

**BEFORE THE PRESIDING DISCIPLINARY JUDGE**

IN THE MATTER OF A MEMBER OF  
THE STATE BAR OF ARIZONA,

**LYNN A. KEELING,**  
**Bar No. 015130**

Respondent.

**PDJ 2019-9015**

**FINAL JUDGMENT AND  
ORDER**

[State Bar No. 18-1814]

**FILED APRIL 9, 2019**

The Presiding Disciplinary Judge accepted the parties Agreement for Discipline by Consent filed on March 27, 2019.

Accordingly,

**IT IS ORDERED** Respondent, **LYNN A. KEELING, Bar No. 015130**, is suspended from practicing law for ninety (90) days for her conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective 30 days from the date of this order.

**IT IS FURTHER ORDERED** pursuant to Rule 72 Ariz. R. Sup. Ct., Ms. Keeling shall immediately comply with the requirements relating to notification of clients and others.

**IT IS FURTHER ORDERED** upon reinstatement, Ms. Keeling shall be placed on probation for a period of two (2) years.

**IT IS FURTHER ORDERED** Ms. Keeling shall participate in the following programs:

1. Trust Account Ethics Enhancement Program (TAEEP): Respondent shall attend a half-day TAEEP. Respondent shall contact the State Bar Compliance Monitor at (602) 340-7258, within ten (10) days from the date of this order, to schedule attendance at the next available class. Respondent shall be responsible for the cost of attending the program.
2. Law Office Management Assistance Program (LOMAP): Respondent shall contact the State Bar Compliance Monitor at (602) 340-7258, within ten (10) days from the date of this order. Respondent shall submit to a LOMAP examination of her office procedures. Respondent shall sign terms and conditions of participation, including reporting requirements, which shall be incorporated herein. The terms and conditions will also include submission of specified trust account records on a quarterly basis. Respondent shall be required to undergo a quarterly review of her trust account records and shall timely complete any follow up deemed necessary as a result of those reviews. Respondent shall be responsible for any costs associated with LOMAP.

3. While on probation, Respondent shall not violate the Rules of Professional Conduct.

### **NON-COMPLIANCE WITH PROBATION**

If Respondent fails to comply with any of the foregoing probation terms and the State Bar of Arizona receives information thereof, Bar Counsel shall file a notice of noncompliance with the Presiding Disciplinary Judge pursuant to Rule 60(a)(5). The Presiding Disciplinary Judge may conduct a hearing within 30 days to determine whether Respondent has breached a term of probation and, if so, to assess an appropriate sanction. If the State Bar alleges that Respondent failed to comply with any of the foregoing terms the State Bar shall have the burden of proving noncompliance by a preponderance of the evidence.

**IT IS FURTHER ORDERED** that Respondent pay the costs and expenses of the State Bar of Arizona in the amount of \$1,200.00 within thirty (30) days from the date of this order.

**DATED** this 9th day of April, 2019.

*William J. O'Neil*  
\_\_\_\_\_  
**William J. O'Neil, Presiding Disciplinary Judge**

Copies of the foregoing mailed/mailed  
this 9th day of April, 2019, to:

David L. Sandweiss  
Senior Bar Counsel  
State Bar of Arizona  
4201 N 24<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85016-6266  
Email: [LRO@staff.azbar.org](mailto:LRO@staff.azbar.org)

Karen Christine Stafford  
The Cavanagh Law Firm PA  
1850 N. Central Ave., Ste. 2400  
Phoenix, AZ 85004-4559  
Email: [kstafford@cavanaghlaw.com](mailto:kstafford@cavanaghlaw.com)  
Respondent's Counsel

by: [AMcQueen](#)

**BEFORE THE PRESIDING DISCIPLINARY JUDGE**

IN THE MATTER OF A MEMBER OF  
THE STATE BAR OF ARIZONA,

**LYNN A. KEELING,**  
**Bar No. 015130**

Respondent.

**PDJ-2019-9015**

**DECISION ACCEPTING  
DISCIPLINE BY CONSENT**

[State Bar No. 18-1814]

**FILED APRIL 9, 2019**

Under Rule 57(a), Ariz. R. Sup. Ct.,<sup>1</sup> an Agreement for Discipline by Consent (“Agreement”), was filed on March 27, 2019. A Probable Cause Order issued on February 22, 2019, however, no formal complaint has been filed. The State Bar of Arizona is represented by Senior Bar Counsel David L. Sandweiss. Ms. Keeling is represented by Karen Christine Stafford, *The Cavanagh Law Firm, PA*.

Rule 57 requires admissions be tendered solely “...in exchange for the stated form of discipline...” Under that rule, the right to an adjudicatory hearing is waived only if the “...conditional admission and proposed form of discipline is approved...” If the agreement is not accepted, those conditional admissions are automatically withdrawn and shall not be used against the parties in any subsequent proceeding. Ms. Keeling has voluntarily waived the right to an adjudicatory hearing, and waived all

---

<sup>1</sup> Unless otherwise stated all rule references are to the Ariz. R. Sup. Ct.

motions, defenses, objections or requests that could be asserted upon approval of the proposed form of discipline. Under Rule 53(b)(3), the complainant was notified of the opportunity by letter dated March 26, 2019 of the opportunity to file an objection with the State Bar within five business days of that notice. No Objection has been filed.

The Agreement details a factual basis to support the conditional admissions. It is incorporated by this reference. Ms. Keeling admits to violating Rule 42, ERs 1.3 (diligence), ER 1.5(a) (fees), ER 1.8(a), (e) (conflict of interest/current clients), ER 1.15(a), (b), (e) (safekeeping property), ER 1.16(c), (d) (terminating representation), ER 3.4(c) (knowingly disobey an obligation under rules of tribunal), 5.3(a), (b), (c) (responsibilities regarding non-lawyer assistants), ER 8.4(d) (conduct prejudicial to the administration of justice) and Rule 43(a), (b), (c), and Rule 54(c) (knowing violation of any court rule or order). Upon acceptance of the agreement the parties stipulate to a ninety (90) day suspension, two years of probation upon reinstatement with the State Bar Trust Account Ethics Enhancement Program (TAEEP) and Law Office Management Assistance Program (LOMAP), and the payment of costs of \$1,200.00 within thirty (30) days from this order.

Ms. Keeling represented a client who was the personal representative in an estate/probate matter. The court ordered that all the estate's liquid assets be placed in the trust account of Ms. Keeling. Ms. Keeling managed an estate real property by collecting rents and paying the mortgage from her trust account. After a beneficiary

objected a successor personal representative was appointed. Ms. Keeling did not represent that successor but did not seek to withdraw.

Ms. Keeling failed to pay the August mortgage property payment due when the property was sold. Consequently, when she paid the sale proceeds to the successor, she overpaid the successor representative. Rather than admit her error or strive to correct it, she withdrew funds of another client from her trust account and paid the mortgage rather than use her own funds. She attempted to hide this by seeking to recoup the overpayment as part of her fee application to the court but did not obtain written consent. These are more than negligent or knowing actions but reflect intentional misconduct.

In the fee application to the court, Ms. Keeling was intentionally dishonest and stated she paid an outstanding estate bill (mortgage) from her law office funds when she took monies of another client from her trust account to pay herself. Ms. Keeling sought to deceive the State Bar by forging an invoice for those funds. Her prior offenses reflect a similar pattern of misconduct that have caused harm.

Her conduct is compounded by a cavalier attitude towards the client funds she is entrusted with. Overall, she failed in multiple ways to adhere to the rules and guidelines governing trust accounts regarding her handling and accounting of client funds. She failed to conduct proper three-way reconciliations, maintain duplicate deposit records and client ledgers. She comingled personal funds by failing to promptly

remove earned fees and failed to supervise staff assisting in the maintenance of her client trust account. Her mishandling of client funds delayed closing the estate and burdened the probate court's review of estate matters.

The parties agree *Standard 4.12, Failure to Preserve the Client's Property* applies to Ms. Keeling's knowing violation of ER 1.15. It provides that suspension is generally appropriate when a lawyer knows or should know that he is dealing improperly with client property and causes injury or potential injury to a client. Ms. Keeling's conduct violated her duty to clients, the legal profession, and the legal system. It caused actual harm to the client, and the legal system.

In aggravation, the parties have stipulated to factors 9.22(a) prior disciplinary offenses, 9.22(c) (pattern of misconduct) (d) (multiple offenses) (g) (refusal to acknowledge wrongful nature of misconduct) and (i) substantial experience in the practice of law are present. In mitigation, factors 9.32(b) (absence of selfish or dishonest motive), (d) (timely good faith effort to make restitution or to rectify consequences of misconduct) (e) (full and free disclosure to disciplinary board or cooperative attitude towards proceedings) and (k) (imposition of other penalties or sanctions) are present.

It is expected that when one ethically fails that the lesson learned would arise from that failing bringing a self-confrontation with one's own weaknesses. Such failures should cause a profound honesty about those weaknesses. Whatever the

weakness is it continues to linger and grow despite increasing discipline. This case involves dishonesty with the court, the non-client successor, the client whose funds were usurped, the State Bar and with herself. These facts demonstrate that Ms. Keeling has yet to identify what weakness permits her to engage in deception with ease including with herself. Until that is resolved a short-term suspension probably will not benefit her. A six month and one day suspension would force her to address her misconduct, and to find and resolve whatever weakness it is that permits her dishonesty.

Notwithstanding, agreements are entered for multiple reasons not always apparent. The agreed upon sanction assures certainty, a suspension and an opportunity to self-reflect or to assure a much lengthier suspension later.

Now Therefore,

**IT IS ORDERED** accepting the Agreement and incorporating it with any supporting documents by this reference. A final judgment and order is signed this date.

**DATED** this 9<sup>th</sup> day of April 2019.

*William J. O'Neil*  

---

**William J. O'Neil, Presiding Disciplinary Judge**

COPY of the foregoing e-mailed/mailed  
on this 9<sup>th</sup> day of April 2019, to:

Shauna R. Miller  
Senior Bar Counsel  
State Bar of Arizona  
4201 N 24<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85016-6266  
Email: LRO@staff.azbar.org

Karen C. Stafford  
The Cavanagh Law Firm, PA  
1850 N. Central Avenue, Suite 2400  
Phoenix, AZ 85004-4559  
Email: kstafford@cavanaghlaw.com  
Respondent's Counsel

by: AMcQueen

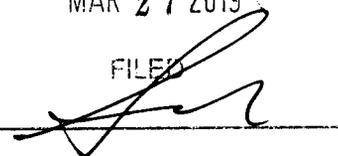
David L. Sandweiss, Bar No. 005501  
Senior Bar Counsel  
State Bar of Arizona  
4201 N. 24<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85016-6266  
Telephone (602)340-7250  
Email: LRO@staff.azbar.org

OFFICE OF THE  
PRESIDING DISCIPLINARY JUDGE  
SUPREME COURT OF ARIZONA

MAR 27 2019

FILED

BY



Karen Christine Stafford, Bar No. 030308  
The Cavanagh Law Firm PA  
1850 N. Central Ave., Ste. 2400  
Phoenix, AZ 85004-4559  
Telephone 602-322-4000  
Email: kstafford@cavanaghlaw.com  
Respondent's Counsel

**BEFORE THE PRESIDING DISCIPLINARY JUDGE**

**IN THE MATTER OF A MEMBER  
OF THE STATE BAR OF ARIZONA,**

**LYNN A. KEELING,  
Bar No. 015130,**

Respondent.

**PDJ 2019-9015**

**State Bar File No. 18-1814**

**AGREEMENT FOR DISCIPLINE  
BY CONSENT**

The State Bar of Arizona through undersigned Bar Counsel, and Respondent Lynn A. Keeling who is represented by counsel Karen Christine Stafford, hereby submit their Agreement for Discipline by Consent pursuant to Rule 57(a), Ariz. R.

Sup. Ct.<sup>1</sup> The Attorney Discipline Probable Cause Committee entered a probable cause order on February 22, 2019, but the State Bar has not yet filed a formal complaint. Respondent voluntarily waives the right to an adjudicatory hearing, unless otherwise ordered, and waives all motions, defenses, objections or requests which have been made or raised, or could be asserted thereafter, if the conditional admissions and proposed form of discipline are approved.

Pursuant to Rule 53(b)(3), notice of this agreement was provided to the complainant by letter on March 26, 2019. Complainant has been notified of the opportunity to file a written objection to the agreement with the State Bar within five (5) business days of bar counsel's notice. Copies of Complainant's objections, if any, have been or will be provided to the presiding disciplinary judge.

Respondent conditionally admits that her conduct, as set forth below, violated Rule 42, ERs 1.3, 1.5(a), 1.8(a) and (e), 1.15(a), (b), and (e), 1.16(c) and (d), 3.4(c), 5.3(a), (b) and (c), and 8.4(d); Rule 43(a), (b) and (c); and Rule 54(c). Upon acceptance of this agreement, Respondent agrees to accept imposition of a suspension for ninety days and probation upon reinstatement. Respondent also

---

<sup>1</sup> All references herein to rules are to the Arizona Rules of the Supreme Court unless otherwise stated.

agrees to pay the costs and expenses of the disciplinary proceeding, within 30 days from the date of this order, and if costs are not paid within the 30 days, interest will begin to accrue at the legal rate.<sup>2</sup> The State Bar's Statement of Costs and Expenses is attached hereto as Exhibit A.

The terms of probation are that Respondent will participate in the State Bar's Law Office Management Assistance Program (LOMAP), attend the State Bar's Trust Account Ethics Enhancement Program (TAEED) CLE, and refrain from violating the Rules of Professional Conduct.

#### **CAUTION RE NON-COMPLIANCE WITH PROBATION**

If Respondent fails to comply with any of the foregoing probation terms and the State Bar of Arizona receives information thereof, Bar Counsel shall file a notice of noncompliance with the Presiding Disciplinary Judge pursuant to Rule 60(a)(5). The Presiding Disciplinary Judge may conduct a hearing within 30 days to determine whether Respondent has breached a term of probation and, if so, to assess an appropriate sanction. If the State Bar alleges that Respondent failed to

---

<sup>2</sup> Respondent understands that the costs and expenses of the disciplinary proceeding include the costs and expenses of the State Bar of Arizona, the Disciplinary Clerk, the Probable Cause Committee, the Presiding Disciplinary Judge and the Supreme Court of Arizona.

comply with any of the foregoing terms the State Bar shall have the burden of proving noncompliance by a preponderance of the evidence.

**COUNT ONE (File no. 18-1814/ Judicial Referral)**

**FACTS**

1. Respondent was licensed to practice law in Arizona on October 23, 1993.
2. Charles McAlpine, personal representative (PR) of the estate of Client C, hired Respondent “to provide legal services for the estate . . . .” Pursuant to a 2016 court order, McAlpine transferred all of the Client C estate’s liquid assets to Respondent’s trust account. The estate owned some real property that, if not managed, was vulnerable to foreclosure. Pending the sale of that property, Respondent collected rent and paid mortgages using estate funds held in her trust account.
3. Based on a beneficiary’s objection, in May 2017 the court appointed by minute entry a successor PR, Kim Davis. Ms. Davis was not formally appointed until July 2017. Respondent did not represent Davis personally but she also did not seek to withdraw as counsel for the estate. She continued to manage the real property and when the real property was liquidated she reconciled her books with

Davis. On July 31, 2017, Respondent wrote a check to Davis for the amount of estate funds remaining in her trust account, \$4,531.71. Unfortunately, Respondent neglected to pay the August mortgage of \$1,826.24, meaning that she overpaid Davis by that amount.

4. When Respondent learned of her error, rather than stop payment of her trust account check to Davis, or ask Davis to repay the estate \$1,826.24, on August 1, 2017 Respondent electronically transferred \$1,826.24 from her trust account to the mortgage company and decided to seek reimbursement of the overpayment to Davis as part of her fee application. Davis consented to that procedure but Respondent did not produce a written consent.

5. In her fee application, Respondent stated that she paid the mortgage “with Keeling Law Office funds, not client funds.” In actuality, she paid the mortgage out of her trust account. She explained to the State Bar that what she meant was this: She earned fees on another case (Client P) that she had not yet transferred from her trust account to her operating account. Rather than move her Client P fees to her operating account as required by rules prohibiting commingling, and rather than ask Davis to repay the estate \$1,826.24 (to deposit into Respondent’s trust account) and pay the estate’s mortgage from there,

Respondent simply paid the mortgage from her trust account using money she claims was hers and not belonging to another client or party. The State Bar trust account examiner's reconstruction of Respondent's trust account casts doubt on Respondent's explanation (discussed below).

6. In a June 2018 minute entry Commissioner Marquoit expressed concern over Respondent's conduct. He worried that Respondent violated ER 1.8, loaned money to the estate, and became an estate creditor without court approval. The commissioner also criticized Respondent's fee application because she did not comply with the Statewide Fee Guidelines to bill in increments to the nearest one-tenth of an hour when billing hourly; Respondent billed some items to the nearest one-hundredth of an hour (*e.g.*, .15 rather than .1 or .2). He disallowed \$869.00 out of Respondent's \$19,046.13 request.

7. Had Respondent operated her trust account correctly, she would not have made the erroneous distribution to Ms. Davis. Hence, the State Bar initiated a conventional trust account examination starting with January 1, 2016, but limited the examination of client ledgers to those pertaining to Clients C and P. The examiner found:

8. Respondent closed a trust account (8097) in February 2016, and replaced it with her current account (4221). When she moved the ending balance in 8097 to 4221, she used a "customer withdrawal," an illegal method of disbursement.

9. Respondent's bank statements bear characteristics atypical of customary bank-generated statements. Parts of the statements were subtly redacted; specifically, the majority of the statements do not contain a mailing address, full account numbers, or routing numbers.

10. The Client P invoice Respondent provided to substantiate her claim that she paid the Client C estate mortgage out of her trust account with earned fees is suspicious. The invoice is dated June 12, 2017, but the individual task and time entries are dated June 12, 13, 15, 19, 21, and 22 (twice). Thus, Respondent created an invoice for \$1,849.65 for Client P before she even rendered the services described on the invoice.

11. Respondent failed to keep client funds separate from her business account. On March 22, 2018, Respondent deposited a dividend check for \$12.96 into her operating account when the check should have been deposited into the

trust account for Client P. Respondent waited ten weeks to move the funds into her trust account, on May 30, 2018.

12. Respondent commingled personal funds in her trust account by failing to promptly remove earned funds. The fees Respondent earned in Client P that she claims to have used to pay the Client C estate mortgage in August purportedly were earned in June 2017, but not disbursed from the trust account. Moreover, Respondent's invoice 5320 shows that she earned \$1,849.65 in Client P's case. Given that Client C's estate mortgage payment was for \$1,826.24, Respondent kept \$23.41 in earned fees in her trust account and did not disburse them until July 31, 2018.

13. Respondent failed to supervise staff assisting in the maintenance of her trust account. The Client C invoices indicate that Respondent's legal assistant David E. Flowers conducted various trust account tasks.

14. Respondent failed to produce a general ledger equivalent. Rather, in response to bar counsel's request for production of her general ledger Respondent replied, "same as client ledger."

15. Respondent failed to conduct proper reconciliations. She provided records that she labeled monthly three-way reconciliations, but they did not include reconciliations with a general ledger. Sometimes the reconciled ledger balance for

the Client C matter did not match the balance on the client ledger purported to have been reconciled. The reconciliations for November and December 2016, inexplicably reconcile two inconsistent Client C ledger balances. The reconciliation for December 2016, reconciles check number 1042 as an outstanding disbursement in the Client C matter, but Respondent did not record that item on the ledger purportedly reconciled. Lastly, the reconciliation for June 2017, reconciles check number 1084 as an outstanding disbursement written on June 28, 2017, when it was actually written on June 8, 2017.

16. Respondent failed to maintain duplicate deposit records that identify the client on whose behalf funds were deposited. In addition, Respondent did not provide duplicate deposit records for two \$500.00 payments (deposit items 17-457365528 and 17-457365529) deposited on November 1, 2016, and one \$1,400.00 payment received on January 4, 2017. Unlike the \$500.00 deposits, a \$1,400.00 deposit was not evident on the bank statements although Respondent included it in her reconciliation.

17. Respondent received \$1,400.00 in the Client C matter in January 2017, but made no physical deposit in that amount. Nevertheless, the trust account balanced at the end of January without any adjustments. The only way that was

possible was if Respondent made book entries deducting funds from one account and adding them to the Client C account. The relevant monthly reconciliations show that client B's ending balance diminished by exactly \$1,400.00 but with no corresponding physical disbursements totaling \$1,400.00. The reconciled balance for client B in December 2016 was \$1,579.63. The reconciled balance in January 2017 was \$179.63, a difference of \$1,400.00, but with no corresponding disbursement evident on the January bank statement. Rather than disburse the \$1,400.00 from the trust account on behalf of client B, Respondent evidently kept the funds in her trust account and deemed them applicable to the Client C matter.

18. Respondent failed to produce an adequate equivalent of an administrative funds ledger. Instead, Respondent provided a copy of an invoice issued to client Client P for billings charged throughout June 2017. Respondent produced no other records as administrative ledger equivalents, but her reconciliations purport to reconcile the month-to-month administrative balance.

19. Respondent failed to maintain adequate individual client ledger equivalents. The Client P and Client C ledgers lack the name of the payor of funds received and deposited. And, not all of the client ledgers bear the name of the payee of funds disbursed.

20. Respondent provided three versions of the Client C ledger. The first was included with the response dated July 16, 2018 and contained far fewer entries than the latter two versions. She produced the others on September 14 and 21, 2018. Her only acknowledgement of the discrepancies was in her September 21 response, in which her counsel stated: "Ms. Keeling has also provided you with a re-print of the Client C ledger, as one of the balances did not match the three-way reconciliation even though all entries remain the same and the ending-balance remains the same." The quoted statement is not true in that four of the reconciliations (November and December 2016; and January and February 2017), not merely one, failed to match the corresponding ledger. The "re-print" version of the ledger revised the running balance which previously contained a mathematically incorrect balance between November 2016 and March 2017. For example, the available balance on November 22, 2016, was \$15,958.07. The next entry consisted of a \$180.85 disbursement that should have produced an unexpended balance of \$15,777.22. Respondent, however, calculated the unexpended balance as \$14,819.15, a \$1,138.92 discrepancy. Respondent's ledgers contained several other inaccurate running balances.

21. Respondent is only partially correct in stating that her Client C ledger entries on the three separate ledgers remained the same. While most transaction amounts remained the same, she altered transaction details on nine entries. She revised eight entries to change the named payee, and the ninth to change the check number of a deposited item. Although all of the revisions were warranted owing to earlier inaccuracies, the changes highlight Respondent's failure to maintain accurate and contemporaneous records. Several other inaccuracies include:

a. The July version of the Client C ledger reflects a \$15,000.00 deposit dated October 6, 2016. The later versions reflect no activity on that date or any \$15,000.00 deposit during the representation;

b. The Client C ledgers are incomplete. Invoice number 5072 indicates that a check was issued in December 2016. The check is labeled "lost" necessitating a replacement disbursement. Yet Respondent did not record a corresponding disbursement on any of the ledgers. Respondent properly documented other voided checks in other cases on her ledgers, so she knew how to document a voided transaction but failed to do so regarding number 5072 in Client C's case;

c. The Client C ledgers provided in September reflect three \$5,000.00 deposits dated November 1, 2016. However, the corresponding duplicate deposit records reflect that these occurred on November 8, 9, and 10;

d. The entries on the Client C ledger provided in September are not in chronological order. Entries dated November 10, 2016, and November 12, 2016, are recorded after entries dated November 22, 2016;

e. Not all of the Client P and Client C ledger entries reflect the name of the payor of funds received and deposited, or the name of the payee of funds disbursed. The Client C ledger provided on September 14, 2018, contained wrong names of payees;

f. The Client C ledgers do not record all activity on the actual date transacted. Specifically:

1) Check number 1039 is recorded on November 17, 2016, when the copy of the cancelled check reflects it was written on November 21, 2016;

2) Check number 1062 is recorded on March 2, 2017, when the copy of the cancelled check reflects it was written on March 3, 2017;

3) A \$290.00 deposit is recorded on March 8, 2017, when the copy of the deposit slip reflects the deposit was presented on March 7, 2018;

4) A deposit of \$2,200.00 is recorded on March 26, 2017, when the copy of the deposit slip reflects the deposit was presented on March 27, 2018; and

5) Check number 1080 is recorded on May 24, 2017, when the copy of the cancelled check reflects it was written on May 23, 2017.

22. If a lawyer fails to maintain trust account records required by Rule 43 and ER 1.15, or fails to provide required trust account records upon request, there is a rebuttable presumption that the lawyer failed to properly safeguard client or third persons' funds or property, as required. See Rule 43(d)(3).

23. Respondent incorrectly stated on her 2018 State Bar dues statement that she was compliant with trust account rules.

### **CONDITIONAL ADMISSIONS**

Respondent's admissions are being tendered in exchange for the form of discipline stated below and are submitted freely and voluntarily and not as a result of coercion or intimidation.

Respondent conditionally admits that her conduct violated Rule 42, ERs 1.3, 1.5(a), 1.8(a) and (e), 1.15(a), (b), and (e), 1.16(c) and (d), 3.4(c), 5.3(a), (b) and (c), and 8.4(d); Rule 43(a), (b) and (c); and Rule 54(c).

## RESTITUTION

Restitution is not an issue in this matter.

## SANCTION

Respondent and the State Bar of Arizona agree that the following sanctions are appropriate: Suspension, probation, and costs, as outlined above. If Respondent violates any of the terms of this agreement, further discipline proceedings may be brought.

## LEGAL GROUNDS IN SUPPORT OF SANCTION

In determining an appropriate sanction, the parties consulted the American Bar Association's *Standards for Imposing Lawyer Sanctions (Standards)* pursuant to Rule 57(a)(2)(E). The *Standards* are designed to promote consistency in the imposition of sanctions by identifying relevant factors that courts should consider and then applying those factors to situations where lawyers have engaged in various types of misconduct. *Standards* 1.3, Commentary.

In determining an appropriate sanction consideration is given to the duty violated, the lawyer's mental state, the actual or potential injury caused by the misconduct, and the existence of aggravating and mitigating factors. *In re Peasley*, 208 Ariz. 27, 35, 90 P.3d 764, 772 (2004); *Standard* 3.0.

### **The duty violated**

As described above, Respondent violated her duties to her client, the legal profession, and the legal system.

### **The lawyer's mental state**

For purposes of this agreement the parties agree that Respondent conducted herself negligently with respect to most of her violations but knowingly in connection with her violations of ER 1.15 and Rule 43 regarding her handling and accounting of client funds.

### **The extent of the actual or potential injury**

For purposes of this agreement, the parties agree that there was actual harm to Respondent's client, to the legal profession, and to the legal system. Respondent's mishandling of client funds delayed closing Client C's estate and burdened the probate court's review of estate matters.

The parties agree that the following *Standards* are relevant:

*Standard 4.12-Suspension* is generally appropriate when a lawyer knows or should know that he is dealing improperly with client property and causes injury or potential injury to a client.

*Standard 4.33-Reprimand* is generally appropriate when a lawyer is negligent in determining whether the representation of a client may be materially affected by the

lawyer's own interests, or whether the representation will adversely affect another client, and causes injury or potential injury to a client.

*Standard 4.43*-Reprimand is generally appropriate when a lawyer is negligent and does not act with reasonable diligence in representing a client, and causes injury or potential injury to a client.

*Standard 6.13*-Reprimand is generally appropriate when a lawyer is negligent either in determining whether statements or documents are false or in taking remedial action when material information is being withheld, and causes injury or potential injury to a party to the legal proceeding, or causes an adverse or potentially adverse effect on the legal proceeding.

*Standard 6.23*-Reprimand is generally appropriate when a lawyer negligently fails to comply with a court order or rule, and causes injury or potential injury to a client or other party, or causes interference or potential interference with a legal proceeding.

*Standard 7.3*-Reprimand is generally appropriate when a lawyer negligently engages in conduct that is a violation of a duty owed as a professional and causes injury or potential injury to a client, the public, or the legal system.

The *Standards* do not account for multiple charges of misconduct. The ultimate sanction imposed should at least be consistent with the sanction for the most serious instance of misconduct among a number of violations. It might well be and generally should be greater than the sanction for the most serious misconduct. *Standards, II. Theoretical Framework.*

### **Aggravating and mitigating circumstances**

The presumptive sanction in this matter is suspension. The parties conditionally agree that the following aggravating and mitigating factors should be considered.

#### **In aggravation:**

*Standard 9.22--*

(a) prior disciplinary offenses—

- 2014, SBA file no. 12-3224, Reprimand, ERs 1.3, 1.5, 1.8, 3.2, and 8.4(d) -- Ms. Keeling admitted to various violations in her handling of a probate case. She failed timely to submit forms of orders for the court to sign (in one instance waiting over one year), submitted for court approval a fee application that the court reduced by more than half, and engaged in a conflict of interest by obtaining a lien on her client's property to secure fees without making the obligatory written disclosures.
- 2012, SBA File no. 11-0292, Admonition and Probation (CLE in the area of Arizona Rules of Civil Procedure, with a focus on pleadings and motions), ERs 1.1, 1.3, 3.1, 3.2, and 8.4(d).

(c) a pattern of misconduct;

(d) multiple offenses;

(g) refusal to acknowledge wrongful nature of conduct;

(i) substantial experience in the practice of law;

**In mitigation:**

*Standard 9.32--*

- (b) absence of a dishonest or selfish motive;
- (d) timely good faith effort to make restitution or to rectify consequences of misconduct;
- (e) full and free disclosure to disciplinary board or cooperative attitude toward proceedings;
- (k) imposition of other penalties or sanctions;

**Discussion**

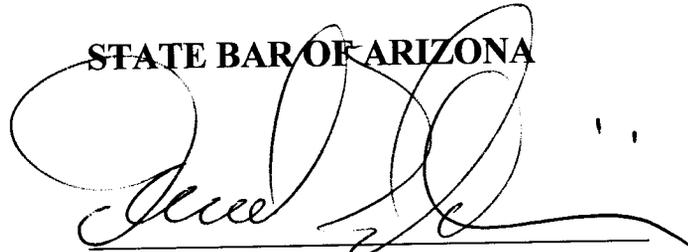
The parties conditionally agree that, upon application of the aggravating and mitigating factors, the presumptive sanction of suspension is appropriate. The parties further conditionally agree that the suspension should be short-term (i.e., less than six months and one day) so as not to require formal reinstatement proceedings. Most of Respondent's violations were committed with a negligent mental state. Two years of probation focusing on office, law practice, and trust account management following reinstatement, coupled with a ninety-day suspension, will protect the public, the profession, and the legal and judicial systems. Based on the *Standards* and in light of the facts and circumstances of this matter, the parties conditionally agree that the sanction set forth above is within the range of appropriate sanction and will serve the purposes of lawyer discipline.

## CONCLUSION

The object of lawyer discipline is not to punish the lawyer but to protect the public, the profession and the administration of justice. *Peasley*, 208 Ariz. at 41. Recognizing that determination of the appropriate sanction is the prerogative of the Presiding Disciplinary Judge, the State Bar and Respondent believe that the objectives of discipline will be met by the imposition of the proposed sanction of a ninety-day suspension, probation, and payment of the costs and expenses. A proposed form of order is attached hereto as Exhibit B.

DATED this 26<sup>th</sup> day of March 2019.

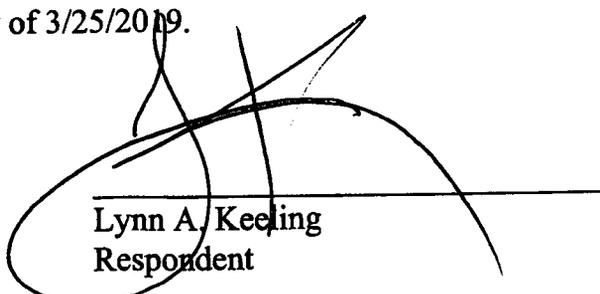
STATE BAR OF ARIZONA



David L. Sandweiss  
Senior Bar Counsel

**This agreement, with conditional admissions, is submitted freely and voluntarily and not under coercion or intimidation. I acknowledge my duty under the Rules of the Supreme Court with respect to discipline and reinstatement. I understand these duties may include notification of clients, return of property and other rules pertaining to suspension.**

**DATED** this \_\_\_\_\_ day of 3/25/2019.



\_\_\_\_\_  
Lynn A. Keeling  
Respondent

**DATED** this \_\_\_\_\_ day of 3/25/2019.

The Cavanagh Law Firm PA



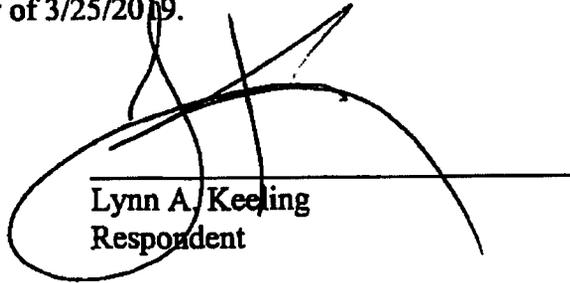
\_\_\_\_\_  
Karen Christine Stafford  
Counsel for Respondent

Approved as to form and content

\_\_\_\_\_  
Maret Vessella  
Chief Bar Counsel

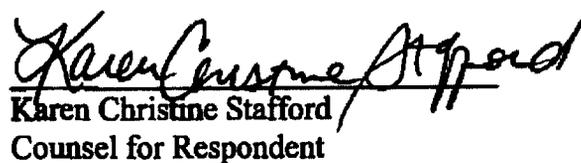
**This agreement, with conditional admissions, is submitted freely and voluntarily and not under coercion or intimidation. I acknowledge my duty under the Rules of the Supreme Court with respect to discipline and reinstatement. I understand these duties may include notification of clients, return of property and other rules pertaining to suspension.**

**DATED** this \_\_\_\_\_ day of 3/25/2019.

  
\_\_\_\_\_  
Lynn A. Keeling  
Respondent

**DATED** this \_\_\_\_\_ day of 3/25/2019.

The Cavanagh Law Firm PA

  
\_\_\_\_\_  
Karen Christine Stafford  
Counsel for Respondent

Approved as to form and content

  
\_\_\_\_\_  
Maret Vessella  
Chief Bar Counsel

Original filed with the Disciplinary Clerk of  
the Office of the Presiding Disciplinary Judge  
of the Supreme Court of Arizona  
this 27<sup>th</sup> day of March, 2019.

Copy of the foregoing emailed  
this 27<sup>th</sup> day of March, 2019, to:

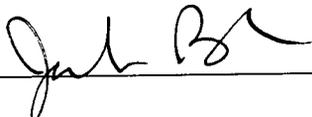
The Honorable William J. O'Neil  
Presiding Disciplinary Judge  
Supreme Court of Arizona  
1501 West Washington Street, Suite 102  
Phoenix, Arizona 85007  
E-mail: [officepdj@courts.az.gov](mailto:officepdj@courts.az.gov)

Copy of the foregoing mailed/emailed  
this 27<sup>th</sup> day of March, 2019, to:

Karen Christine Stafford  
The Cavanagh Law Firm PA  
1850 N. Central Ave., Ste. 2400  
Phoenix, AZ 85004-4559  
Email: [kstafford@cavanaghlaw.com](mailto:kstafford@cavanaghlaw.com)  
Respondent's Counsel

Copy of the foregoing hand-delivered  
this 27<sup>th</sup> day of March, 2019, to:

Lawyer Regulation Records Manager  
State Bar of Arizona  
4201 N. 24<sup>th</sup> St., Suite 100  
Phoenix, Arizona 85016-6266

by: 

**EXHIBIT A**

## Statement of Costs and Expenses

In the Matter of a Member of the State Bar of Arizona,  
Lynn A. Keeling Bar No. 015130, Respondent

File No. 18-1814

### Administrative Expenses

The Supreme Court of Arizona has adopted a schedule of administrative expenses to be assessed in lawyer discipline. If the number of charges/complainants exceeds five, the assessment for the general administrative expenses shall increase by 20% for each additional charge/complainant where a violation is admitted or proven.

Factors considered in the administrative expense are time expended by staff bar counsel, paralegal, secretaries, typists, file clerks and messenger; and normal postage charges, telephone costs, office supplies and all similar factors generally attributed to office overhead. As a matter of course, administrative costs will increase based on the length of time it takes a matter to proceed through the adjudication process.

*General Administrative Expenses  
for above-numbered proceedings*

**\$1,200.00**

Additional costs incurred by the State Bar of Arizona in the processing of this disciplinary matter, and not included in administrative expenses, are itemized below.

TOTAL COSTS AND EXPENSES INCURRED

\$ 1,200.00

**EXHIBIT B**

**BEFORE THE PRESIDING DISCIPLINARY JUDGE**

**IN THE MATTER OF A MEMBER  
OF THE STATE BAR OF  
ARIZONA,**

**LYNN A. KEELING,  
Bar No. 015130,**

Respondent.

**PDJ**

**FINAL JUDGMENT AND  
ORDER**

State Bar No. 18-1814

The Presiding Disciplinary Judge, having reviewed the Agreement for Discipline by Consent, pursuant to Rule 57(a), Ariz. R. Sup. Ct., accepts the parties' proposed agreement. Accordingly:

**IT IS ORDERED** that Respondent, **Lynn A. Keeling**, is suspended from practicing law for ninety days for her conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective 30 days from the date of this order or \_\_\_\_\_.

**IT IS FURTHER ORDERED** upon reinstatement, Respondent shall be placed on probation for a period of two (2) years.

**IT IS FURTHER ORDERED** Lynn A. Keeling shall participate in the following programs:

1. TAEPP: Respondent shall attend a half-day Trust Account Ethics Enhancement Program (TAEPP). Respondent shall contact the State Bar Compliance Monitor at (602) 340-7258, within 10 days from the date of service of this Order, to schedule attendance at the next available class. Respondent will be responsible for the cost of attending the program.
2. LOMAP: Respondent shall contact the State Bar Compliance Monitor at (602) 340-7258, within 10 days from the date of service of this Order. Respondent shall submit to a LOMAP examination of her office procedures. Respondent shall sign terms and conditions of participation, including reporting requirements, which shall be incorporated herein. The terms and conditions will also include submission of specified trust account records on a quarterly basis. Respondent shall be required to undergo a quarterly review of her trust account records and shall timely complete any follow up deemed necessary as a result of those reviews. Respondent will be responsible for any costs associated with LOMAP.
3. While on probation Respondent shall not violate the Rules of Professional Conduct.

## **CAUTION RE NON-COMPLIANCE WITH PROBATION**

If Respondent fails to comply with any of the foregoing probation terms and the State Bar of Arizona receives information thereof, Bar Counsel shall file a notice of noncompliance with the Presiding Disciplinary Judge pursuant to Rule 60(a)(5). The Presiding Disciplinary Judge may conduct a hearing within 30 days to determine whether Respondent has breached a term of probation and, if so, to assess an appropriate sanction. If the State Bar alleges that Respondent failed to comply with any of the foregoing terms the State Bar shall have the burden of proving noncompliance by a preponderance of the evidence.

**IT IS FURTHER ORDERED** that, pursuant to Rule 72 Ariz. R. Sup. Ct., Respondent shall immediately comply with the requirements relating to notification of clients and others.

**IT IS FURTHER ORDERED** that Respondent pay the costs and expenses of the State Bar of Arizona in the amount of \$ \_\_\_\_\_, within thirty (30) days from the date of this Order.

**IT IS FURTHER ORDERED** that Respondent shall pay the costs and expenses incurred by the disciplinary clerk and/or Presiding Disciplinary Judge's

Office in connection with these disciplinary proceedings in the amount of \_\_\_\_\_, within 30 days from the date of service of this Order.

**DATED** this \_\_\_\_\_ day of March, 2019.

---

**William J. O'Neil, Presiding Disciplinary Judge**

Original filed with the Disciplinary Clerk of  
the Office of the Presiding Disciplinary Judge  
of the Supreme Court of Arizona  
this \_\_\_\_\_ day of March, 2019.

Copies of the foregoing mailed/emailed  
this \_\_\_\_\_ day of March, 2019, to:

Karen Christine Stafford  
The Cavanagh Law Firm PA  
1850 N. Central Ave., Ste. 2400  
Phoenix, AZ 85004-4559  
Email: [kstafford@cavanaghlaw.com](mailto:kstafford@cavanaghlaw.com)  
Respondent's Counsel

Copy of the foregoing emailed/hand-delivered  
this \_\_\_\_ day of March, 2019, to:

David L. Sandweiss  
Senior Bar Counsel  
State Bar of Arizona  
4201 N 24<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85016-6266  
Email: [LRO@staff.azbar.org](mailto:LRO@staff.azbar.org)

Copy of the foregoing hand-delivered  
this \_\_\_\_ day of March, 2019 to:

Lawyer Regulation Records Manager  
State Bar of Arizona  
4201 N 24<sup>th</sup> Street, Suite 100  
Phoenix, Arizona 85016-6266

by: \_\_\_\_\_