

## NOTICE OF SUSPENSION

Case No. 93-51-GA

Eugene A. Goreta, P-14207, Ecorse, Michigan, by Attorney Discipline Board Tri-County Hearing Panel #15.

- 1) Suspension - 45 days;
- 2) Effective November 6, 1993.

Respondent negotiated a cash settlement for his clients' fire loss with the insurance company for their commercial real estate. An insurance company draft in the amount of \$82,750, made payable to his clients, the insurance adjuster, the former owner of the property who held his clients' mortgage, and the former owner's attorney. A dispute arose between respondent's clients and the former owner concerning the distribution of the proceeds. Respondent entered into a written agreement with the former owner and his attorney to deposit the proceeds into an interest bearing escrow account in the name of the former owner's attorney and respondent, pending the resolution of the dispute. Based on this agreement, the former owner endorsed the settlement check and returned it to respondent.

The panel found that respondent failed to abide by the terms of the escrow agreement in that he deposited the funds into his own account rather than a joint account with opposing counsel; failed to maintain the funds as a fiduciary for the parties in that without the former owner's knowledge or consent, or that of his attorney, and prior to any resolution of the dispute regarding distribution, respondent unilaterally distributed the funds to the insurance adjuster, his client, and himself; and failed to respond to the inquiries of the former owner or his attorney relative to the funds.

Respondent's conduct was found to be in violation of MCR 9.104(1)-(4); and the Michigan Rules of Professional Conduct, 1.1(c); 1.2; 1.8(e); 1.15; 3.4(c); and 8.4(a)-(c). Costs were assessed in the amount of \$439.25.