

People v. Rick Daniel Adams, 23PDJ066, May 24, 2024.

The Presiding Disciplinary Judge approved the parties' stipulation to discipline and disbarred Rick Daniel Adams (attorney registration number 52201), effective May 24, 2024.

Adams is the owner of the Allstate Law Center, P.C., a law firm specializing in bankruptcy matters. In one client matter, Adams agreed to prepare and file a Chapter 7 bankruptcy petition. He had the client sign a flat-fee agreement providing that the client's retainer was non-returnable and earned on receipt. Into his operating account he placed all but \$200.00 of the client's fee. Thereafter, he failed to prepare and file a bankruptcy petition, and he abandoned the client and her legal matter by failing to complete tasks for which he was hired. Though Adams did not earn any of the funds the client paid, he failed to promptly return to the client her unearned fees, thereby knowingly converting her funds.

In a second client matter, Adams signed a flat-fee agreement with a client in early 2020 to handle a Chapter 7 bankruptcy. The fee agreement set forth benchmarks. The client asked Adams to place the case on hold until March 2022, when the client attempted to contact him to ask him to file a petition. The client also visited the firm's physical office space, which she discovered was vacant. In June 2022, Adams and the client spoke on the phone. He informed her that his license was suspended but nonetheless volunteered to file her case. The client asked for her money back. Adams did not communicate any further with the client and did not complete the benchmarks in the fee agreement. Adams has not issued a refund, even though he knew he had not earned a substantial amount of the client's advance fee.

In a third client matter, a client retained Adams to prepare, file, and assist with a Chapter 13 bankruptcy. The agreement provided that a "base portion of the fee" was a flat fee, which the agreement described as "nonreturnable" and "earned on receipt." The fee agreement provided that fees would not be deposited into the firm's trust account; Adams indeed placed the client's money—including money to cover filing fees—in his operating account, even though he had not completed work required to earn the fees. The client scheduled two calls for updates on his case, but no one at the firm called the client at the scheduled times. The client also emailed Adams asking for communication, but the client never heard anything further. Adams never filed a bankruptcy petition for the client and never paid a filing fee to file a bankruptcy petition, but Adams did not refund the client any money.

Through this conduct, Adams violated Colo. RPC 1.3 (a lawyer must act with reasonable diligence and promptness when representing a client); Colo. RPC 1.4(a)(3)-(4) (a lawyer must keep a client reasonably informed about the status of the matter and promptly comply with reasonable requests for information); Colo. RPC 1.5(g) (a lawyer may not charge nonrefundable fees or retainers); Colo. RPC 1.15A(a) (a lawyer must hold client property separate from the lawyer's own property); Colo. RPC 1.15A(b) (on receiving funds of a client, a lawyer must promptly deliver to the client any funds or property that person is entitled to receive); and Colo. RPC 8.4(c) (it is professional misconduct for a lawyer to engage in conduct engage in conduct involving dishonesty, fraud, deceit, or misrepresentation). The case file is public per C.R.C.P. 242.41(a).