitted to Mr. Firm. The balance in Mr. Revels' trust account from October 11, 2000, until June 5, 2001, the date Mr. Firm received the funds should have been \$6,824.08. However that balance was not maintained in the account for that period of time. The monthly summary statements demonstrate that the balance was below the \$6,824.08 from October 19, 2000 through December 20, 2000, from December 22, 2000 through January 15, 2001, and from February 15, 2001 through February 19, 2001. Mr. Firm's funds were used to pay someone else \$6,750 on October 19, 2000 and someone else's funds were used to pay Mr. Firm on June 3, 2001. Mr. Revels acknowledged that he did not negotiate the checks immediately because he wanted some assurance from the insurance company that the two checks received would not be considered in full and final settlement of the claim of Mr. Firm. Mr. Revels did admit that after review of his trust account for the periods in question that the funds belonging to Mr. Firm were not maintained as required.

Regardless of the complainant's desire not to pursue the matter, the Model Rule violations were present and capable of being proven without Mr. Firm's assistance. As such the matter was presented as a formal complaint and responded to by Mr. Revels.

Upon consideration of the formal complaint and attached exhibit materials, the response, and other matters before it, and the Arkansas Model Rules of Professional Conduct, Panel B of the Arkansas Supreme Court Committee on Professional Conduct finds:

That Mr. Revels' conduct violated Model Rule 1.3 when he did not remit the funds he received on Mr. Firm's behalf during May 2000 until June 3, 2001. Model Rule 1.3 requires that a lawyer act with reasonable diligence and promptness in representing a client.

That Mr. Revels' conduct violated Model Rule 1.15(a)(1), to wit: (i) On October 11, 2000, he deposited Mr. Firm's funds of \$6,824.08 into his IOLTA trust account, but he did not maintain them there until he remitted the funds to Mr. Firm. The balance in his trust account was below \$6,824.08 on the following dates when that minimum balance should have been present: (1) from October 19, 2000 through December 20, 2000; (2) from December 22, 2000, through January 15, 2001 and; (3) from February 15, 2001 through February 19, 2001; and, (ii) He deposited Mr. Firm's settlement funds into his IOLTA account on October 11, 2000, and thereafter used those funds to pay check number 1128 for \$6,750.00 which was paid to someone other than Mr. Firm on October 19, 2000. Model Rule 1.15(a)(1)

requires, in pertinent part, that all lawyers hold property of client or third persons that is in a lawyer's possession in connection with a representation separate from a lawyer's own property with funds of a client being deposited and maintained in one or more identifiable trust accounts in the state where the lawyer's office is situated.

That Mr. Revels' conduct violated Model Rule 8.4(c) when he falsely advised Mr. Firm that a court action had been filed on his behalf in Sevier County Circuit Court and when he prepared a false Order and represented to Mr. Firm that Judge Capehart had ordered Deep South Insurance Company to pay the sum of \$18,500 within ten (10) days from May 24, 2001, by means of this unsigned Order. Model Rule 8.4(c) requires that a lawyer not engage in conduct involving dishonesty, fraud, deceit or misrepresentation.

WHEREFORE, it is the decision and order of the Arkansas Supreme Court Committee on Professional Conduct, acting through its authorized Panel B, that PAUL E. REVELS, Arkansas Bar ID# 91110, be, and hereby is, REPRIMANDED for his conduct in this matter. In addition, Mr. Revels is ordered to pay a fine in the amount of \$2500 pursuant to Section 18B of the Procedures of the Arkansas Supreme Court Regulating Professional Conduct of Attorneys at Law (2002) ("Procedures"). Mr. Revels is also ordered to pay the costs incurred in this proceeding in the amount of \$125 pursuant to Section 18 A of the Procedures. The fine and costs assessed herein have already been tendered by Mr. Revels as part of the consent agreement.

ARKANSAS SUPREME COURT COMMITTEE ON PROFESSIONAL CONDUCT - PANEL B

By: _____

John Rush, Chair, Panel B

Date: _____