

The Supreme Court of the State of Louisiana

IN RE: MICHAEL BRIAN RENNIX

No.2020-B-00922

IN RE: Office of Disciplinary Counsel - Applicant Other; Findings and
Recommendations (Formal Charges);

November 04, 2020

Permanent disbarment imposed. See per curiam.

SJC

JLW

JDH

JTG

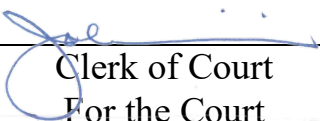
WJC

JHB

Johnson, C.J., dissents and assigns reasons.

Crain, J., concurs and assigns reasons.

Supreme Court of Louisiana
November 04, 2020



Clerk of Court
For the Court

11/04/20

SUPREME COURT OF LOUISIANA

NO. 2020-B-0922

IN RE: MICHAEL BRIAN RENNIX

ATTORNEY DISCIPLINARY PROCEEDING

PER CURIAM

This disciplinary matter arises from formal charges filed by the Office of Disciplinary Counsel (“ODC”) against respondent, Michael Brian Rennix, an attorney licensed to practice law in Louisiana but currently on interim suspension for threat of harm to the public. *In re: Rennix*, 16-1965 (La. 11/18/16), 206 So. 3d 860.

FORMAL CHARGES

16-DB-087

The Bankruptcy Court 90-day Suspension Matter

On September 26, 2016, Judge Jeffrey P. Norman of the United States Bankruptcy Court, Western District of Louisiana, Shreveport Division (“bankruptcy court”), held a hearing based on alleged misconduct by respondent in various bankruptcy cases. Following the hearing, Judge Norman specifically found the following:

1. Respondent misappropriated estate funds totaling \$11,725.29 and converted said funds to his personal use;
2. Respondent routinely failed to disclose payments received from clients as required by the Bankruptcy Code and Bankruptcy Rules;
3. Respondent forged documents;

4. Respondent fraudulently filed documents containing his client's electronic signature without authorization;
5. Respondent consistently failed to maintain or use a client trust account even though he was accepting funds from clients that should have been deposited into a trust account;¹
6. Respondent routinely failed to communicate with his clients;
7. Respondent was often delinquent in completing work, including missing important deadlines, which was extremely detrimental to his clients; and
8. Respondent failed to comply with the bankruptcy court's discovery orders and continues to be in violation of those orders.

Based on the above findings, Judge Norman issued a Memorandum Opinion dated October 4, 2016, wherein he ordered respondent suspended from the practice of bankruptcy law in the Western District of Louisiana for a period of ninety days (the maximum period the bankruptcy court is authorized to suspend an attorney). The order was effective immediately and ended on February 6, 2017.

Believing additional attorney discipline was appropriate, Judge Norman referred respondent to Chief United States District Court Judge Dee D. Drell for initiation of attorney discipline proceedings in federal court. He also referred the matter to the ODC, which received the Memorandum Opinion and Referral for Attorney Discipline on October 12, 2016.

¹ Specifically, Judge Norman found that respondent has failed to maintain a trust account since September 2013 even though he was accepting funds from clients that should have been deposited into a trust account, in violation of Rule 1.15 of the Rules of Professional Conduct. Judge Norman also found that, when respondent did have a trust account, he did not maintain it in accordance with Rule 1.15 because he made numerous improper disbursements from the account, including checks for payroll, to his ex-wife, for health insurance, and to his child's school.

The Parker Matter

Billy Parker filed a Chapter 13 bankruptcy case on March 31, 2011. His Chapter 13 plan was confirmed on June 28, 2011. Both the confirmed plan and the confirmation order provided that the “debtor shall remit to the Chapter 13 Trustee 50% of the net recovery from all personal injury and litigious claims” because Mr. Parker had been involved in an automobile accident prior to the filing of his Chapter 13 case and any potential recovery constituted property of the estate.

On March 3, 2013, Mr. Parker filed an Application to Approve Compromise in order to obtain court approval of the settlement of that automobile accident claim. Mr. Parker had settled the claim for \$77,500. On April 8, 2013, the bankruptcy court approved the proposed settlement. Under the terms of the settlement, attorney’s fees, fees for costs of litigation, and medical expenses were approved in the amount of \$54,049.43. Pursuant to the order approving the compromise and the confirmed plan, the balance of \$23,450.57 was to be equally divided between Mr. Parker and the Chapter 13 Trustee, who would disburse her portion to creditors pursuant to the confirmed plan.

Funds totaling \$11,725.29 should have been remitted to the Trustee for distribution under the plan. However, those funds were never remitted to the Trustee. Therefore, on April 18, 2016, the Trustee filed a Motion to Dismiss based on not receiving the funds. The motion to dismiss was originally scheduled for May 18, 2016 but was continued several times. At each scheduled hearing, respondent and the Trustee or a representative from the Trustee’s office appeared. On May 18, 2016, the hearing was continued to June 8, 2016 to determine what happened to the settlement funds. At the June 8 hearing, the parties informed the bankruptcy court that the check had been sent to respondent, but it was still unclear what ultimately happened to the funds. The bankruptcy court continued the matter to June 15, 2016. During the June 15, 2016 hearing, respondent informed the bankruptcy court that

two checks were sent as a result of the settlement – one directly to Mr. Parker and one to him. Respondent indicated he endorsed the check and instructed his then-paralegal to mail it to the Trustee. After researching the matter, respondent stated he believed his former paralegal had stolen the check. When the bankruptcy court indicated respondent was obligated to refer the matter to the U.S. Trustee's Office and to the U.S. Attorney's Office, respondent committed to cooperate with any investigation.

Thereafter, the Trustee engaged in discovery to determine the chain of possession of the missing estate funds. The Trustee requested a Bankruptcy Rule 2004 Examination of respondent, as well as an order requiring respondent to produce certain documents. Respondent failed to cooperate with the Trustee's discovery requests despite the fact that the bankruptcy court granted several motions to compel.

The Trustee filed a Motion for Sanctions, and this matter became part of the hearing conducted by Judge Norman on September 26, 2016, which resulted in respondent's ninety-day suspension. At the hearing, Judge Norman received evidence indicating that respondent deposited the check for the estate funds into his personal checking account, converting same to his personal use. The evidence further showed that respondent made said deposit on May 22, 2013, long before he informed the bankruptcy court he believed his former paralegal had stolen the endorsed check.

Also during the September 26, 2016 hearing, Chelsea Grissom, the local branch operations manager of MidSouth Bank, testified. Judge Norman found her to be a credible witness. Ms. Grissom authenticated a copy of check number 59215, made payable to respondent in the amount of \$12,225.29. Said check and accompanying correspondence to respondent reflected that \$500 of the check represented the legal fee for respondent approved by the bankruptcy court on April 8, 2013. Ms. Grissom testified that, according to MidSouth Bank's records, the

check had been cashed on May 23, 2013 and deposited into an account at BancorpSouth Bank.

Ellen Keller, the office manager for the Chapter 13 Trustee, also testified at the September 26, 2016 hearing. Judge Norman found her to be a credible witness. Ms. Keller testified regarding her knowledge of respondent's financial situation. According to Ms. Keller, the Trustee's office received various federal tax liens filed against respondent's law firm during 2012 and 2013, which included the time period in which respondent converted the Parker estate funds to his personal use. These tax liens resulted in the Trustee's office paying two checks to the Internal Revenue Service ("IRS") representing funds due to respondent for legal fees he had earned and been awarded by the bankruptcy court in Chapter 13 cases. The first check was for \$10,276.13 and was paid to the IRS on January 7, 2013. The second check was for \$10,475.10 and was paid to the IRS on February 8, 2013.

Respondent also testified at the September 26, 2016 hearing. Judge Norman found respondent not credible because his testimony was inconsistent with his prior statements to the bankruptcy court. Judge Norman found that respondent's prior assertions and allegations regarding employee theft were pure fabrications and that respondent provided no defense. Finally, Judge Norman found that respondent failed to comply with the orders compelling production in the Parker case.

Judge Norman referred the matter of the missing estate funds to the United States Attorney's Office because the bankruptcy court did not have criminal jurisdiction and respondent may have committed a bankruptcy crime in violation of 18 U.S.C. § 152(1). This statute provides for criminal penalties for a person who "knowingly and fraudulently conceals from a custodian, trustee, marshal, or other officer of the court charged with control or custody of property, or, in connection with a case under title 11, from creditors or the United States trustee, any property belonging to the estate of a debtor."

In his Memorandum Opinion dated October 4, 2016, Judge Norman noted: (1) the Chapter 13 Trustee is an officer of the court charged with the control or custody of property belonging to the estate of the debtor; (2) the pre-petition cause of action held by the debtor, from which the settlement funds were derived, is property of the estate; and (3) respondent knowingly and fraudulently concealed estate funds from the Trustee.

The Peyton Matter

Orlando Peyton filed a Chapter 13 bankruptcy case on February 8, 2016. The Chapter 13 plan was never confirmed. On August 16, 2016, respondent filed an *Ex Parte* Motion to Dismiss Mr. Peyton's case. That same day, the bankruptcy court learned respondent had been ineligible to practice law since June 3, 2016 for failing to comply with mandatory continuing legal education ("MCLE") requirements.² The bankruptcy court denied the motion to dismiss and ordered respondent to appear and show cause because he continued to practice law in the bankruptcy court for a period of 76 days while he was ineligible to do so. During the hearing, the Chapter 13 Trustee introduced records indicating respondent had filed 24 bankruptcy cases while he was ineligible to practice law.

Following the hearing, the bankruptcy court found respondent's testimony that he did not know he was ineligible to practice to not be credible. Furthermore, the bankruptcy court found that respondent willfully and intentionally failed to notify it, the Trustee, and his clients of his ineligibility.

On August 25, 2016, the bankruptcy court suspended respondent from the practice of law in the Western District of Louisiana for 76 days, the same number of days he continued to practice in the bankruptcy court while ineligible to do so. The

² Respondent rectified his MCLE issue, and his eligibility was reinstated on August 18, 2016.

bankruptcy court also ordered the Trustee to suspend attorney's fees disbursements to respondent pending further orders of the bankruptcy court. Noting that respondent received payments for legal services he was not legally entitled to receive, the bankruptcy court additionally ordered said fees received by respondent during his period of ineligibility to be disgorged.

The Alford Matter

Respondent represented Barbara Alford as a debtor in a bankruptcy case. On August 17, 2016, the bankruptcy court held a hearing on a plan modification in Ms. Alford's case. Respondent did not appear at the hearing, but Ms. Alford did appear and testified. The bankruptcy court specifically asked Ms. Alford whether respondent informed her he was ineligible to practice law, and she indicated he had not. Ms. Alford also provided the bankruptcy court with a copy of text messages she received from respondent, in which he advised her not to attend the hearing. The bankruptcy court specifically found respondent's advice to Ms. Alford to not attend the hearing to be misconduct. The bankruptcy court also found that respondent took action in the case while ineligible to practice law.

The Rennix, et al. Matter

Shortly after the bankruptcy court issued the order suspending respondent for 76 days, which is the subject of the Peyton Matter above, the bankruptcy court began receiving correspondence from some of respondent's clients. The bankruptcy court initiated a miscellaneous proceeding, and each correspondence was docketed.

The first piece of correspondence was from a client who hired respondent to initiate a Chapter 7 bankruptcy on her behalf because her husband had abandoned her and she had numerous garnishments being drafted from her payroll check. The client paid respondent \$750, which she borrowed from her mother, on June 15, 2016.

That same day, she brought respondent all required documentation needed to file her Chapter 7 bankruptcy. Respondent deposited the client's check on June 23, 2016, but he never filed the bankruptcy case even though he repeatedly told the client he would do so. Eventually, the client was unable to contact respondent. Garnishments were still being withdrawn from her paycheck and she had been sued by one of her creditors when she sent the correspondence to the bankruptcy court.

The Gobert Matter

Karen Gobert hired respondent on September 28, 2015 to file a Chapter 7 bankruptcy case on her behalf, paying him \$1,500. More than nine months later, on July 8, 2016, while he was ineligible to practice law, respondent filed Ms. Gobert's bankruptcy case. When the bankruptcy court learned respondent was ineligible to practice law when he accepted the legal fees from Ms. Gobert, it entered an Order Regarding Suspension of Attorney Michael B. Rennix into the proceeding.

The bankruptcy court then set a hearing to determine whether respondent had complied with the disgorgement order, and this matter became a part of the hearing conducted by Judge Norman on September 26, 2016, which resulted in respondent's ninety-day suspension. Based on evidence presented at the hearing, Judge Norman made the following findings specifically regarding the Gobert case:

1. Respondent did not have a client trust account into which he could deposit the funds Ms. Gobert paid him;
2. Ms. Gobert completed her required credit counseling class on October 14, 2015. Credit counseling is a prerequisite to the filing of a consumer bankruptcy case. On October 14, 2015, Ms. Gobert completed and transmitted to respondent all documents to begin work on her bankruptcy case, yet respondent took no action for nine months;

3. Ms. Gobert e-mailed and telephoned respondent on numerous occasions but received no response;
4. Respondent filed a “Skeleton Petition” of only eleven pages and forged Ms. Gobert’s signature on the documents filed. Ms. Gobert testified she never signed the petition;
5. Ms. Gobert’s credit counseling certificate expired before respondent filed her bankruptcy case. Realizing the certificate had expired, respondent fraudulently generated a new credit counseling certificate for Ms. Gobert dated July 8, 2016; and
6. Respondent forged a client contract and presented it to the Chapter 13 Trustee. Ms. Gobert testified she never signed the client contract presented to the Trustee. Furthermore, the letterhead on the contract respondent presented to the Trustee showed an address for respondent to which he had not yet moved at the time the contract was purportedly executed.

Following the September 26, 2016 hearing, Judge Norman noted in his October 4, 2016 Memorandum Opinion that respondent had failed to disgorge Ms. Gobert’s funds as previously ordered. In the same Memorandum Opinion, Judge Norman noted that Ms. Gobert’s experience with respondent was not isolated. Judge Norman had seen at least fifty cases with respondent involving similar issues. These issues included: (1) debtor payments to respondent but undisclosed to the bankruptcy court; (2) signatory irregularities on debtors’ schedules filed by respondent; (3) no trust accounting and/or the lack of a trust account by respondent; (4) a lack of communication with clients by respondent; and (5) unnecessary delays by respondent in providing legal services to his clients.

The White Matter

Helen White hired respondent to file a Chapter 13 bankruptcy case on her behalf. She paid him a total of \$1,331, which included a payment of \$331 on July 16, 2014, a payment of \$500 on September 21, 2015, and a final payment of \$500 on December 8, 2015. Respondent never disclosed these payments to the bankruptcy court and filed a disclosure statement showing Ms. White had not paid him anything. Respondent also filed an Application to Pay Filing Fee in Installments even though Ms. White had already paid him the entire filing fee. Respondent filed Ms. White's Chapter 13 bankruptcy case on January 16, 2015, but her plan has not yet been confirmed.

On June 22, 2016, the bankruptcy court entered an order requiring respondent to appear to answer Ms. White's allegations of attorney negligence and misconduct. Ms. White alleged the following: (1) respondent failed to timely file a motion to approve a home loan modification; (2) respondent failed to timely file a motion concerning the disposition of insurance proceeds from an accident involving Ms. White; (3) respondent failed to communicate with her; and (4) respondent may have filed an incorrect disclosure of attorney compensation pursuant to Bankruptcy Rule 2016(b) because he filed a disclosure of attorney compensation form indicating he received no attorney's fees from Ms. White. Ms. White testified that she paid respondent as much as \$1,000 prior to the filing of her bankruptcy case.

The bankruptcy court issued a preliminary show cause hearing to be held July 28, 2016 to determine whether it should impose sanctions against respondent for his conduct in Ms. White's case and a final show cause hearing to be held September 26, 2016. Ms. White testified at both hearings.

During the July 28, 2016 hearing, the bankruptcy court required respondent to present documents with original signatures to the Chapter 13 Trustee because there were allegations that he did not acquire or maintain documents with original

signatures as required by the bankruptcy court's administrative rules. The bankruptcy court continued the hearing in order for respondent to produce these documents. At the continued hearing, the bankruptcy court issued an interim order finding that respondent had violated its administrative rules, which require the attorney of record or the party filing any documents in a bankruptcy case to maintain the original signed documents for at least five years after the case is closed. The administrative rules also provide that, upon request, the original documents must be provided to other parties or the bankruptcy court for review. The bankruptcy court found that respondent repeatedly violated the administrative rules because he did not produce any original signed documents as ordered.

This matter eventually became a part of the hearing conducted by Judge Norman on September 26, 2016, which resulted in respondent's ninety-day suspension. In Judge Norman's Memorandum Opinion dated October 4, 2016, he found the following with respect to Ms. White's case:

1. The Application to Pay Filing Fee in Installments purportedly signed by Ms. White was not signed by her. Ms. White testified she did not sign the document, and it was respondent's long term practice to electronically sign his client's signatures to documents without his client's permission;
2. The Chapter 13 Trustee demonstrated respondent's long term practice by identifying seventeen additional bankruptcy cases with the same or similar fact patterns as Ms. White's case. In each case, respondent either failed to pay the filing fee, and the case was dismissed, or he filed an application to pay the filing fee in installments even though his client had already paid the filing fee. In each of these cases, respondent forged his client's signature. In most of these cases, respondent also failed to disclose that he had ever received any payment from the debtor. Respondent did disclose his client's payments of

the filing fee in three of the seventeen cases, but he still fraudulently filed an application to pay the filing fee in installments;

3. Respondent failed to communicate with Ms. White and failed to diligently represent her in her bankruptcy case. He failed to file a motion to approve a home loan modification, failed to write a letter of consent giving the mortgage company permission to speak directly to Ms. White, and failed to file the necessary motion to address \$11,633.67 in insurance proceeds for a vehicle destroyed by flood.

In his Memorandum Opinion, Judge Norman ordered that respondent disgorge the \$1,331 paid to him by Ms. White. Judge Norman also ordered that, given the overwhelming evidence of signature manipulation and forgery committed by respondent, no documents could be filed by respondent with electronic signatures in the Western District of Louisiana, and he ordered the clerk of court for the Western District of Louisiana to strike any document filed by respondent with electronic signatures. Judge Norman also noted that respondent's representation of debtors fell below the standard of care required for lawyers as the bankruptcy court primarily deals with consumer bankruptcy debtors who are often economically challenged, undereducated, and unsophisticated.

The McGilvray Matter

On October 25, 2016, the ODC received a telephone call from Carol McGilvray, a retired bankruptcy attorney currently working at a non-profit organization associated with Northwestern State University. Ms. McGilvray reported to the ODC that several boxes of respondent's files were found in a dumpster near her office. When asked to review a few files from the boxes and upon realizing said files related to active bankruptcy cases, Ms. McGilvray contacted the

ODC. She also attempted to retrieve all files contained in the boxes seen in the dumpster, but the dumpster had already been emptied.

The Failure to Cooperate Matter

James Smith filed a disciplinary complaint against respondent, alleging that he paid respondent \$1,250, but respondent failed to file his bankruptcy case or communicate with him. Respondent accepted notice of the complaint but failed to file a written response. The ODC scheduled respondent's sworn statement for June 23, 2016 and issued a subpoena on May 16, 2016. The Caddo Parish Sheriff's Office attempted to serve respondent with the subpoena at his primary registration address. However, on May 20, 2016, the Caddo Parish Sheriff's Office returned the subpoena, indicating respondent had relocated to Bossier City. The ODC rescheduled respondent's sworn statement for August 24, 2016 and issued a subpoena on July 13, 2016. The Bossier Parish Sheriff's Office returned the subpoena on July 18, 2016, indicating respondent was personally served at his last known address. Respondent failed to appear for his sworn statement.

Respondent has since been uncooperative with the ODC's investigations. It appears he has abandoned his law practice. The ODC's efforts to reach him by telephone have been unsuccessful. The ODC has also attempted to contact respondent at the primary and secondary addresses he has registered with the Louisiana State Bar Association ("LSBA"), as well as the last known address of respondent's law office. Additionally, the ODC has attempted to e-mail respondent at the e-mail address he has registered with the LSBA. All attempts by the ODC to contact and communicate with respondent have been unsuccessful.

Alleged Rule Violations

The ODC alleged that respondent's conduct in the aforementioned matters violated the following provisions of the Rules of Professional Conduct: Rules 1.3 (failure to act with reasonable diligence and promptness in representing a client), 1.4 (failure to communicate with a client), 1.5 (fee arrangements), 1.15(a)(c) (safekeeping property of clients or third persons), 3.3(a)(1) (candor toward the tribunal), 5.5(a)(b)(2) (engaging in the unauthorized practice of law), 8.1(c) (failure to cooperate with the ODC in its investigation), 8.4(a) (violation of the Rules of Professional Conduct), 8.4(b) (commission of a criminal act that reflects adversely on the lawyer's honesty, trustworthiness, or fitness as a lawyer), 8.4(c) (engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation), and 8.4(d) (engaging in conduct prejudicial to the administration of justice).

17-DB-043

The Miller Matter

On October 27, 2015, Dr. Kenneth Miller and Janet Miller hired respondent to file a bankruptcy case on their behalf, paying him \$2,500. According to the Millers, respondent never filed their bankruptcy case, and they have been unable to reach him. In August 2016, the Millers visited respondent's office and found a note on the door indicating the office was closed because respondent was ill. On August 30, 2016, they learned respondent's telephone number was disconnected.

In November 2016, the Millers filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, his LSBA secondary registration address, and his last known address. All notices were returned by the post office.

The bankruptcy court indicated that respondent moved to South Carolina and provided the ODC with respondent's cell phone number. However, the ODC's attempts to reach respondent by telephone and mail have been unsuccessful.

The Wallace Matter

On June 13, 2016, Bobbi Wallace hired respondent to handle his divorce, paying him a total of \$850 in three installments. Mr. Wallace's wife did not contest the divorce and went to respondent's office to sign a waiver. Thereafter, respondent informed Mr. Wallace he would be filing the necessary pleadings to finalize the divorce, but he never did so. According to Mr. Wallace, he has attempted to contact respondent since December 19, 2016 but has been unsuccessful.

In late December 2016, Mr. Wallace filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address and his LSBA secondary registration address. Both notices were returned by the post office.

The bankruptcy court indicated that respondent moved to South Carolina and provided the ODC with respondent's cell phone number. However, the ODC's attempts to reach respondent by telephone and mail have been unsuccessful.

The Rollins Matter

On July 10, 2015, Monica Rollins hired respondent to file a Chapter 7 bankruptcy case on her behalf, paying him \$1,500. According to Ms. Rollins, respondent filed her bankruptcy case, but the case was dismissed because respondent did not file all required documents. Ms. Rollins indicated that respondent told her he would refile the bankruptcy case at his expense, but he never did so. She also had difficulty communicating with him.

In late December 2016, Ms. Rollins filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address and his LSBA secondary registration address. Both notices were returned by the post office.

The bankruptcy court indicated that respondent moved to South Carolina and provided the ODC with respondent's cell phone number. However, the ODC's attempts to reach respondent by telephone and mail have been unsuccessful.

The Paul Matter

In January 2016, Richard Paul paid respondent \$1,750 to file a Chapter 7 bankruptcy case on his behalf. According to Mr. Paul, respondent falsely informed him he had filed the bankruptcy case around January 11, 2016. Mr. Paul also claimed that he has been unable to reach respondent and that his wages are now being garnished.

In early March 2017, Mr. Paul filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, but the notice was returned by the post office.

The bankruptcy court indicated that respondent moved to South Carolina and provided the ODC with respondent's cell phone number. However, the ODC's attempts to reach respondent by telephone and mail have been unsuccessful.

Alleged Rule Violations

The ODC alleged that respondent's conduct in the aforementioned matters violated the following provisions of the Rules of Professional Conduct: Rules 1.3, 1.4, 1.5, 1.15(a)(c), 8.1(c), 8.4(a), 8.4(b), 8.4(c), and 8.4(d).

17-DB-054

The Roppolo Matter

In February 2016, Peggy Roppolo paid respondent \$400 to transfer ownership of her and her husband's house into her name. According to Ms. Roppolo, respondent failed to perform the work and failed to communicate with her.

In late August 2016, Ms. Roppolo filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, but the notice was returned by the post office. The ODC also sent notice to respondent's last known address. Although this notice was delivered to the front desk on September 12, 2016, respondent failed to respond.

The Maxwell Matter

In June 2016, Kimberly Maxwell hired respondent to file a Chapter 7 bankruptcy case on her behalf to stop the garnishment of her wages. Ms. Maxwell paid \$750 towards the \$1,500 fee. According to Ms. Maxwell, the remainder of the fee was not due until the garnishment ceased. Respondent never filed her bankruptcy case.

In early September 2016, Ms. Maxwell filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address and his last known address. Both notices were returned by the post office.

The Neal Matter

In March 2015, Annie Neal hired respondent to file a Chapter 7 bankruptcy case on her behalf, paying him \$1,700. According to Ms. Neal, her bankruptcy case was never filed, and she routinely tried to communicate with respondent, to no avail. At one point, Ms. Neal sent her daughter to respondent's office because she could

not reach him by telephone, and her daughter informed her that respondent's office was vacant.

In September 2016, Ms. Neal filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address and his last known address. Both notices were returned by the post office.

The de Pingre Matter

Ben de Pingre hired respondent to respond to a lawsuit against a former business that Mr. de Pingre owned. According to Mr. de Pingre, he paid respondent \$2,200, but the legal work was not performed. Mr. de Pingre also indicated that respondent failed to respond to his telephone calls, text messages, e-mails, and letters.

In September 2016, Mr. de Pingre filed a disciplinary complaint against respondent. Despite receiving notice of the complaint at his last known address, respondent failed to respond.

The Roby Matter

In February 2016, Roston Roby hired respondent to file a bankruptcy case on his behalf, paying him \$320. According to Mr. Roby, respondent informed Mr. Roby that he had filed the bankruptcy case when, in fact, he did not do so. Mr. Roby learned that nothing had been filed on his behalf when he checked at the courthouse on September 21, 2016.

In late September 2016, Mr. Roby filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, his LSBA secondary registration address, and his last known address. All three notices were returned by the post office.

The Player Matter

In July 2016, Kynshana Player hired respondent to file a Chapter 13 bankruptcy case on her behalf, paying him \$325. According to Ms. Player, respondent never filed the bankruptcy case, and when she contacted him via e-mail to request a refund, he never replied.

In October 2016, Ms. Player filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, his LSBA secondary registration address, and his last known address. All three notices were returned by the post office.

The Abandonment of Law Practice Matter

On information and belief, respondent has abandoned his law practice. The ODC's efforts to reach him by telephone and mail have been unsuccessful. Thus far, respondent has been uncooperative throughout each of the aforementioned ODC investigations. The ODC has also attempted to contact respondent at his primary and secondary addresses registered with the LSBA, as well as at the last known address of his law office. Additionally, the ODC has attempted to e-mail respondent at his e-mail address registered with the LSBA. All attempts by the ODC to contact and communicate with respondent have been unsuccessful.

Alleged Rule Violations

The ODC alleged that respondent's conduct in the aforementioned matters violated the following provisions of the Rules of Professional Conduct: Rules 1.3, 1.4, 1.5(f) (failure to account for or refund an unearned fee), 1.15(a)(c), 8.1(c), 8.4(a), 8.4(b), 8.4(c), and 8.4(d).

17-DB-065

The Brown Matter

In April 2016, Teresa Brown hired respondent to file a bankruptcy case on her behalf, paying him \$1,371. According to Ms. Brown, respondent failed to file the bankruptcy case. Ms. Brown sent several e-mails to respondent in an attempt to reach him to finalize her bankruptcy pleadings. The bankruptcy trustee obtained an order from the bankruptcy court ordering respondent to disgorge the entire fee he collected from Ms. Brown.

In August 2017, Ms. Brown filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, his LSBA secondary registration address, and his last known address. The notices to respondent's primary and secondary addresses were returned by the post office. The notice to respondent's last known address was signed for on August 28, 2017.

After being placed on interim suspension, respondent essentially abandoned his law practice. The ODC's efforts to reach him by telephone and mail have been unsuccessful. The bankruptcy court indicated that respondent moved to South Carolina and provided the ODC with respondent's cell phone number. The ODC has been unable to reach respondent by calling his cell phone but has left messages for him.

The ODC alleged that respondent's conduct violated the following provisions of the Rules of Professional Conduct: Rules 1.3, 1.4, 1.5, 8.1(c), 8.4(a), 8.4(b), 8.4(c), and 8.4(d).

18-DB-036

The Scully Matter

In November 2015, Thomas Scully hired respondent to file a Chapter 7 bankruptcy case on his behalf, paying respondent \$1,750. According to Mr. Scully, respondent failed to file the bankruptcy case. On June 10, 2017, the bankruptcy court ordered respondent to disgorge the fee paid by Mr. Scully.

Mr. Scully filed a claim with the LSBA's Client Assistance Fund. In October 2017, Mr. Scully also filed a disciplinary complaint against respondent. The ODC sent notice of the complaint to respondent at his LSBA primary registration address, his LSBA secondary registration address, and his last known address. The notices to respondent's primary and secondary addresses were returned by the post office. Respondent signed for the notice sent to his last known address on December 4, 2017.

After being placed on interim suspension, respondent essentially abandoned his law practice. The ODC's efforts to reach him by telephone and mail have been unsuccessful. The bankruptcy court indicated that respondent moved to South Carolina and provided the ODC with respondent's cell phone number. The ODC has been unable to reach respondent by calling his cell phone but has left messages for him.

The ODC alleged that respondent's conduct violated the following provisions of the Rules of Professional Conduct: Rules 1.3, 1.4, 1.5, 8.1(c), 8.4(a), 8.4(c), and 8.4(d).

DISCIPLINARY PROCEEDINGS

In November 2016, the ODC filed the formal charges in 16-DB-087. In July 2017, the ODC filed the formal charges in 17-DB-043. In September 2017, the ODC filed the formal charges in 17-DB-054. In November 2017, the ODC filed the formal

charges in 17-DB-065. Finally, in May 2018, the ODC filed the formal charges in 18-DB-036.

Respondent failed to answer all five sets of formal charges. Accordingly, the factual allegations contained therein were deemed admitted and proven by clear and convincing evidence pursuant to Supreme Court Rule XIX, § 11(E)(3). The matters were then consolidated for consideration by one hearing committee. No formal hearing was held, but the parties were given an opportunity to file with the committee written arguments and documentary evidence on the issue of sanctions. Respondent filed nothing for the committee's consideration.

Hearing Committee Report

After considering the ODC's deemed admitted submission encompassing all five matters, the hearing committee found that respondent neither responded to any of the five sets of formal charges in this matter nor appeared for the sworn statement scheduled for August 24, 2016. The committee also found that the record is replete with evidence of respondent accepting payments for legal services not rendered, misrepresenting to his clients that he had rendered the legal services for which he was hired, and failing to communicate with clients. The committee further found specific evidence of a conversion of \$11,725.29 in the Parker matter, which respondent misrepresented to the bankruptcy court had been stolen. Respondent then failed to cooperate with the Trustee's investigation when the bankruptcy court received evidence indicating he deposited the funds into his personal checking account, converting same to his personal use. Additionally, the committee found specific evidence that respondent forged Ms. Gobert's signature and fraudulently generated a new credit counseling certificate for her. Respondent also practiced law for 76 days while he was ineligible to do so, for which the bankruptcy court suspended him for 76 days. Based on these facts, the committee determined

respondent violated Rules 1.3, 1.4, 1.5, 1.15, 3.3, 5.5, 8.1(c), 8.4(a), 8.4(b), 8.4(c), and 8.4(d) of the Rules of Professional Conduct.

The committee then determined respondent knowingly and intentionally violated duties owed to his clients, the public, the legal system, and the legal profession, causing actual harm. Relying on the ABA's *Standards for Imposing Lawyer Sanctions*, the committee determined the baseline sanction is disbarment.

In aggravation, the committee found the following: a dishonest or selfish motive, a pattern of misconduct, multiple offenses, bad faith obstruction of the disciplinary proceedings by intentionally failing to comply with the rules or orders of the disciplinary agency, and vulnerability of the victims. The committee found no mitigating factors present.

After considering this court's prior jurisprudence addressing similar misconduct, the committee recommended respondent be permanently disbarred.

Neither respondent nor the ODC filed an objection to the hearing committee's report.

Disciplinary Board Recommendation

After review, the disciplinary board first noted that the formal charges have been deemed admitted and proven. The board then determined the hearing committee's factual findings are not manifestly erroneous and adopted same with one clarification. The board acknowledged the committee's finding that the bankruptcy court suspended respondent for 76 days for practicing law while ineligible but added that the bankruptcy court later suspended respondent for ninety days based on Judge Norman's findings in his October 4, 2016 Memorandum Opinion and Referral for Attorney Discipline.

Based on those facts, the board adopted the committee's legal conclusions regarding respondent's violations of the Rules of Professional Conduct. The board

also made additional findings with respect to respondent's violations of Rules 8.4(a), 8.4(b), 8.4(c), and 8.4(d). Specifically, the board found that respondent converted Mr. Parker's funds by keeping his settlement funds from a personal injury claim and converted other client funds by accepting fees, providing no legal work, and failing to refund the fees; respondent's conversion of these funds is a criminal act in violation of Rule 8.4(b). Regarding Rule 8.4(c), the board found that respondent engaged in dishonest conduct when he converted client funds, made misrepresentations to the bankruptcy court concerning the whereabouts of Mr. Parker's settlement funds, practiced law while ineligible, forged clients' signatures, manipulated clients' electronic signatures, created a false credit counseling certificate, failed to disclose correct fee payment information, collected improper fees, and misled his clients about the status of their legal matters. The board found that respondent violated Rule 8.4(d) by practicing law while ineligible, abandoning his law practice without notice, failing to cooperate with the ODC in its investigations, making misrepresentations to the bankruptcy court, and failing to comply with the bankruptcy court's numerous orders to disgorge fees. Finally, the board found that by violating the other Rules of Professional Conduct, respondent also violated Rule 8.4(a).

The board then determined respondent knowingly and intentionally violated duties owed to his clients, the public, the legal system, and the legal profession, causing significant actual harm. The board agreed with the committee that the baseline sanction is disbarment.

In aggravation, the board found the presence of a dishonest or selfish motive, a pattern of misconduct, multiple offenses, bad faith obstruction of the disciplinary proceeding by intentionally failing to comply with the rules or orders of the disciplinary agency, refusal to acknowledge the wrongful nature of the conduct, vulnerability of the victims, substantial experience in the practice of law (admitted

1997), and indifference to making restitution. In mitigation, the board found the absence of a prior disciplinary record and the imposition of other penalties or sanctions.

After further considering respondent's conduct in light of this court's prior jurisprudence addressing similar misconduct as well as the permanent disbarment guidelines set forth in Supreme Court Rule XIX, Appendix D, the board recommended respondent be permanently disbarred. The board further recommended respondent be ordered to make restitution as follows: (1) \$1,500 to Karen Gobert; (2) \$1,250 to James Smith; (3) \$11,725.29 to the Chapter 13 Trustee in Billy Parker's bankruptcy case; (4) \$1,331 to Helen White; (5) \$2,500 to the Millers; (6) \$850 to Bobbi Wallace; (7) \$1,500 to Monica Rollins; (8) \$1,750 to Richard Paul; (9) \$400 to Peggy Roppolo; (10) \$750 to Kimberly Maxwell; (11) \$1,700 to Annie Neal; (12) \$2,200 to Ben de Pingre; (13) \$320 to Roston Roby; (14) \$325 to Kynshana Player; (15) \$1,371 to Teresa Brown; and (16) \$1,750 to Thomas Scully or the Client Assistance Fund, as applicable.

Neither respondent nor the ODC filed an objection to the disciplinary board's recommendation.

DISCUSSION

Bar disciplinary matters fall within the original jurisdiction of this court. La. Const. art. V, § 5(B). Consequently, we act as triers of fact and conduct an independent review of the record to determine whether the alleged misconduct has been proven by clear and convincing evidence. *In re: Banks*, 09-1212 (La. 10/2/09), 18 So. 3d 57.

In cases in which the lawyer does not answer the formal charges, the factual allegations of those charges are deemed admitted. Supreme Court Rule XIX, § 11(E)(3). Thus, the ODC bears no additional burden to prove the factual allegations

contained in the formal charges after those charges have been deemed admitted. However, the language of § 11(E)(3) does not encompass legal conclusions that flow from the factual allegations. If the legal conclusion the ODC seeks to prove (i.e., a violation of a specific rule) is not readily apparent from the deemed admitted facts, additional evidence may need to be submitted in order to prove the legal conclusions that flow from the admitted factual allegations. *In re: Donnan*, 01-3058 (La. 1/10/03), 838 So. 2d 715.

The records of these five deemed admitted matters support a finding that respondent neglected legal matters, failed to communicate with clients, failed to refund unearned fees, converted client funds, practiced law while ineligible to do so, engaged in dishonest conduct, and failed to cooperate with the ODC in its investigations. Based on these facts, respondent has violated the Rules of Professional Conduct as charged.

Having found evidence of professional misconduct, we now turn to a determination of the appropriate sanction for respondent's actions. In determining a sanction, we are mindful that disciplinary proceedings are designed to maintain high standards of conduct, protect the public, preserve the integrity of the profession, and deter future misconduct. *Louisiana State Bar Ass'n v. Reis*, 513 So. 2d 1173 (La. 1987). The discipline to be imposed depends upon the facts of each case and the seriousness of the offenses involved considered in light of any aggravating and mitigating circumstances. *Louisiana State Bar Ass'n v. Whittington*, 459 So. 2d 520 (La. 1984).

Respondent knowingly and intentionally violated duties owed to his clients, the public, the legal system, and the legal profession. His conduct caused significant actual harm to multiple clients, the legal system, and the legal profession. We agree with the hearing committee and the disciplinary board that the baseline sanction is

disbarment. The record supports the aggravating and mitigating factors found by the board.

Turning to the issue of an appropriate sanction, we also agree with the committee and the board that permanent disbarment is warranted. Guideline 1 of the permanent disbarment guidelines set forth in Supreme Court Rule XIX, Appendix D, indicates that permanent disbarment is warranted for “[r]epeated or multiple instances of intentional conversion of client funds with substantial harm.” Here, respondent converted to his own use almost \$12,000 of Mr. Parker’s funds, which he should have forwarded to the Chapter 13 Trustee. He also converted funds belonging to multiple other clients when he accepted fees for legal services, failed to perform those services, and then failed to refund the unearned fees. In total, respondent intentionally converted more than \$31,000 of his clients’ money, which caused significant harm to these vulnerable clients. Clearly, Guideline 1 applies here.

In light of the above, we will adopt the board’s recommendation and permanently disbar respondent. We will further order respondent to make restitution to his clients and/or the Client Assistance Fund, as indicated by the board.

DECREE

Upon review of the findings and recommendations of the hearing committee and disciplinary board, and considering the record, it is ordered that Michael Brian Rennix, Louisiana Bar Roll number 23397, be and he hereby is permanently disbarred. His name shall be stricken from the roll of attorneys and his license to practice law in the State of Louisiana shall be revoked. Pursuant to Supreme Court Rule XIX, § 24(A), it is further ordered that respondent be permanently prohibited from being readmitted to the practice of law in this state. It is further ordered that respondent shall make restitution to his clients and/or repay to the Louisiana State

Bar Association's Client Assistance Fund any amounts paid to claimants on his behalf, as set forth above. All costs and expenses in the matter are assessed against respondent in accordance with Supreme Court Rule XIX, § 10.1, with legal interest to commence thirty days from the date of finality of this court's judgment until paid.