

The Scruggs Legal Saga Continues

POA



Dickie Scruggs' newest problems arose because of fee splitting disputes with other attorneys who, together with the Scruggs group, jointly represented Katrina victims.

High flying, Mississippi-based plaintiffs lawyer who made a name battling tobacco and insurance companies, is facing his own legal nightmare after being indicted on allegations he tried to bribe a judge.

Richard "Dickie" Scruggs, his son, Zach Scruggs, and Sidney A. Backstrom -- all practicing law at the Scruggs Law Firm in Oxford, Mississippi, were indicted in the ongoing investigation and have pleaded not guilty to charges. Two others -- Steve Patterson and Timothy Balducci, have pleaded guilty and are cooperating with the prosecution in hopes of receiving lighter sentences.

The prosecution contends that the lawyers tried to bribe Circuit Judge Henry Lackey with \$40,000. In return Lackey was to produce a favorable ruling for Scruggs in a case that involved dividing Katrina-related attorneys' fees. Lackey reported the brib-

ery overture in late March 2007, when the investigation began. Lackey did receive a down payment of \$20,000 of the amount promised.

Balducci, however, contends that Scruggs knew nothing of the bribe.

The government's search of Scruggs' office has been a dry well; they've not found the one e-mail investigators want.

Prosecutors said a team is still sifting through computer records.

The feds also taped phone conversations. One such conversation occurred last September and indicates Lackey was trying to lead Balducci to say that Scruggs was aware of the bribe and that Scruggs put the money up for the bribe. Balducci said in the recording that Scruggs did not know about the bribe.

The Scruggs' defense team says federal investigators gave a judge "false and misleading state-

ments" for permission to tape conversations and search the Scruggs Law Firm in Oxford. Scruggs' attorneys have fought hard to suppress the tapes.

The case that Lackey was to rule on favorably was filed by a Jackson law firm against Scruggs. The law firm, headed by John Jones, claimed it was cheated out of insurance settlement fees from Hurricane Katrina cases.

In a separate but related matter, another attorney, Joey Langston, who briefly represented Scruggs in the Lackey case, pleaded guilty to conspiring with Scruggs and other associates to illegally influence Hinds County Circuit Judge Bobby DeLaughter in a separate dispute over attorneys' fees from asbestos litigation.

**Note to self: not a good idea to screw with other attorneys' legal fees.**

ELECTION '08: INTERESTING QUESTION FROM POA'S MAIL BAG



Q: Given that race and gender have become such a part of the political debate in this country, at the same time that the economy is suffering from a tremendous slowdown, I fear civil unrest will occur. If that happens, is damage to homes covered under the policy?

A: Let's hope that we never have to test it but no, homeowners policies exclude damage done by riot, civil unrest and looting.