

B10 (Official Form 10) (04/10)

UNITED STATES BANKRUPTCY COURT District of Nevada **RECEIVED AND FILED** **PROOF OF CLAIM**

Name of Debtor: JOHNSON LAW GROUP, P.C. Case Number: 10-22075

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property): **2010 NOV - 4 PM 12:30 U.S. BANKRUPTCY COURT MARY A. SCHOTT, CLERK** Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:
Nicole Langel
580 Foothill Rd
Bridgewater, NJ 08807-2120
Telephone number: 908)393-1338
Court Claim Number: _____
(If known)
Filed on: _____

Name and address where payment should be sent (if different from above):
Telephone number: _____
 Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
 Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed: \$ 1,560.00
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.
If all or part of your claim is entitled to priority, complete item 5.
 Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. Basis for Claim: refund for unused service
(See instruction #2 on reverse side.)
3. Last four digits of any number by which creditor identifies debtor: 7009
3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.
Nature of property or right of setoff: Real Estate Motor Vehicle Other
Describe: _____
Value of Property: \$ _____ Annual Interest Rate % _____
Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____
Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.
Specify the priority of the claim.
 Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).
 Wages, salaries, or commissions (up to \$11,725* earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4).
 Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5).
 Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7).
 Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8).
 Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(____).
Amount entitled to priority: \$ _____
*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.
If the documents are not available, please explain: _____
Date: 11/1/10 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.
Nicole Langel Nicole Langel
FOR COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

Johnson Law Group

1050 Indigo Drive Suite 120, Las Vegas NV 89145

Phone: 866-862-7870

Fax: 866-862-7917

GENERAL RELEASE

Client ID#:16714

TO ALL WHOM THESE PRESENTS SHALL COME OR MAY CONCERN

Nicole Langel (hereinafter "Clients") 580 Foothill Road, Bridgewater, NJ 08807 in consideration of the sum of **\$1560.00**, which is to be paid by Johnson Law Group, (hereinafter "JLG") which has a principal place of business at 1050 Indigo Rd, Suite 120, Las Vegas, Nevada 89145, declare and agree to the following.

1. That no later than the close of business on the 30th day after receipt of signed General Release JLG shall provide the client(s) the amount of **\$1560.00**; and
2. Said **\$1560.00** shall be sent to client(s) via USPS Mail after receiving this release; and
3. Client(s) shall acknowledge receipt via facsimile; and
4. Client(s) will, as the date of execution of this document, immediately, remise, release, and forever discharge JLG and its heirs, officers, executors, administrators, successors and assigns of and from all and any manner of action, legal or administrative, including lawsuits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, executions, claims and demands whatsoever arising out of the contract between Client and JLG that was executed on **June 24, 2008**; and
5. Client(s) shall immediately cease and desist communicating with any enforcement agency, or legal agency regarding JLG.
6. This release may not be changed orally.
7. Client(s) shall be released of any and all further financial obligations and demands arising out of the contract between Client and JLG that was executed on **June 24, 2008**.

IN WITNESS WHEREOF, we have hereunto set our hand

upon this document

16714 Nicole Langel

Clients

5/12/10

Date

HUTCHISON & STEFFEN

A PROFESSIONAL CORPORATION
ATTORNEYS

MARK A. HUTCHISON
JOHN T. STEFFEN
JAMES H. RANDALL
JOSEPH R. GANLEY
L. KRISTOPHER RATH
MICHAEL K. WALL
SCOTT A. FLINDERS
MARK J. CONNOT
PATRICIA LEE
KUMEN L. TAYLOR

PECCOLE PROFESSIONAL PARK
10080 WEST ALTA DRIVE, SUITE 200
LAS VEGAS, NEVADA 89145
702-385-2500
FAX 702-385-2086
HUTCHLEGAL.COM

CHRISTINA M. ALEXANDER
RICHARD G. SMURTHWAITE
DEIDRE J. CALL
G. ASA GINAPP
KEVIN M. SUTEMALL
TODD W. PRALL
CYNTHIA G. MILANOWSKI
STEPHEN J. MAYFIELD
SHANNON R. WILSON
CHRISTIAN M. ORME
JEFFREY R. HALL
CAMI M. PERKINS
TRACI L. CASSITY
DAVID W. GUTKE
JACOB A. REYNOLDS
STEVEN M. ROGERS
JEREMY C. COOLEY
RIK L. WADE
ARUN GUPTA

THOMAS L. STEFFEN
CHIEF JUSTICE NEVADA SUPREME COURT (RET.)
OF COUNSEL

FREDRICK P. WAID
OF COUNSEL
ADMITTED IN TEXAS ONLY

KEVIN J. BLAIR
OF COUNSEL

ERIN LEE TRUMAN
OF COUNSEL

Mr. Glenn M. Machado
Assistant Bar Counsel
State Bar of Nevada
600 East Charleston Blvd.
Las Vegas, NV 89104

September 9, 2010

RECEIVED BY

SEP 09 2010

STATE BAR OF NEVADA

RECEIVED SEP 09 2010

ADMITTED IN UTAH ONLY

JANET TOLLESON
FIRM ADMINISTRATOR

Re: **Grievance/ Nicole Langel**
Reference No: SG10-0315

Dear Mr. Machado:

We are in receipt of Ms. Langel's grievance letter, e-mailed July 16, 2010, asserting that, after having received a partial refund, she is still owed \$1,560.00 in maintenance fees, service fees, and savings paid to Johnson Law Group ("JLG").

JLG is a Nevada law firm and is in the process of dissolving. It primarily handled debt relief cases for clients seeking assistance in negotiating, restructuring, or litigating their debts. Mr. Eldredge owns 99% of JLG. Prior to becoming the majority owner of JLG, JLG's former owners entered into a "Services Agreement" with Advanced Client Solutions, LLC ("ACS"). Pursuant to the Services Agreement, ACS was required to provide JLG with the necessary support to manage the business aspects of providing the debt settlement services, including providing all clerical and billing services, processing payments and refunds, and other general administrative services.

Ms. Langel hired JLG to negotiate the settlement of her credit card debt pursuant to a settlement program. Ms. Langel's program commenced in June 2008. During the nineteen (19) month period, JLG collected as follows: (1) \$760 in non-refundable maintenance fees (nineteen (19) months at \$40.00 per month); (2) \$3,900.00 in service fees; and (3) \$2,946.20 which was held in trust pending settlement of certain credit card debts.

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

Mr. Glenn M. Machado
September 9, 2010
Page 2

Ms. Langel cancelled her account in January 2010, and was sent a refund of the entire balance of her trust savings. Her fees were then evaluated and it was determined that JLG earned \$2,340.00 in service fees (60% of the \$3,900 in total service fees paid). ACS never sent Ms. Langel her refund of \$1,560.00. JLG terminated its relationship with ACS in June of 2010. Simultaneous therewith, JLG transferred its clients to another debt settlement law firm and ceased providing debt settlement services. In connection with the transfer of its clients, JLG transferred client trust fund money to the transferee law firm. JLG has been in contentious litigation with ACS from March of 2010 due to ACS's inappropriate administrative management of JLG. *See* Eighth Judicial District Court Case No. A-10-612447-B, Department 25, pending before the Honorable Judge Kathleen Delaney.

After JLG terminated its relationship with ACS and transferred its debt settlement clients, ACS began informing JLG's former clients that Mr. Eldredge had stolen their money. Because ACS controlled JLG's phone and fax numbers, JLG could not divert client calls and questions from ACS in order to address its former clients' concerns. JLG sought a temporary restraining order and preliminary injunction against ACS to enjoin it from interfering with its former clients, which the Court granted.

Due to the contentious litigation and the Court's rulings in favor of JLG, ACS filed an involuntary bankruptcy on behalf of JLG. *See* United States Bankruptcy Court for the District of Nevada, Case No. 10-22075-BAM. JLG hired Gordon Silver to represent it in connection with the bankruptcy filing, and Mr. Eldredge has been advised not to issue any payments on behalf of JLG because such payments will need to be issued by the bankruptcy trustee. We anticipate that a trustee will be appointed very shortly. At that time, the trustee will instruct JLG how to proceed with the bankruptcy. Mr. Eldredge respectfully requests the State Bar's guidance as to how to proceed with respect to Ms. Langel's account, and will inform the bankruptcy trustee accordingly. Furthermore, although JLG has no current assets, if JLG is not permitted by the bankruptcy trustee to pursue its claims against ACS and recover its assets, Mr. Eldredge will personally ensure that Ms. Langel is issued a refund of \$1,560.00 in unearned fees, from his own funds, if so instructed by the State Bar.

...
...
...
...
...
...
...