

NOTICE OF REVOCATION AND RESTITUTION

Case No. 96-128-GA

Leonard D. McMahon, P-23603, Detroit, Michigan, by Attorney Discipline Board Tri-County Hearing Panel #15.

- 1) Revocation;
- 2) Effective May 20, 1997.

Pursuant to a 1986 settlement agreement in a medical malpractice action, a plaintiff received an initial payment of \$200,000, followed by structured annual payments to the year 2020. In 1990, respondent was granted power of attorney to advise that plaintiff regarding the settlement funds and to invest and manage the funds on her behalf. Respondent was thereafter entrusted with over \$540,000 in funds belonging to the plaintiff.

Respondent pled no contest to allegations that, over a four-year period, he misappropriated over \$350,000 in funds belonging to the plaintiff; failed to account for the funds; commingled the funds with personal funds; failed to promptly notify the plaintiff of his receipt of the funds; failed to promptly pay to the plaintiff the funds to which she was entitled and failed to make restitution for the monies misappropriated from the her; and made statements to the plaintiff and her representatives which were false and were known by him to have been false at the time they were made. Respondent's conduct was alleged to be in violation of MCR 9.104(1)-(4); and Michigan Rules of Professional Conduct 1.4(a) and (b); 1.15(a) and (b); and 8.4(a)-(c).

Respondent stipulated to the entry of an order of revocation, effective May 20, 1997. Respondent further agreed to make restitution to the plaintiff in the amount of \$440,000 plus interest at the statutory rate, as set forth in the Consent Judgment entered in Wayne County Circuit Court on January 22, 1996. Costs were assessed in the amount of \$1,053.75.