

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST WILLIAM J.
SPANGLER, ATTORNEY AT LAW.

CASE CODE 30912

OFFICE OF LAWYER REGULATION,

CASE NO. 14102633D

Complainant;

WILLIAM J. SPANGLER,

Respondent.

RECEIVED

NOV 13 2014

COMPLAINTCLERK OF SUPREME COURT
OF WISCONSIN

NOW COMES the Wisconsin Supreme Court - Office of
Lawyer Regulation (OLR), by its Retained Counsel,
Matthew F. Anich, and alleges as follows:

1. OLR was established by the Wisconsin Supreme Court and operates pursuant to Supreme Court Rules. This complaint is filed pursuant to SCR 22.11.
2. William J. Spangler (Spangler) is an attorney admitted to the practice of law in Wisconsin on September 20, 2003 State Bar Membership Number 1047081. Spangler's address is 526 Water Street, P.O. Box 1165, Eau Claire, Wisconsin 54702-1165.

REGARDING MARINELLI
Counts 1-4
(OLR Matter No. 2012MA95)

3. In June 2007, Spangler filed a lawsuit on behalf of his client, Frank A. Marinelli. *Frank A. Marinelli v. Val Moser-Jevne*, Eau Claire County Case No.

2007CV0499. Spangler was unable to obtain service of an authenticated copy of the Summons and Complaint on the defendant, leading to dismissal of the case. On August 5, 2008, Spangler refiled the complaint. *Frank A. Marinelli v. Val Moser-Jevne*, Eau Claire County Case No. 2008CV694. The defendant was served and the matter proceeded, Eau Claire County Circuit Court Judge Lisa K. Stark presiding Attorney Erwin Steiner represented the defendant.

4. The lawsuit alleged that Marinelli and Moser-Jevne had an oral partnership to purchase real estate, specifically that Marinelli had provided funds to purchase and build a condominium four-plex. Marinelli sought an accounting and/or dissolution of the partnership. The parties agreed to the termination of the partnership relationship, but not to the specific terms of dissolution, and the lawsuit continued for the purpose of obtaining a court determination as to the respective rights and property ownership of the parties.

5. The court allowed the parties a significant amount of time to discuss settlement of the matter, but eventually, following a telephonic pretrial conference

held the day before, entered a scheduling order on December 22, 2009. The scheduling order set the matter for a one-day trial to the court, commencing at 9:00 a.m. on April 20, 2010. The order stated, "The issues to be tried are the terms and conditions of the partnership dissolution," and, "There is no dispute about the fact that the partnership should be dissolved."

6. In correspondence to the Eau Claire County Clerk of Circuit Court dated April 12, 2010 and received by the clerk on April 13, 2010, Spangler stated:

Our law firm represents the Plaintiff, Frank Marinelli.

Since the Plaintiff and Defendant have reached a settlement, Plaintiff desires to dismiss its lawsuit.

Enclosed are an original and one copy of a Petition and Order for Dismissal. Will you please present the original Petition and Order to Judge Stark for her approval and signature, file the original, authenticate the copy with the date the original is signed and filed, and return the copy to me in the enclosed envelope?

Do not hesitate to call me if you or Judge Stark have any questions or comments.

Spangler copied opposing counsel Steiner on his April 12, 2010 letter to the clerk. He did not copy his client, Mr. Marinelli.

7. In correspondence to the clerk of circuit court, dated April 13, 2010 and received by the clerk on April 14, 2010, Attorney Steiner stated, "This letter is to serve as confirmation that I have received a copy of and agree to the Petition and Order for Dismissal, that Attorney William J. Spangler has presented to the court for filing in the above captioned case matter." Steiner copied his client and Spangler on his April 13, 2010 letter to the clerk.

8. During OLR's eventual investigation of Spangler's conduct in the Marinelli matter, Attorney Steiner described the settlement of *Marinelli v. Moser-Jevne* as follows:

About one week prior to the trial Attorney Spangler proposed a voluntary dismissal of the action, without prejudice. My client and I agreed to the dismissal prior to trial, although a formal settlement had not been effected.

9. On April 14, 2010, Judge Stark signed an order dismissing *Marinelli v. Moser-Jevne*, without prejudice, or cost to either party. The order was

filed April 15, 2010, and the action was dismissed that day.

10. Spangler had not consulted with his client or obtained his client's approval prior to proposing, and agreeing to, the dismissal of *Marinelli v. Moser-Jevne*.

11. Spangler did not inform his client of the April 2010 dismissal of the lawsuit. Instead, Spangler made a series of misrepresentations and created false documents to mislead his client as to the status of the lawsuit and its outcome.

12. In November of 2010, despite knowing that *Marinelli v. Moser-Jevne* had been dismissed, Spangler spoke to his client by telephone and represented to him that a judgment had been obtained in the client's favor in the matter, but that collecting on a judgment would be difficult given the state of the real estate market at the time and the defendant's financial situation.

13. To support his claim to his client that a judgment had been obtained in *Marinelli v. Moser-Jevne*, Spangler created fake Findings of Fact, Conclusions of Law and Order in the matter, dated

October 14, 2009. While Spangler did not forge Judge Stark's signature on this document, Spangler entered "/S/" on the signature line above the Judge's name. Spangler did not provide this document to anyone but Marinelli.

14. In addition to the fake Findings of Fact, Conclusions of Law and Order, Spangler also created a fake Judgment in *Marinelli v. Moser-Jevne*, dated December 21, 2009. The fake Judgment stated in part:

Plaintiff, Marinelli, shall be repaid his initial investment in an amount of \$102,000.00.

Plaintiff, Marinelli, does have an recover (sic) of defendant taxable costs and disbursement in the amount of \$84,243.00.

As was the case with the fake Findings of Fact, Conclusions of Law and Order, Spangler did not forge Judge Stark's actual signature on the fake Judgment, but on the signature line above the Judge's name, Spangler entered "/S/." Spangler did not provide this document to anyone but Marinelli.

15. Spangler's client subsequently asked Spangler to pursue the defendant's insurance company for payment.

16. Spangler prepared a demand letter addressed to Pearl Insurance, dated June 17, 2011. The letter

referred to previous correspondence from Spangler to Pearl Insurance, and stated a demand for \$200,000. The letter further stated that in the absence of payment of the demand amount within ten days, Spangler would proceed with legal action against Pearl Insurance. The letter indicated that it was being copied to Marinelli, the Wisconsin Commissioner of Insurance and counsel for Moser-Jevne, but Spangler did not provide a copy of the letter to anyone but Marinelli. The letter was used by Spangler to mislead Marinelli as to case status. Marinelli had no right to relief against Moser-Jevne, much less a judgment to pursue, and thus no claims to pursue against Pearl Insurance.

17. Spangler prepared and signed a letter facially addressed to the Eau Claire County Clerk of Circuit Court, dated August 1, 2011. The letter referenced *Marinelli v. Pearl Insurance*, and stated as follows:

Our law firm represents the Plaintiff, Frank Marnielli (sic).

Please find enclosed for filing (1) original and four (4) copies of Plaintiff's Complaint against Pearl Insurance.

Upon receipt, please file the original, authenticate the copies, and return them to me in the enclosed envelope.

Do not hesitate to call me if you have any questions or comments.

18. Spangler also prepared and signed with a date of July 29, 2011 a civil complaint captioned *Frank A. Marinelli v. Pearl Insurance*, showing the action as venued in Eau Claire County Circuit Court, Branch 1. The phrase "Supplemental Proceedings" appeared in place of the case number on the complaint prepared by Spangler. The complaint asserted, in part:

Judgment was rendered against Moser in an amount of ...\$102,000.00...plus interest, fees and expenses.

. . . .

The insurance policy issued by Pearl to Moser covers negligence and all loss which Moser is legally obligated to pay because of a wrongful act.

. . . .

...[D]espite numerous demands upon Pearl for payment, Pearl has, in bad faith, refused to make payment in full of the Judgment rendered against its insured.

The Complaint stated a claim for the purported judgment amount of \$102,000.00, pre and post-judgment interest, attorney's fees and punitive damages.

The complaint that Spangler drafted and provided to his client in the purported action of *Marinelli v. Pearl Insurance* also showed a fabricated file stamp indicating that the civil complaint was filed in Eau Claire County Circuit Court on August 9, 2011. Spangler did not provide these documents to anyone but Marinelli.

19. Spangler never filed his August 1, 2011 cover letter or the civil complaint in circuit court. Instead, Spangler used those documents to mislead his client as to the status of the representation and the steps taken on the client's behalf.

20. Spangler also created a fake Order Suspending License dated May 6, 2010 in the purported matter of Val Moser-Jevne, Case No. LS 0810063 REA, before the "Wisconsin Realty Board," purporting to suspend a license held by Moser-Jevne "until the earlier of the following . . . Two (2) years from the date of this Order; or . . . The Board, or its designee, is provided with sufficient information that Ms. Moser-Jevne is in full compliance with all the findings, rulings and orders issued in the case of Frank A.

Marinelli v. Val Moser-Jevne (Eau Claire County Circuit Court) and that it is inappropriate for the suspension to remain in force and effect." The fake Order was purportedly issued by "William H. Hendricks, Chair." Spangler did not forge an actual signature on the fake suspension order that he created, but on the signature line above "William H. Hendricks, Chair," Spangler typed, "/WILLIAM H. HENDRICKS/. There was no proceeding resulting in an order of suspension against Moser-Jevne, and "Wisconsin Realty Board" is not the name of any Wisconsin regulatory entity. Spangler used the document to mislead Marinelli. Spangler did not provide the document to anyone but Marinelli.

21. Prior to December 2011, while Spangler was still trying to perpetuate the fraud of having obtained a judgment and pursued collection, Spangler provided Marinelli with at least \$45,000 of his own money as funds purportedly obtained toward partial satisfaction of the fake judgment.

22. Marinelli eventually consulted with other attorneys, and in December of 2011, Spangler's lies and fabrications came to light.

23. In late December 2011, Attorney Steiner was contacted by the new attorneys for Marinelli and was provided with copies of at least some of the fake documents (including the fake \$102,000 judgment against Moser-Jevne) created by Spangler and purportedly relating to *Marinelli v. Moser-Jevne*, Eau Claire County Case No. 2008CV694. Attorney Steiner had not seen the documents prior to that time.

24. On or about December 30, 2011, Steiner contacted and then met with Spangler, who admitted to Steiner that he (Spangler) had drafted a series of false documents relating to *Marinelli v. Moser-Jevne*. Spangler and Steiner each then promptly notified Judge Stark in writing of the fabricated documents that Spangler had produced. Also in late December 2011, Spangler telephoned Marinelli and provided Marinelli with accurate information as to what transpired, including that no judgment had been obtained on Marinelli's behalf.

25. Marinelli's civil claims against Spangler were resolved pursuant to a January 2012 settlement agreement and release, whereby Spangler agreed to execute a promissory note and pay Marinelli the sum of

\$125,000. Spangler satisfied the promissory note in December of 2012.

COUNT 1

26. By agreeing to the dismissal of Marinelli v. Moser-Jevne, Eau Claire County Case No. 2008CV694, without having consulted with his client, Frank A. Marinelli, or having obtained his client's consent to the stipulated dismissal of the lawsuit, **Spangler violated SCR 20:1.2(a).**¹

COUNT 2

27. By agreeing to the dismissal of Marinelli v. Moser-Jevne, Eau Claire County Case No. 2008CV694, without having consulted with his client, Frank A. Marinelli, or having obtained his client's consent to the stipulated dismissal of the lawsuit, **Spangler violated SCR 20:1.4(a)(1) and (2).**²

¹ SCR 20:1.2(a) provides, "(a) Subject to pars. (c) and (d), a lawyer shall abide by a client's decisions concerning the objectives of representation and, as required by SCR 20:1.4, shall consult with the client as to the means by which they are to be pursued. A lawyer may take such action on behalf of the client as is impliedly authorized to carry out the representation. A lawyer shall abide by a client's decision whether to settle a matter. In a criminal case or any proceeding that could result in deprivation of liberty, the lawyer shall abide by the client's decision, after consultation with the lawyer, as to a plea to be entered, whether to waive jury trial and whether the client will testify."

² 20:1.4(a)(1) and (2) provides, "A lawyer shall (1) Promptly inform the client of any decision or circumstance with respect to which the client's informed consent, as defined in SCR 20:1.0(f),

COUNT 3

28. By failing to provide Marinelli with accurate information as to case status and his efforts taken on Marinelli's behalf, **Spangler violated SCR 20:1.4 (a) (3).**³

COUNT 4

29. By intentionally providing false information to Marinelli regarding case status and his efforts taken on Marinelli's behalf, and further, by creating fake documents to lend support to the misrepresentations made to his client, **Spangler violated SCR 20:8.4(c).**⁴

WHEREFORE, the Office of Lawyer Regulation asks that Respondent, William J. Spangler, be found in violation of the Supreme Court Rules as alleged in the Complaint, that his license to practice law in

is required by these rules; (2) reasonably consult with the client about the means by which the client's objectives are to be accomplished."

³ 20:1.4(a)(3) provides a lawyer shall, "keep the client reasonably informed about the status of the matter."

⁴ 20:8.4(c) provides it is professional misconduct for a lawyer to "engage in conduct involving dishonesty, fraud, deceit or misrepresentation."

Wisconsin be suspended for 60 days and that the Court grant such other and further relief as may be just and equitable, including an assessment of costs.

Dated this 10th day of November, 2014.

OFFICE OF LAWYER REGULATION

By: Matthew F. Anich
Matthew F. Anich
OLR Retained Counsel
State Bar No. 1017169

ADDRESS:
220 Sixth Avenue West
P.O. Box 677
Ashland, WI 54806
Phone: (715) 682-9114