

ORDER OF THE SUPREME COURT OF TEXAS

9183

Misc. Docket No. 01-----

Appointment of a District Judge to Preside  
in a State Bar Disciplinary Action

The Supreme Court of Texas hereby appoints the Honorable Rose Vela, Judge of the 148th District Court of Nueces County, Texas, to preside in the Disciplinary Action styled

The Commission for Lawyer Discipline v. Henry Grum, Jr.

to be filed in a District Court of Bexar County, Texas.

The Clerk of the Supreme Court shall promptly forward to the District Clerk of Bexar County, Texas, a copy of the Disciplinary petition and this Order for filing and service pursuant to Rule 3.03, Texas Rules of Disciplinary Procedure.

As ordered by the Supreme Court of Texas, in chambers,

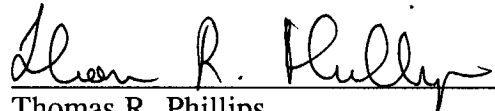
With the Seal thereof affixed at the City  
Of Austin, this 30<sup>th</sup> day of October, 2001.



JOHN T. ADAMS, CLERK  
SUPREME COURT OF TEXAS

This assignment, made by Misc. Docket No. 01-9183, is also an assignment by the Chief Justice of the Supreme Court pursuant to Texas Government Code §74.057.

Signed this 29 day of October, 2001.

  
\_\_\_\_\_  
Thomas R. Phillips  
Chief Justice

CAUSE NO. \_\_\_\_\_

COMMISSION FOR  
LAWYER DISCIPLINE,  
Petitioner

vs

HENRY GRUN, JR.  
Respondent

§  
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IN THE DISTRICT COURT

\_\_\_\_\_ JUDICIAL DISTRICT

BEXAR COUNTY, TEXAS

**ORIGINAL DISCIPLINARY PETITION**

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COMES the Commission for Lawyer Discipline, Petitioner, and would respectfully show the following:

**I.**

**DISCOVERY CONTROL PLAN**

Discovery proceedings in this cause should be conducted on Level 2 pursuant to Tex.R.Civ.P. Rule 190.3.

**II.**

**PARTIES**

Petitioner is the Commission for Lawyer Discipline, a committee of the State Bar

of Texas. Respondent, Henry Grun, Jr., State Bar No. 08556100, is presently an attorney licensed to practice law in the State of Texas and a member of the State Bar of Texas. Respondent maintains his principal place of practice and residence in San Antonio, Bexar County, Texas. Respondent may be served with citation in this cause at his office at 342 West Woodlawn, Suite 103, San Antonio, Bexar County, Texas 78212.

### III.

#### **JURISDICTION, VENUE AND CONDITIONS PRECEDENT**

The cause of action and the relief sought in this case are within the jurisdictional requirements of this Honorable Court. Venue of this case is proper in Bexar County, Texas pursuant to Texas Rules of Disciplinary Procedure Rule 3.03, because Bexar County is the county of the Respondent's principal place of business and residence. All conditions precedent to proceeding with this cause have been performed or fulfilled.

### IV.

#### **PROFESSIONAL MISCONDUCT**

Petitioner brings this disciplinary action pursuant to the State Bar Act, Tex.Gov't.Code §81.001 *et seq.*, the Disciplinary Rules of Professional Conduct ("DRPC") and the Texas Rules of Disciplinary Procedure ("TRDP"). The complaint

which forms the basis of this action was filed by Grace M. Rips. The acts and omissions of Respondent, as hereinafter alleged, constitute professional misconduct.

V.

**FACTUAL BACKGROUND**

Grace Rips hired Grun in April 1999 to help her manage her financial affairs through a power of attorney and engage in estate planning. Grun used the power of attorney to take control of Rips' finances. He commingled Rips' funds with funds belonging to himself or other persons and mismanaged the funds. He failed to provide an accounting for the money.

VIII.

**DISCIPLINARY RULES OF PROFESSIONAL CONDUCT**

The conduct exemplified above is in violation of the following Texas Rules of Disciplinary Conduct:

Rule 1.14(a) - A lawyer shall hold funds and other property belonging in whole or in part to clients or third persons that are in a lawyer's possession in connection with a representation separate from the lawyers own property. Such funds shall be kept in a separate account, designated as a trust or escrow account, maintained in the state where the lawyers office is situated, or

elsewhere with the consent of the client or third person. Other client property shall be identified as such and appropriately safeguarded. Complete records of such account funds and other property shall be kept by the lawyer and shall be preserved for a period of five years after termination of the representation.

## **VII.**

### **RELIEF SOUGHT**

Petitioner would show that this Honorable Court should enter a judgment of professional misconduct and impose a sanction against Respondent which is in the Court's discretion appropriate under the facts established. Additionally, Respondent should be ordered to pay attorney fees and all costs associated with this litigation.

### **PRAYER**

WHEREFORE, PREMISES CONSIDERED, Petitioner prays that a judgment of professional misconduct be entered against Respondent and that this Honorable Court impose an appropriate sanction against Respondent as the facts proved shall warrant. Petitioner further prays to recover costs of court and all expenses associated with these proceedings, including attorney fees as provided in TRDP Rule

1.06(T)(8)(b). Petitioner further prays for such other and additional relief, general or specific, at law or in equity, to which it may show itself entitled.

Respectfully submitted,

DAWN MILLER,  
Chief Disciplinary Counsel

PAUL H. HOMBURG III,  
Disciplinary Counsel

Office of Chief Disciplinary Counsel  
State Bar of Texas  
425 Soledad, Suite 300  
San Antonio, Texas 78205  
Telephone: (210) 271-7881  
FAX: (210) 271-9642

By: 

PAUL H. HOMBURG III  
State Bar No. 09934050  
ATTORNEYS FOR PETITIONER

# STATE BAR OF TEXAS



CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
# 7000 1670 0005 9695 8739

Regional Office  
Soledad Plaza West  
425 Soledad, Suite 300  
San Antonio, Texas 78205  
(210) 271-7881  
FAX: (210) 271-9642

September 10, 2001

John T. Adams, Clerk  
Supreme Court of Texas  
P.O. Box 12248  
Austin, Texas 78711

RE: Commission for Lawyer Discipline v. Henry Grun, Jr.

Dear Mr. Adams:

Enclosed please find an original and three (3) copies of a Disciplinary Petition being filed by the Commission for Lawyer Discipline against Henry Grun, Jr. Mr. Grun has designated **Bexar County** as his principal place of practice. Request is hereby made that the Court appoint an active District Judge who does not reside in the Administrative Judicial Region in which Respondent resides to preside in this case. Upon appointment, request is made that you notify the Respondent at the address shown below and the undersigned of the identity and address of the judge assigned:

Henry Grun, Jr.  
342 West Woodlawn, Suite 103  
San Antonio, Texas 78212

As a practical matter, I would respectfully suggest that you inquire with the judge to be appointed as to whether he or she will be able to comply with the 180 day deadline by which the case must be set for trial as set forth in Section 3.07 of the Texas Rules of Disciplinary Procedure. If not, I would respectfully request that an alternate appointment be made.

Once a trial judge has been appointed, please forward the original and three (3) copies of the Disciplinary Petition, the filing fee check, also enclosed herewith, and the Court's appointing order to the District Clerk of Bexar County, Texas, with the request that the suit be filed, service be obtained, and a filemarked copy of the petition returned to the undersigned.



Also enclosed are a pre-addressed envelope for your use in transmitting the petition, etc., to the District Clerk of Bexar County, Texas and a return envelope to be sent to the District Clerk of Bexar County, Texas, for the Clerk's use in returning a filemarked copy of the petition to the undersigned.

Thank you for your courtesies in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul H. Homburg, III". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Paul H. Homburg, III  
Assistant Disciplinary Counsel

Enclosures

PHH/apr



# The Supreme Court of Texas

CHIEF JUSTICE  
THOMAS R. PHILLIPS

201 West 14th Street Post Office Box 12248 Austin TX 78711  
Telephone: 512/463-1312 Facsimile: 512/463-1365

CLERK  
JOHN T. ADAMS

JUSTICES  
NATHAN L. HECHT  
CRAIG T. ENOCH  
PRISCILLA R. OWEN  
JAMES A. BAKER  
DEBORAH G. HANKINSON  
HARRIET O'NEILL  
WALLACE B. JEFFERSON  
XAVIER RODRIGUEZ

EXECUTIVE ASSISTANT  
WILLIAM L. WILLIS

DEPUTY EXECUTIVE ASST  
JIM HUTCHESON

ADMINISTRATIVE ASSISTANT  
NADINE SCHNEIDER

NOV 01 2001

The Honorable Reagan Greer  
District Clerk of Bexar County  
100 Dolorosa Street  
San Antonio, Texas 78205-1205

Dear Mr. Greer:

Pursuant to Rule 3.03 of the Texas Rules of Disciplinary Procedure, I am sending for filing State Bar of Texas Disciplinary Action styled: *The Commission for Lawyer Discipline v. Henry Grun, Jr.*, and a copy of the Supreme Court's order appointing the Honorable Rose Vela, Judge of the 148<sup>th</sup> District Court, Corpus Christi, Texas, to preside in this Disciplinary Action.

Sincerely,

**SIGNED**

John T. Adams  
Clerk

cc: Honorable Rose Vela  
Mr. Paul H. Homburg, III  
Mr. Henry Grun, Jr.



# The Supreme Court of Texas

CHIEF JUSTICE  
THOMAS R. PHILLIPS

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DEPUTY EXECUTIVE ASST  
JIM HUTCHESON

ADMINISTRATIVE ASSISTANT  
NADINE SCHNEIDER

Mr. Paul H. Holmburg  
Assistant General Counsel, State Bar of Texas  
425 Soledad, Suite 300  
San Antonio, Texas 78205

Mr. Henry Grun, Jr.  
342 West Woodlawn, Suite 103  
San Antonio, Texas 78212

Dear Mr. Holmburg and Mr. Grun:

Pursuant to Rule 3.02 of the Texas Rules of Disciplinary Procedure, I hereby notify you that the Supreme Court of Texas has appointed the Honorable Rose Vela, Judge of the 148<sup>th</sup> District Court, Corpus Christi, Texas to preside in

*Commission for Lawyer Discipline v. Henry Grun, Jr.*

Sincerely,

**SIGNED**

John T. Adams  
Clerk



# The Supreme Court of Texas

CHIEF JUSTICE  
THOMAS R. PHILLIPS

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Telephone: 512/463-1312 Facsimile: 512/463-1365

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ADMINISTRATIVE ASSISTANT  
NADINE SCHNEIDER

NOV 01 2001

Honorable Rose Vela  
Judge, 148<sup>th</sup> District Court  
903 Courthouse  
901 Leopard Street  
Corpus Christi, Texas 78401

Dear Judge Vela:

We enclose for your information a copy of the order of assignment, a copy of the Disciplinary Action, a copy of the notification letter to Mr. Grun and Mr. Holmburg, and a copy of the letter to the District Clerk of Bexar County.

It is recommended that, six to eight weeks after receipt of this letter, you or your coordinator contact the Bexar County Administrative Office (210-335-2300) to find out the district court to which this disciplinary case has been assigned, names and addresses of counsel, etc. We then recommend that, either before or immediately after you set the case for trial, you contact the Presiding Judge of the Administrative Judicial Region into which you have been assigned (210-769-3519) to reserve a courtroom, obtain a court reporter, obtain claims forms for your expenses incident to presiding over this disciplinary case.

Sincerely,

**SIGNED**

John T. Adams  
Clerk