

FILE NO. \_\_\_\_\_

STATE OF MINNESOTA

IN SUPREME COURT

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In Re Petition for Disciplinary Action  
against STEPHEN LOUIS MADSEN,  
an Attorney at Law of the  
State of Minnesota.  
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**STIPULATION FOR DISPENSING  
WITH PANEL PROCEEDINGS,  
FOR FILING PETITION FOR  
DISCIPLINARY ACTION,  
AND FOR DISCIPLINE**

THIS STIPULATION is entered into by and between Martin A. Cole, Acting Director of the Office of Lawyers Professional Responsibility, hereinafter Director, and Stephen Louis Madsen, attorney, hereinafter respondent.

WHEREAS, respondent has concluded it is in respondent's best interest to enter into this stipulation,

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the undersigned as follows:

1. It is understood that respondent has the right to have charges of unprofessional conduct heard by a Lawyers Professional Responsibility Board Panel prior to the filing of a petition for disciplinary action, as set forth in the Rules on Lawyers Professional Responsibility (RLPR). Pursuant to Rule 10(a), RLPR, the parties agree to dispense with Panel proceedings under Rule 9, RLPR, and respondent agrees to the immediate filing of a petition for disciplinary action, hereinafter petition, in the Minnesota Supreme Court.
2. Respondent understands that upon the filing of this stipulation and the petition, this matter will be of public record.
3. It is understood that respondent has certain rights pursuant to Rule 14, RLPR. Respondent waives these rights, which include the right to a hearing before a referee on the petition; to have the referee make findings and conclusions and a recommended disposition; to contest such findings and conclusions; and to a hearing before the Supreme

Court upon the record, briefs and arguments. Respondent hereby admits service of the petition.

4. Respondent waives the right to answer and unconditionally admits the allegations of the petition which may be summarized as follows:

a. Respondent failed to comply with the discovery provisions of the Minnesota Rules of Civil Procedure that prohibit the use of *ex parte* subpoenas in violation of Rules 1.1 and 3.4(c), Minnesota Rules of Professional Conduct (MRPC).

b. Respondent settled and dismissed his client's cause of action without his client's knowledge or consent in violation of Rules 1.4 and 1.2(a), MRPC.

c. Respondent failed to make a good faith effort to either pay-off or arrange for a payment plan of a default judgment entered against him in his client's malpractice case in violation of Rule 8.4(d), MRPC.

5. Respondent understands that based upon these admissions, this Court may impose any of the sanctions set forth in Rule 15(a)(1) - (9), RLPR, including making any disposition it deems appropriate. Respondent understands that by entering into this stipulation, the Director is not making any representations as to the sanction the Court will impose.

6. Pursuant to Rule 15, RLPR, the Director and respondent join in recommending that the appropriate discipline is a public reprimand, payment of \$900 in costs and disbursements pursuant to Rule 24, RLPR, and supervised public probation for a period of two years, under the following conditions:

a. Respondent shall cooperate fully with the Director's Office in its efforts to monitor compliance with this probation and promptly respond to the Director's correspondence by the due date. Respondent shall cooperate with the Director's investigation of any allegations of unprofessional conduct which may come to the Director's attention. Upon the Director's request, respondent shall

provide authorization for release of information and documentation to verify compliance with the terms of this probation.

b. Respondent shall abide by the Minnesota Rules of Professional Conduct.

c. Respondent shall be supervised by a licensed Minnesota attorney, appointed by the Director to monitor compliance with the terms of this probation. Respondent shall provide to the Director the names of four attorneys who have agreed to be nominated as respondent's supervisor within two weeks from the date this stipulation is executed. If, after diligent effort, respondent is unable to locate a supervisor acceptable to the Director, the Director will seek to appoint a supervisor. Until a supervisor has signed a consent to supervise, the respondent shall on the first day of each month provide the Director with an inventory of active client files described in paragraph (d) below. Respondent shall make active client files available to the Director upon request.

d. Respondent shall cooperate fully with the supervisor in his/her efforts to monitor compliance with this probation. Respondent shall contact the supervisor and schedule a minimum of one in-person meeting per calendar quarter. Respondent shall submit to the supervisor an inventory of all active client files by the first day of each month during the probation. With respect to each active file, the inventory shall disclose the client name, type of representation, date opened, most recent activity, next anticipated action, and anticipated closing date. Respondent's supervisor shall file written reports with the Director at least quarterly, or at such more frequent intervals as may reasonably be requested by the Director.

e. Within thirty days from the execution of this stipulation, respondent shall provide to the Director and to the probation supervisor, if any, a written plan

outlining office procedures designed to ensure that respondent is in compliance with probation requirements. Respondent shall provide progress reports as requested.

f. Within thirty days from the execution of this stipulation, respondent shall contact Mark Magers or his counsel and make a good faith effort to enter into a payment plan for the \$98,812.50 judgment entered against him. Respondent shall provide the Director with documentation of his efforts and proof of any payments made thereon.

7. This stipulation is entered into by respondent freely and voluntarily, without any coercion, duress or representations by any person except as contained herein.

8. Respondent hereby acknowledges receipt of a copy of this stipulation.

9. Respondent has been advised of the right to be represented herein by an attorney but has freely chosen to appear *pro se*.

IN WITNESS WHEREOF, the parties executed this stipulation on the dates indicated below.

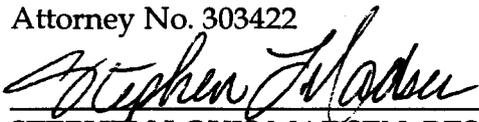
Dated: September 25, 2002.

  
MARTIN A. COLE  
ACTING DIRECTOR OF THE OFFICE OF  
LAWYERS PROFESSIONAL RESPONSIBILITY  
Attorney No. 148416  
1500 Landmark Towers  
345 St. Peter Street  
St. Paul, MN 55102-1218  
(651) 296-3952

Dated: September 25, 2002.

  
CASSIE HANSON  
ASSISTANT DIRECTOR  
Attorney No. 303422

Dated: October 2, 2002.

  
STEPHEN LOUIS MADSEN, RESPONDENT  
Attorney No. 190081  
190 Midtown Commons  
2334 University Avenue  
St. Paul, MN 55114