

FILED

JUN 04 2014

CLERK OF SUPREME COURT
OF WISCONSIN

STATE OF WISCONSIN

IN SUPREME COURT

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST TINA M. DAHLE, CASE CODE 30912
ATTORNEY AT LAW.

OFFICE OF LAWYER REGULATION, CASE NO. 2013AP1137-D

Complainant;

TINA M. DAHLE,

Respondent.

THIRD AMENDED COMPLAINT

NOW COMES the Wisconsin Supreme Court - Office of
Lawyer Regulation (OLR), by its retained counsel, Kim M.
Kluck, and alleges as follows in this Third Amended
Complaint:

186. OLR herein incorporates all of the allegations set
forth in its original Complaint at paragraphs 1 through 170
in this proceeding, said Complaint filed May 20, 2013. Dahle
pled "no contest" to paragraphs 1 through 170 of OLR's
original Complaint, as evidenced by her Amended Answer dated
February 24, 2014, attached hereto as Exhibit 1.

187. OLR herein incorporates all of the allegations set
forth in its Second Amended Complaint at paragraphs 171
through 185 in this proceeding, said Second Amended

Complaint filed March 6, 2014. Dahle's admissions and denials to paragraphs 171 through 185 of OLR's Second Amended Complaint were set forth in her Answer to OLR's Second Amended Complaint dated March 21, 2014, attached hereto as Exhibit 2.

Regarding Kelley DNR, BSE and Billing Matters
(Counts 52-55)

188. In or about July 2004, while Dahle was working at the law firm of Denissen, Kranzush, Mahoney & Ewald, S.C., Kelley hired that law firm to represent her in cases against the Wisconsin Department of Natural Resources (DNR) and Bay Shore Estates Association, Inc. (BSE) regarding a dispute involving property rights and easements.

189. In a letter dated July 22, 2004 from Dahle to Kelley and Hill, Dahle wrote that her firm would be representing their interests in the DNR and BSE matters. Dahle also indicated in the letter that her rate for work performed would be \$175 per hour.

190. In a June 23, 2005 letter to Hill and Kelley, Dahle and Attorney William J. Ewald (Ewald), an attorney at Denissen, Kranzush, Mahoney & Ewald, S.C., stated the following:

Tina Dahle is leaving our law firm on June 30, 2005. As of July 1, 2005, she will be practicing law at the location indicated below.

Ms. Dahle has been representing your interest in the following matters:

1. Jane Kelley and Richard Hill/General;
2. Jane Kelley and Richard Hill/DNR Claim;
3. Jane Kelley and Richard Hill/Bay Shore Estates Association, Inc.; and
4. Jane Kelley and Richard Hill/Sister Bay.

This is to advise you that you have the option of having another attorney at our law firm take over the handling of your matters after June 30, 2005, or, alternatively, having your files transferred to Ms. Dahle at her new office so that she can continue to represent you. We would appreciate receiving written notification of which option you elect.

Given Ms. Dahle's imminent departure from our firm, we will need to receive your election in writing as soon as possible.

191. In a June 27, 2005 letter to Ewald, Kelley stated the following:

Richard and I would elect to have our files transferred to Tina Dahle at her new office. Thank you for bringing this matter to our attention and your help with the transfer.

Facts Relating to the DNR Claim

192. The DNR matter involved a negligence claim by Kelley and Hill that the DNR issued Kelley/Hill a shore

protection permit that did not comply with DNR standards. After issuing the permit and after Kelley and Hill completed their shore protection project, the DNR later required Kelley and Hill to modify the shore protection project, causing them to incur greater expense (over \$12,000).

193. The permit in question was issued on September 12, 2001 and the date that Kelley and Hill were made aware by DNR that the permit was issued in error was March 11, 2002. As such, the statute of limitations for making a claim against the DNR for a negligently issued permit was at latest three (3) years after Kelley and Hill became aware of the error.

194. Dahle failed to resolve the negligence claim by Kelley/Hill against the DNR and failed commence formal legal action in the DNR matter prior to the expiration of the statute of limitations.

195. In a January 25, 2006 email to Dahle regarding the DNR Claim, Kelley stated:

My question is about the old DNR Claim against the State of Wisconsin. Don't want to spend a lot of time, but so [sic] you think there is anything to recover here? I should report to my sisters at some point.

196. In a January 25, 2006 reply email to Kelley, Dahle stated:

Let me pull the old DNR claim. I'm not really certain if there is any recovery available yet or not. I'll take a look and get back to you.

Dahle did not get back to Kelley or Hill following that email.

197. In a March 19, 2006 email to Dahle, Kelley stated "Is there a statute of limitations on our Claim (Little Sister Trust or Kelley) against the State of WI." Dahle never provided a response to the Kelley's statute of limitations question regarding the DNR claim.

198. On August 7, 2006, Hill emailed Dahle to discuss the DNR matter as a point of interest to be discussed at a meeting with Dahle on August 28, 2006.

199. In a November 29, 2006 email to Dahle, Kelley again mentioned the claim against the DNR. Dahle did not respond.

200. In a May 5, 2007 email to Dahle, Hill stated that Kelley "really wants an end to the DNR limbo" and inquired as to what has happened. Dahle responded to Hill in a May 7, 2007 email, stating that she had been involved in a large commercial litigation trial and had not received a response

from the State. Dahle further stated that she would call the State that day to see what she could find out. Neither Kelley nor Hill heard back from Dahle on the status of the DNR matter.

Facts Relating to the Bay Shore Estates Association (BSE) Matter

201. Prior to Dahle's involvement in the BSE matter, Kelley had been represented by Attorney James Smith (Smith) of Sturgeon Bay. On or about August 3, 2007, Dahle agreed to begin representing Kelley in the property rights and easement dispute with BSE. In an August 3rd email to Kelley, Dahle stated that she had spoken with Smith the day before, that she would be meeting with Smith to review the file next week, and that she had already notified the attorney for BSE, Attorney Joseph Hoida (Hoida), to contact her office with respect to the BSE matter.

202. In an August 29, 2007 email to Hoida, Smith confirmed that he had met with Dahle and she had the file.

203. In a January 2, 2008 letter to the DNR, Dahle stated that she represented Kelley and Hill with regard to the *Notice of Complete After the Fact Application for*

Proposed Pier of Bay Shore Estates Association and requested that all Notices and correspondence regarding the matter be forwarded through her office.

204. In a February 15, 2008 email to Kelley, Dahle stated that she was not confident that a voluntary resolution of the BSE matter providing the relief Kelley sought could be reached in the absence of litigation.

205. On August 18, 2008, Dahle filed a summons and complaint in *Jane C. Kelley Trust v. Bay Shores Estates Association, Inc.*, Door County Case No. 2008CV235.

206. Discovery between the parties began in September 2008 and included interrogatories, requests to admit and depositions. Attorney Kenneth Baumgart (Baumgart) of Dahle's law firm performed the majority of the discovery on behalf of Kelley, including drafting interrogatories and requests to admit to BSE and preparing responses to interrogatories and requests to admit from BSE. That work occurred primarily in September, October and November of 2008 and was billed to Kelley in Statement # 1077.

207. The amount billed to Kelley in Statement #1077 (dated February 23, 2009) was \$18,139.60. The amount of

\$5,000 was credited toward that bill for a payment on deposit made May 1, 2008, making the balance due \$13,139.60. Baumgart's time was billed at \$225 per hour and Dahle's time was billed at \$275 per hour.

208. On April 27, 2009, Kelley paid \$13,500 to Dahle. After that payment, the total collected by Dahle in this matter was \$18,500.

209. On June 30, 2009, Dahle billed Kelley for work in May and June 2009 by Dahle and Baumgart primarily devoted to a motion for partial summary judgment. That work was itemized in Statement No. 109276 prepared by Dahle's office on June 30, 2009 and sent to Kelley. The balance due totaled \$9,633.35.

210. On July 31, 2009, Dahle billed Kelley for work in July 2009 by Dahle and Baumgart primarily devoted to discovery and a motion to compel. That work was itemized in Statement No. 109277 and totaled \$6,705.

211. On August 31, 2009, Dahle billed Kelley for work performed in August of 2009 by Dahle and Baumgart devoted to the motion for partial summary judgment. That work is itemized in Statement No. 109278.

212. Also on August 31, 2009, Dahle's office prepared Statement No. 108295 for work performed in May, June, July and August of 2009. In that statement, Dahle double billed for Baumgart's time and added a number of hours for Dahle and Simon which were not included in Statement No. 109276.

213. On September 30, 2009, Dahle billed Kelley for work by Dahle and Baumgart in September of 2009 primarily devoted to correspondence. That work was itemized in Statement No. 109279 and totaled \$4,062.50.

214. On October 5, 2009, Kelley paid Dahle \$9,892.65. After that payment, the total collected by Dahle in this matter was \$28,392.65.

215. On October 27, 2009, Kelley wrote Dahle two checks, one for \$200,000 and one for \$100,000. Both checks were made out to Dahle personally and bore the word "loan" in the memo section.¹ Dahle represented to Kelley that Kelley would not have to pay out of pocket for attorney fees while the loan was outstanding.

216. On October 31, 2009, Dahle billed Kelley for work by Dahle and Baumgart in October of 2009 primarily devoted to

¹ Information relating to the personal loan from Kelley to Dahle is included here only in regards to the billing issue. Allegations relating to the propriety of the personal loan are contained in Counts 17-20 in OLR's original Complaint.

correspondence and depositions. That work was itemized in Statement No. 109280 and totaled \$8,787.50. Dahle charged these fees even though the \$300,000 loan was still outstanding.

217. On November 6, 2009, Dahle billed Kelley for work by Baumgart in September and October of 2009 primarily devoted to discovery and correspondence. That work was itemized in Statement No. 108393 and totaled \$4,297.50. In that statement, Dahle double billed for Baumgart's time and added a number of hours for Baumgart which were not included in prior statements. Dahle charged these fees even though the \$300,000 loan was still outstanding.

218. On November 12, 2009, Kelley paid Dahle \$4,297.50. After that payment, the total collected by Dahle in this matter was \$32,690.15.

219. On November 30, 2009, Dahle billed Kelley for work by Dahle and Baumgart in November of 2009 primarily devoted to correspondence and defendant summary judgment motion. That work was itemized in Statement No. 109281 and totaled \$1,189.17. Dahle charged these fees even though the \$300,000 loan was still outstanding.

220. From November 30, 2009 through November 2010, Dahle billed \$31,205 to Kelley. Dahle charged these fees even though the \$300,000 loan was still outstanding. In addition, beginning in January of 2010, Dahle raised her billing rate to \$300 per hour and raised Baumgart's billing rate to \$275 per hour without providing written notice to Kelley of the increased rates.

221. Dahle applied an offset credit of \$1,625 and a client courtesy credit for 2.5% of the billed amounts to each of the monthly billing statements of November and December 2009 and January through November of 2010. These offset payments were intended to reduce the amount of the personal loan repayments owed by Dahle to Kelley.

222. On September 1, 2010, Dahle collected \$24,527.16 from Kelley, even though the \$300,000 loan was still outstanding. After that payment, the total collected by Dahle in this matter was \$57,217.31.

223. On November 15, 2010, Dahle collected \$9,364.07 from Kelley, even though the \$300,000 loan was still outstanding. After that payment, the total collected by Dahle in this matter was \$66,581.38.

224. In sum, from April 23, 2008 through November 15, 2010, Kelley paid Dahle attorney's fees totaling \$66,581.38. During this period, Dahle's billing statements to Kelley did not reflect reasonable fees for the work performed in the BSE matter. The work performed was not commensurate with the amount of attorney fees billed to and collected from Kelley.

225. On January 24, 2011, Hoida filed a motion on behalf of BSE to compel discovery from Kelley and the matter was set for hearing on February 8, 2011. Baumgart failed to be available for the motion hearing and the motion to compel was granted, requiring the requested discovery to be provided by March 2, 2011. Kelley was not advised of this motion hearing and outcome.

226. On March 4, 2011, Hoida filed a motion for *Sanctions for Failure to Comply with Order Compelling Discovery* and the matter was set for hearing on March 15, 2011. Baumgart failed to appear for the motion hearing and the court granted the motion for sanctions, dismissing several causes of action in the proceeding, but reserving two

causes of action.² Kelley was not advised of this motion hearing.

227. In a May 5, 2011 letter to Dahle, Kelley requested a "full and complete accounting of all monies advanced by me to you and copies of all statement submitted to me for services rendered."

228. In a May 5, 2011 email to Kelley, Dahle stated:

I am, as always, willing to continue to be cooperative in all of your efforts. All accounting documentation regarding monies paid by you to the lawfirm for legal services rendered was provided to you last fall and represents (from my perspective) the final accounting. For reasons which I would expect you would fully understand, I have written off any and all of Ken's time entries since the last reconcilliation. Consequently there is no new reconcilliation that I will be sending to you.

Dahle concluded her email by stating she was hopeful that "your new legal team will be able to achieve the results for you that you are hoping for." Dahle did not perform any additional work on the BSE matter for Kelley.

229. On April 12, 2011, Dahle and Baumgart were withdrawn by the court as Kelley's attorneys in *Jane C. Kelley Trust v. Bay Shore Estates Association, Inc.*

² The court later withdrew the sanctions and order based on Baumgart's affidavit that he did not receive notice of the last motion hearing. Baumgart advised the court on April 12, 2011 that he terminated his employment at Dahle's law firm.

Attorneys Jon R. Pinkert and David L. Weber filed notices of appearance on behalf of Kelley in the matter on April 19, 2011. The BSE matter is currently scheduled for trial on August 25, 2014.

COUNT FIFTY-TWO

230. By failing to file an action prior to the expiration of the applicable statute of limitation in the DNR matter, and by otherwise failing to diligently act in furtherance of Kelley's interest in the DNR matter, Dahle violated SCR 20:1.3.

COUNT FIFTY-THREE

231. By failing to inform Kelley of scheduled court conferences, and by failing to keep Kelley reasonably informed regarding the status of the BSE action and DNR matter, and by failing to return Kelley's telephone calls, and by otherwise failing to respond to Kelley's requests for information, Dahle violated SCR 20:1.4(a)(3) and (4).

COUNT FIFTY-FOUR

232. Having received \$66,581.38 to represent Kelley in the BSE action and DNR matter, by failing to act in furtherance of Kelley's interests, and by otherwise not

performing legal work commensurate with the amount of attorney's fees she collected from Kelley, **Dahle violated SCR 20:1.5(a)**³.

COUNT FIFTY-FIVE

233. By representing to Kelley that once she received the \$300,000 loan from Kelley, Kelley would not have to pay out-of-pocket for attorney's fees while the loan was outstanding, and thereafter collecting \$33,891.23 in attorney's fees despite the fact that the entire loan amount was still outstanding, and by making several misrepresentations on billing statements to Kelley, **Dahle violated SCR 20:8.4(c)**.


WHEREFORE, the Office of Lawyer Regulation asks that Respondent, Tina M. Dahle, be found in violation of the Supreme Court Rules as alleged in connection with this Third Amended Complaint, that Dahle's Wisconsin law license be suspended for three (3) years; that Dahle be ordered to make restitution to Laurie Gleason in the amount of \$7,007.72, and to James Brick in the amount of \$4,911.51; that Dahle be required to comply with and satisfy any final monetary order

³ **SCR 20:1.5(a)** provides as follows: "A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses."

or judgment issued against her in *Jane C. Kelley v. Tina M. Dahle, et al.*, United States District Court, Eastern District of Wisconsin Case No. 11-CV-00600; that Dahle be required to comply with and satisfy any final monetary order or judgment issued against her in *John Stephan Pfeifer, Jr., v. Tina M. Dahle*, Brown County Circuit Case No. 2011CV001237, or *Pfeifer v. Dahle, et al.*, Brown County Circuit Court Case No. 2011CV1545, and that the Court grant such other and further relief as may be just and equitable, including an award of costs.

Dated this 4th day of June, 2014.

OFFICE OF LAWYER REGULATION


KIM M. KLUCK
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STATE OF WISCONSIN

IN SUPREME COURT

IN THE MATTER OF DISCIPLINARY PROCEEDINGS
AGAINST TINA M. DAHLE,
ATTORNEY AT LAW.

CASE CODE:30912

OFFICE OF LAWYER REGULATION,
COMPLAINANT

CASE NO:13AP1137D

TINA M. DAHLE,
RESPONDENT.

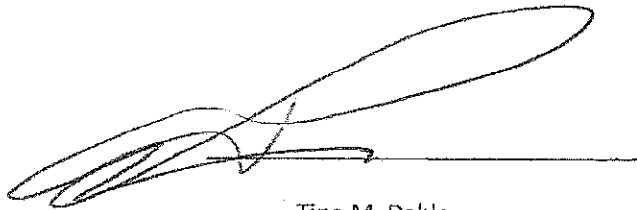
AMENDED ANSWER- NO CONTEST

NOW COMES THE Respondent, Tina M Dahle; pro se; and Answers as follows:

As to paragraphs one (1) through one-hundred seventy (170) of the Complaint: No Contest.

Wherefore, the Respondent herein respectfully an adjudication of the matters alleged and that a reasonable and appropriate recommendation be made by the Referee assigned herein.

Dated this 24th day of February, 2014.



Tina M. Dahle

2620 St. Ann Drive
Green Bay, WI 54311
920-264-2526

EXHIBIT

1

IN THE MATTER OF DISCIPLINARY
PROCEEDINGS AGAINST TINA M. DAHLE
ATTORNEY AT LAW.

Case Code 30912

OFFICE OF LAWYER REGULATION,

Case No. 2013AP1137-D

Complainant;

TINA M. DAHLE,

Respondent.

**RESPONDENT TINA M. DAHLE'S ANSWER TO
COMPLAINANT'S SECOND AMENDED COMPLAINT**

NOW COMES the Respondent, Tina M. Dahle, by her attorneys, Corneille Law Group, LLC, and responds to the Second Amended Complaint as follows:

171. In response to paragraph 171, Respondent herein incorporates all answers to the allegations as set forth in OLR's original Complaint at paragraphs 1 through 170, said Complaint filed May 20, 2013, and Dahle's Answer filed February 24, 2014.

172. In response to paragraph 172, Respondent denies that she represented John Stephan Pfeifer (J.S. Pfeifer) personally. Respondent admits that she represented Marine Travelift and Exactech in certain litigation at various times.

173. In response to paragraph 173, Respondent objects to said paragraph as vague as to time. Subject to and without waiving the foregoing, admit.

174. In response to paragraph 174, Respondent hereby admits a loan for \$100,000 was negotiated between the parties, and that an email exchange took place, part of which is cited in said paragraph.

Ex. 2

175. In response to paragraph 175, Respondent hereby admits a loan for \$100,000 was negotiated between the parties, and that an email exchange took place, part of which is cited in said paragraph.

176. In response to paragraph 176, Respondent hereby admits a loan for \$100,000 was negotiated between the parties, and that an email exchange took place, part of which is cited in said paragraph. However, Respondent affirmatively denies she represented J.S. Pfeifer in regards to this transaction.

177. In response to paragraph 177, Respondent admits no such writing or advice was provided but affirmatively alleges no obligation to provide any such notice or advice was required because she did not represent J.S. Pfeiffer in regards to this transaction. As to all other allegations in this paragraph, Respondent denies the allegations contained therein.

178. In response to paragraph 178, this answering Respondent admits the allegations contained in this paragraph.

179. In response to paragraph 179, Respondent admits she executed and delivered a promissory note in relation to this transaction, and that said promissory note speaks for itself.

180. In response to paragraph 180, this answering Respondent admits the allegations contained in this paragraph.

181. In response to paragraph 181, this answering Respondent admits the allegations contained in this paragraph.

182. In response to paragraph 182, this answering Respondent admits the allegations contained in this paragraph.

183. In response to paragraph 183, this answering Respondent admits the allegations contained in this paragraph.

184. In response to paragraph 184, this answering Respondent admits the allegations contained in this paragraph.

185. In response to paragraph 185, this Respondent denies any obligations to advise J.S. Pfeiffer and affirmatively alleges that Respondent did not represent J.S. Pfeifer at the time of this transaction.

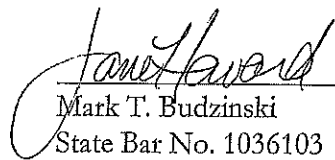
AFFIRMATIVE DEFENSES

186. Respondent reserves the right to plead any additional affirmative defenses so as to avoid waiver of the same.

WHEREFORE, Respondent, Tina M. Dahle, asks that the court find she is not in violation of the Supreme Court Rules as alleged in connection with this Second Amended Complaint, and that the Second Amended Complaint against her be dismissed.

Dated this 21st day of March, 2014.

CORNEILLE LAW GROUP, LLC



Mark T. Budzinski

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