



March 8, 2017

## LETTER OF REPRIMAND

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Re: Grievances / Papagopoulos and Yelinek  
Reference No.s SG11-1320 and SG11-1421

[www.nvbar.org](http://www.nvbar.org)

Dear Mr. Parsons:

On August 9, 2013, a Formal Hearing Panel of the Southern Nevada Disciplinary Board considered the above-referenced grievance. Based on the evidence presented, the Panel concluded that you violated the Rules of Professional Conduct and, if you successfully completed a probation, should be issued a Letter of Reprimand. This letter shall constitute a delivery of that reprimand.

On April 28, 2003, you were retained by Leonard Yelinek ("Yelinek") to pursue a bad-faith claim against American Economy Insurance. Yelinek had owned Escape Travel Service, and was held liable when an employee fraudulently charged \$148,000 in airline tickets to third-party credit card holders. Yelinek had business insurance with American Economy Insurance. His claim, made following his employee's fraudulent activity was denied, upon the insurer's contention that Yelinek had carried his "employees" as "independent contractors" which were outside of coverage. Yelinek confirmed the offending person was an "independent contractor." In addition, the Policy provided for a single claim, limited to \$15,000, even if the person committing the theft was an employee, rather than a non-covered independent contractor.

On June 2, 2003, you filed a Complaint against American Economy Insurance on behalf of Yelinek. In early 2004, you negotiated a Binding Arbitration Agreement with opposing counsel. As part of the terms of the agreement, you entered into a Stipulation and Order for Dismissal without Prejudice on April 13, 2004.

Between June 18, 2004 and October, 2005, opposing counsel made several attempts to reach you to pursue the binding arbitration. You did not respond. On

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November 15, 2005, opposing counsel sent a letter stating that he would consider the case abandoned unless he heard from you. You did not respond.

For the next several years, Yelinek made several attempts to get an update from you regarding his case. In the instances he was able to reach you, you assured him that you were working on it and would achieve a resolution for him. In the meantime, you did nothing to try to revive his case.

On July 11, 2011, Yelinek sent you an email stating that if he did not receive some concrete information regarding his case, he would be filing a bar complaint. You responded with several emails stating that you would be making a demand to opposing counsel and typing up documents to get the case cleared up.

On October 4, 2011, Yelinek filed a bar complaint detailing all of his communications with you and your office. On October 10, 2011, the State Bar sent a letter to you requesting a response. You did not substantively respond to the State Bar until March 20, 2012, when you sent a short letter stating the matter had been resolved and the grievance withdrawn. The State Bar subsequently advised you that a grievance, once submitted and opened, could not be withdrawn.

You then provided the Yelinek file, which confirmed that no further work had been done on the file since 2005. You also confirmed that you had paid \$25,000 to Yelinek.

You also subsequently asserted that you were incapacitated by reason of a surgery that removed an infected part of his right foot, resulting in the loss of a substantial part of your foot and two toes. You further assert that you were not in your office from the surgery in November of 2011 until February of 2012, and instead was substantially homebound and subjected to a PICC line for intravenous antibiotics and a wound vacuum, not able to return full-time status until late March 2012. On January 12, 2012, you did provide a letter to the State Bar in the Panagopoulos matter, mentioned below, which included documentation of the issues with your foot.

On December 9, 2008, Magdalene Panagopoulos ("Panagopoulos") retained you to file a bad faith lawsuit against her insurer for failing to cover a claim. You filed a Complaint on her behalf on January 30, 2009.

Upon the close of discovery, in May of 2010, Motions for Summary Judgment were filed by both defendants. On May 18, 2010, the parties attended a status check. You advised the court that you were going to petition the Discovery Commissioner for an extension of the discovery period, noting that some of the



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discovery would have bearing on the motions. Although not included in the official minutes, you also advised the court that you were experiencing an injury which was impacting your ability to respond to the Motions for Summary Judgment. The judge advised you to work it out with opposing counsel, who you believed would accommodate you.

You did not file an Opposition to either Motion. Both Motions for Summary Judgment were granted on June 9, 2010. On June 10, 2010, you sent an email to opposing counsel requesting that they agree to defer any adverse action until you could be allowed to file a response and move to re-open discovery. You referenced a ruptured Achilles tendon as the basis for the request. The defense attorneys refused further consideration.

On August 18, 2010, a Judgment for costs was entered against Panagopoulos for \$4,843.33. On August 30, 2010, Panagopoulos emailed you stating that she saw a judgment online and asked what was going on. You responded by telling her that you were working on giving her relief from the adverse aspects of this matter, and subsequently met with Panagopoulos and her husband to discuss their concerns.

Between September of 2010 and January of 2011, your office and Panagopoulos communicated regarding your efforts on her case, including discussions regarding an appeal. Finally, on September 2, 2011, Panagopoulos filed a bar complaint.

Your position to the State Bar was that her case was unwinnable due to misrepresentations Panagopoulos made on her application for insurance. You argued that had the case proceeded, she would have lost the case and been responsible for a significant amount of attorney fees and costs.

In mitigation of your conduct, you have cited significant health and personal problems. You also have been practicing law for more than thirty-seven years, and have never received discipline prior to these cases.

As part of the probationary terms of the Panel's decision, you successfully completed a treatment program with a licensed mental health professional, maintained a mentor relationship for the purpose of learning to better manage your practice, and have not received any further discipline since the Formal Hearing in this matter.

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Accordingly, you are hereby REPRIMANDED for violating Rule of Professional Conduct ("RPC) 1.3 (Diligence), RPC 1.4 (Communication), RPC 3.2 (Expediting Litigation) and RPC 8.1 (Bar Admission and Disciplinary Matters). 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.

Sincerely,

A handwritten signature in cursive script that reads "Karl W. Armstrong".

Karl Armstrong, Esq.  
Formal Panel Chair  
Southern Nevada Disciplinary Board