

## Law firm must give up papers

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A judge has ordered one of the biggest law firms in the Midwest to cough up documents in a fraud case brought by the President Hotel redevelopment group.

Jackson County Circuit Judge Charles Atwell last week told Cleveland-based Squire Sanders & Dempsey to deliver the documents to the group, ruling that the crime-fraud exception to the attorney-client privilege applied.

The case, filed by President Hotel LC and its affiliates in 2002, alleges that a Cleveland-based company called H&A Capital LLC fraudulently reneged on a \$14 million loan commitment to finance the redevelopment of the historic downtown Kansas City hotel.

According to President Hotel's complaint, H&A falsely held itself out as a lender in order to obtain fees from the plaintiffs. In fact, the suit said, H&A was not a lender and had no intention of fulfilling its loan commitment.

H&A now appears to be defunct. "We can't find them anywhere," said President Hotel's attorney, John M. Edgar of the Edgar Law Firm.

Squire Sanders was named as a defendant because a lawyer for Squire Sanders represented H&A and allegedly knew that H&A was incapable of making the loan. The lawyer is no longer with the firm.

Squire Sanders' attorney in the case, Mark Thornhill of Spencer Fane Britt & Browne, noted that Atwell's decision was not a ruling on the merits but merely a preliminary finding that the plaintiffs had submitted evidence to support their fraud claim.

"It can be a very small amount of evidence," he said.

The lawsuit is one of several spawned by early financing difficulties encountered by the hotel's redevelopment group, which is led by Ron Jury. The group eventually got financing and the long-closed structure is scheduled to reopen in a matter of weeks.