# IN RE: PETER L. ELEEY

## NO. BD-2012-083

**S.J.C. Indefinite Suspension entered by Justice Gants on September 17, 2012, with an effective date of October 17, 2012.[1]**

## SUMMARY[2]

This matter came before the Supreme Judicial Court for Suffolk County on a stipulation of the parties and a recommendation of the Board of Bar Overseers that the stipulation be accepted. In the stipulation, the respondent admitted that he converted client funds for multiple client matters, including but not limited to the following three specific matters, between November 2004 and August 2010, causing temporary deprivation to the clients, and that he failed to maintain IOLTA account records in compliance with Mass. R. Prof. C. 1.15. The respondent made restitution in full in all matters.

In the first matter, the respondent represented a corporation on a contingency basis. The respondent deposited a settlement check for $45,900 into his IOLTA account. The respondent then misused the corporation's funds by withdrawing the entire settlement amount. Several weeks later, he deposited funds back into the IOLTA account and sent the client the settlement proceeds.

In the second matter, the respondent was hired by the executrix of an estate to represent the estate in a civil action. The respondent deposited a $125,000 settlement check into his IOLTA account for the estate. The respondent withdrew his earned fee and expenses, then converted $74,775.11 belonging to the estate. The respondent later purchased cashier's checks and paid the beneficiaries and executrix piecemeal over the next five years.

In the third matter, the respondent represented a client in a personal injury case. The respondent deposited $100,000 in settlement proceeds into his IOLTA account for the client. The respondent then converted the client's funds by writing a check payable to himself. The respondent paid the client her share of the settlement in six checks over the next four years.

From and after January 1, 2009, the respondent failed to keep records of funds for his IOLTA account as required by Mass. R. Prof. C. 1.15. Among other things, the respondent did not keep a chronological check register showing each deposit and disbursement with client identifiers and with a calculation of the balance after each transaction, he did not maintain records of deposits with client identifiers, he did not maintain a ledger for each individual client matter, he did not keep a ledger of his personal funds in the account, and he did not reconcile the account at least every sixty days.

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[1] The complete Order of the Court is available by contacting the Clerk of the Supreme Judicial Court for Suffolk County.

[2] Compiled by the Board of Bar Overseers based on the record filed with the Supreme Judicial Court.

The respondent's conduct in converting trust funds violated Mass. R. Prof. C. 1.15(b) and 8.4(c) and (h). The respondent's conduct in making distributions from his IOLTA account that created negative balances on behalf of clients violated Mass. R. Prof. C. 1.15(f)(1)(C). The respondent's conduct in failing to promptly distribute funds upon receipt to clients violated Mass. R. Prof. C. 1.15(c). The respondent's conduct in failing to keep a chronological check register showing all transactions in the IOLTA account with client identifiers, failing to keep an individual ledger for each client matter, failing to keep a ledger of his personal funds, failing to prepare reconciliation reports, and failing to keep deposit records with client identifiers violated Mass. R. Prof. C. 1.15(f)(1)(B), (C), (D), (E), (F)(ii) and (iii).

The matter came before Court, Gants, J., on a stipulation of facts and a joint recommendation that the respondent be indefinitely suspended and vote and recommendation of the Board of Bar Overseers dated August 13, 2012. On September 17, 2012, the Court entered an order indefinitely suspending the respondent, effective immediately.