

SUPREME COURT OF WISCONSIN
OFFICE OF LAWYER REGULATION

Public Reprimand With Consent

2024-OLR-_____

Patricia L. Arreazola
Attorney at Law

Attorney Patricia L. Arreazola was admitted to the practice of law in Wisconsin on January 7, 1992, State Bar No. 1018025. This reprimand is based on her misconduct in three client matters:

First Matter

Beginning in November 2015, Arreazola represented C.L.B in her divorce. The divorce was finalized in January 2017. Arreazola withdrew as counsel in September 2018.

On January 14, 2020, C.L.B, *pro se*, filed a motion to modify child support. The court noticed the motion for a hearing on March 13, 2020.

On March 6, 2020, C.L.B.'s ex-husband filed a motion to dismiss.

On March 9, 2020, C.L.B. called Arreazola's office seeking further representation.

On March 11, 2020, Arreazola and C.L.B. met at Arreazola's office. C.L.B. paid a \$5500 advanced fee to Arreazola and received a receipt that noted Arreazola would charge against the advanced fee at the rate of \$275/hr. and any unused portion would be returned to C.L.B.. C.L.B. told Arreazola her goal for the upcoming hearing was to get a referral to mediation.

At the March 13, 2020 hearing, both motions were held open and the court ordered the parties to mediation.

On March 18, 2020, Arreazola sent C.L.B. a written fee agreement. C.L.B. asserts she did not receive the agreement. In compliance with SCR 20:1.5(g)(1)(d) and (e), the agreement notified

C.L.B. of Arreazola's obligation to provide at the end of the representation a final accounting of all fees paid and a refund any unearned fees, as well as Arreazola's obligation to submit any unresolved fee dispute to binding arbitration within 30 days of receiving written notice of the dispute if the parties could not come to an agreement.

On March 25, 2020, the mediator filed a report stating the parties had not reached an agreement and on May 27, 2020, a guardian ad litem (GAL) was appointed.

On June 2, 2020 the court noticed the matter for a status hearing on July 24, 2020. At the July 24, 2020 status conference, the matter was set for an October 1, 2020 trial.

Prior to the October 1, 2020 trial date, the parties exchanged emails in an attempt to settle the matter.

On October 1, 2020, the parties reported to the court that they had come to an agreement on placement issues but not child support. The child support issue was held open until January 1, 2021, with either party able to request a hearing on letter notice.

After the October 1, 2020 hearing, Arreazola and C.L.B. communicated by phone and email about the child support issue. Arreazola asserts that she and C.L.B. discussed requesting a hearing but that C.L.B. ultimately chose not to because her earning capacity would likely be an issue, which might lead to an order that she disclose her medical records. At C.L.B.'s request, Arreazola did try to set up a meeting between the parties to discuss the issue. Arreazola further asserts that after the January 1, 2021 deadline passed, she told C.L.B. that, if in the future, C.L.B. wished to have a hearing on the issue, Arreazola would file a new motion without charge. C.L.B. asserts that she asked Arreazola to request a hearing prior to January 1, 2021 and Arreazola admitted she had "dropped the ball" and, therefore, offered to file a motion and represent C.L.B.

at the subsequent hearing for free. Emails exchanged on February 5, 2021, reflect their drastically different views on what had transpired since the October hearing.

Sometime in October 2020, C.L.B. requested an accounting of the fees she had paid to Arreazola.

On November 24, 2020, a member of Arreazola's staff left a message acknowledging C.L.B.'s October request and stated they were waiting for a "typist" to put together the accounting. The staff member described the process as "cumbersome" but said it should be coming shortly. The staff member also stated that there was some uncertainty as to whether C.L.B. was terminating the representation or wished Arreazola to continue to pursue the child support issue. The staff member suggested that C.L.B. could "forget the bill for now" and set up a meeting with Arreazola.

Later that same day, C.L.B. sent Arreazola an email. C.L.B. acknowledged receiving the staff member's message and said that according to her (C.L.B.'s) notes, when she had spoken to Arreazola the previous month, Arreazola told C.L.B. there were a few thousand dollars left of her advanced fee. She asked Arreazola to give her a feasible timeframe in which C.L.B. might receive an accounting.

In a January 12, 2021 email to Arreazola, C.L.B. mentioned she had still not received an accounting.

On February 11, 2021, Arreazola sent C.L.B. an email stating that she (C.L.B.) would receive an accounting within 24 hours.

On February 17, 2021, C.L.B. left a voicemail for Arreazola terminating Arreazola's representation of her.

In a February 18, 2021 email to C.L.B., Arreazola acknowledged receipt of the voicemail and told C.L.B. she (Arreazola) anticipated sending C.L.B. her case closing documents and a check refunding the unearned portion of her advanced fee the following week.

On February 26, 2021, Arreazola emailed C.L.B. and requested that the two meet over the weekend. She stated she would have C.L.B.'s final accounting and refund of unused fees then.

On March 2, 2021, C.L.B. responded that she had been unavailable over the weekend and again requested an invoice.

On March 9, 2021, C.L.B. followed up with Arreazola because she had not received a response to her March 2, 2021 email.

On March 19, 2021, Arreazola emailed C.L.B., stating that before sent the "closing materials" to C.L.B., she wanted to ask once more for C.L.B. to meet with her. She stated if she did not hear from C.L.B., she would sent a checking refunding C.L.B.'s unearned fees by the end of the next week.

C.L.B. responded on March 24, 2021, and said she expected a final bill and a full refund of the \$5500 fees paid to Arreazola to be sent by the end of the week. C.L.B. received an auto response from Arreazola saying the office was closed until March 29, 2021.

On April 6, 2021, C.L.B. again emailed Arreazola asking when she would see a final bill and a refund of unearned fees.

On April 7, 2021, Arreazola again asked C.L.B. if she was willing to meet but said she would mail everything the following week if C.L.B. didn't want to meet.

C.L.B. responded that same day saying she was waiting for what she had been previously promised.

On May 14, 2021, having received nothing from Arreazola, C.L.B. filed for fee arbitration with the State Bar.

On June 2, 2021, C.L.B. filed this grievance.

On August 11, 2021, OLR informed Arreazola of the existence and nature of C.L.B.'s grievance.

On September 21, 2021, Arreazola sent C.L.B. a final accounting and a check for \$165 representing a return of the unearned fees. In compliance with SCR 20:1.5(g)(2)(c) and (d), Arreazola notified C.L.B. of Arreazola's obligation to submit any unresolved fee dispute to binding arbitration within 30 days of receiving written notice of the dispute from C.L.B. if the parties were unable to resolve the dispute.

C.L.B. never cashed the check Arreazola sent to her.

On February 3, 2022, the fee arbitration program notified C.L.B. that her application for was being closed because Arreazola was not cooperating. C.L.B. was told the program had tried to reach out to Arreazola several times since August 2021 but Arreazola had not responded.

On February 8, 2022, C.L.B. filed a claim with the Wisconsin Lawyers' Fund for Client Protection, seeking a payment of \$6650 for the fees paid to Arreazola, as well as the guardian ad litem bill C.L.B. had incurred and the \$250 she paid for mediation. The Fund provides reimbursement to those who experience monetary loss due to the dishonest conduct of any attorney.

On March 29, 2022, the Fund informed Arreazola of C.L.B.'s claim. Arreazola did not respond to the notice nor provide the Fund with any additional information.

On November 4, 2022, the Fund rejected C.L.B.'s claim, finding the matter to be a fee dispute.

By failing to provide an accounting to C.L.B. for almost a year after she first requested one, Arreazola violated SCR 20:1.5(b)(3), which states, “A lawyer shall promptly respond to a client's request for information concerning fees and expenses.”

By failing to provide a refund of unearned fees to C.L.B. until seven months after C.L.B. terminated Arreazola’s representation of her, Arreazola violated SCR 20:1.16(d), which states, “Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred. The lawyer may retain papers relating to the client to the extent permitted by other law.”

By failing to submit the fee dispute with C.L.B. to arbitration, or to participate in the fee arbitration process initiated by C.L.B., Arreazola violated SCR 20:1.5(g)(3), which states, “Upon timely receipt of written notice of a dispute from the client, the lawyer shall attempt to resolve that dispute with the client, and if the dispute is not resolved, the lawyer shall submit the dispute to binding arbitration with the State Bar Fee Arbitration Program or a similar local bar association program within 30 days of the lawyer's receipt of the written notice of dispute from the client.”

Second Matter

From October 2013 to October 2019, Arreazola represented R.K. in her divorce. Although the divorce was granted in 2008, records show there were on-going issues between the parties throughout the years.

In January 2021, R.K.’s ex-husband filed a contempt motion. The matter was scheduled for a hearing on March 2, 2021. R.K. appeared *pro se* at that hearing. The matter was adjourned to April 20, 2021.

After the March 2, 2021 hearing, R.K. again hired Arreazola to represent her. R.K. paid Arreazola an advanced fee of \$5500, to be billed against at the rate of \$275/hour.

On March 17, 2021, R.K.'s ex-husband reported to the court that the issue had been resolved. The April 20, 2021 hearing was removed from the court's calendar.

After the matter was resolved, Arreazola's office told R.K. that the matter would be kept open in their office for another month to monitor the situation and, if nothing additional came up, Arreazola would refund R.K. any unearned fees at that time.

On June 9 and 18, 2021, R.K. emailed Arreazola asking about the status of her refund.

In late July 2021, someone from Arreazola's office called R.K. and told her that her file was in a stack of files to be closed out and she should expect her refund around September 1, 2021.

On September 2, 2021, R.K. emailed Arreazola again, asking about the status of her refund and seeking an accounting of the time Arreazola spent on her case. Arreazola responded that she was working on it.

On September 17, 2021, R.K. again emailed Arreazola about the matter.

On October 1, 2021, Arreazola emailed R.K. and said she would put the refund in the mail that day.

On October 14, and 25, 2021, R.K. emailed Arreazola for an update, as she had not received her refund yet.

On October 27, 2021, R.K. filed this grievance.

On November 1, 2021, Arreazola sent R.K. a final accounting and a check for \$5087.50, representing a return of unearned fees. In an email, Arreazola explained to R.K. that she had placed the envelope to be mailed in R.K.'s file instead of the mail.

At the time Arreazola sent the accounting and refund to R.K., she had not yet been contacted by OLR about R.K.'s grievance.

By failing to provide a refund of unearned fees to R.K. for more than seven months after the termination of Arreazola's representation of her, Arreazola violated SCR 20:1.16(d), which states, "Upon termination of representation, a lawyer shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred. The lawyer may retain papers relating to the client to the extent permitted by other law."

Third Matter

In July of 2019, H.A.S. hired Arreazola to represent her in her divorce.

H.A.S. paid Arreazola a total of \$5500 in advanced fees. The advanced fees were placed in Arreazola's business account per the terms of the fee agreement entered into between Arreazola and H.A.S..

On November 20, 2019, the judge in the matter issued a scheduling order. Discovery was to be completed by April 1, 2020 but the order allowed for extensions past that deadline upon agreement of the parties.

Also on November 20, 2019, opposing counsel sent Arreazola a set of written interrogatories and a request for production of documents. A response was required within 30 days.

On November 25, 2019, Arreazola mailed opposing counsel's discovery requests to H.A.S.. Arreazola asked H.A.S. to prepare her answers and compile the requested documents and return them to Arreazola within two weeks. Arreazola informed H.A.S. that she had sent similar discovery requests to opposing counsel.

On December 19, 2019, opposing counsel emailed Arreazola asking if she would be agreeable to exchanging discovery answers "in the new year." No firm date was set.

On April 2, 2020, opposing counsel sent Arreazola unsigned answers to Arreazola's interrogatories, as well as the documents responsive to Arreazola's request for production of documents.

On April 8, 2020, opposing counsel sent Arreazola an email informing her that if she (opposing counsel) did not receive the response to her discovery requests by the following Monday, she would file a motion to compel discovery.

On April 17, 2020, having not received responses to her discovery requests from Arreazola, opposing counsel filed a motion to compel discovery.

On May 12, 2020, opposing counsel filed a motion for default judgement or, in the alternative, a motion in limine.

During a hearing on May 13, 2020, the court found that Arreazola had failed to comply with the scheduling order and awarded opposing counsel \$250 in attorney's fees. The court denied opposing counsel's motion for default judgement and motion in limine.

On June 3, 2020, opposing counsel filed a second motion to compel discovery, asserting that Arreazola had not submitted her responses to opposing counsel's discovery requests.

On June 17, 2020, the court entered a stipulation and order. As part of that stipulation, Arreazola agreed to produce her responses to opposing counsel's discovery requests no later than 5 PM on June 22, 2020 and agreed to pay \$300 in attorney's fees. Opposing counsel had drafted the document and included signature lines for the parties, not the attorneys. Arreazola signed the document as H.A.S.'s attorney, finding it be the type of stipulation an attorney would generally sign on behalf of their client.

H.A.S. was unaware of the existence of the June 17, 2020 stipulation and order until being told about it by OLR intake staff. On June 16, 2020, Arreazola had emailed H.A.S. to tell her the hearing scheduled for that day was canceled but made no mention of why it had been canceled, nor did the email mention the stipulation. H.A.S. responded, requesting information as to why the hearing was canceled. Arreazola did not respond. Arreazola asserts she discussed the terms of stipulation with H.A.S. but does not recall the exact date. In her grievance, H.A.S. made mention of all other orders entered during the time Arreazola was her attorney, strongly suggesting she was not aware of the June 17, 2020 stipulation and order.

On July 21, 2020, opposing counsel filed a third motion to compel discovery. In her affidavit supporting the motion, opposing counsel detailed the numerous communications she had had with Arreazola about the discovery responses between June 23, 2020 and the filing of the motion. Still, opposing counsel had not received a full response to the discovery requests.

Following an August 7, 2020 hearing, the court ordered Arreazola to provide the outstanding responses to the discovery requests to opposing counsel by August 21, 2020. The court also awarded opposing counsel \$350 in attorney's fees.

On August 13, 2020, H.A.S. sent Arreazola an email asking why there had been an award of attorney's fees at August 7, 2020 hearing. H.A.S. expressed frustration at not knowing she needed to provide additional information until the last minute. H.A.S. also noted the several times she had asked Arreazola's office assistant if she needed to get any information together for a hearing and the office assistant told H.A.S. not to worry about it. In that same email, H.A.S. provided information about a house she owned in Thailand, which had been requested by opposing counsel.

On September 30, 2020, opposing counsel filed a fourth motion to compel discovery and a motion asking that Arreazola be found in contempt for failing to abide by the court's orders of May 13, 2020, June 17, 2020, and August 7, 2020. Opposing counsel noted in her supporting affidavit that Arreazola had still not provided a complete response to her discovery requests.

At an October 27, 2020 final pre-trial, Arreazola was ordered to file within five days an affidavit detailing her compliance with the court's previous orders regarding discovery.

On November 2, 2020, Arreazola filed an affidavit stating she believed she had fully responded to all discovery requests. She also noted she had paid all attorney's fees as ordered.

On November 9, 2020, opposing counsel filed a responsive affidavit disputing Arreazola's assertion that Arreazola had fully responded to opposing counsel's discovery requests and detailing the information she believed was still outstanding.

On December 21, 2020, opposing counsel a motion to foreclose H.A.S. from presenting evidence at trial. As grounds for the motion, opposing counsel noted she had already filed four motions to compel discovery and that Arreazola still had not submitted all requested information.

On December 21, 2020, opposing counsel also filed a motion for attorneys' fees and contempt. In addition to noting the still outstanding discovery requests, opposing counsel also argued that H.A.S. had made unsubstantiated claims for sole custody and primary placement of the minor children, which had further delayed the resolution of the case.

During the course of the representation, Arreazola sent H.A.S. several emails about the outstanding discovery responses. In large part, the emails were sent very close in time to the next scheduled hearing, giving H.A.S. little time to respond. The emails also requested outstanding pieces of information in a disjointed manner. Arreazola admits she should have followed up with H.A.S. sooner after not getting a response to her November 25, 2019 letter, and that her failure to

do so put H.A.S. in the “tough position” of having to gather a large amount of information in a short time.

On January 8, 2021, H.A.S. emailed Arreazola and informed her that she was terminating Arreazola’s representation. H.A.S. requested a complete copy of her file no later than January 14, 2021 and requested an itemized accounting of the legal fees H.A.S. had paid.

On January 12, 2021, Arreazola replied to H.A.S.’s email stating she would get a copy of her file and an accounting to H.A.S., “next week after the MLK holiday.”

H.A.S. filed her grievance against Arreazola on October 8, 2021, by which time she still had not received a copy of her file or an accounting of the fees paid to Arreazola.

On April 1, 2022, after being informed H.A.S.’s grievance had been forwarded for formal investigation, Arreazola provided H.A.S. a copy of her file and an accounting. The accounting showed H.A.S. owed Arreazola over \$6000 in legal fees. Arreazola gave H.A.S. a “courtesy discount” in the amount of the outstanding fee.

Arreazola paid all three awards of attorney’s fees out of her business account. She listed the fees as costs on H.A.S.’s billing statement. Arreazola told H.A.S. that she would give H.A.S. a credit in the amount of the awarded fees at the end of the representation. The credit can be presumed to be part of the discount Arreazola gave H.A.S..

By failing to consult with her client regarding the contents of the June 17, 2020 stipulation prior to signing it on her behalf, Arreazola violated SCR 20:1.4(a)(2), which states, “A lawyer shall reasonably consult with the client about the means by which the client's objectives are to be accomplished.”

By failing to provide H.A.S. a copy of her file and a final accounting for almost 15 months, Arreazola violated SCR 20:1.16(d), which states, “Upon termination of representation, a lawyer

shall take steps to the extent reasonably practicable to protect a client's interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred. The lawyer may retain papers relating to the client to the extent permitted by other law.”

By failing to fully comply with the court’s initial scheduling order and the subsequent orders of May 13, 2020, June 17, 2020, and August 7, 2020, Arreazola violated 3.4(c), which states, “A lawyer shall not knowingly disobey an obligation under the rules of a tribunal, except for an open refusal based on an assertion that no valid obligation exists.”

Attorney Patricia L. Arreazola was publicly reprimanded in 2009.

In accordance with SCR 22.09(3), Attorney Patricia L. Arreazola is hereby publicly reprimanded.

Dated this 20th day of February, 2024.

SUPREME COURT OF WISCONSIN



Michael Tobin
Referee