

NOTICE OF REVOCATION

Case No. 95-162-GA

Jerald R. Payton, P-26483, Sterling Heights, Michigan, by
Attorney Discipline Board Tri-County Hearing Panel #105.

- 1) Revocation;
- 2) Effective October 3, 1996.

Respondent was an equal shareholder in a title insurance company. All compensation and bonuses were to be paid to respondent and his partner on an equal basis, with no additional compensation for respondent's preparation of documents used in customer transactions. The panel found that, without the knowledge or consent of his partner, respondent deposited into his personal account checks paid for document preparation totalling \$61,441.57; failed to inform his partner of his receipt of the monies or the deposit of the funds into his personal account; commingled the funds with his own; and misappropriated the funds. Respondent subsequently resigned from the company. The panel found that, after resigning and without authority or consent, he withdrew \$9,106.01 from the company's reserve account; failed to inform his former partner of his withdrawal of the funds; failed to inform the bank that he no longer had authority to make transactions on the account; and misappropriated the funds. The panel also found that for a period of five years, respondent failed to disclose on the federal corporate tax returns he executed on the company's behalf, the company's receipt of the monies set forth in the Formal Complaint; and failed to disclose or to list as income on his personal tax returns, his receipt of those monies.

Respondent's conduct was found to be in violation of MCR 9.104 (1)-(4); and Michigan Rules of Professional Conduct 1.15(a)and(b) and 8.4(a)-(c).

The panel ordered that respondent's license to practice law be revoked. Costs were assessed in the amount of \$1,761.09.

NOTE: Respondent also received an automatic interim suspension due to a felony conviction, effective May 23, 1995. That suspension remained in effect at the time of the revocation of his license to practice law.