ORDER OF THE SUPREME COURT OF TEXAS Misc Docket No. 98-9020

Appointment of a District Judge to Preside in a State Bar Disciplinary Action

The Supreme Court of Texas hereby appoints the Honorable Horace D. Black, Judge of the 77th District Court of Limestone County, Texas, to preside in the Disciplinary Action styled:

The Commission for Lawyer Discipline v. Lauren Cannon LaRue

to be filed in a District Court of Dallas County, Texas.

The Clerk of the Supreme Court shall promptly forward to the District Clerk of Dallas County, Texas, a copy of this Order and of the Disciplinary Petition for filing and service pursuant to Rule 3.03, Texas Rules of Disciplinary Procedure.

As ordered by the Supreme Court of Texas, in chambers,

with the Seal thereof affixed at the City of Austin, this 26th day of January, 1998.

JOHN T. ADAMS, CLERK SUPREME COURT OF TEXAS This assignment, made by Misc. Docket No. 98-9020, is also an assignment by the Chief Justice of the Supreme Court pursuant to Texas Government Code §74.057.

Signed this 30 day of January, 1998.

Thomas R. Phillips

Chief Justice

COMMISSION FOR LAWYER DISCIPLINE	§	IN THE DISTRICT COURT OF
VS.	§ §	DALLAS COUNTY, TEXAS
LAUREN CANNON LARUE	§ §	JUDICIAL DISTRICT

NO.

DISCIPLINARY PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW Petitioner, the Commission for Lawyer Discipline, a committee of the State Bar of Texas (hereinafter called "Petitioner"), complaining of Respondent, Lauren Cannon LaRue, (hereinafter called "Respondent"), showing the Court:

I.

Petitioner brings this disciplinary action pursuant to the State Bar Act, Tex. Gov't. Code Ann. §81.001, et seq. (Vernon 1988), the Texas Disciplinary Rules of Professional Conduct and the Texas Rules of Disciplinary Procedure. The complaint which forms the basis of the Disciplinary Petition was filed on or after May 1, 1992.

II.

Respondent is an attorney licensed to practice law in Texas and is a member of the State Bar of Texas. Respondent is a resident of and has his principal place of practice in Dallas County, Texas. An officer may serve citation on Respondent at The Belvedere, 14881 Quorum Drive, Suite 395, Dallas, Texas 75240.

FIRST CAUSE OF ACTION

III.

On June 29, 1995, Beanna Whitlock ("Whitlock") hired Respondent for possible future representation in a civil matter. Whitlock is an enrolled agent who is authorized to practice before the Internal Revenue Service. In this capacity, Whitlock represented a client in a tax matter and requested Respondent obtain a mutual release and indemnification agreement from that client. Whitlock paid Respondent a \$2,000.00 retainer. Thereafter, Respondent performed some legal services for Whitlock and billed \$500.00 against the retainer.

IV.

By June, 1996, Respondent had not been able to obtain the mutual release and indemnification agreement and since no action had been taken against her, Whitlock requested Respondent refund the unused portion of her retainer, which amounted to \$1,500.00. Respondent agreed to immediately return \$750.00, but wanted to retain \$750.00 for possible future use. Thereafter, Respondent failed to return any of the \$1,500.00 and failed to respond to Whitlock's requests for information concerning the fee. By letter dated August 1, 1996, Whitlock requested the return of the entire unused portion of her retainer fee, \$1,500.00. On August 8, 1996, Respondent informed Whitlock she would return the unused portion of the retainer fee by Federal Express on August 9, 1996. Respondent, however, failed to return the unused portion of the retainer and failed to respond to Whitlock's continued requests for information. As a result, Whitlock filed a complaint against Respondent on September 19, 1996. Consequently, on May 29, 1997, Respondent issued Whitlock a check for the full \$1,500.00, as she had requested.

Lauren Cannon LaRue - Disciplinary Petition

Page 2 of 6

As a result of the conduct described in Paragraph III and IV, Whitlock filed a complaint against Respondent with the State Bar of Texas on September 19, 1996. On September 23, 1996, the State Bar of Texas sent, by certified mail return receipt requested, a letter to Respondent notifying her that a complaint alleging professional misconduct on her part had been filed against her by Whitlock. In said letter, Respondent was advised that, pursuant to Rule 2.09 of the Texas Rules of Disciplinary Procedure, she was required to file a written response with the State Bar of Texas within thirty (30) days of his receipt of the letter. Respondent received the letter on September 25, 1996, and failed to furnish the State Bar of Texas a written response to the complaint until February 11, 1997.

VI.

Such acts and/or omissions on the part of Respondent as are described in Paragraphs III, IV and V, hereinabove, which occurred on or after January 1, 1990, constitute conduct which violates Rules 1.03(a), 1.15(d), 8.04(a)(1) and/or 8.04(a)(8) of the Texas Disciplinary Rules of Professional Conduct.

VII.

The complaint which forms the basis of the Cause of Action hereinabove set forth was brought to the attention of the Office of General Counsel of the State Bar of Texas by Beanna Whitlock filing a complaint on or about September 19, 1996.

SECOND CAUSE OF ACTION

VIII.

In or around February 1996, Mary Lujan ("Lujan") hired Respondent to handle back sales tax problems and health insurance issues for her business. Lujan gave Respondent a sum of money to cover her attorney's fees. Lujan also give Respondent a check in the amount of \$4,086.31, made payable to the State Comptroller, to pay a portion of the sales taxes she owed. Respondent failed to forward Lujan's check to the Comptroller of Public Accounts; instead, she misfiled the check in an unrelated file. Respondent also failed to contact the State Comptroller's Office, despite her representations to the contrary to Lujan, and she failed to keep Lujan properly informed about the status of her case. As a consequence, Lujan terminated Respondent's services and requested Respondent send her file to Lujan's new attorney. Lujan also asked Respondent to account for all the monies she had paid to Respondent. Respondent represented to Lujan that she would send the files and an accounting to Lujan's new attorney on August 22, 1996. Respondent, however, failed to provide Lujan's new attorney with either Lujan's files or an accounting.

IX.

As a result of the conduct described in Paragraph VIII, Lujan filed a complaint against Respondent with the State Bar of Texas on November 7, 1996. On November 7, 1996, the State Bar of Texas sent, by certified mail return receipt requested, a letter to Respondent notifying her that a complaint alleging professional misconduct on her part had been filed against her by Lujan. In said letter, Respondent was advised that, pursuant to Rule 2.09 of the Texas Rules of Disciplinary Procedure, she was required to file a written response with the State Bar of Texas within thirty (30)

Lauren Cannon LaRue - Disciplinary Petition

Page 4 of 6

days of her receipt of the letter. Respondent received the letter on November 12, 1996, and failed to furnish the State Bar of Texas a written response to the complaint until February 15, 1997, well after the thirty (30) day deadline.

X.

Such acts and/or omissions on the part of Respondent as are described in Paragraphs VIII and IX, hereinabove, which occurred on or after January 1, 1990, constitute conduct which violates Rules 1.01(b)(1), 1.01(b)(2), 1.03(a), 1.14, 1.15(d), and/or 8.04(a)(8) of the Texas Disciplinary Rules of Professional Conduct.

XI.

The complaint which forms the basis of the Cause of Action hereinabove set forth was brought to the attention of the Office of General Counsel of the State Bar of Texas by Mary Lujan filing a complaint on or about November 7, 1996.

PRAYER

WHEREFORE, PREMISES CONSIDERED, Petitioner prays for judgment that Respondent be disciplined as the facts shall warrant; and that Petitioner have such other relief to which entitled, including costs of Court and attorney's fees.

Respectfully submitted,

Steve W. Young General Counsel

Angela Methvin

Assistant General Counsel

State Bar of Texas Litigation - Dallas 3710 Rawlins Suite 800 Dallas, Texas 75219 (214) 559-4997 FAX (214) 559-4335

Angela Methyin
State Bar Card No. 00792698

ATTORNEYS FOR PETITIONER

STATE BAR OF TEXAS



Office of the General Counsel

December 22, 1997

CMRRR NO. P 104 073 519

John T. Adams, Clerk Supreme Court of Texas P.O. Box 12248 Austin, Texas 78711

RE:: Commission for Lawyer Discipline v. Lauren Cannon LaRue

Dear Mr. Adams:

Enclosed please find an original and two (2) copies of a Disciplinary Petition being filed by the Commission for Lawyer Discipline against Lauren Cannon LaRue. Ms. LaRue has designated Dallas County, Texas, as her principal place of practice. Request is hereby made that the Court appoint an active District Judge who does not reside in the Administrative Judicial Region in which Respondent resides to preside in this case. Upon appointment, request is made that you notify the Respondent at the address shown below and the undersigned of the identity and address of the judge assigned:

Lauren Cannon LaRue The Belvedere 14881 Qurum Drive, Suite 395 Dallas, Texas 75240

As a practical matter, I would respectfully suggest that you inquire with the judge to be appointed as to: (1) whether he or she will be able to comply with the 180 day deadline by which the case must be set for trial set forth in Section 3.07 of the Texas Rules of Disciplinary Procedure; and (2) whether he or she can accommodate compliance with *Mellon Service Co.*, et al v. Touche Ross Co., 946 S.W.2d 862 (Tex. App. - Houston [14th Dist.] 1997), which requires that all proceedings incident to a case occur in the county of proper venue. If not, I would respectfully request that an alternate appointment be made.

Regency Plaza, 3710 Rawlins, Suite 800, Dallas, Texas 75219 Telephone: (214) 559-4353 Fax: (214) 559-4335 John T. Adams, Clerk December 22, 1997 Page 2

Once a trial judge has been appointed, please forward the original and two (2) copies of the Disciplinary Petition, the filing fee check, also enclosed herewith, and the Court's appointing order to the District Clerk of Dallas County, Texas, with the request that the suit be filed, service be obtained, and a file-marked copy of the petition be returned to the undersigned.

Also enclosed are a pre-addressed envelope for your use in transmitting the petition, etc., to the District Clerk of Dallas County, Texas, and a return envelope to be sent to the District Clerk of Dallas County, Texas, for the Clerk's use in returning a file-marked copy of the Petition to the undersigned.

Thank you for your courtesies in this matter.

Sincerely,

Angela Methvin

Assistant General Counsel

Enclosures



THE SUPREME COURT OF TEXAS

CHIEF JUSTICE THOMAS R. PHILLIPS

JUSTICES
RAUL A. GONZALEZ
NATHAN L. HECHT
CRAIG T. ENOCH
ROSE SPECTOR
PRISCILLA R. OWEN
JAMES A. BAKER
GREG ABBOTT
DEBORAH G. HANKINSON

POST OFFICE BOX 12248 AUSTIN, TEXAS 78711

TEL: (512) 463-1312

FAX: (512) 463-1365

CLERK
JOHN T. ADAMS

EXECUTIVE ASS'T WILLIAM L. WILLIS

ADMINISTRATIVE ASS'T NADINE SCHNEIDER

February 6, 1998

Ms. Angela Methvin Assistant General Counsel, State Bar of Texas 3710 Rawlins, Suite 800 Dallas, Texas 75219

Ms. Lauren Cannon LaRue The Belvedere 14881 Qurum Drive, Suite 395 Dallas, Texas 75240

Dear Ms. Methvin and Ms. LaRue:

Pursuant to Rule 3.02 of the Texas Rules of Disciplinary Procedure, I hereby notify you that the Supreme Court of Texas has appointed the Honorable Horace D. Black, Judge of the 77th District Court, Groesbeck, Texas, to preside in

Commission for Lawyer Discipline v. Lauren Cannon LaRue

Sincerely,

SIGNED

John T. Adams Clerk



THE SUPREME COURT OF TEXAS

CHIEF JUSTICE

POST OFFICE BOX 12248

AUSTIN, TEXAS 78711

CLERK JOHN T. ADAMS

THOMAS R. PHILLIPS

TEL: (512) 463-1312 FAX: (512) 463-1365

EXECUTIVE ASS'T WILLIAM L. WILLIS

JUSTICES RAUL A. GONZALEZ NATHAN L. HECHT CRAIG T. ENOCH ROSE SPECTOR PRISCILLA R. OWEN IAMES A. BAKER GREG ABBOTT DEBORAH G. HANKINSON

February 6, 1998

ADMINISTRATIVE ASS'T NADINE SCHNEIDER

Honorable Horace D. Black Judge, 77th District Court P.O. Box 230 Groesbeck, Texas 76642

Dear Judge Black:

We enclose for your information a copy of the order of assignment, a copy of the Disciplinary Action, a copy of the notification letter to Ms. Methvin and Ms. LaRue, and a copy of the letter to the District Clerk of Dallas County.

We then recommend that, either before or immediately after you set the case for trial, the Dallas County District Court Administrative Office (214-653-6510) be contacted to reserve a courtroom, provide for a court reporter, etc. Finally, you should contact the Presiding Judge of the Administrative Judicial Region into which you have been assigned (214-653-2943) to obtain information on lodging, allowable expenses, and claims forms for your expenses incident to presiding over this disciplinary case.

Sincerely,

SIGNED

John T. Adams Clerk



THE SUPREME COURT OF TEXAS

CHIEF JUSTICE THOMAS R. PHILLIPS

JUSTICES
RAUL A. GONZALEZ
NATHAN L. HECHT
CRAIG T. ENOCH
ROSE SPECTOR
PRISCILLA R. OWEN
JAMES A. BAKER
GREG ABBOTT

DEBORAH G. HANKINSON

POST OFFICE BOX 12248

AUSTIN, TEXAS 78711

TEL: (512) 463-1312

FAX: (512) 463-1365

CLERK
JOHN T. ADAMS

EXECUTIVE ASS'T WILLIAM L. WILLIS

ADMINISTRATIVE ASS'T NADINE SCHNEIDER

February 6, 1998

The Honorable Bill Long District Clerk of Dallas County George L. Allen Courts Building 600 Commerce Street Dallas, Texas 75202

Dear Mr. Long:

Pursuant to Rule 3.03 of the Texas Rules of Disciplinary Procedure, I am sending for filing State Bar of Texas Disciplinary Action styled: <u>The Commission for Lawyer Discipline v. Lauren Cannon LaRue</u> and a copy of the Supreme Court's order appointing the Honorable Horace D. Black, Judge of the 77th District Court, Groesbeck, Texas, to preside in this Disciplinary Action.

Sincerely,

SIGNED

John T. Adams Clerk

cc:

Hon. Horace D. Black Ms. Lauren Cannon LaRue Ms. Angela Methvin