

ICT. MAIL ATT

ORIGINAL

NO. 12-05771

FILED

COMMISSION FOR
LAWYER DISCIPLINE

V.

LLOYD EUGENE WARD

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IN THE DISTRICT COURT OF: 57

DALLAS COUNTY, TEXAS
DARYL FITZSIMMONS
DISTRICT CLERK
DALLAS, TEXAS
J. A. FALONEY
DEPUTY

§-101st JUDICIAL DISTRICT

ORIGINAL DISCIPLINARY PETITION AND REQUEST FOR DISCLOSURE

TO THE HONORABLE JUDGE OF SAID COURT:

Petitioner, the Commission for Lawyer Discipline, a committee of the State Bar of Texas (hereinafter called "Petitioner"), complains of Respondent, Lloyd Eugene Ward, (hereinafter called "Respondent"). showing the Court:

ICT MAIL ATT

I.

Discovery Control Plan

Pursuant to Rules 190.1 and 190.3, TEXAS RULES OF CIVIL PROCEDURE (TRCP), Petitioner intends discovery in this case to be conducted under the Level II Discovery Control Plan.

II.

Petitioner brings this disciplinary action pursuant to the State Bar Act, Tex. Gov't. Code Ann. §81.001, et seq. (Vernon 1988), the Texas Disciplinary Rules of Professional Conduct and the Texas Rules of Disciplinary Procedure. The complaint which forms the basis of the Disciplinary Petition was filed on or after January 1, 2004.

III.

Respondent is an attorney licensed to practice law in Texas and is a member of the State Bar of Texas. Respondent is a resident of and has his principal place of practice in Dallas County, Texas.

The State Bar of Texas requests the Court to issue citation and return it to the State Bar of Texas, 14651 Dallas Parkway, Suite 925, Dallas, Texas 75254, so that Petitioner can have it served.

IV.

Factual Background

In June 2008, Michael Miles (hereinafter referred to as "Miles") created Debt RX USA, LLC (hereinafter referred to as "Debt RX") to operate as a debt settlement and negotiation company. On March 19, 2009, Miles hired Respondent to represent Debt RX as legal counsel.

Respondent subsequently prepared a Management Agreement between Lloyd Ward & Associates PC (hereinafter referred to as "LWA") and Miles which provided for Debt RX to manage the collections division of LWA. Debt RX as Manager was to receive 90 percent of the monthly net profits from this division. Respondent was to receive the remaining 10 percent of the net profits. The funds came from clients paying for debt settlement services.

In November 2009, Miles created Silverleaf Debt Solutions LLC (hereinafter referred to as "Silverleaf"). Silverleaf and Respondent did not have a written agreement, but Respondent and Silverleaf did business together under the same terms as the agreement that Respondent had with Debt RX including the 90 percent/10 percent fee split arrangement.

The 10 percent fee that Respondent received from both Debt RX and Silverleaf was for legal fees that Respondent incurred. When sending invoices for these legal services, Respondent addressed them to Debt RX and/or Miles-Silverleaf.

When entering into these agreements with Miles and both Debt RX and Silverleaf, Respondent failed to give them a reasonable opportunity to either seek the independent advice of

counsel regarding the agreements or obtain their written consent. In addition, Respondent failed to furnish Miles and both Debt RX and Silverleaf with a conflict of interest waiver for signature.

Various lawsuits were subsequently filed against Respondent, Miles, Debt RX, and Silverleaf. Respondent hired outside counsel to represent one or more of the parties without informing them of the lawsuit. In addition, the parties were not consulted regarding responsive pleadings that were filed including motions to dismiss.

Finally, Respondent misrepresented to Miles that there were tax issues involving Debt RX and Debt Silverleaf. Respondent attempted to get Miles to sell Silverleaf stock to him to cure these alleged tax problems.

V.

Such acts and/or omissions on the part of Respondent as are described in Paragraph IV hereinabove, which occurred on or after January 1, 1990, constitute conduct which violates Rules 1.02(a), 1.03(a), 1.06(b), 1.08(a), 5.04(a), 8.04(a)(3) of the Texas Disciplinary Rules of Professional Conduct.

VI.

The complaint, which forms the basis of the Cause of Action hereinabove set forth, was brought to the attention of the Office of the Chief Disciplinary Counsel of the State Bar of Texas by James M. McCormack filing a complaint on or about August 4, 2011.

PRAYER

WHEREFORE, PREMISES CONSIDERED, Petitioner prays for judgment that Respondent be disciplined, as the facts shall warrant; and that Petitioner have such other relief to which entitled, including direct expenses, costs of Court and reasonable attorney's fees and legal

assistant fees.

REQUEST FOR DISCLOSURE


Pursuant to Tex. R. Civ. P. 194, Respondent/you are requested to disclose, within 50 days of service of this request, the information or material described in Rule 194.2(a) - (k), Texas Rules of Civil Procedure.

Respectfully submitted,

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