FILE NO. _____

STATE OF MINNESOTA

IN SUPREME COURT

In Re Petition for Disciplinary Action against JOHN A. NELSON, a Minnesota Attorney, Registration No. 77938.

PETITION FOR DISCIPLINARY ACTION

TO THE SUPREME COURT OF THE STATE OF MINNESOTA:

The Director of the Office of Lawyers Professional Responsibility, hereinafter Director, files this petition upon the parties' agreement pursuant to Rules 10(a) and 12(a), Rules on Lawyers Professional Responsibility. The Director alleges:

The above-named attorney, hereinafter respondent, was admitted to practice law in Minnesota on May 5, 1978. Respondent currently practices law in Willmar, Minnesota.

Respondent has committed the following unprofessional conduct warranting disbarment:

B&B Capital Management, LLC and Anjon Investments, Inc. Matters

1. As more fully set forth below, from 1998 through 2001 respondent solicited clients to make investments in B&B Capital Management, LLC (B&B) and Anjon Investments, Inc. (Anjon).

2. B&B was represented to the clients as a trading company that would buy and sell consumer products in the international market. Anjon was represented to the clients as a company in the business of importing and refurbishing surplus military equipment from Korea for resale in the United States.

3. Respondent, at all times relevant, served as Chief Financial Officer of B&B and Anjon, and held an ownership interest in B&B.

4. Respondent, during the years 1998 through 2001, solicited and received from 12 different clients a total of $4,250,000 for investment in B&B and Anjon. Respondent solicited these investments from clients in connection with providing them legal services relative to business and estate planning matters.

5. Both B&B and Anjon ceased doing business, at the latest, in 2002. Over $2,700,000 of the funds invested by respondent's clients remains unpaid by either B&B or Anjon. Malpractice insurance has paid a total of $700,000 to 11 of the 12 clients. Other litigation seeking additional recovery is pending.

6. As to all of the clients who invested in B&B and Anjon, respondent failed to notify them in writing that they should consider retaining independent counsel for advice in the transaction, failed to fully disclose to the clients the full and complete terms of the transaction, and failed to obtain the written consent of the clients to his conflicts of interest in the transactions.

7. The terms of the client investments in B&B and Anjon were not fair and reasonable. The investments were wholly unsecured except for, in some cases, assignments of nontransferable, nominal interests in B&B. Respondent failed to provide to the clients the full and true status of B&B's and Anjon's financial affairs and the true nature of the risk inherent in the investments. Respondent, in many instances, failed to disclose to the clients the true purpose for which their funds would be used.

8. Respondent's conduct violated Rule 1.8(a), Minnesota Rules of Professional Conduct.

WHEREFORE, the Director respectfully prays for an order of this Court disbarring respondent, awarding costs and disbursements pursuant to the Rules on

Lawyers Professional Responsibility, and for such other, further or different relief as may be just and proper.

Dated: May 11, 2004.

KENNETH L. JORGENSEN
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