

NOTICE OF INCREASED SUSPENSION WITH CONDITIONS

Case Nos. 95-183-GA; 95-209-FA

Robert E. Caron, P-25020, Troy, Michigan, by the Attorney Discipline Board increasing Tri-County Hearing Panel #60's two-year suspension.

- 1) Suspension - three (3) years;
- 2) Effective April 6, 1996.

Respondent represented sellers in a real estate transaction. The panel found, by default, that respondent endorsed his clients' names to checks totalling \$30,013.66 without authority; failed to promptly advise his clients of his receipt of the funds; misappropriated \$29,000; commingled client and personal funds; sent his clients a \$25,007.11 check, on which he placed a stop payment order; and sent his clients a \$29,981.22 check, which was returned for nonsufficient funds.

Respondent was retained to defend a company in litigation and to institute suit against its insurance carrier for failure to defend the litigation. A \$13,401.90 judgment was entered in favor of the company. The panel found that respondent entered into a \$12,000 settlement, compromising the judgment, without authorization; and failed to timely inform his client of the settlement. The insurance carrier issued a \$12,000 check made payable to respondent's client and his firm. The check was deposited into respondent's personal account. The panel found that respondent failed to promptly advise his client of his receipt of the funds; commingled client and personal funds; misappropriated \$12,000; and failed to promptly account for the funds. The panel further found that respondent failed to properly supervise his wife/paralegal in connection with those funds. Respondent also failed to timely answer the Formal Complaint.

Respondent's conduct was found to be in violation of MCR 9.104(1)-(4)and(7); and Michigan Rules of Professional Conduct 1.2(a); 1.4(a)and (b); 1.15(a)-(c); 5.3(b)and(c); 8.1(b); and 8.4(a)-(c). The panel ordered that respondent be suspended for two years, make restitution of \$36,500 plus interest, and take law office management and ethics classes.

The Grievance Administrator and the respondent each filed a petition for review. On August 7, 1996, the Attorney Discipline Board entered an order increasing the suspension to three years and directing respondent to make \$3,000 additional restitution. Costs were assessed in the total amount of \$1,440.68.