

FILED

MAR 05 2007

DISCIPLINARY COMMISSION OF THE
SUPREME COURT OF ARIZONA

BY *[Signature]*

**BEFORE THE DISCIPLINARY COMMISSION
OF THE SUPREME COURT OF ARIZONA**

IN THE MATTER OF A MEMBER)
OF THE STATE BAR OF ARIZONA,)
)
BRUCE A. SHOLES,)
Bar No. 007793)
)
RESPONDENT.)
_____)

File Nos. 03-2296, 04-0875, 05-0060

**DISCIPLINARY COMMISSION
REPORT**

This matter came before the Disciplinary Commission of the Supreme Court of Arizona on February 10, 2007, pursuant to Rule 58, Ariz. R. Sup. Ct., for consideration of the Hearing Officer's Report filed December 22, 2006, recommending acceptance of the Tender of Admissions and the Agreement for Discipline by Consent (Tender) and the Joint Memorandum (Joint Memorandum) in Support of Agreement for Discipline by Consent providing for a six-month suspension, two years of probation upon reinstatement with the State Bar's Law Office Management Assistance Program (LOMAP), Trust Account Enhancement Program (TAEPP), restitution, and costs.

Decision

The eight members¹ of the Disciplinary Commission by a majority of seven,² recommend accepting and adopting the Hearing Officer's findings of fact, conclusions of law, and recommendation for six-month suspension, two years of probation upon reinstatement (LOMAP and TAEPP), restitution, and costs of these disciplinary

¹ Commissioner Gooding did not participate in these proceedings.

² Commissioner Todd was opposed.

proceedings.³ Restitution and the terms of probation are as follows:

Restitution

Miranda Gallaway	\$ 221.20
Richard K. Dewerth	<u>\$6,180.24</u>
TOTAL	\$6,401.44

Terms of Probation

1. Within 30 days prior to the end of his suspension period, Respondent shall contact the Director of LOMAP and submit to a LOMAP audit of his trust account procedures and calendaring procedures. Respondent thereafter will enter into a LOMAP contract based upon the recommendations of the LOMAP director or designee and shall comply with the recommended terms which shall be incorporated herein by reference. The probation period will begin to run at the time of Respondent's reinstatement and will conclude two years from the date that all parties have signed the probation contract.

2. Respondent shall refrain from engaging in any conduct that would violate the Rules of Professional Conduct or other Rules of the Supreme Court of Arizona.

3. Respondent shall complete TAEPP during the first six months of the probationary period. To schedule his attendance, Respondent shall contact Barbara Chandler at (602) 340-3278.

4. Respondent shall pay the costs incurred in these disciplinary proceeding including costs incurred by the State Bar of Arizona, Disciplinary Clerk and Supreme Court of Arizona, the assessment by LOMAP, and applicable monitoring costs of probation.

5. In the event that Respondent fails to comply with any of the foregoing conditions, and the State Bar receives information, bar counsel shall file with the Hearing

³ A copy of the Hearing Officer's Report is attached as Exhibit A.

1 Officer a Notice of Non-Compliance, pursuant to Rule 60(a)(5), Ariz. R. Sup. Ct. The
2 Hearing Officer shall conduct a hearing within thirty days after receipt of said notice, to
3 determine whether the terms of probation have been violated and if an additional sanction
4 should be imposed. In the event there is an allegation that any of these terms have been
5 violated, the burden of proof shall be on the State Bar of Arizona to prove non-compliance by
6 clear and convincing evidence.

7 RESPECTFULLY SUBMITTED this 5th day of March, 2007.

8 

9
10 J. Conrad Baran, Chair
Disciplinary Commission

11 Original filed with the Disciplinary Clerk
12 this 5th day of March, 2007.

13 Copy of the foregoing mailed
14 this 5th day of March, 2007, to:

15 Yvonne R. Hunter
16 Hearing Officer 8P
17 *Pinnacle West Capital Corporation*
P.O. Box 53999, MS 9988
Phoenix, AZ 85072-3999

18 J. Scott Rhodes
19 Respondent's Counsel
20 *Jennings Strouss & Salmon, P.L.C.*
201 East Washington Street, 11th Floor
Phoenix, AZ 85004-2385

21 Shauna R. Miller
22 Senior Bar Counsel
23 4201 North 24th Street, Suite 200
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24 by 

25 /mps
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