

**BEFORE THE BOARD OF DISCIPLINARY APPEALS  
APPOINTED BY  
THE SUPREME COURT OF TEXAS**

<b>IN THE MATTER OF</b>	§	
<b>WALTER E. DEMOND</b>	§	<b>CAUSE NO. 48985</b>
<b>STATE BAR CARD NO. 05736600</b>	§	

**AGREED INTERLOCUTORY ORDER OF SUSPENSION**

On this day, the above-styled and numbered compulsory disciplinary action was called for hearing before the Board of Disciplinary Appeals. Petitioner appeared by attorney and Respondent appeared pro se as indicated by their respective signatures below and announced that they agree to the findings of fact, conclusions of law and orders set forth below. The Board of Disciplinary Appeals, having reviewed the file and in consideration of the agreement of the parties, is of the opinion that Petitioner is entitled to entry of the following findings and orders:

Findings of Fact. The Board of Disciplinary Appeals finds that:

- (1) Respondent, Walter E. Demond, whose State Bar Card number is 05736600, is licensed by the Supreme Court of Texas to practice law and is authorized to practice law in the State of Texas.
- (2) On or about June 17, 2009, Walter Demond was charged by Indictment with Misapplication of Fiduciary Property; Theft; and Money Laundering in Cause No. CR01016, styled *The State of Texas v. Walter Demond*, in the 424<sup>th</sup> Judicial District Court of Blanco County, Texas.
- (3) On or about June 15, 2011, a Judgment of Conviction by Jury was entered in Case No. CR-1016 Count I, styled *The State of Texas v. Walter Demond*, in the 424<sup>th</sup> District Court of Blanco County, Texas, wherein Respondent was found guilty of Misapplication of Fiduciary Property and was committed into the custody of the Institutional Division of the Texas Department of Criminal Justice to be imprisoned for a total term of ten (10) years. The Court suspended the confinement and placed Demond on community supervision for ten (10) years, ordered him to pay a fine of \$10,000, court costs of \$378

and restitution of \$212,000. Demond is jointly and severally liable for \$86,000 of that amount with the defendant in the case CR 1015. As a condition of community supervision, the Court ordered Demond to be confined in the Blanco County Jail for one hundred and forty days (140) over seven periods of incarceration: those periods being January 1 through January 20, March 1 through March 20, July 1 through July 20, September 1 through September 20 and November 21 through December 10. The Court ordered the periods to be over several years with the first period of incarceration beginning when the conviction is final and further ordered that this 140-day period shall run consecutively with the terms of incarceration order in the terms of Counts II and III.

- (4) On or about June 15, 2011, a Judgment of Conviction by Jury was entered in Case No. CR-1016 Count II, styled *The State of Texas v. Walter Demond*, in the 424<sup>th</sup> District Court of Blanco County, Texas, wherein Respondent was found guilty of Theft and was committed into the custody of the Institutional Division of the Texas Department of Criminal Justice to be imprisoned for a total term of ten (10) years. The Court suspended the confinement and placed Demond on community supervision for ten (10) years, ordered him to pay a fine of \$10,000 and restitution of \$212,000. Demond is jointly and severally liable for \$86,000 of that amount with the defendant in the case CR 1015. As a condition of community supervision, the Court ordered Demond to be confined in the Blanco County Jail for one hundred and eighty days (180) over nine periods of incarceration: those periods being January 1 through January 20, March 1 through March 20, July 1 through July 20, September 1 through September 20 and November 21 through December 10. The Court ordered the periods to be over several years with the first period of incarceration beginning when Demond has served the jail time as condition of community supervision for Count I and further ordered that this 180-day period shall run consecutively with the terms of incarceration order in the terms of Counts I and III.
- (5) On or about June 15, 2011, a Judgment of Conviction by Jury was entered in Case No. CR-1016 Count III, styled *The State of Texas v. Walter Demond*, in the 424<sup>th</sup> District Court of Blanco County, Texas, wherein Respondent was found guilty of Money Laundering and was committed into the custody of the Institutional Division of the Texas Department of Criminal Justice to be imprisoned for a total term of ten (10) years. The Court suspended the confinement and placed Demond on community supervision for ten (10) years, ordered him to pay a fine of \$10,000 and restitution of \$212,000. Demond is jointly and severally liable for \$86,000 of that amount with the defendant in the case CR 1015. As a condition of community supervision,

the Court ordered Demond to be confined in the Blanco County Jail for one hundred and eighty days (180) over nine periods of incarceration: those periods being January 1 through January 20, March 1 through March 20, July 1 through July 20, September 1 through September 20 and November 21 through December 10. The Court ordered the periods to be over several years with the first period of incarceration beginning when Demond has served the jail time as condition of community supervision for Count II and that this 180-day period shall run consecutively with the terms of incarceration order in the terms of Counts I and II.

- (6) Respondent, Walter E. Demond, is the same person as the Walter Demond who is the subject of the Demond criminal cases described above.
- (7) Respondent has appealed the criminal convictions.

Conclusions of Law. Based upon the foregoing findings of facts the Board of Disciplinary

Appeals makes the following conclusions of law:

- (1) This Board has jurisdiction to hear and determine this matter. Rule 7.08(G), Texas Rules of Disciplinary Procedure.
- (2) Respondent, Walter E. Demond, having been convicted of Misapplication of Fiduciary Property; Theft; and Money Laundering has been convicted of Intentional Crimes as defined by TRDP 1.06(T).
- (3) Respondent has also been convicted of Serious Crimes as defined by TRDP 1.06(Z).
- (4) Having been found guilty and convicted of Intentional and Serious Crimes and having appealed such convictions, Respondent, Walter E. Demond, should have his license to practice law in Texas suspended during the appeal of his criminal convictions. TRDP 8.04.
- (5) The Board retains jurisdiction to enter a final judgment in this matter when the criminal appeal is final.

It is, accordingly, ORDERED, ADJUDGED, and DECREED that Respondent, Walter E. Demond, State Bar Card No. 05736600, is hereby SUSPENDED from the practice of law in the State of Texas effective immediately upon entry of this order and continuing hereafter until further order

of this Board.

It is further ORDERED, ADJUDGED and DECREED that Respondent, Walter E. Demond, during said suspension is hereby prohibited, effective immediately, from practicing law in Texas, holding himself out as an attorney at law, performing any legal service for others, accepting any fee directly or indirectly for legal services not completed before the date of this order, appearing as counsel in any proceeding in any Texas court or before any Texas administrative body, or holding himself out to others or using his name, in any manner, in conjunction with the words “attorney,” “counselor,” or “lawyer.”

It is further ORDERED that Respondent, Walter E. Demond, shall notify in writing, no later than thirty (30) days from the date of this Order, each and every justice of the peace, judge, magistrate, and chief justice of each and every court in which Respondent, Walter E. Demond, has any legal matter pending, if any, of his suspension, of the style and cause number of the pending matter(s), and of the name, address, and telephone number of the client(s) Respondent is representing in that court. Respondent is also ORDERED to mail copies of all such notifications to the Statewide Compliance Monitor, Office of the Chief Disciplinary Counsel, State Bar of Texas, P.O. Box 12487, Capitol Station, Austin, Texas 78711.

It is further ORDERED that Respondent, Walter E. Demond, shall immediately notify each of his current clients, if any, in writing, of his suspension. In addition to such notification, Respondent is ORDERED to return all files, papers, unearned fees paid in advance, and all other monies and properties which are in his possession but which belong to current or former clients with active cases pending, if any, to those respective clients or former clients with active cases pending

within thirty (30) days after the date of this Order. Respondent is further ORDERED to file with the Statewide Compliance Monitor, Office of the Chief Disciplinary Counsel, State Bar of Texas, P.O. Box 12487, Capitol Station, Austin, Texas 78711, within the same thirty (30) days, an affidavit stating either (a) that all current clients have been notified of his suspension and that all files, papers, unearned fees paid in advance, and all other monies and properties belonging to clients and former clients with active cases pending have been returned as ordered herein or (b) that Respondent has no current clients, files, or papers, and that any unearned fees paid in advance or other monies or properties belonging to clients have previously been returned to the appropriate client. If Respondent is unable to return any file, papers, money or other property to any client or former client with active cases pending, Respondent's affidavit shall state with particularity the efforts made by Respondent with respect to each particular client and the cause of his inability to return to said client any file, paper, money or other property. Respondent is also ORDERED to mail a copy of all notification letters to the Statewide Compliance Monitor, Office of the Chief Disciplinary Counsel, State Bar of Texas, P.O. Box 12487, Capitol Station, Austin, Texas 78711.

It is further ORDERED that Respondent, Walter E. Demond, immediately surrender his Texas law license and permanent State Bar Card to the Statewide Compliance Monitor, Office of the Chief Disciplinary, State Bar of Texas, P.O. Box 12487, Capitol Station, Austin, Texas 78711, for transmittal to the Clerk of the Supreme Court of Texas.

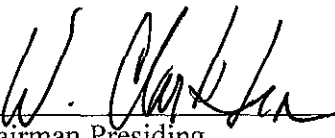
It is further ORDERED that a certified copy of the Petition for Compulsory Discipline on file herein, along with a copy of this Order, be sent to the Chief Disciplinary Counsel of the State Bar of Texas, P.O. Box 12487, Austin, Texas 78711.

It is further ORDERED that this Order is interlocutory and that the Board retains jurisdiction to enter a final judgment when the appeal of the criminal conviction is final. In the Matter of Mercier, 242 SW 3d 46 (Tex. 2007).


It is further ORDERED that Respondent shall promptly notify the Board and the State Bar of Texas Chief Disciplinary Counsel when the appeal of the criminal conviction is final.

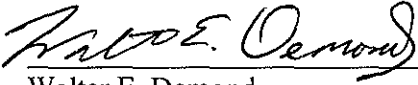
It is further ORDERED that the Chief Disciplinary Counsel of the State Bar of Texas shall monitor the status of the appeal of the criminal conviction on at least a quarterly basis and promptly file an appropriate motion for entry of final judgment with the Board when the appeal of the criminal conviction is final.

Signed this 26 day of September 2011.

  
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Chairman Presiding  
Board of Disciplinary Appeals

APPROVED AS TO FORM AND CONTENT:

  
\_\_\_\_\_  
Alex Veltman  
Assistant Disciplinary Counsel  
State Bar Card No. 00795698  
Attorney for Petitioner

  
\_\_\_\_\_  
Walter E. Demond  
State Bar Card No. 05736600  
Respondent

Agreed Interlocutory Order of Suspension  
Walter E. Demond  
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