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LAWYERS PROF. RESP. BOARD

STATE OF MINNESOTA

IN SUPREME COURT

C3-90-1189

OFFICE OF
APPELLATE COURTS

NOV 27 1990

FILED

In Re the Petition for Disciplinary Action
against Morry N. Rothstein, an Attorney at
Law of the State of Minnesota.

ORDER

In May of this year, the Director of the Lawyers Professional Responsibility Board filed a petition with this Court alleging that the respondent Morry N. Rothstein has committed professional misconduct warranting public discipline. Thereafter, the Director filed a supplementary petition, a second supplementary petition and an amended second supplementary petition against respondent. In these petitions, the Director alleges that respondent repeatedly and intentionally misappropriated client funds and escrow funds from respondent's general trust account and from several separate accounts; that, as obligations became due, respondent misappropriated the funds of other clients to meet the obligations, thus "rolling over" the shortage from client to client; that, in January 1990, the shortage exceeded \$50,000; that, in one instance, respondent misappropriated \$45,743.28 that he was holding in escrow, later restoring these funds to the escrow account under suspicious circumstances; that, in another instance, respondent misappropriated \$35,000 in client funds, a portion of which was used to pay obligations he owed to other clients from whom he earlier had misappropriated funds; that respondent was uncooperative and dishonest in his dealings with the Director; and, that, in addition to the misappropriations, respondent committed retainer fee violations, falsely certified to the Minnesota Supreme Court on his

attorney registration statements that he maintained books and records sufficient to show preservation of the identity of client funds, and neglected a client matter which was entrusted to him.

After the amended second supplemental petition had been filed, respondent entered into a stipulation for discipline with the Director. In the stipulation, the respondent waived all of his procedural rights to hearings as provided in Rule 10(a), Rule 9 and Rule 14 of the Rules on Lawyers Professional Responsibility. Respondent also waived his right to interpose an answer and unconditionally admitted all of the allegations of the petition, the supplemental petition, the second supplemental petition and the amended second supplemental petition. Respondent joined with the Director in recommending that appropriate discipline pursuant to Rule 15, Rules on Lawyers Professional Responsibility, is disbarment. Respondent further agreed to the imposition and payment of \$750 in costs pursuant to Rule 24, Rules on Lawyers Professional Responsibility and the Director agreed to waive its claim for attorney fees pursuant to Rule 15(a)(8), Rules on Lawyers Professional Responsibility, if this court accepts the terms of the parties' stipulation.

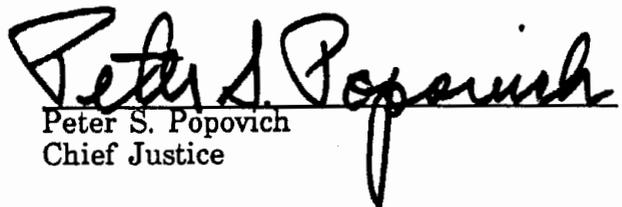
The Court, having considered all of the facts and circumstances surrounding this matter, the petition of the Director, and the stipulation of the parties, NOW ORDERS:

1. That the respondent, Morry N. Rothstein, hereby is disbarred pursuant to Rule 15 of the Rules on Lawyers Professional Responsibility.
2. That the respondent shall pay to the Director the sum of \$750 in costs and disbursements pursuant to Rule 24, Rules on Lawyers Professional Responsibility.

Dated:

11-17-70

BY THE COURT:


Peter S. Popovich
Chief Justice