



SUPREME COURT OF GEORGIA  
Case No. S00Y2051.

Atlanta SEP 29 2000

The Honorable Supreme Court met pursuant to adjournment.

The following order was passed:

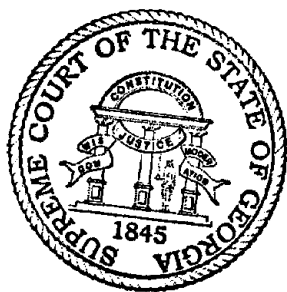
IN THE MATTER OF KARL GREGORY FAERBER

This disciplinary matter is before the Court on Respondent Karl Gregory Faerber's Petition for Voluntary Discipline, filed pursuant to Bar Rule 227 (c) following the issuance of a Formal Complaint, in which Faerber admits violating Standards 45 (f) (lawyer shall not institute, cause to be instituted, or settle a legal proceeding or claim without obtaining proper authorization from his client) and 63 (lawyer shall maintain complete records of all funds, securities, and other properties of a client coming into the possession of the lawyer and promptly render appropriate accounts to his client regarding them) of Bar Rule 4-102 (d), and seeks the imposition of a Review Panel reprimand. Although a violation of either Standard may be punished by disbarment, the State Bar and the special master recommend accepting Faerber's petition.

In his petition, Faerber admits that a client sought his advice regarding difficulty she was having with the collection practices of a debt collection firm. In response to his request, the client faxed to Faerber a summary of her contacts with the debt collection firm, after which Faerber spoke with the client by telephone and told her he would attempt to resolve her problem. He mailed his client a form letter summarizing his terms for representing her, which included a provision authorizing him to settle her claim on whatever terms he deemed appropriate, but the client never received the form. Unknown to his client, Faerber contacted the debt collection firm and made a demand to settle her claim for violation of the Unfair Debt Collection Practices Act, and contacted the firm's attorney, eventually agreeing to settle the claim for \$1,500, all without the client's knowledge or consent. Faerber received the settlement payment and deposited it into his trust account, from which he paid himself \$1,000 and mailed a check from his trust account for the remainder to his client as her part of the settlement. Faerber did not provide the client the terms of the settlement, copies of any instrument releasing or discharging her claims, or a description of

any transfer of any settlement funds. Faerber admits that his conduct violated Standards 45 (f) and 63.

We have reviewed the record and agree with the State Bar and the special master that a Review Panel reprimand is the appropriate sanction in this case in light of the mitigating factors that through the State Bar of Georgia Fee Arbitration Office Faerber will repay the entire \$1,500 in settlement funds to his client without seeking any attorneys' fees for the matter; that he did not mislead or deceive his client or anyone else concerning his efforts on her behalf to settle her claim; that he accepts responsibility for his conduct and recognizes, after research and inquiry with disciplinary authorities, that he did not have proper authority to settle his client's claim and would not have had that authority even if she had received his form letter; that he has no prior disciplinary record; and that he has cooperated fully with disciplinary authorities. Accordingly, it hereby is ordered that for his violations of Standards 45 (f) and 63 of Bar Rule 4-102 (d), Karl Gregory Faerber be administered a Review Panel reprimand pursuant to Bar Rules 4-102 (b) (4) and 4-220 (b).



**SUPREME COURT OF THE STATE OF GEORGIA**  
Clerk's Office, Atlanta

I hereby certify that the above is a true extract from the minutes of the Supreme Court of Georgia  
Witness my signature and the seal of said court heretofore affixed the day and year last above written.

*Dora M. Jenkins*, Deputy Clerk