

COURT OF APPEALS OF MARYLAND

Attorney Grievance Commission of Maryland v. Nicholas G. Karambelas

473 Md. 134 (2021) · No. Misc. Docket AG No. 37, September Term, 2019 · Decided April 1, 2021

SUMMARY

The Maryland Court of Appeals considered attorney-discipline charges arising from Nicholas G. Karambelas's administration of the Ida Moss estate. The court found violations involving competence, communication, safekeeping property, candor toward the tribunal, misconduct, District of Columbia trust-account rules, and misuse of trust money, principally based on intentional misappropriation of estate funds and misrepresentations. In conjunction with aggravating factors, the court imposed disbarment.

CASE DETAILS

COURT	Court of Appeals of Maryland
WRITING FOR THE COURT	Barbera, C.J.; McDonald, J.; Watts, J.; Hotten, J.; Getty, J.; Booth, J.; Biran, J.
JURISDICTION	Maryland
DECIDED	April 1, 2021
DOCKET	Misc. Docket AG No. 37, September Term, 2019
DISPOSITION	other
PROCEDURAL POSTURE	Attorney disciplinary proceeding in which the Court of Appeals reviewed a hearing judge's findings of fact and proposed conclusions of law and determined the appropriate sanction.
STANDARD OF REVIEW	The Court of Appeals exercises original and complete jurisdiction and independently reviews the record. Findings of fact are left undisturbed unless clearly erroneous or excepted to, while conclusions of law are reviewed without deference. When no exceptions to findings of fact are filed, the court may treat those findings as established.
PRECEDENTIAL VALUE	published precedential state supreme-court opinion
PARTIES	Attorney Grievance Commission of Maryland v. Nicholas G. Karambelas

TOPICS

estate administration probate procedure trusts remedies appellate procedure

PRACTICE AREAS

legal ethics and attorney discipline probate and estate administration trust-account management
professional responsibility appellate procedure

QUESTIONS PRESENTED

1. Whether the hearing judge's findings and conclusions established violations of Maryland Rules of Professional Conduct 1.1, 1.4, 1.15, 3.3, and 8.4, District of Columbia Rule of Professional Conduct 1.15, and Maryland Business Occupations and Professions Article § 10-306.
2. Whether the evidence established a violation of Maryland Rule of Professional Conduct 5.5(a) for unauthorized practice of law.
3. Whether the asserted mitigating factors, including restitution, remoteness, cooperation, and likelihood of repetition, were established.
4. What sanction was appropriate for the misconduct.

HOLDINGS

1. Karambelas violated Rule 1.1 by failing to provide competent representation in administering the Moss estate and representing Patricia Brandon, including by delaying the opening of the estate, failing to disclose the known will, failing to address tax and filing obligations, failing to appear at a show-cause hearing, and filing materially incomplete or inaccurate estate documents.
2. Karambelas violated Rule 1.4(a) and (b) by failing to keep Brandon reasonably informed and failing to explain matters necessary for informed decisions concerning estate administration, taxes, filings, property sales, and entrusted funds.
3. Karambelas violated Maryland Rule 1.15(a) and (d) and District of Columbia Rule 1.15(a) and (c) by commingling estate funds, misappropriating them, failing to maintain records, failing to notify beneficiaries, failing to make required distributions, and failing to render an accounting.
4. Karambelas violated Rule 3.3(a)(1) by knowingly making false statements and withholding material information from the Orphans' Court, including falsely representing that Moss died intestate and omitting estate assets, sale proceeds, disbursements, and beneficiaries.
5. Karambelas violated Rule 8.4(a)-(d) and § 10-306 by committing multiple professional-conduct violations, engaging in intentional misappropriation and dishonesty, prejudicing the administration of justice, and willfully using entrusted trust money for unauthorized purposes.
6. The evidence did not clearly and convincingly establish a violation of Rule 5.5(a), and the court did not disturb the hearing judge's conclusion that no such violation occurred.
7. Disbarment was the appropriate sanction for Karambelas's intentional misappropriation, pattern of dishonesty, multiple rule violations, substantial experience, and aggravating factors.

KEY QUOTATIONS

“Appropriating any part of [another’s] funds to their own use and benefit without clear authority to do so cannot be tolerated.” (at 24)

“Respondent’s misappropriation of client funds entrusted to his care in and of itself warrants disbarment.” (at 39)

FACTUAL BACKGROUND

Karambelas represented Ida Moss, her estate, and Moss's daughter, Patricia Brandon. Although he knew that Moss had executed a will and trust agreement, he opened Moss's estate as intestate, failed to administer the estate as directed, and deposited approximately \$852,305.50 in sale proceeds from estate property into his District of Columbia attorney trust account rather than a separate estate or trust account. He then misappropriated approximately \$576,990.82 for personal and family expenses, failed to account for estate assets and transactions, made misrepresentations to the Orphans' Court and Brandon, and failed to advise the estate regarding tax and administration obligations.

PROCEDURAL HISTORY

The Attorney Grievance Commission filed a Petition for Disciplinary or Remedial Action in the Court of Appeals of Maryland. The court designated a Circuit Court for Montgomery County judge as the hearing judge. After an evidentiary hearing, the hearing judge found multiple Maryland and District of Columbia professional-conduct violations and violations of Maryland's prohibition on misuse of trust money. The Court of Appeals issued a per curiam order disbarring Karambelas on October 6, 2020 and issued this opinion explaining the reasons for that sanction.

DISPOSITION

other

CASES CITED

- Attorney Grievance Comm’n v. Edwards, 462 Md. 642, 682-83 (2019)
- Attorney Grievance Comm’n v. Guida, 391 Md. 33, 54 (2006)
- Attorney Grievance Comm’n v. Garrett, 427 Md. 209, 222-24 (2012)
- Attorney Grievance Comm’n v. Brown, 426 Md. 298, 319 (2012)
- Attorney Grievance Comm’n v. De La Paz, 418 Md. 534, 553-54 (2011)
- Attorney Grievance Comm’n v. Boehm, 293 Md. 476, 479 n.2 (1982)
- Attorney Grievance Comm’n v. Owrutsky, 322 Md. 334, 344-45 (1991)
- Attorney Grievance Comm’n v. Ross, 428 Md. 50, 78-79 (2012)
- Attorney Grievance Comm’n v. Jones, 428 Md. 457, 468 (2012)
- In re Edwards, 990 A.2d 501, 518-20 (D.C. 2010)
- Attorney Grievance Comm’n v. Hamilton, 444 Md. 163, 193-96 (2015)

- Attorney Grievance Comm’n v. Cherry-Mahoi, 388 Md. 124, 159, 161 (2005)
- Attorney Grievance Comm’n v. James, 385 Md. 637, 666 (2005)
- Attorney Grievance Comm’n v. Dore, 433 Md. 685, 708 (2013)
- Attorney Grievance Comm’n v. Woolery, 462 Md. 209, 250 (2018)
- Attorney Grievance Comm’n v. Reno, 436 Md. 504, 509 (2014)
- Attorney Grievance Comm’n v. Rand, 411 Md. 83, 96 (2009)
- Attorney Grievance Comm’n v. Reinhardt, 391 Md. 209, 222 (2006)
- Attorney Grievance Comm’n v. Sperling, 459 Md. 194, 274-78 (2018)
- Attorney Grievance Comm’n v. Miller, 467 Md. 176, 225 (2020)
- Attorney Grievance Comm’n v. Whitehead, 405 Md. 240, 265 (2008)
- Attorney Grievance Comm’n v. Shuler, 443 Md. 494, 507 (2015)
- Attorney Grievance Comm’n v. Good, 445 Md. 490, 513 (2015)
- Attorney Grievance Comm’n v. Stein, 373 Md. 531, 537 (2003)
- Attorney Grievance Comm’n v. Sullivan, 369 Md. 650, 655-56 (2002)
- Attorney Grievance Comm’n v. Joseph, 422 Md. 670, 695, 707 (2011)
- Attorney Grievance Comm’n v. Karambelas, 471 Md. 96 (2020)