

VIRGINIA:

**BEFORE THE THIRD DISTRICT SUBCOMMITTEE, SECTION II
OF THE VIRGINIA STATE BAR**

**IN THE MATTER OF
YVONNE COCHRAN-MORTON**

VSB Docket No. 10-032-083091

DEC 28 2011

**SUBCOMMITTEE DETERMINATION
(PUBLIC REPRIMAND WITH TERMS)**

On December 16, 2011, a meeting in this matter was held before a duly convened Third District Subcommittee, Section II consisting of Paul G. Gill, Esq., Chair Presiding, Steven C. McCallum, Esq., Member; and John J. Mable, Lay Member.

Pursuant to Part 6, Section IV, Paragraph 13-15.E. of the Rules of the Virginia Supreme Court, the Third District Subcommittee, Section II of the Virginia State Bar hereby serves upon the Respondent the following Public Reprimand with Terms:

I. FINDINGS OF FACT

1. At all times referenced herein, Respondent Yvonne Cochran-Morton (Respondent) was an attorney licensed to practice law in the Commonwealth of Virginia.
2. At all times referenced herein, Respondent was married to Ivan Morton, formerly an attorney, whose license was revoked by the Virginia State Bar.
3. At all times referenced herein Ivan Morton provided paralegal services, without compensation, to Respondent and her firm, the Bankruptcy Legal Clinic.
4. At all times referenced herein, Respondent permitted Ivan Morton to operate and engage in various businesses from Respondent's firm.
5. In June 2005, Cynthia J. Hardy and Carlton R. Hardy, Sr., (the Hardys) sought legal representation from Respondent, including advice relating to the issues and options for seeking protection under United States bankruptcy laws.
6. On July 8, 2005, Respondent filed a chapter 7 bankruptcy petition with the required accompanying schedules and statement of financial affairs (the Petition) on the Hardys' behalf in United States Bankruptcy Court in the Eastern District of Virginia.

7. The Hardys state that they received little advice or consultation from Respondent. Rather, the Hardys state that they were regularly transferred to Ivan Morton, who handled almost all of the Hardys' consultations and all of the work related to the bankruptcy filing, except for some document review and approval by Respondent. Ivan Morton met with the Hardys in mid-June 2005, and Ivan Morton helped the Hardys gather information for the Petition.
8. During the course of the attorney-client relationship between Respondent and the Hardys, Ivan Morton came to learn of confidential information which he used to his own self-interest.
9. In a lawsuit against Respondent and Ivan Morton for bankruptcy fraud, the Bankruptcy Trustee alleged as follows:
 - a. In gathering the information for the Petition, Ivan Morton learned that the Hardys owned a house and lot at 2524 E. Orgainsville Road in Skipwith, Virginia as tenants in the entirety (the Skipwith property), at which the Hardys resided. Ivan Morton also learned Mr. Hardy owed on a house and lot on 126 College Street in Clarksville, Virginia (the Clarksville property).
 - b. The Hardys wanted to keep the Skipwith property; however, Ivan Morton advised them that they could not keep both the Skipwith and Clarksville properties.
 - c. No one, including Respondent, advised the Hardys that they could keep both properties if they filed a chapter 13, and not a chapter 7, bankruptcy.
 - d. Ivan Morton fraudulently conveyed the Skipwith property from the Hardys to a third party.
 - e. Ivan Morton pressured the Hardys to move out of the Skipwith property into the Clarksville property by asserting that the bankruptcy trustee would charge monthly payments if they remained in the property. To induce the Hardys to move, Ivan Morton paid to install carpet in the Clarksville property. Ivan Morton told the Hardys it was a gift.
 - f. Ivan Morton fraudulently induced the Hardys to sign a "power of attorney" document concerning the sale or refinancing of the Skipwith property.
 - g. In September 2005 Ivan Morton fraudulently induced the Hardys to sign a purchase agreement by which the Skipwith property was transferred to a third party. Ivan Morton misrepresented to the Hardys that the signature page of the purchase agreement was a necessary document for the bankruptcy.
 - h. Ivan Morton never disclosed the sale of the Skipwith property to the Hardys or to the trustee, who eventually learned of the sale through a third party. The trustee advised the Hardys of the sale of the Skipwith property. The Hardys asked

Respondent about the sale, and Respondent agreed to investigate the matter, but Respondent never advised the Hardys of the results of her investigation, if any.

- i. Ivan Morton personally benefitted from the sale of the Skipwith property.
10. Respondent was purportedly unaware of Ivan Morton's actions. It is unclear if and how she benefitted from Morton's self-dealing.
11. Respondent and Ivan Morton settled the bankruptcy trustee's suit against them.
12. Ivan Morton continued to work as a paralegal, without compensation, in Respondent's firm as recently as the fall of 2011.

II. NATURE OF MISCONDUCT

Such conduct by Yvonne Cochran-Morton constitutes misconduct in violation of the following provisions of the Rules of Professional Conduct:

RULE 5.3 Responsibilities Regarding Nonlawyer Assistants

With respect to a nonlawyer employed or retained by or associated with a lawyer:

- (a) a partner in a law firm shall make reasonable efforts to ensure that the firm has in effect measures giving reasonable assurance that the person's conduct is compatible with the professional obligations of the lawyer;
- (b) a lawyer having direct supervisory authority over the nonlawyer shall make reasonable efforts to ensure that the person's conduct is compatible with the professional obligations of the lawyer; and
- (c) a lawyer shall be responsible for conduct of such a person that would be a violation of the Rules of Professional Conduct if engaged in by a lawyer if:
 - (1) the lawyer orders or, with the knowledge of the specific conduct, ratifies the conduct involved; or
 - (2) the lawyer is a partner in the law firm in which the person is employed, or has direct supervisory authority over the person, and knows or should have known of the conduct at a time when its consequences can be avoided or mitigated but fails to take reasonable remedial action.

III. PUBLIC REPRIMAND WITH TERMS

Accordingly, it is the decision of the subcommittee to offer the Respondent an opportunity to comply with certain terms and conditions, compliance with which will be a predicate for the disposition of a Public Reprimand with Terms of this complaint. The terms and conditions shall be met by December 31, 2011.

The terms and conditions are:

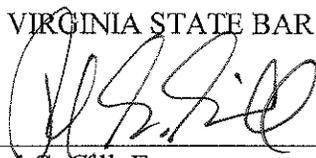
1. Respondent shall take all steps necessary to prohibit Ivan Morton from having any access to her firm, her clients, or the firm's records. This term includes, but is not limited to, the following:
 - Respondent shall immediately terminate any relationship between Ivan Morton and her firm, in any capacity, including as an employee, volunteer, independent contractor, or otherwise.
 - Respondent shall immediately prohibit Ivan Morton, and any businesses or entities with which Ivan Morton is associated or has an interest in any way, from having any association or affiliation with, or access to, her firm, her clients, and any firm and client records.
 - Respondent shall immediately ensure that Ivan Morton does not have any keys or other physical access to her firm; that Ivan Morton does not visit her firm; that Ivan Morton has no access to the firm's computers; and that Respondent does not allow Ivan Morton access to personal computers with client information.
 - Respondent undertakes the responsibility to prevent Ivan Morton from accessing in any way her clients, her firm, and her firm's records.
 - Respondent shall certify in writing to the Bar by December 31, 2011 that Ivan Morton does not and will not have any access to the firm, its records, or clients, and that Ivan Morton will not perform services for, or volunteer for, or in any way be associated with her firm.

Upon satisfactory proof that such terms and conditions have been met by December 31, 2011, this matter shall be closed. If the terms and conditions are not met by December 31, 2011, the alternative disposition shall be a one-year suspension of Respondent's license to practice law in the Commonwealth of Virginia pursuant to Part Six, Section IV, Paragraph 13-15.F. of the Rules of Court.

Pursuant to Part Six, Section IV, Paragraph 13-9.E. of the Rules of Court, the Clerk of the Disciplinary System shall assess costs.

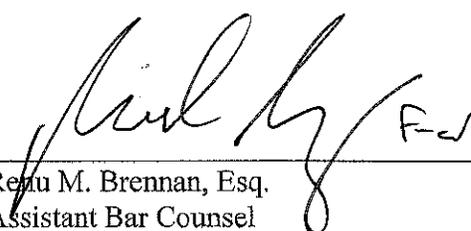
THIRD DISTRICT SUBCOMMITTEE, SECTION II
OF THE VIRGINIA STATE BAR

By


Paul G. Gill, Esq.,
Subcommittee Chair

CERTIFICATE OF SERVICE

I certify that on December 28, 2011, I mailed by certified mail a true and correct copy of the Subcommittee Determination (Public Reprimand with Terms) to Yvonne Cochran-Morton, Esquire, Respondent, at Cochran Law Firm P.C., 4509 West Broad Street, Richmond, VA 23230, Respondent's last address of record with the Virginia State Bar, and by first class mail, postage prepaid to Michael L. Rigsby, Esq., Respondent's Counsel, at Michael L. Rigsby, P.C., P.O. Box 29328, Henrico, VA 23242.


Reimu M. Brennan, Esq.
Assistant Bar Counsel