

Douglas A. Schafer

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Consulting, but not practicing law.

Law license suspended from April 17, 2003 to Oct. 16, 2003 by the Washington Supreme Court for exposing a corrupt judge in 1996.

See www.DougSchafer.com
and www.EvergreenEthics.com

April 26, 2003

Mr. John Q. Public
1234 Street Line
Tacoma, WA 98401

Re: Notice of Suspension of My Law License for Exposing a Corrupt Judge

Dear Past and Present Clients and Friends:

On April 17, 2003, my law license was suspended for six months by the state supreme court, so you must seek legal advice elsewhere during that period. The elected justices of that court considered it *unethical* of me in early 1996 to have revealed certain incriminating information about a *corrupt* judge, Pierce County Superior Court Judge Grant L. Anderson. The high court removed him from the bench in mid-1999 for his clear pattern of dishonesty and corruption but then decided not to disbar him, so he is once again a licensed lawyer in good standing here in Pierce County. I suggest you *not* seek legal advice from him, however.

My former client, community banker Bill Hamilton, in late 1992 gave his good friend Grant Anderson a Cadillac in payback for a sweetheart sale of a bowling center, Pacific Lanes, from a probate estate that Anderson had been milking for about four years before he was elected a judge in 1992. The estate, that included a condominium resort on the coast, had been left to Ocean Beach Hospital in Ilwaco. In 1998 after Judge Anderson was exposed, the hospital brought fraud charges against him, his former law partners, Hamilton, and other co-conspirators. Though the hospital settled with them for \$500,000 to avoid the high cost and gamble of a trial, the hospital's administrator testified to a state legislative committee in early 1999 that Judge Anderson had robbed the hospital of \$1.5 million (a figure that I believe is about right). After the 1999 Legislature indicated, by a nearly unanimous resolution, that it would be investigating and possibly removing Judge Anderson, the state supreme court itself did so that summer.

In their ruling of a few days ago, the judges said that I should have kept to myself my former client Hamilton's 1992 comment that he was getting a "good deal" on Pacific Lanes and intending to payback Anderson later for it. I had waited for the three-year statute of limitations to expire on Hamilton's possible liability for complicity in Anderson's fraud on the estate and the hospital. But in late 1995, I began checking into the exploited estate, and Anderson's fraud was quickly apparent to me. In early 1996, I presented all the information I had about Judge Anderson's corruption, including Hamilton's comments, to the FBI, Pierce County Prosecutor John Ladenburg, the IRS, the state Attorney General's staff, the State Bar disciplinary staff, and a state Judicial Conduct Commission investigator. To my knowledge, the only agency that acted dutifully on the information was the judicial disciplinary body, but even it failed to expose most of Anderson's corrupt acts and, after putting him on trial over the Cadillac kickback, decided a four-month suspension would be adequate punishment! I tried to prod newspaper journalists to expose the true depth of Judge Anderson's corruption, but even they were unwilling.

My over-seven-year saga has left me unable to trust our law and justice system and its many judges and lawyers who seem often indifferent to honesty and integrity. I am amazed that supposedly wise judges (though there's no longer much scholarship in judicial chambers) fail to recognize, as I do and as I believe the general public does, that ***exposing judicial corruption must be of a greater priority than keeping secrets of a corrupt client who conspires with a corrupt judge.*** And I am very disappointed that our elected state high court justices, to evoke nods in their condemnation of me in their recently published ruling, sprinkled it with falsehoods and false motives that they imaginatively attributed to me.

My extensive legal research about the history of attorney-client privilege and lawyers' duty of confidentiality proves that courts for well over a century have recognized that a client has no right to privilege or confidentiality when the client has used a lawyer to further the client's crime or a fraud (as Hamilton used me to form his corporation which furthered his fraudulent conspiracy with Anderson). That is known as the "crime-fraud exception" to privilege and confidentiality. Sadly, it does not appear from the ruling in my disciplinary case that our elected state high court justices even read the portions of my briefs that addressed the crime-fraud exception. Justice Bobbe Bridge's majority opinion mentions that exception but fails to grasp it, implying that the exception ceases to apply once a crime or fraud occurs.

While the ruling against me is a disappointment, I am hopeful that it will illustrate to the public and to government (nonjudicial) officials the need for nonlawyers to become involved in, or even to take charge of, the writing of *ethics* rules for lawyers. The American Bar Association model ethics rules of the last 20 years, adopted here and in most states, have been widely criticized for placing lawyers' financial interests consistently above the public's interests. The public must join the lawyer ethics rulemaking process to ensure that society is served by those rules, just as two legal ethics professors recently wrote in their popular book:

If our legal system is to be saved, members of the society it serves must play a major role in its salvation. This requires that lawyers and legal organizations open their doors to the public, and the public have the necessary interest and fortitude to walk in. Lawyers have a monopoly on the practice of law, not on intelligence, savvy, or—despite the claims of some—an understanding of sophisticated ethics issues. Public input provides two vital points of view often missing when lawyers evaluate their own conduct: the client's perspective and society's.

Richard Zitrin and Carol M. Langford, *The Moral Compass of the American Lawyer--Truth, Justice, Power, and Greed* (Ballantine Books, 1999), page 244.

There is much more about my seven-year saga on my website: www.DougSchafer.com. At this point I do not know if I will resume private practice once my suspension expires next October, nor do I know what I will be doing until then. I will notify you if I do resume private practice. Thank you for having put your trust in me in the past.

Very truly yours,

Doug Schafer

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