

FILE NO. _____

STATE OF MINNESOTA

IN SUPREME COURT

In Re Petition for Disciplinary Action
against KARL MATTHEW RANUM,
an Attorney at Law of the
State of Minnesota.

STIPULATION FOR FILING A
PETITION FOR DISCIPLINARY
ACTION AND FOR DISCIPLINE

THIS STIPULATION is entered into by and between Edward J. Cleary, Director of the Office of Lawyers Professional Responsibility, hereinafter Director, and Karl Matthew Ranum, attorney, hereinafter respondent.

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

NOW, THEREFORE, THE UNDERSIGNED PARTIES HEREBY STIPULATE as follows:

1. Respondent is presently on probation pursuant to his September 5, 1997, agreement with the Director and his October 7, 1999, agreement to an Extension of Probation. Respondent understands that the Director intends to revoke respondent's probation by filing a petition for disciplinary action with the Minnesota Supreme Court. Respondent understands that upon filing of a petition, respondent would have certain rights pursuant to Rule 14, Rules on Lawyers Professional Responsibility (RLPR), including 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.

2. Respondent waives these rights. The parties agree to dispense with further proceedings under Rule 14, RLPR, and respondent agrees to the immediate disposition of this matter by the Minnesota Supreme Court under Rule 15, RLPR.

3. Respondent understands this stipulation, when filed, will be of public record.

4. Respondent admits service of the petition for disciplinary action. Respondent waives his right to answer and unconditionally admits the allegations of the petition.

5. Respondent understands that based upon his 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 sanctions the Court will impose.

6. The Director and respondent join in recommending that the Court:

- a. Suspend respondent from the practice of law for three months;
- b. Waive the reinstatement hearing provided for in Rule 18(a) through (d), RLPR;
- c. Require respondent to file all outstanding state and federal tax returns for the calendar years 1993 through 1999 before submitting his affidavit requesting reinstatement;
- d. Require respondent to pass the professional responsibility portion of the state bar examination within one year of the date of this Court's order;
- e. Order respondent to comply with Rule 26, RLPR;
- f. Order respondent to pay \$900 in costs pursuant to Rule 24(a), RLPR;

g. Reinstatement respondent following the expiration of his suspension provided that, no more than 15 days before the expiration of the suspension period, respondent files an affidavit with the Clerk of Appellate Courts and the Director's Office establishing that respondent has filed his outstanding tax returns, is current with Continuing Legal Education requirements, has fully complied with Rules 24 and 26, RLPR, and has satisfactorily completed all other conditions imposed by the Court in its decision.

7. The Director and respondent further recommend that upon respondent's reinstatement to the practice of law, respondent be placed on probation for a period of two years upon the following conditions:

a. Respondent shall cooperate fully with the Director's Office in its efforts to monitor compliance with his 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 his probation.

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

c. Respondent shall maintain law office and trust account books and records in compliance with Rule 1.15, MRPC, and LPRB Opinion No. 9. These books and records include the following: client subsidiary ledger, checkbook register, monthly trial balances, monthly trust account reconciliation, bank statements, canceled checks, duplicate deposit slips and bank reports of interest, service charges and interest payments to the Lawyer Trust Account Board. Such books and records shall be made available to the Director within 30 days of the

Court's order and thereafter shall be made available to the Director at such intervals as he deems necessary to determine compliance.

d. Respondent shall timely file all required state and federal tax returns, including individual and employer withholding returns, and timely pay the taxes due thereon. Respondent shall affirmatively report to the Director, on or before the due date of the required returns, his compliance with filing and payment requirements. Such reports shall include copies of the required returns. On or before the filing deadline, respondent shall provide the Director with copies of all applications for filing extension and proof of approval of such applications. Respondent shall provide all of the documents and information required herein without specific reminder or request.

e. No more than sixty days from the date of the Court's order for reinstatement and probation, respondent shall enter into agreements satisfactory to the Internal Revenue Service (IRS) and the Minnesota Department of Revenue (DOR) for the payment of all unpaid taxes. Respondent shall provide the Director with copies of the payment agreements and proof of currency on payments required by the agreements. If after sixty days, agreement with the IRS and/or DOR has not been reached despite diligent effort by respondent, respondent shall report monthly to the Director concerning his progress in reaching agreement. Such reports shall continue until written agreements have been signed by both the IRS and DOR.

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.

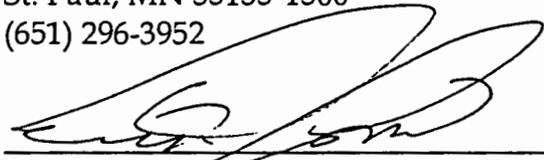
10. Respondent has been advised by the undersigned counsel concerning this stipulation and these proceedings generally.

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

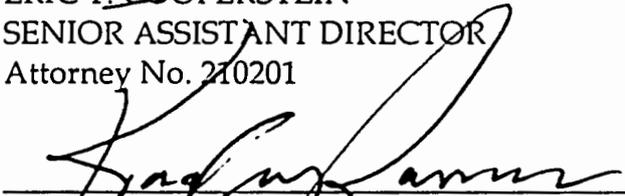
Dated: February 2, 2000.


EDWARD J. CLEARY
DIRECTOR OF THE OFFICE OF LAWYERS
PROFESSIONAL RESPONSIBILITY
Attorney No. 17267
25 Constitution Avenue, Suite 105
St. Paul, MN 55155-1500
(651) 296-3952

Dated: February 4, 2000.


ERIC T. COOPERSTEIN
SENIOR ASSISTANT DIRECTOR
Attorney No. 210201

Dated: Feb. 21, 2000.


KARL MATTHEW RANUM
RESPONDENT
Attorney No. 190317

Dated: 2/25, 2000.


MICHAEL J. HOOVER
ATTORNEY FOR RESPONDENT
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