

# Bar Counsel Report

**In Re: DANIEL C. ALLEN**  
**Bar No.: 14341**  
**Case No.: 86688**  
**Filed: 08/17/2023**

## ORDER APPROVING CONDITIONAL GUILTY PLEA AGREEMENT

*This is an automatic review of a Southern Nevada Disciplinary Board hearing panel's recommendation that this court approve, pursuant to SCR 113, a conditional guilty plea agreement in exchange for a stated form of discipline for attorney Daniel C. Allen. Under the agreement, Allen admitted to violating RPC 1.1 (competence), RPC 1.3 (diligence), and RPC 1.4 (communication). He agreed to a one-year suspension, stayed for 18 months subject to certain conditions.*

Allen admitted to the facts and violations as part of his guilty plea agreement. The record therefore establishes that Allen failed to diligently represent or communicate with four clients. He failed to properly advance a divorce complaint or file two separate joint petitions for divorce resulting in his client remaining married for two years longer than necessary. He also failed to timely file a QDRO in a different divorce action. Further, Allen failed to account for a lienholder when distributing a personal injury settlement and then failed to make timely payments to the lienholder until the lienholder filed a grievance with the State Bar. Lastly, Allen failed to respond to an amended complaint resulting in the entry of a default against his client, which was eventually set aside when the client retained new counsel.

The issue for this court is whether the agreed-upon discipline sufficiently protects the public, the courts, and the legal profession. See *In re Discipline of Arabia*, 137 Nev. 568, 571, 495 P.3d 1103, 1109 (2021) (stating the purpose of attorney discipline). In determining the appropriate discipline, we weigh four factors: "the duty violated, the lawyer's mental state, the potential or actual injury caused by the lawyer's misconduct, and the existence of aggravating or mitigating factors." *In re Discipline of Lerner*, 124 Nev. 1232, 1246, 197 P.3d 1067, 1077 (2008). Allen admitted to negligently or knowingly violating duties owed to his clients (competence, diligence, and communication). The baseline sanction for such misconduct, before considering the aggravating or mitigating circumstances, is suspension. Standards for Imposing Lawyer Sanctions, *Compendium of Professional Responsibility Rules and Standards*, Standard 4.42 (Am. Bar Ass'n 2017) (explaining that suspension is appropriate when "a lawyer engages in a pattern of neglect and causes injury or potential injury to a client"). The record supports the panel's findings of one aggravating circumstance (pattern of misconduct) and four mitigating circumstances (absence of prior discipline, full and free disclosure to the disciplinary authority or cooperative attitude toward the proceeding, inexperience in the practice of law, and remorse). Considering all four factors, we conclude that the agreed-upon discipline is appropriate.

Accordingly, we hereby suspend attorney Daniel C. Allen from the practice of law for one year from the date of this

order, with the suspension stayed for 18 months subject to the conditions outlined in the conditional guilty plea agreement. Those conditions include the requirements that Allen (1) not be disciplined for any misconduct engaged in during the 18-month stay, (2) not engage in solo practice and instead be employed by a law practice with at least one lawyer in good standing supervising or mentoring him, (3) submit monthly reports to the Office of Bar Counsel countersigned by his supervisor/mentor, and (4) return \$3,500 to Inderdeep Judge within 60 days. Lastly, Allen shall pay the costs of the disciplinary proceedings, including \$2,500 under SCR 120, within 30 days from the date of this order. The State Bar shall comply with SCR 121.1.

It is so ORDERED.

**In Re: LEILA L. HALE**  
**Bar No.: 7368**  
**Case Nos.: SBN22-00828**  
**& SBN23-00580**  
**Filed: 08/11/2023**

## PUBLIC REPRIMAND

To Leila L. Hale:

A panel of the Southern Nevada Disciplinary Board has reviewed the two cases captioned above against you. We found that you have violated the Rules of Professional Conduct, which requires a Public Reprimand to ensure your professionalism and adherence to ethical standards. We encourage you to take appropriate action to prevent similar misconduct in the future. In 2017, two unrelated clients, Natalie Ramsey Brown and Joseph Antonio Sanchez-Hernandez, employed your firm, Hale Injury Law (HIL), to represent them in personal injury claims after sustaining injuries in automobile accidents.

Both Brown and Sanchez-Hernandez sought medical treatment from Jeffrey Gross, M.D. Eventually, HIL initiated litigation by filing separate complaints on behalf of Brown and Sanchez-Hernandez. In preparation for arbitration and trial, HIL employed Dr. Gross as a medical expert to opine on these clients' injuries and provide expert reports for them. Dr. Gross charged fees of \$12,760 and \$17,125 to Brown and Sanchez-Hernandez, respectively, for his services as an expert witness.

You were in a long-term relationship with Dr. Gross while HIL represented Brown and Sanchez-Hernandez. We found a significant risk that your relationship with Dr. Gross may materially limit your responsibilities to Brown and Sanchez-Hernandez. This created a conflict of interest. Although you have done so with other clients of HIL, you failed to disclose your relationship to Brown and Sanchez-Hernandez, explain the potential harm, or obtain their informed consent regarding the conflict of interest.

In September 2020, your associate, Jolene Manke, left HIL to join another firm. Brown and Sanchez-Hernandez transferred their cases with Manke. HIL then filed liens against the recoveries in both cases, which included reimbursement for expert fees to Dr. Gross of \$12,760 and \$17,125.

You directed your bookkeeper to issue an omnibus check from your IOLTA to pay Dr. Gross for these and other cases in which he had provided expert services and had treated clients of HIL on a lien basis. You did not have money in your IOLTA at any time for Brown and you had insufficient money in your IOLTA for Sanchez-Hernandez. Although you instructed your bookkeeper to transfer the necessary funds from your cost account to your IOLTA to cover this check to Dr. Gross, he did not do so.

Based on the conduct described above, we find that you violated RPC 1.7(a)(2) (Conflict of Interest: Current Clients). Your personal relationship with Dr. Gross posed a significant risk of materially limiting your responsibilities to Brown and Sanchez-Hernandez. This relationship could have influenced your treatment of Dr. Gross, such as using client funds to pay him instead of advancing your own funds to do so. Moreover, you failed to obtain informed consent from Brown and Sanchez-Hernandez regarding this conflict, as required by RPC 1.7(b).

Additionally, we find that you violated RPC 1.15(a) (Safekeeping Property). This rule mandates that lawyers keep clients' funds and other property safe and separate from their own. The act of paying Dr. Gross from your IOLTA for Brown's and Sanchez-Hernandez's cases placed other clients' monies at risk. We understand that you wished to simplify payment to Dr. Gross with a single check. But the best practice is to advance costs from a separate cost account and pay liens after recovery from your IOLTA. Paying a provider from an IOLTA for multiple clients, both pre-recovery and post recovery, creates a risk of commingling firm and client property and a risk of misappropriating other client property from your IOLTA.

Considering the gravity of these violations and the impact they have had on the legal proceedings and your clients' trust, it is imperative that you address this conduct promptly. We urge you to reflect upon your actions and to ensure that you uphold the highest ethical standards expected of legal professionals. It is vital to prioritize the best interests of your clients and to keep payments from your cost account and your IOLTA separate.

Considering the foregoing, you violated Rule of Professional Conduct ("RPC") 1.7(a)(2) (Conflict of Interest: Current Clients) and RPC 1.15(a) (Safekeeping Property) and are hereby PUBLICLY REPRIMANDED.

**In Re: NICHOLAS M. WAJDA**  
**Bar No.: 11480**  
**Case No.: SBN22-00600**  
**Filed: 07/14/2023**

## LETTER OF REPRIMAND

To Nicholas M. Wajda:

On July 11, 2023, a Screening Panel of the Southern Nevada Disciplinary Board considered the above-referenced grievance. Based on the evidence presented, the Panel unanimously concluded that you violated the Rules of Professional Conduct ("RPC") and should be issued a Letter

of Reprimand. This letter shall constitute a delivery of that reprimand.

On December 13, 2022, the State Bar of Nevada (hereinafter "State Bar") received a grievance from A.P.J. regarding the Recovery Law Group (hereinafter "RLG"), where you are listed as the Managing Partner. RLG's website claims to have locations in over thirty (30) states. Depending on the jurisdiction, RLG also does business as Wajda & Associates and/or Wajda Law Group. On December 27, 2022, the State Bar sent you a Letter of Investigation ("LOI"). On January 10, 2023, you provided your response to the State Bar's LOI through counsel.

Based on your website, you have locations in close to thirty (30) states, not including Nevada. You, however, admitted that RLG is not registered with the State Bar of Nevada as a multijurisdictional practice ("MJP") even though RLG practices law in several jurisdictions. You also stated that RLG does not maintain a Nevada office and does not practice law in Nevada. However, that statement is belied by your website, Nevada Secretary of State records, and/or the U.S. District Court for the District of Nevada records.

RPC 5.1 (Responsibilities of Partners, Managers, and Supervisory Lawyers) states, in pertinent part, that a lawyer "having direct supervisory authority over another lawyer shall make reasonable efforts to ensure that the other lawyer conforms to the Rules of Professional Conduct." The Rule further explains that a lawyer "shall be responsible for another lawyer's violation" of the RPC if: (1) the lawyer "orders or, with knowledge of the specific conduct, ratifies the conduct involved"; or (2) the lawyer "is a partner or has comparable managerial authority in the law firm in which the other lawyer practices, or has direct supervisory authority over the other lawyer, and knows of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action." You failed to ensure that your office established policies and procedures to comply with the registration requirement of a multijurisdictional practice. This type of ethical breach caused potential injury to the public and/or the legal system.

RPC 7.5A (Registration of Multijurisdictional Law Firms) states, in pertinent part, that "[a]ll law firms having an office in Nevada and in one or more other jurisdictions shall register with the State Bar of Nevada and shall pay an annual fee of \$500 for such registration." You failed to register your office as a multijurisdictional practice. This type of ethical breach caused potential injury to the public and/or the legal system.

RPC 8.4 (Misconduct) states that "[i]t is professional misconduct for a lawyer to: (a) violate or attempt to violate the RPC, knowingly assist or induce another to do so, or do so through the acts of another; (b) commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer in other respects; (c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation; (d) engage in conduct that is prejudicial to the administration of justice; (e) state or simply imply an ability to influence improperly a government agency or official or to achieve results by means that violate the RPC or other law; or (f) knowingly assist a judge or judicial officer in conduct that is a violation of applicable rules of judicial conduct or law." You engaged in conduct involving dishonesty and/

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or misrepresentation when you discussed your law firm's practices and locations with the State Bar. This type of ethical breach caused injury to your client, the public, and/or the profession.

Under ABA 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. Accordingly, you are hereby **REPRIMANDED** for violating RPC 5.1 (Responsibilities of Partners, Managers, and Supervisory Lawyers), RPC 7.5A (Registration of Multijurisdictional Law Firms), and RPC 8.4 (Misconduct). In addition, pursuant to Supreme Court Rule 120, you are required to remit to the State Bar of Nevada the amount of \$1,500.00, plus the hard costs of these proceedings, **no later than 30 days** after receiving a billing from the State Bar. I trust that this reprimand will serve as a reminder to you of your ethical obligations, and that no such problems will arise in the future.

# TIP

## FROM THE BAR COUNSEL

## Is It Worth the Risk?

**A business transaction with a client is not a good idea. There is an inherent imbalance in the lawyer-client relationship. A lawyer's legal skill and training, together with the relationship of trust and confidence between lawyer and client, create the possibility of overreaching when the lawyer participates in a business, property, or financial transaction with a client.**

Rule 1.8(a) prohibits business transactions between a lawyer and a client unless the lawyer complies with specific conditions designed to protect the client. The specific conditions listed in paragraph (a)(1) requires that the transaction be objectively fair and reasonable to the client and requires that the terms of the transaction be fully disclosed in a manner reasonably understandable to the client. Paragraph (a)(2) requires that the client be advised in writing of the desirability of seeking the advice of independent counsel and that the client be given a reasonable opportunity to do so. Paragraph (a)(3) requires informed consent, in a writing, signed by the client, to the essential terms of the transaction and the lawyer's role in the transaction, including whether the lawyer is representing the client in the transaction.

Rule 1.8(a) does not apply to ordinary client-lawyer fee agreements, which are governed by Rule 1.5.

The risk to a client is greatest when the client expects the lawyer to represent the client in the transaction itself or when the lawyer's financial interest otherwise poses a significant risk that the lawyer's representation will be materially limited by the lawyer's financial interest in the transaction. Here, not only must the lawyer comply with the requirements of 1.8(a), but also the requirements of Rule 1.7, which in some cases, the lawyer's role may be such that rule 1.7 precludes the lawyer from seeking the client's consent to the transaction.

While a business transaction between an attorney and client is not prohibited, it is safest to avoid it. Failure to comply completely with all the listed requirements will result in discipline, even if the deal is to the client's benefit.

