FILE NO. _____

STATE OF MINNESOTA

IN SUPREME COURT

In Re Petition for Disciplinary Action
against STEPHEN JON RONDESTVEDT,
a Minnesota Attorney,
Registration No. 195431.

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 October 28, 1988. Respondent currently practices law in Minneapolis, Minnesota.

Respondent has committed the following unprofessional conduct warranting public discipline:

COUNT ONE

Misappropriation

1. Between August 2000 and September 2003, respondent misappropriated more than $700,000 from at least 25 clients by:

a. persuading clients to invest their injury settlement proceeds in a non-existing financial entity; or

b. forging client signatures on settlement checks in at least two matters.

2. Respondent estimates that the total amount outstanding to clients is approximately $700,000.

3. Respondent's conduct violated Rules 8.4(b) and (c), Minnesota Rules of Professional Conduct (MRPC).

COUNT TWO

Misrepresentations to Opposing Counsel, Misrepresentations to the Director's Office, Neglect, Non-Communication and Failure to Have Written Settlement Statement - Freiseis Matter

4. Respondent represented Helmut Freiseis in a personal injury matter.

5. St. Paul Ramsey Medical Center, n/k/a Regions Hospital (hereinafter "Regions Hospital"), treated Freiseis for his injuries.

6. Respondent settled Freiseis' personal injury claim for $8,500 and between April and June 1999, respondent disbursed the entire $8,500 to Freiseis and his firm for fees. Respondent failed to withhold any settlement funds to pay Regions Hospital.

7. Respondent thereafter made multiple misrepresentations to Regions Hospital's counsel as to why Freiseis made no payment to Regions.

8. Respondent ultimately paid Regions Hospital an agreed-upon amount to settle the judgment.

9. Respondent's conduct violated Rules 1.3, 1.4, 1.5(c), 3.2, 4.1, 8.1(a)(1), and 8.4(c), (MRPC).

COUNT THREE

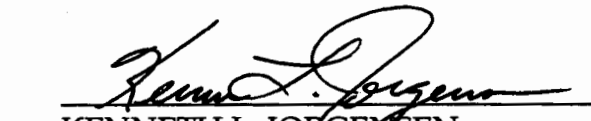
Neglect and Non-Communication - Sjodin Matter

10. In June 2001 Danny Sjodin retained respondent for representation to secure payment of chiropractic bills for chiropractic services Sjodin received arising out of a 1995 work injury.

11. Respondent neglected Sjodin's case in violation of Rules 1.3 and 1.4, MRPC.

WHEREFORE, the Director respectfully prays for an order of this Court disbarring respondent from the practice of law, 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: September 25, 2003.



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