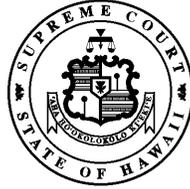


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FOR IMMEDIATE RELEASE
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PRESS RELEASE--NOTICE OF SUSPENSION

The Hawai'i Supreme Court imposed a one-year suspension against Honolulu attorney Jo-Ann Marie Adams. The Supreme Court's Order of Suspension ("Order") was entered on March 7, 2018.

Adams committed a series of ethical violations in three separate cases, including serious infractions of the ethical rules governing client trust accounts. In Case No. 14-001-9144, the record established that Adams for the period beginning in 2010 through September 30, 2014, failed to maintain a separate business account, in violation of Rule 1.15(a)(2) of the Hawai'i Rules of Professional Conduct ("HRPC").¹ Adams also used counter deposit slips to deposit funds into her client trust account and her business account, and used counter checks to disburse funds from her client trust account resulting in multiple violations of HRPC Rule 1.15(b).

¹ All citations to the HRPC in this order are to the 1994 edition, unless otherwise noted.

There was also clear and convincing evidence that Adams commingled her own funds, including funds earned in her own practice, earned for non-legal work, and funds obtained through an inherited interest in a judgment, with client funds from 2010 through September 30, 2013, in violation of HRPC Rule 1.15(c). By willfully and knowingly retaining her earnings in her client trust account, Adams placed the funds of her clients at substantial risk of injury.

Adams paid numerous personal and non-client business expenses from her client trust account, and withdrew funds from the account by means of checks made out to "cash," each instance of such conduct was a violation of HRPC Rule 1.15(e). She failed to label checks and to maintain contemporaneous financial records with the accuracy and consistency necessary to protect the integrity of her clients' funds by responsibly overseeing the receipt, maintenance, and disbursement of those funds, as required by HRPC Rule 1.15(g)(2).

Adams failed to file her 2010, 2011, and 2012 federal and state tax returns until August 23, 2013, and her 2010 second semester and 2011 and 2012 general excise returns until June 20, 2014. The Supreme Court found that Adams' failure to file her returns by the appropriate deadlines over several years injured the public and the legal profession.

The Supreme Court, after a thorough *de novo* review of the record, concluded that the Office of Disciplinary Counsel did not carry its burden of establishing by clear and convincing evidence

that Adams had intentionally conspired with one of her clients to hide the client's inherited funds in her client trust account to avoid payment of an outstanding tax lien against her client.

In Case No. 14-067-9210, Adams was found to have misappropriated client funds in violation of HRPC Rules 1.15(c) and 1.15(d). In doing so, Adams injured her client, when on December 30, 2013, she disbursed funds from her client trust account using a counter check, overdrawing the account, at a time when, by her own admission, she held funds for a client in that account.

In Case No. 15-018-9237, the record established by clear and convincing evidence that on May 17, 2015, Adams wrote a check to herself for \$459.80 from her client trust account against insufficient funds and, in making the disbursement to herself, relied in part on \$25.00 belonging to a client. Based upon the plain language of HRPC Rule 1.15(c) (2014), the withdrawal of unearned client money from her client trust account violated that Rule and injured the client in question.

The Supreme Court found that Adams' grossly negligent recordkeeping established by clear and convincing evidence, that her financial recordkeeping was so inadequate, the violation of her duties under HRPC Rule 1.15(g) so severe, and that she placed the funds of her clients in substantial danger of serious injury. Adams' conduct, when viewed together with her failure to file several years of tax returns and her commingling of personal funds

in her client trust account, provides clear grounds for a substantial period of suspension.

In aggravation, the court found that Adams violated multiple provisions of the HRPC over an extended period of time, had substantial experience in the practice of law and failed to file her tax returns when due.

In mitigation, the court noted that Adams had a clean disciplinary record, had an excellent reputation in the community, performed significant *pro bono* work, fully and freely cooperated with ODC during its investigation, and expressed sincere remorse for her mishandling of her financial affairs, and, in particular, client funds entrusted to her.

Based on the severity and duration of Adams' financial misconduct, the court suspended Adams from the practice of law for one year, effective 30 days after the entry of the Order.

The court further ordered Adams to complete a course, offered by the Practicing Attorneys' Liability Management Society ("PALMS") or an equivalent, on the responsible management of a law practice, which shall include requirements governing the appropriate manner for receiving, maintaining, and disbursing client funds, handling earned fees and incurred costs, as well as the recordkeeping tools available to ensure compliance with the Hawai'i Rules of Professional Conduct and the Hawai'i Rules Governing Trust Accounting. Submission of proof of completion of this course shall be the prerequisite to her reinstatement, as condition of the Order pursuant to RSCH Rule

2.17(b)(2). Adams was reminded that, pursuant to RSCH Rule 2.17(a), she is not allowed to practice law until reinstated by an order of the court.

Adams was ordered, pursuant to RSCH Rule 2.16(d), within 10 days of the effective date of her suspension, to submit proof of compliance with the requirements of RSCH Rule 2.16 to the court.

The court further ordered that Adams' reinstatement to the practice of law shall be subject to her successful completion of an audit, within one year of her return to practice, conducted by PALMS or other similar organization, and submission to the court of proof of said successful completion within 60 days of the one-year anniversary of reinstatement, or good cause for an extension. Failure to fulfill this condition may result in a further period of suspension, upon review of the record in the case.

Adams was ordered to bear the costs of the disciplinary proceedings, upon the timely submission to the court of a verified bill of costs by ODC, pursuant to RSCH Rule 2.3(c).

Adams, 68, was admitted to the Hawai'i State Bar on June 30, 1997.

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