

NOTICE OF REVOCATION AND RESTITUTION

Case No. 95-172-GA

Samuel V. Thomas, P-26693, Detroit, Michigan, by the Attorney Discipline Board affirming Tri-County Hearing Panel #1.

- 1) Revocation;
- 2) Effective April 17, 1997.

Respondent was retained to represent the complainants in civil matters regarding debts and foreclosure problems with their rental properties. The complainants received insurance proceeds totalling \$399,034 to be used to make repairs to the rental property in the event respondent was successful in defeating foreclosure proceedings. The complainants entrusted the funds to respondent to be held in trust. Respondent deposited the entire amount into his client trust account. The panel found that respondent and complainants had both an attorney/client relationship and a partnership/business relationship; the funds were received by respondent pursuant to the partnership/business relationship, but respondent nonetheless was a fiduciary; and the complainants did not have an ownership interest in the funds, having been under a prior turn-over order/agreement with the U.S. Department of Housing and Urban Development [HUD] for insurance proceeds.

The panel found that respondent failed to maintain the funds as a fiduciary; misappropriated over \$300,000; and made statements in his answer to the Request for Investigation which were false and were known by him to have been false at the time they were made. Respondent also failed to appear at the aggravation/mitigation hearing. Respondent's conduct was found to be in violation of MCR 9.103(C); MCR 9.104(1)-(4) and (6); MCR 9.113(A); and Michigan Rules of Professional Conduct 1.15(b) and (c); 8.1(a); and 8.4(a)-(c).

The panel ordered that respondent's license to practice law be revoked and that he make restitution to HUD in the amount of \$304,130.60. Costs were assessed in the amount of \$2679.48.

The complainant filed a petition for review regarding restitution. In an order issued December 22, 1997, the Attorney Discipline Board affirmed the panel's Order of Revocation and Restitution.¹

1. Respondent has been continuously suspended from the practice of law since December 27, 1996. His license was also revoked in a separate matter effective January 6, 1998.

