

Suspension of Florida Lawyer Accused of Causing ‘Great Public Harm’ Justified: Judge

By [Amy O'Connor](#) | July 16, 2020

A Florida judge has recommended the Florida Supreme Court deny the motion to dissolve the suspension of a Florida attorney who, with his firm, has filed thousands of assignment of benefit and first party lawsuits against Florida property insurers over the last several years.

The court-appointed referee’s recommendation to the Florida Supreme Court is the latest development [in the case brought by The Florida Bar against Scot Strems](#), owner and sole named partner of Coral Gables-based Strems Law Firm, who the bar claims is causing great public harm through “a vast campaign of unprofessional, unethical, and fraudulent conduct.”

The Florida Supreme Court issued an [emergency suspension against Scot Strems](#) on June 9 in response to a 48-page petition from the bar that says Strems has been the respondent of several complaints before the Florida bar and alleges, “Mr. Strems sits at the head of a vast campaign of unprofessional, unethical, and fraudulent conduct that now infects courts and communities across the state.”

Strems’ attorney Mark Kamilar said in an email to Insurance Journal after the suspension that, “Scot Strems strongly disputes the allegations.” The firm’s website states the firm has approximately 20 attorneys across six offices in the state and that it specializes in first-party property claims, in which it represents homeowners against their property insurers.

Strems’ firm has been accused by the bar of engaging in “mendacious, bad-faith conduct” and making dishonest or even fraudulent statements to other parties involved in suits, including the court. The bar also accuses Strems of illegally filing multiple lawsuits on an individual policy claim, delaying and ignoring court deadlines, and violating court orders. Several Florida insurers reported dealings with the firm that aligned with these allegations.

The bar’s petition said that given the pattern of conduct by Strems and his firm and the “clear and unquestionable” harm to the public, the immediate suspension was warranted.

A former associate of the firm testified that the firm had filed more than 10,000 suits against Florida property insurance companies.

Strems filed a motion to [dissolve the emergency suspension on June 26](#). In that filing, Strems’ attorneys claimed that the misconduct alleged by the bar did not warrant emergency suspension, saying the bar’s petition was “deficient [and] does not demonstrate that Mr. Strems is causing ‘immediate and serious injury to a client or the public.’”

“While the totality of the allegations may justify Bar scrutiny, they fall woefully short of justifying emergency suspension,” the petition says.

To determine if the suspension should stand, the Florida Supreme Court appointed a referee, Judge Dawn Denaro of the 11th Judicial Circuit Court of Florida, who heard several days of testimony beginning July 7 from Strem’s attorneys and The Florida Bar regarding Strem’s case.

As referee, Denaro was tasked with making a recommendation to the Florida Supreme Court on if Strem’s suspension should remain in place or be lifted based on the hearing testimonies and evidence presented from both sides.

In detailing its reasons for why the suspension should be dissolved, Strem’s attorneys said the bar couldn’t demonstrate a likelihood of prevailing on each element of the alleged rule violations, many of the allegations in the bar’s petition pertain to lawyers other than Strem, the allegations of a “duplicious filing scheme” is not supported by facts, and that there is not evidence of an ongoing course of misconduct that is causing or likely to cause continued harm, among other arguments.

Strem’s attorneys also challenged the affidavits of Judges Gregory Holder and Rex Martin Barbas, which were included as evidence accompanying the bar’s petition for suspension.

In Thirteenth Circuit Court Judge Holder’s affidavit, Holder said he personally had presided over hundreds of first-party property claims cases involving Scot Strem or the Strem Law Firm. Holder said he and other judges in the court’s General Civil Division have had many conversations concerning the pattern and practice of Strem and the Strem Law Firm.

“Universally, these discussions have noted his absolute violations of the Rules of Professional Responsibility and blatant obstruction of justice in virtually every case where he and his firm enter an appearance,” Holder stated.

Holder also noted Strem’s conduct has resulted in “clear and unquestionable great harm to these Florida citizens who have chosen Mr. Strem and his firm to represent their interests.”

Strem’s attorneys argued that Holder and Barbas did not have personal knowledge supporting the accusations of a filing scheme and that their allegations did not “meet the clear and convincing burden to support an emergency suspension.”

During the suspension hearing testimony, Holder said Strem Law Firm associate Jonathan Drake had to be admonished on several occasions for “failure to appear in court and other delay tactics,” Denaro’s report stated. Holder testified that Drake told him Scot Strem had directed Drake to violate many of the rules regulation the Florida Bar, which Drake subsequently denied in follow-up testimony under oath.

“The referee finds that Circuit Court Judge Gregory Holder and Circuit Court Judge Rex Barbas are both credible and qualified witnesses. Both Judges have had extensive dealings with SLF over the past few years,” Denaro wrote in her report.

Denaro noted in her report that Stremis testified there was no course of conduct undertaken by himself or his law firm that was “directed to impede the orderly administration of justice.” Additionally, Stremis presented evidence he and members of the law firm consistently conducted themselves “with professionalism and respect for the Court.”

Bar council Derek Womack said in his hearing closing arguments that the conduct at issue in the case is “monumental.”

“The evidence manifested a dizzying web of rule violations that has resulted in considerable harm to Stremis law firms’ clients, the judiciary, and the public at large,” he said.

After reviewing The Florida Bar’s petition, all of the evidence, memoranda, exhibits, documents, other materials and exhibits filed, witness testimony and counsel arguments, Denaro found that “The Florida Bar has met its burden and has satisfied the burden of establishing a likelihood of prevailing on any element of the underlying rule violations.”

“I recommend that the Supreme Court of Florida deny ‘Respondent’s Motion to Dissolve Order of Suspension Dated June 9, 2020’ and that the Emergency Suspension Order continue in full force and effect,” Denaro’s July 15 report states.

The Florida Supreme Court subsequently directed Stremis to show cause on or before July 30 as to “why the referee’s recommendations should not be approved.” The Florida Bar may serve its reply on or before August 10.

In the emergency suspension issued last month, the high court said Stremis could no longer accept new clients and must cease to represent any clients within 30 days of the June 9 order. In addition, Stremis was required to notify all clients, opposing counsel and courts where he is counsel of record of his suspension. Additionally, Stremis was required to provide The Florida Bar with the requisite affidavit listing all clients, opposing counsel and courts informed of the order also within 30 days.

Stremis was also ordered to stop disbursing or withdrawing any funds from any trust account related to his law practice without approval of appointees, as well as other conditions related to financials. Denaro granted Stremis’ motion to access his personal bank accounts on July 10 to pay staff and any personal bills. The court’s freezing of trust accounts related to the Stremis Law Firm and Stremis himself remain in place and will be considered by Denaro at a later date.

Since Stremis’ suspension by the Florida Supreme Court, [Citizens Property Insurance Corp. has also filed a civil complaint against the firm](#), alleging it has been a victim of an alleged scheme of sham claims by the law firm and others, and accuses Stremis of racketeering activity.

Stremis’ trial before the Florida Supreme Court is set for September.

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