KARL F. STAMMEN, JR.

Public Reprimand No. 2011-7

Order (public reprimand) entered by the Board on March 28, 2011.

SUMMARY[1]

The respondent, Karl F. Stammen, Jr., was admitted to the Bar of the Commonwealth on March 14, 1990. At all relevant times, the respondent maintained two IOLTA accounts, one at Bank of America and another at Sovereign Bank.

Beginning at least in July of 2004 through January of 2008, the respondent failed to maintain his IOLTA records in compliance with Mass. R. Prof. C. 1.15(f), specifically:

By failing to maintain chronological check registers for each of the IOLTA accounts, a client identifier after every transaction, a list of every transaction, and a running balance after every transaction, the respondent violated Mass. R. Prof. C. 1.15(f)(1)(B).

By failing to keep individual client ledgers for each IOLTA account with a list of every transaction and running balance, the respondent violated Mass. R. Prof. C. 1.15(f)(1)(C).

By failing to perform a three-way reconciliation for each of the IOLTA accounts, the respondent violated Mass. R. Prof. C. 1.15(f)(1)(E).

By April of 2008, the respondent stopped using the Bank of America IOLTA account. On April 30, 2009, the respondent entered into a voluntary diversion agreement with the Office of Bar Counsel that required the respondent to maintain his Sovereign Bank IOLTA account in compliance with Mass. R. Prof. C. 1.15 and to submit a certification of compliance and compliant IOLTA records to bar counsel two weeks prior to the expiration of the diversion agreement. The agreement also provided that if the respondent failed to comply with the terms of the agreement, a breach of the agreement may also constitute a separate disciplinary offense.

The respondent failed to comply with the requirements of the diversion agreement, thereby violating S.J.C. Rule 4:01 sec. 3(1)(d) and 8.4(h). The respondent also failed to perform a three-way reconciliation for the Sovereign Bank IOLTA account throughout 2009, thereby violating Mass. R. Prof. C. 1.15(f)(1)(E).

In mitigation, the respondent has brought his IOLTA records into compliance with Mass. R. Prof. C. 1.15. In aggravation, the respondent received a prior admonition for failing to pay a stenographer's bill after becoming aware that a capias had been issued for him. Admonition No. 02-51 (2002).

The respondent stipulated to the truth of the above facts and disciplinary rule violations. He and bar counsel agreed to the imposition of a public reprimand. As a condition of the public reprimand, the parties entered into a probation agreement for a one-year term during which the respondent agreed to retain an accountant and provide periodic reports to document that his trust account records continued to conform to Mass. R. Prof. C. 1.15. The respondent also agreed to attend bar counsel's trust account training program and an MCLE ethics program.

On March 14, 2011, the board voted to accept the parties' stipulation and to impose a public reprimand.

[1] Compiled by the Board of Bar Overseers based on the record of proceedings before the Board.