ATTORNEY GRIEVANCE COMMISSION OF MARYLAND

OFFICE OF THE EXECUTIVE SECRETARY

200 HARRY S. TRUMAN PARKWAY SUITE 300 ANNAPOLIS, MARYLAND 21401 410-514-7085

MARIANNE J. LEE, ESQUIRE EXECUTIVE SECRETARY

July 23, 2021

Paul George Skalny, Esquire 10211 Wincopin Circle Suite 600 Columbia, MD 21044

RE:

BC Docket No. 2020-1336

Complainant: Bar Counsel

Dear Mr. Skalny:

The Attorney Grievance Commission, at its meeting on July 21, 2021, approved the proposed Reprimand agreed upon by you and Bar Counsel and directed that this letter of Reprimand be administered to you.

Pursuant to Maryland Rule 19-717, the Attorney Grievance Commission of Maryland hereby reprimands Paul George Skalny, Respondent, for engaging in professional misconduct that violated Rules 19-301.4(a)(1) and (b), 19-301.5(b), and 19-308.4(d) of the Maryland Attorneys' Rules of Professional Conduct.

In or about March 2016, Mardell Williams retained the Respondent's law firm to represent her in a lawsuit filed against her by her siblings challenging the *inter vivos* transfer of the family home by Ms. Williams' mother to Ms. Williams. On April 5, 2016, Ms. Williams executed a retainer agreement that provided that the Firm would bill hourly. It further stated:

We have agreed to a payment plan of \$500.00 per month until the balance is paid in full. We are not requesting that you remit an initial retainer at this time. In lieu of an initial retainer, we have agreed to accept minimum payments of \$500.00 per month....

Despite the language of the agreement, the Respondent's Firm and Ms. Williams verbally agreed that the Firm would represent Ms. Williams with the understanding that she would pay \$500.00 per month and, at the conclusion of the representation, she would use the property at issue in the litigation as collateral to obtain financing to pay the balance of the Firm's attorney's fees. This arrangement was not incorporated into the retainer agreement signed by Ms. Williams. The Respondent's firm failed to adequately explain and communicate, in writing, the terms of payment for which Ms. Williams would be responsible.

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On May 12, 2017, the Circuit Court issued a written opinion and order finding in Ms. Williams' favor and vesting clear title to the property to Ms. Williams. Throughout the representation, the Firm sent monthly invoices to Ms. Williams, and Ms. Williams timely paid the Firm \$500.00 each month. As of May 2017, Ms. Williams had paid the Firm \$7,500.00 and the Firm asserted that Ms. Williams owed an additional \$98,838.86.

In May 2017, at Ms. Williams' request, the Respondent began assisting Ms. Williams in seeking financing to pay off the balance owed to the Firm. The Respondent communicated with two financial institutions on Ms. Williams' behalf prior to advising Ms. Williams that the Firm no longer represented her in any capacity and without disclosing to the financial institutions that the Firm did not represent Ms. Williams. The Respondent failed to explain to Ms. Williams how the Firm's efforts to assist Ms. Williams in obtaining a loan differed from representation of her in the underlying litigation.

Ultimately, Ms. Williams did not obtain financing to pay the balance of the Firm's attorney's fees. In September 2017, the Respondent began charging interest on the balance owed. Notwithstanding the fact that Ms. Williams timely paid the amount due every month, i.e., \$500, the Respondent maintained that Ms. Williams owed interest on the total amount charged. Ms. Williams continued to pay the Firm \$500.00 each month as agreed. In April 2021, the Respondent, on behalf of the Firm, subsequently waived all interest charged to Ms. Williams' account and credited all payments to the principal balance owed to the Firm.

The Commission reprimands Mr. Skalny for the aforementioned conduct.

The Maryland Rules provide that a reprimand constitutes discipline which is public and open to inspection.

Sincerely,

Marianne J. Lee Executive Secretary

MJL/sg

cc: Richard J. Berwanger, Jr., Esquire Jessica M. Boltz, Esquire

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