

FILE NO. _____

STATE OF MINNESOTA

IN SUPREME COURT

In Re Petition for Disciplinary Action
against KENNETH ANTHONY NEAL,
a Minnesota Attorney,
Registration No. 329782.

**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, Director of the Office of Lawyers Professional Responsibility, hereinafter Director, and Kenneth Anthony Neal, 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 deposit funds given to him on behalf of a client into a trust account and misappropriated those funds; failed to inform the law firm that employed him of the receipt of funds from the client after the firm agreed to represent the client *pro bono*; neglected the client's claims; failed to notify the client of the dismissal of her suit against a contractor; entered into a business transaction with the client without complying with the disclosure and consent requirements of Rule 1.8(a); and failed to seek and obtain the client's consent after consultation to a conflict of interest arising out of his serving as her attorney in her claims against a contractor while at the same time holding a financial interest in a company providing mold remediation services to the property that was the subject of the claims in violation of Rules 1.3, 1.4, 1.7, 1.8(a), 1.15, 3.2, 8.4(c), and 8.4(d), Minnesota Rules of Professional Conduct (MRPC), as those rules read prior to October 1, 2005.

b. Respondent engaged in the unauthorized practice of law in a gestational contract matter and identified himself as a specialist on his letterhead without including a statement that he is not certified as a specialist in violation of Rules 5.5(a) and 7.4(d), MRPC, as those rules read after October 1, 2005.

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. In mitigation it is noted that respondent has no disciplinary history and that he self-reported his misconduct to the Director's Office. Respondent's inexperience in the practice of law may also be considered in mitigation of some of the misconduct. Respondent has agreed to refund \$2,700 to his former client, J.C., and has made a partial refund. Additionally, respondent ceased practicing law upon reporting his misconduct in January 2006. Although the Director does not agree that a lawyer's required cooperation is properly considered a mitigating factor, it is noted that respondent has cooperated in the disciplinary proceedings.

7. The Director and respondent join in recommending that the appropriate discipline is an 18-month suspension pursuant to Rule 15, RLPR, effective upon the date of the Court's order adopting this stipulation. The reinstatement hearing provided for in Rule 18, RLPR, is not waived. Respondent may petition for reinstatement at any time after his license has been suspended for twelve months. Reinstatement is conditioned upon: (1) payment of costs in the amount of \$900 pursuant to Rule 24(d), RLPR; (2) compliance with Rule 26, RLPR; (3) successful completion of the professional responsibility examination pursuant to Rule 18(e); and (4) satisfaction of the continuing legal education requirements pursuant to Rule 18(e), RLPR.

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

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

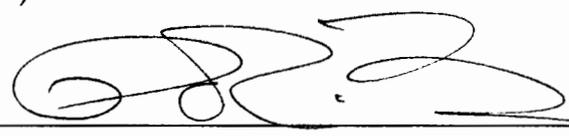
10. Respondent has been advised by the undersigned counsel concerning this stipulation and these proceedings generally.

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

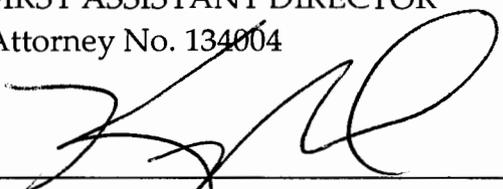
Dated: April 16, 2007.


MARTIN A. COLE
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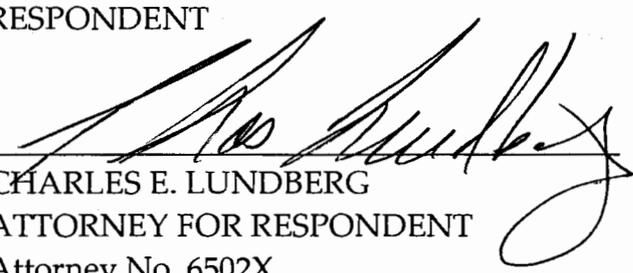
Dated: APRIL 16, 2007.


PATRICK R. BURNS
FIRST ASSISTANT DIRECTOR
Attorney No. 134004

Dated: APRIL 25, 2007.


KENNETH ANTHONY NEAL
RESPONDENT

Dated: April 30, 2007.


CHARLES E. LUNDBERG
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