

**BEFORE THE PRESIDING DISCIPLINARY JUDGE**

IN THE MATTER OF A  
SUSPENDED MEMBER OF  
THE STATE BAR OF ARIZONA,

**HOYT SHAY NEAL,**  
**Bar No. 025898**

Applicant.

**PDJ 2021-9003-R**

**REPORT AND  
RECOMMENDATION**

State Bar No. 21-0129-R

**FILED September 2, 2020** 2021

On January 19, 2021, Hoyt Shay Neal filed an application for reinstatement pursuant to Rule 65, Ariz. R. Sup. Ct. A reinstatement hearing was held on August 24, 2021 before a hearing panel comprised of Presiding Disciplinary Judge Margaret H. Downie, attorney member Teri M. Rowe, and public member W. Keith Turner. Deputy Chief Bar Counsel Amy K. Rehm represented the State Bar of Arizona. Mr. Neal was represented by Terrence P. Woods.

The parties stipulated to a number of facts and exhibits. In addition, the following individuals testified at the hearing:

- Hoyt Shay Neal
- Hal Nevitt
- Amber Brewer-Neal
- Heather Neal-Peles

At the conclusion of the hearing, bar counsel recommended that Mr. Neal be reinstated, subject to certain terms of probation. For the following reasons, the hearing panel also recommends reinstatement, followed by a two-year term of probation.

### FINDINGS OF FACT

1. Mr. Neal was admitted to the State Bar of Arizona on January 16, 2008.
2. By order of the Presiding Disciplinary Judge dated July 19, 2017, and pursuant to a consent agreement, Mr. Neal was suspended from the practice of law for two years, retroactive to June 13, 2017. *See* PDJ 2017-9057; State Bar File Nos. 16-1240, 16-2773.
3. In determining whether Mr. Neal has carried his burden of proof in these reinstatement proceedings, the hearing panel first considers the misconduct that led to his suspension. “The more egregious the misconduct the heavier an applicant’s burden to prove his or her present fitness to practice law.” *In re Robbins*, 172 Ariz. 255, 256 (1992). “On the other hand, the severity of a lawyer’s misconduct in itself does not preclude reinstatement if the lawyer can establish that he has rehabilitated himself.” *In re Arrotta*, 208 Ariz. 509, 512 (2004). “It is significant, but not dispositive, that the State Bar does not oppose reinstatement . . .” *Robbins*, 172 Ariz. at 256.
4. In File No. 16-1240, Mr. Neal billed time for work he did not perform in several cases while a lawyer with Wood, Smith, Henning & Berman. In File No. 16-2773, he made misrepresentations about work he had performed, submitted billing entries for work he did not perform, excessively billed for other work, and misrepresented his

reasons for not attending a deposition. As a result of this conduct, the law firm terminated Mr. Neal. The firm addressed Mr. Neal's fraudulent billings via write-offs, client reimbursements, and other adjustments. Additionally, during his earlier employment by the Renaud Cook law firm, Mr. Neal made misrepresentations about work performed and the status of certain litigation.

5. This is Mr. Neal's first application for reinstatement. He has provided all of the information and documentation required by Rule 65(a).

6. While suspended, Mr. Neal has been employed by Pravati Capital, LLC, holding the positions of Legal Investment Analyst and Director of Legal Investments.

7. During his term of suspension, Mr. Neal has not been the subject of any criminal prosecution. He is one of eight defendants named in civil litigation captioned *Randolph v. Pravati SPV II, LLC, et al.*, which arises out of a litigation loan Pravati made to the plaintiff. At the time of the reinstatement hearing, a motion to dismiss that action was pending, and bar counsel indicated that the litigation is not a significant source of concern to the State Bar.

8. For a time during his suspension, Mr. Neal's finances were less than optimal, and he had several delinquent accounts. As of the date of the reinstatement hearing, though, he had brought all accounts current and had paid off significant debt.

9. To prove rehabilitation, Mr. Neal must "establish by clear and convincing evidence that he has identified just what weaknesses caused the misconduct and then demonstrate that he has overcome those weaknesses." *Arrotta*, 208 Ariz. at 513.

10. Mr. Neal offered credible and candid testimony. He stated that the weaknesses that caused his misconduct arose from “pride,” “ego,” and “greed.” He wanted to be the best at everything, thrived on accolades, and needed constant affirmation he was doing a good job. He testified that he had a “skewed sense of the world” – believing it important to have money, be a partner, and “win at everything.” He had an almost pathological fear of delivering bad news or admitting mistakes. This caused him, at times, to misrepresent work he had performed. In terms of the dishonest billing entries, he testified that he wanted to show the firm how hard he was working, but acknowledged, “it was ultimately greed.” He testified that he deserved to be suspended. Additionally, during some of the relevant time period, Mr. Neal was undergoing a divorce that was challenging, particularly because he and his then-wife had a young daughter.

11. Mr. Neal testified that, in the past, “the singular focus was me.” That mindset, he testified, caused him to hurt those closest to him – including his daughter, mother, brother, and wife. He recognizes that he also harmed clients and that his actions “tarnished the profession.” Through counseling, Mr. Neal has re-ordered his priorities and made corresponding changes in himself. He communicates more openly and honestly and is able to recognize and address life-long patterns of negative self-talk and not feeling “good enough.” He realizes this is a long-term commitment and stated he will continue in counseling whether or not ordered to do so. Through sharing his weaknesses and transgressions with others, he has learned not to internalize stress and

negative emotions, which has resulted in a strong support system he did not have in the past.

12. Mr. Neal's ex-wife, Heather Neal-Peles, also testified at the reinstatement hearing. She stated that during their marriage, Mr. Neal's priorities became "skewed." She described him as stressed, self-centered, and closed-minded. She testified that he did not change overnight, but compared to five years ago, he is "absolutely different." His drive to "be the best" and "get ahead" is no longer a priority. He puts his family first now and is a much happier person. She testified that he is an excellent father and that he has worked hard in counseling to better himself.

13. Mr. Neal's current wife, Amber Brewer-Neal also testified. She stated that Mr. Neal "will never forgive himself" for the misconduct that led to his suspension, but testified he has learned how to manage challenging situations, has much-improved communication skills, and has developed tools through counseling that he uses regularly to deal with stress and communication about difficult subjects.

14. Mr. Neal has participated in various forms of therapy and personal coaching since being suspended. Most recently, at the recommendation of bar counsel, he began participating in regular counseling sessions with Hal Nevitt -- former director of the State Bar's Member Assistance Program and a licensed clinical social worker.

15. Mr. Nevitt submitted a report, along with his counseling records. He also testified at the reinstatement hearing. Mr. Nevitt testified that from their first meeting, Mr. Neal has been "totally accountable" and has never attempted to minimize or deny

his misconduct. He stated that Mr. Neal has “demonstrated a willingness to confront and address the issues that led to his acting outside the parameters of an ethical member of the Bar” and opined that he “has successfully addressed those issues, has achieved [a] state of rehabilitation, and is worthy of reinstatement to the practice of law.”

16. Mr. Neal established by clear and convincing evidence that he has been rehabilitated. *See* Rule 65(b)(2). He identified the weaknesses that caused his underlying misconduct, established to the hearing panel’s satisfaction that he has overcome those weaknesses, and demonstrated that he poses no threat to the public should he be reinstated to the practice of law. *See Arrotta*, 208 Ariz. at 513.

17. Mr. Neal has complied with all applicable discipline orders and rules. *See* Rule 65(b)(2).

18. Mr. Neal has maintained competence in the law by participating in numerous continuing legal education programs while suspended and has demonstrated sufficient knowledge of the law. *See* Rule 65(b)(2).

19. Mr. Neal is fit to practice law and possesses the moral qualifications to practice law. *See* Rule 65(b)(2). Several individuals wrote letters in support of Mr. Neal’s reinstatement, attesting to his honesty, intelligence, and professionalism.

### CONCLUSIONS OF LAW

Mr. Neal has carried his burden of proving by clear and convincing evidence that he: (1) has been rehabilitated, (2) has complied with all applicable discipline orders and rules; (3) is fit to practice; and (4) is competent to practice law. Rule 65(b)(2).

CONCLUSION

Mr. Neal faced a high hurdle in seeking reinstatement due to the serious nature of his underlying misconduct. Proving rehabilitation from dishonesty is challenging. Although there are no guarantees when it comes to future conduct, based on Mr. Neal's diligent, sustained efforts at rehabilitation and his candid assessment of his weaknesses, the hearing panel recommends that he be reinstated to the practice of law in Arizona, subject to a two-year term of probation with the Member Assistance Program (MAP). In addition to standard MAP probation terms, Mr. Neal shall participate in an evaluation by Dr. Phillip Lett and shall comply with any recommendations Dr. Lett makes after that evaluation. Compliance with probation shall be at Mr. Neal's expense.

DATED this 2<sup>nd</sup> day of September 2021.

/s/ signature on file \_\_\_\_\_  
Margaret H. Downie, Presiding Disciplinary Judge

/s/ signature on file \_\_\_\_\_  
Teri M. Rowe, Attorney Member

/s/ signature on file \_\_\_\_\_  
W. Keith Turner, Public Member

Copies of the foregoing emailed  
this 2<sup>nd</sup> day of September 2021 to:

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by: MSmith