

**BEFORE THE PRESIDING DISCIPLINARY
JUDGE**

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

**STEPHEN BRIAN MANION,
Bar No. 026912**

Respondent.

PDJ 2015-9109

FINAL JUDGMENT AND ORDER

[State Bar No. 13-0809, 14-3460]

FILED MARCH 14, 2016

The Presiding Disciplinary Judge having reviewed the Agreement for Discipline by Consent filed on February 25, 2016, under Rule 57(a), Ariz. R. Sup. Ct., accepted the parties' proposed agreement.

Accordingly:

IT IS ORDERED Respondent, **Stephen Brian Manion**, is suspended for six (6) months and one (1) day for his conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective April 15, 2016.

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

IT IS FURTHER ORDERED Mr. Manion shall pay the costs and expenses of the State Bar of Arizona in the amount of \$1,560.83, within thirty (30) days from the date of this order. There are no costs or expenses incurred by the disciplinary clerk and/or Presiding Disciplinary Judge's Office in connection with these disciplinary proceedings.

DATED this 14th day of March, 2016.

William J. O'Neil

William J. O'Neil, Presiding Disciplinary Judge

Copies of the foregoing were
e-mailed this 14th day of March, 2016; and
Mailed this 15th day of March, 2016 to:

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Respondent

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by: AMcQueen

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STATE BAR OF ARIZONA,

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Bar No. 026912**

Respondent.

PDJ-2015-9109

**DECISION ACCEPTING CONSENT
FOR DISCIPLINE**

[State Bar Nos. 13-0809, 14-3460]

FILED MARCH 14, 2016

An Agreement for Discipline by Consent for a reprimand was filed under PDJ-2015-9106 regarding State Bar No. 13-0809 on February 19, 2015. Citing several areas of either inconsistency or failure to give sufficient information, the PDJ by minute entry dated March 4, 2015 set an evidentiary hearing. After that evidentiary hearing, the agreement was rejected.

Probable Cause Orders issued regarding State Bar No. 13-0809 on May 15, 2015 and regarding State Bar 14-3460 on September 18, 2015. The formal complaint was filed September 21, 2015. Mr. Manion filed his answer on November 12, 2015. The initial case management conference was held on November 25, 2015. Through the settlement conference an Agreement for Discipline by Consent ("Agreement") was filed by the parties on February 22, 2016, and submitted under Rule 57(a)(3), Ariz. R. Sup. Ct.¹ Upon filing such Agreement, the presiding disciplinary judge, "shall accept, reject or recommend modification of the agreement as appropriate."

¹ Unless stated otherwise, all rules referenced are the Arizona Rules of the Supreme Court.

Rule 57(a)(2) 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.

Under Rule 53(b)(3), notice of this Agreement was provided to the complainant(s) by letter mailed on January 27, 2016. Complainant(s) were 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. No objections have been filed.

In Count One, Mr. Manion represented an inmate (McWaters) regarding a divorce and criminal restitution matter. During the representation, he engaged in client communications using another inmate (Doemer), who he knew was serving a criminal fraud sentence, as an intermediary. Doemer then used the name of Mr. Manion to defraud McWaters.

Doemer and another inmate, Monty Hanan used Mr. Manion to deliver payments to various people inside and outside of the prison. In doing so Mr. Manion engaged in violations of the Department of Correction rules by making direct payments to inmates of the disability payments of Hanan. These payments included counter debits and a \$3,600 payment to cash. In addition, when speaking with Doemer during prison legal calls, Mr. Manion would speak with multiple other inmates during those calls in violation of DOC policy.

In Count Two, Mr. Manion failed to disclose to his client (Thompson) his prior business relationship with an inmate (Doemer) who was serving a criminal fraud

sentence. Doemer introduced Thompson to Mr. Manion. Thompson hired Mr. Manion to assist him in an inheritance matter. Thomson had received a \$40,000 distribution from the estate. Mr. Manion received \$10,000 from Thompson who then transferred \$5,000 to Manion. Their fee agreement provided a cap of \$5,000. Mr. Manion wrote Thompson telling him he had added the cap "as was discussed with our mutual friend." That mutual friend was Doemer. Mr. Manion further failed to adhere to client trust account requirements and disbursement rules governing distribution of funds. At the direction of Thompson, Mr. Manion made multiple payments to various inmates.

Mr. Manion conditionally admits his misconduct violated Rule 42, ERs 1.4 (communication), 1.6 (confidentiality of information), 1.7 (conflict of interest; current clients), 1.15(a) (safekeeping property), 8.4(d) (conduct prejudicial to the administration of justice), and Rules 43(b)(1)(A) and (C) (trust account requirements) and 43(b)(5) (trust account/methods of disbursements).

The parties stipulate to a sanction of a six (6) month and one (1) day suspension effective April 15, 2016, and the payment of \$1,560.83 in costs to be paid within 30 days of the order accepting the agreement. Mr. Manion further agrees to no further written or oral contact with Doemer.

Presumptive Sanction

The parties agree the presumptive sanction is suspension and cite *Standard 7.2, Violations of other Duties Owed As A Professional* provides:

Suspension is generally appropriate when a lawyer knowingly 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.

Mr. Manion violated his duties to his client, the profession, the legal system and the public. His knowing misconduct caused potential injury to the client and the profession.

Aggravation and Mitigation

The agreed upon aggravating factors include: 9.22(d) (multiple offenses), and 9.22(h) (vulnerability of victim). Mitigating factors include: 9.32(a) (absence of a prior disciplinary record).

Accordingly:

IT IS ORDERED incorporating the Agreement and any supporting documents by this reference. The agreed upon sanctions are: a six (6) month and one (1) day suspension. Mr. Manion shall comply with Rule 72 Ariz. R. Sup. Ct. shall and pay costs of \$1,560.83, plus interest at the statutory rate in full within thirty (30) days from this order.

IT IS FURTHER ORDERED the Agreement is accepted. A final judgment and order is signed this date. All prehearing deadlines and hearings are vacated in favor of the judgment.

DATED 14th day of March, 2016.

William J. O'Neil

William J. O'Neil, Presiding Disciplinary Judge

///

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e-mailed this 14th day of March, 2016; and
Mailed this 15th day of March, 2016 to:

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Respondent

**BEFORE THE PRESIDING DISCIPLINARY
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IN THE MATTER OF A MEMBER OF THE
STATE BAR OF ARIZONA,

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PDJ 2015-_____

State Bar File Nos. [**13-0809, 14-
3460**]

**AGREEMENT FOR DISCIPLINE BY
CONSENT**

GENERAL ALLEGATIONS

1. At all times relevant, Respondent was a lawyer licensed to practice law in the state of Arizona having been first admitted to practice in Arizona on April 21, 2009.

COUNT ONE (File No. 13-0809/McWaters)

2. Inmate/client Thomas McWaters was referred to Respondent for representation by another inmate, Russell Doemer, who was serving a lengthy sentence for criminal fraud. Doemer had met Respondent through a former inmate/client of Respondent's.

3. McWaters formally hired Respondent in May of 2012. According to a signed fee agreement entered into between Respondent and McWaters on that date, Respondent was hired to obtain a global settlement of McWaters's divorce and resolution of a criminal restitution matter and civil lawsuit related to McWaters's assault on his wife.

4. The fee agreement called for a hybrid fee to be capped at \$10,000. At the start of the representation, McWaters made an initial payment of \$2,500.00.

5. Handwritten on the fee agreement is the following interlineation inserted by McWaters: "[o]wing to my rapid communication shortcomings, I hereby authorize (sic) you to discuss my issues with Mr. Russell Doemer for his relaying same to/from me."

6. At all times during his representation of McWaters, Respondent was aware that Doemer was serving a sentence for fraud.

7. Doemer often told other inmates that he had immense wealth that he would allow them to share in upon their release from prison. Doemer, McWaters and another inmate were very close, and referred to themselves as "The Three Amigos."

8. Sometime in August of 2012, Doemer told McWaters that he wanted to deposit \$25,000 in assets into McWaters's IRA account at Edward Jones to avoid tax liabilities and so that he could draw on it "for some mounting expenses." McWaters explained to Doemer that the account had been frozen because of the pending divorce proceeding, but that if Respondent could assist him in taking action to unfreeze the account, McWaters would sign the necessary paperwork to give Doemer access to the account. Respondent was not made aware of this conversation.

9. On August 21, 2012, McWaters drafted a hand-written notarized statement stating:

This authorizes my attorney Mr. Stephen B. Manion to Act as my attorney with powers to manipulate my assets from my account at Edward Jones to whatever account(s) I designate in advance. Mr. Manion is to act in my better interest at his own discretion, with full powers to sign documents and act in my stead during and to the completion of a global settlement between me and my wife"

10. On August 23, 2012, McWaters drafted an additional notarized statement authorizing Edward Jones to sell \$20,000 of assets that he believed Doemer had deposited into the account, with half of the funds to be distributed to McWaters's wife. \$20,000 in assets were subsequently sold. \$10,000 was placed into McWaters's wife's bank account and \$10,000 was placed in Respondent's trust account.

11. In February of 2013, McWaters received copies of his brokerage statement and became aware that Doemer had never deposited money into his account. McWaters confronted Doemer, who told him that he had not transferred funds into McWaters's account due to his "agent's" error. McWaters then realized that the funds removed from the account had been his own.

12. A few days later, suspecting Respondent may have been aiding Doemer's fraudulent scheme, McWaters wrote a letter to Respondent formally dismissing him as counsel and revoking all powers of attorney.

13. McWaters and Respondent, shortly thereafter, agreed that Respondent should retain \$5,000 of the \$10,000 in sale proceeds for attorney's fees after Respondent indicated that he would cap his total fee at \$7,500.

14. In addition to legal work that he performed for McWaters in attempting to negotiate a settlement, both before and during his representation of McWaters, Respondent performed non-legal work at the direction of Doemer and another inmate named Monty Hanan. Hanan was an acquaintance of McWaters's. Doemer and Hanan asked Respondent to deliver payments to various people (both inside and outside of the prison) purportedly to avoid paying transfer fees charged by "Prisoner Assistant," a service that they had been using for such purposes. The money that he distributed came from government disability payments of \$1,000/month that Hanan had been receiving. It appears that doemer and Hanan had another purpose in using Respondent's services to distribute payments to other inmates. DOC policy prohibited such transfers, so by using Respondent to accomplish this task, Doemer and Hanan were able to circumvent this policy.

15. When Hanan died in December of 2012, there was no more money to distribute, so Respondent stopped acting in such a capacity. In total, Respondent distributed \$19,175 of Hanan's money to various inmates, as well as civilians.

16. In performing this function, Respondent would often speak to more than one inmate at a time during prison legal calls that he made to Doemer. Respondent was not entitled to make legal calls to Doemer as he did not represent him.

17. Upon discovery of such conduct, the Department of Corrections (DOC) instructed Respondent not to make any more direct payments to inmates and that he could only talk to one inmate per legal call, as both actions violated DOC policy.

18. During the State Bar's investigation, the Bar's trust account examiner performed an audit of Respondent's trust account.

19. The audit revealed the following trust account activity:

- a. On 11/25/2011 Wells Fargo cashier's check number 6801202045 dated 11/21/2011, for \$1,600 from Prisoner Assistant Monty Hanan, payable to Respondent, was deposited into the IOLTA. These funds originated from the Hanan Wells Fargo account 3323 as a branch withdrawal on 11/21/2011. Respondent credited this amount to those payments he advanced on behalf of a number of inmates.
 - i. On 11/29/2011, check number 1174 cleared the IOLTA for \$414. The payee of the check was Respondent as "reimbursement", and was deposited to Respondent's business account on 11/29/2011.
 - ii. On 11/29/2011, check number 1175 cleared the IOLTA for \$1,186. The payee of the check was Respondent as a "distribution," and was deposited to Respondent's business account on 11/29/2011.
 - iii. Respondent commingled the \$1,600, which were funds not related to any legal representation, in the IOLTA for approximately four days.
- b. On 12/09/2011, Wells Fargo cashier's check number 6801202113 dated 12/06/2011, for \$1,450 from Prisoner Assistant Monty Hanan, payable to Respondent, was deposited into the IOLTA. These funds originated from the Hanan Wells Fargo account 3323 as a branch withdrawal on 12/06/2011. Respondent credited this amount to those payments he advanced on behalf of a number of inmates.
 - i. On 12/13/2011, check number 1178 cleared the IOLTA for \$1,150. The payee of the check was Respondent as a "distribution", and was deposited to Respondent's business account on 12/13/2011.
 - ii. On 12/13/2011, check number 1179 cleared the IOLTA for \$300. The payee of the check was Respondent as a "distribution", and was deposited to Respondent's business account on 12/13/2011.
 - iii. Respondent commingled the \$1,450, which were funds not related to any legal representation, in the IOLTA for approximately four days.
- c. On 05/12/2012, \$2,500 was deposited into the IOLTA as earned upon receipt fees. These funds originated from McWaters's cousin.
 - i. On 05/29/2012, IOLTA check number 1218 cleared the account for \$2,500. The payee of the check was Respondent as "fees", and was deposited into Respondent's business account on 05/29/2012.

- ii. Respondent commingled \$2,500 of earned funds in the IOLTA for approximately 17 days, from 05/12/2012 through 05/29/2012.
- d. On 10/16/2012, \$10,000 was deposited into the IOLTA from McWaters. These funds originated from Edward Jones check number 129931562 dated 10/11/2012 payable to Respondent in Trust.
 - i. On 10/17/2012 IOLTA check number 1229 cleared the account for \$5,000. The payee of the check was Respondent as "fees", and was deposited to Respondent's business account on 10/17/2012.
 - ii. The remaining \$5,000 was not related to the legal representation of McWaters. Respondent commingled the remaining \$5,000 of the \$10,000 deposited on 10/16/2012 in the IOLTA over the next 150 days, from 10/16/2012 through 03/12/2013.

20. The audit also revealed that Respondent issued check number 1253 for \$3,600 payable to cash, which cleared the IOLTA on 01/11/2013.

21. On three occasions, Respondent disbursed from his IOLTA by Counter Debit and not by pre-numbered check or electronic transfer.

Rule Violations:

22. Respondent's conduct as set forth above in Count One violated the following ethical rules: ER 1.4, ER 1.15(a), ER 8.4(d), Rule 43(b)(1)(A), Rule 43(b)(1)(C) and Rule 43(b)(5).

COUNT TWO (File No. 14-3460/State Bar)

23. Lyndall Thompson (Thompson) was serving a lengthy sentence for killing his brother.

24. Thompson had been without money to pay a lawyer to assist him in appealing his criminal conviction until his father passed away in December of 2013,

leaving him a distribution from his estate. The remainder of the estate was, and still is, being administered by Thompson's brother.

25. Upon receiving an initial distribution of funds from the estate, Thompson hired two attorneys (neither of whom was Respondent) to assist him with his Federal Habeas Petition. He placed \$40,000 in one of the Habeas attorney's trust accounts at the start of that representation.

26. Around the same time, one of Thompson's fellow inmates, Russell Doemer, introduced Thompson to Respondent so that Respondent could assist him in obtaining a fair share of his inheritance from his father's estate.

27. At the time that Doemer introduced Respondent to Thompson, Respondent was already under investigation in State Bar file no. 13-0809 for his involvement with McWaters and Doemer.

28. In an October 14, 2014, letter from Thompson to Respondent, Thompson formally authorized Respondent to begin representing him in the inheritance matter.

29. In order to pay Respondent's fee, and to provide Respondent with funds that Thompson wished to have distributed to numerous individuals, Thompson directed his Habeas attorneys to transfer \$10,000 of the \$40,000 in their trust account to Respondent. Over a period of months, the Habeas attorneys did so.

30. In an October 18, 2014, letter from Thompson to Respondent, Thompson directed Respondent to transfer \$5,000 of the money scheduled to arrive from the Habeas attorneys to "our mutual friend." Thompson's reference to "our mutual friend" was a reference to Doemer.

31. The money from Thompson to Doemer was purportedly for the purchase of a motorcycle. Thompson's letter further states:

The other five thousand is to cover your ongoing work, and thanks again for ALL your help. My understanding is that \$1,000.00 of what you have spent has been from the 1,000.00 Russell gave you, for me. Meaning Russell our mutual friend has funded the recent \$250.00 to mom and the three 150.00's to me recently. If this is correct simply mention this is all good on phone or in a letter to me, here. I'm sure all is well, as Russell is a great friend.

32. Respondent's position is that he told Thompson on multiple occasions that he had never received any money from Doemer.

33. In late October 2014, a fee agreement was signed by both Thompson and Respondent in the inheritance matter. The agreement states that the fee in the case is to be capped at \$5,000, but that the matter will be handled for a flat fee of \$2,500 if the matter proves to be "routine."

34. On October 27, 2014, Thompson sent a letter to Respondent regarding the fee agreement stating, "I've added a \$5,000.00 cap to the bottom of the contract as was discussed with our mutual friend." The hand written annotation appears at the end of the fee agreement. The reference to "mutual friend" is again a reference to Doemer.

35. On October 23, 2014, at Thompson's direction, the first trust account check in the amount of \$2,500 was transferred from the Habeas attorneys to Respondent.

36. In early November of 2014, Thompson's brother received a voicemail from Respondent in which Respondent indicated that he had been retained by Thompson to ensure Thompson was receiving a fair share of his father's estate.

37. Thompson's sister also received a call from Respondent. She referred Respondent back to Thompson or to her brother, who was in charge of the estate.

38. Thompson's sister visited Thompson in prison on November 15, 2014. During the visit, the two discussed the estate and Thompson's sister indicated that she was concerned Respondent might be trying to take advantage of Thompson. According to Thompson's sister, during the visit Thompson indicated to her that he would tell Respondent that he no longer needed his services in dealing with the estate.

39. Shortly after the visit, however, Thompson's sister received a letter from Thompson dated November 19, 2014, stating that he wanted Respondent to be given control of all of his remaining and future funds and to act as his power of attorney.

40. On the same date, November 19, 2014, Thompson wrote Respondent a letter asking for assistance in placing \$40,000 held in a bank account that had been set-up for him by his sister, to a new account. In the letter, Thompson stated, "our mutual friend relayed this may be something you and I can do to resolve my funding needs." "Mutual friend" was again a reference to Doemer.

41. Thompson's sister later received another letter from Thompson in which he indicated that Respondent would also be helping him with his Habeas matter. In the same letter, Thompson asked for his sister's assistance in granting Respondent power of attorney over his finances.

42. On December 2, 2014, Thompson's sister contacted the State Bar regarding her concerns that Respondent was taking advantage of her brother.

43. On December 18, 2014, at Thompson's direction, one of Thompson's Habeas attorneys sent a letter to Respondent enclosing \$2,500. In the letter, the

attorney stated, "before sending you any more funds, I will need written authorization from Lyndall [Thompson]."

44. On December 22, 2014, one of Thompson's Habeas attorneys sent a letter to Thompson memorializing that an additional \$5,000.00 had been sent to Respondent to supplement the first two payments of \$2,500, bringing total payments made to Respondent to \$10,000.

45. In a January 1, 2015, letter to Respondent, Thompson stated, "I directed you to release \$2,500 to your other client (a reference to Doemer), to do with as he sees fit."

46. In the same letter, Thompson directed Respondent to release an additional \$2,500 to "your same other client" as before to do with as he directs. This will be the last installment until "you've settled my civil issues with my brother concerning my father's last will and Testament! (sic)."

47. On January 4, 2015, Thompson wrote a letter to Respondent stating, "Thanks for getting me and my mom the money lately. You, our friend and I are, and shall always be good. I'm not Tom. Ever." The reference to "Tom" is likely a reference to Tom McWaters. Respondent was unaware of this letter until it was later produced to him during the State Bar's investigation.

48. On January 16, 2015, Thompson sent Respondent a handwritten document titled "Termination of all Power of Attorney." Thompson had become unhappy upon finding out that Doemer had not delivered the motorcycle as promised and that he was the victim of Doemer's fraud.

49. On January 23, 2015, DOC conducted a strip search of Thompson after a legal visit from Respondent. During the search, five pieces of paper were seized.

Thompson told DOC that Respondent had given the papers to him during the visit because it was easier than mailing them. DOC advised Thompson that the papers were being seized because nothing from visitation is allowed into the yard.

50. One of the documents seized during the search was an "Unlimited Power of Attorney" dated December 10, 2014, appointing Respondent to act in such capacity. Respondent was returning this document to Thompson at Thompson's request.

51. DOC records indicate that between January 1, 2011 and April 22, 2012, hundreds of phone calls were placed between Respondent and Doemer.

52. In a separate search of Doemer, DOC intercepted a hand-written note from Doemer that Doemer was attempting to send to Thompson. The note states:

What the hell Bud [Thompson's nickname], what do you want to do with these rides? You gave me your word! I'll have Mark deliver them anywhere you ask! Meanwhile allow Steve to use \$2,000.00. Call it a good faith loan! I didn't ask to be rolled up! I'm at H.V.8! I thought we were Friends? Your Call. I'll be in Touch always via Steve!

53. On July 17, 2015, Bar Counsel met with Respondent concerning Thompson's matter. During the meeting, Respondent indicated that he had met with Doemer the day before, July 16, 2015, regarding potentially handling Doemer's criminal appeal.

54. On the date of Respondent's interview with the Bar, the Bar received a letter from Thompson stating that Respondent is his "trusted attorney" and that the bar charge filed against Respondent is frivolous.

55. Respondent indicated that, during his representation of Thompson, Thompson directed him to make payments from his trust account to various

individuals. He is unaware of whether any of the money to be distributed was to go to other inmates. He has provided an accounting indicating that:

- a. On October 28, 2014, he received \$2,500
- b. On November 5, 2014, he paid himself \$1,000 towards his legal fee.
- c. On December 4, 2014 he paid himself \$1,500 towards his legal fee.
- d. On December 23, 2014, he received an additional \$2,500.
- e. On December 24, 2014 he made the following transactions:
 - i. He paid himself \$800 as reimbursement for money he had advanced to Thompson and Thompson's mother.
 - ii. He also reimbursed himself \$1,331.90 for payments he had advanced to Doemer, Thompson, and Thompson's mother.
- f. On January 9, 2015, he received a check from the Habeas attorneys for an additional \$5,000 and placed the money into the trust account. On the same day, he reimbursed himself \$560.90 that he had advanced by making payments to Thompson of \$309.95, Thompson's mother of \$150.00, and a person named Garcia at Doemer's direction of \$109.95. Bar counsel asked Respondent why he was distributing Thompson's money at Doemer's direction and Respondent responded as follows: "I was repeatedly told by Thompson that \$5,000 was Doemer's money. I was directed by Thompson that \$5,000 belonged to Doemer and that whatever Doemer wanted to do with his money was up to him. I specifically told Thompson on several occasions that I had not received any money directly from Doemer and was again advised by Thompson that \$5,000 was Doemer's."
- g. On January 9, 2015, Respondent paid himself a legal fee of \$2,000.
- h. On February 25, 2015, Respondent paid Thompson's mother \$400 from the trust account.
- i. On March 25, 2015, Respondent paid \$2,092.80 back into Thompson's trust account as reimbursement for Doemer's alleged fraud concerning the motorcycle.
- j. Respondent has also noted that between the start of the representation and March 23, 2015, he paid for \$1,257.55 in telephone charges related to his representation of Thompson.

56. Respondent did not disclose his prior dealings with Doemer upon entering into an attorney-client relationship with Thompson and agreeing to transfer money from Thompson to Doemer. Respondent's position is that Thompson knew of his prior dealings with Doemer and that is why he did not specifically articulate them.

57. Respondent agrees, as of the date of execution of this Consent Agreement, to have no further written or oral contact with Doemer.

Rule Violations:

58. Respondent's conduct as set forth above in Count Two violated the following ethical rules: ER 1.4, ER 1.6, ER 1.7, and ER 8.4(d).

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 his conduct violated Rule 42, Ariz. R. Sup. Ct., specifically ERs 1.4, 1.6, 1.7, 1.15(a), and 8.4(d) and Rule 43(b)(1)(A), 43(b)(1)(C), 43(b)(5).

RESTITUTION

Restitution is not an issue in this matter.

SANCTION

Respondent and the State Bar of Arizona agree that based on the facts and circumstances of this matter, as set forth above, the following sanction is appropriate: suspension of six months and one day. Respondent requests that the suspension begin on April 15, 2016 so that he may wind down his practice. The State Bar has no objection to this request.

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. The *Standards* provide guidance with respect to an appropriate sanction in this matter. *In re Peasley*, 208 Ariz. 27, 33, 35, 90 P.3d 764, 770 (2004); *In re Rivkind*, 162 Ariz. 154, 157, 791 P.2d 1037, 1040 (1990).

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. *Peasley*, 208 Ariz. at 35, 90 P.3d at 772; *Standard* 3.0.

The parties agree that *Standard* 7.2 is the appropriate *Standard* given the facts and circumstances of this matter. *Standard* 7.2 provides that suspension is generally appropriate when a lawyer knowingly 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. In Count One, Respondent engaged in client communications using an intermediary with a criminal history of fraud and broke Department of Corrections rules. In Count Two, Respondent failed to disclose his past business dealings with an inmate with a history of criminal fraud to a client.

The duty violated

As described above, Respondent's conduct violated his duty to his client, the profession, the legal system and the public.

The lawyer's mental state

For purposes of this agreement the parties agree that Respondent knowingly engaged in conduct that is a violation of a duty owed as a professional.

The extent of the actual or potential injury

For purposes of this agreement, the parties agree that there was potential harm to the client and the profession.

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 and jointly request that the suspension begin sixty days from the date of the final judgment and order.

In aggravation:

Standard 9.22(d): multiple offenses

Standard 9.22(h): vulnerability of the victim

In mitigation:

Standard 9.32(a): absence of a prior disciplinary record

Discussion

The parties have conditionally agreed that, upon application of the aggravating and mitigating factors to the facts of this case, the presumptive sanction is appropriate.

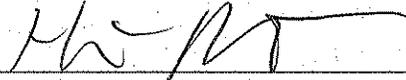
The parties have conditionally agreed that a greater or lesser sanction would not be appropriate under the facts and circumstances of this matter. Based on the *Standards* and in light of the facts and circumstances of this matter, the parties conditionally agree that the sanction set forth above is 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, supra* at ¶ 64, 90 P.3d at 778. 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 suspension of six months and one day, and the imposition of costs and expenses. A proposed form order is attached hereto as Exhibit B.

DATED this 25th day of February, 2015.

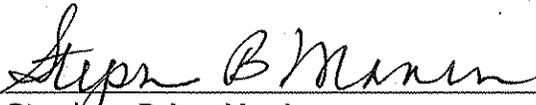
STATE BAR OF ARIZONA



Hunter F. Perimeter
Staff Bar Counsel

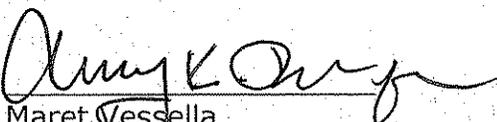
This agreement, with conditional admissions, is submitted freely and voluntarily and not under coercion or intimidation.

DATED this 25 day of February, 2015.



Stephen Brian Manion
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 25th day of February, 2015.

Copies of the foregoing mailed/mailed
this 25th day of February, 2015, to:

Stephen Brian Manion
5027 West Burgess Lane
Laveen, Arizona 85339-4238
sbmanion@msn.com
Respondent

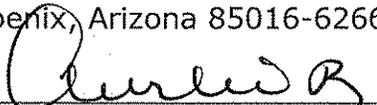
Copy of the foregoing mailed
this 25th day of February, 2015, to:

William J. O'Neil
Presiding Disciplinary Judge
Supreme Court of Arizona
Email: officepdj@courts.az.gov

Copy of the foregoing hand-delivered
this 25th day of February, 2015, to:

Lawyer Regulation Records Manager
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266

by:



HFP/jao

EXHIBIT A

EXHIBIT B

**BEFORE THE PRESIDING DISCIPLINARY
JUDGE**

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

**Stephen Brian Manion,
Bar No. 026912,**

Respondent.

PDJ 2015-_____

FINAL JUDGMENT AND ORDER

[State Bar No. 13-0809, 14-3460]

The undersigned Presiding Disciplinary Judge of the Supreme Court of Arizona, having reviewed the Agreement for Discipline by Consent filed on _____, pursuant to Rule 57(a), Ariz. R. Sup. Ct., hereby accepts the parties' proposed agreement. Accordingly:

IT IS HEREBY ORDERED that Respondent, **Stephen Brian Manion**, is suspended for six months and one day for his conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective April 15, 2016.

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 \$1,560.83, within 30 days from the date of service 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 February, 2015.

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 February, 2015.

Copies of the foregoing mailed/mailed
this _____ day of February, 2015, to:

Stephen Brian Manion
5027 West Burgess Lane
Laveen, Arizona 85339-4238
Email: sbmanion@msn.com
Respondent

Copy of the foregoing emailed/hand-delivered
this _____ day of February, 2016, to:

Hunter F. Perlmeter
Staff Bar Counsel
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266
Email: LRO@staff.azbar.org

Copy of the foregoing hand-delivered
this _____ day of February, 2015, to:

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

by: _____