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San Francisco

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Counsel for the State Bar	Case number(s)	(for Court's use)
THE STATE BAR OF CALIFORNIA OFFICE OF THE CHIEF TRIAL COUNSEL JOY CHANTARASOMPOTH NO. 222009	01-O-03962	PUBLIC MATTER
1149 SOUTH HILL STREET LOS ANGELES, CALIFORNIA 90015		FILED
TELEPHONE: 213.765.1718		JAN 0 5 2005
Counsel for Respondent		STATE BAR COURT CLERK'S OFFICE
SCOTT K. HILDEBRANDT, NO. 142892 740 WHITE MOUNTAIN CIRCLE CORONA, CA 90015-2299 TELEPHONE: 951.273.9906	:	SAN FRANCISCO
IN PROPRIA PERSONA	Submitted to 🛛 assigned jud	lge 🗌 settlement judge
In the Matter of	STIPULATION RE FACTS, CONCLUSION	NS OF LAW AND DISPOSITION AND
SCOTT K. HILDEBRANDT	ORDER APPROVING	
Bar # 142892 A Member of the State Bar of California (Respondent)	REPROVAL PRIVATE PREVIOUS STIPULATION REJECTE	D PUBLIC

- A. Parties' Acknowledgments:
- (1) Respondent is a member of the State Bar of California, admitted <u>December 11, 1989</u> (date)
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation, and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation and order consist of <u>10</u> pages.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."
- (6) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (7) Payment of Disciplinary Costs-Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
 - Costs added to membership fee for calendar year following effective date of discipline (public reproval)
 - case ineligible for costs (private reproval)
 - costs to be paid in equal amounts for the following membership years: 2006 and 2007
 - (hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
 - costs waived in part as set forth under "Partial Waiver of Costs"
 - costs entirely waived
- Note: All information required by this form and any additional information which cannot be provided in the space provided, shall be set forth in the text component of this stipulation under specific headings, i.e. "Facts," "Dismissals," "Conclusions of Law."

- The parties understand that.
- (a) A private reproval imposed on a respondent as a result of a stipulation approved by the Court prior to initiation of a State Bar Court proceeding is part of the respondent's official State Bar membership records, but is not disclosed in response to public inquires and is not reported on the State Bar's web page. The record of the proceeding in which such a private reproval was imposed is not available to the public except as part of the record of any subsequent proceeding in which it is introduced as evidence of a prior record of discipline under the Rules of Procedure of the State Bar.
- (b) A private reproval imposed on a respondent after initiation of a State Bar Court proceeding is part of the respondent's official State Bar membership records, is disclosed in response to public inquiries and is reported as a record of public discipline on the State Bar's web page.
- (c) A public reproval imposed on a respondent is publicly available as part of the respondent's official State Bar membership records, is disclosed in response to public inquiries and is reported as a record of public discipline on the State Bar's web page.
- B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.
- Prior record of discipline [see standard 1.2(f)] (1)State Bar Court case # of prior case _____ (a) Date prior discipline effective (b) Rules of Professional Conduct/ State Bar Act violations: (C) (d) degree of prior discipline If Respondent has two or more incidents of prior discipline, use space provided below or (e) under "Prior Discipline".

- (2) Dishonesty: Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3) Trust Violation: Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (4) 🖾 Harm: Respondent's misconduct harmed significantly a client, the public or the administration of justice.

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- (5) Indifference: Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6) Lack of Cooperation: Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (8) 🗌 No aggravating circumstances are involved.

Additional aggravating circumstances:

C. Mitigating Circumstances [see standard 1.2(e)]. Facts supporting mitigating circumstances are required.

- (1) X No Prior Discipline: Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.
- (2) 🔲 No Harm: Respondent did not harm the client or person who was the object of the misconduct.
- (3) Candor/Cooperation: Respondent displayed spontaneous candor and cooperation to the victims of his/ her misconduct and to the State Bar during disciplinary investigation and proceedings.
- (4) Remorse: Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5) Restitution: Respondent paid \$ ______ on ______ in restitution to ______ without the threat or force of disciplinary, civil or criminal proceedings.
- (6) Delay: These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) Good Faith: Respondent acted in good faith.
- (8) Emotional/Physical Difficulties: At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) Severe Financial Stress: At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10) Family Problems: At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11) Good Character: Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.

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(12) Rehabilitation: Considerable time has passed since the acts of protessional misconduct occurred followed by convincing proof of subsequent rehabilitation.

(13) 🚺 No mitigating circumstances are involved.

Additional mitigating circumstances:

D.	Discipline:		·		
(1)		Private reprov	al (check applicable conditions, if any, below)		
		(a) 🗆	Approved by the Court prior to initiation of the State Bar Court proceedings (no public disclosure).		
		(b) 🗌	Approved by the Court after initiation of the State Bar Court proceedings (public disclosure).		
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(2)		Public reprove	al (check applicable conditions, if any, below)		
E. (Conditions	Attached to Re	eproval:		
(1)	X	Respondents One year	shall comply with the conditions attached to the reproval for a period of		
(2)	X)	During the condition period attached to the reproval, Respondent shall comply with the provisions of the State Bar Act and Rules of Professional Conduct.			
(3)	X	Within ten (10) days of any change, Respondent shall report to the Membership Records Office and to the Probation Unit, all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.			
(4)		Respondent shall submit written quarterly reports to the Probation Unit on each January 10, April 10, July 10, and October 10 of the condition period attached to the reproval. Under penalty of perjury, respon- dent shall state whether respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of the reproval during the preceding calendar quarter. If the first report would cover less than thirty (30) days, that report shall be submitted on the next following quarter date and cover the extended period.			
			all quarterly reports, a final report, containing the same information, is due no earlier than ays before the last day of the condition period and no later than the last day of the od.		

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(5)		Respondent shall be assigned a probation monitor. Respondent shall promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, respondent shall furnish such reports as may be requested, in addition to quarterly reports required to be submitted to the Probation Unit. Respondent shall cooperate fully with the monitor.		
(6)	X	Subject to assertion of applicable privileges, Respondent shall answer fully, promptly and truthfully any inquiries of the Probation Unit of the Office of the Chief Trial Counsel and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the conditions attached to the reproval.		
(7)		Within one (1) year of the effective date of the discipline herein, respondent shall provide to the Probation Unit satisfactory proof of attendance of the Ethics School and passage of the test given at the end of that session.		
		No Ethics School ordered.		
(8)		Respondent shall comply with all conditions of probation imposed in the underlying criminal matter and shall so declare under penalty of perjury in conjunction with any quarterly report required to be filed with the Probation Unit.		
(9)		Respondent shall provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Probation Unit of the Office of the Chief Trial Counsel within one year of the effective date of the reproval.		
(10)	X	The following conditions are attached hereto and incorporated:		
		Substance Abuse Conditions 🛛 Law Office Management Conditions		
		Medical Conditions K Financial Conditions		
(11)	۵	Other conditions negotiated by the parties:		

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In the M	atter of	Case Number(s):
		01-0-03962
	COTT K. HILDEBRANDT	01-0-03962
	per of the State Bar	
inancio	al Conditions	
a. 🛛	Respondent shall pay restitution to <u>Sidney Parks</u> Client Security Fund, if appropriate), in the amount(s) of 10% interest per annum accruing from <u>August</u>	\$2,800 , plus
	provide proof thereof to the Probation Unit, Office of th Diano later than November 30, 2005	e Chief Trial Counsel,
	or on the payment schedule set forth on the attack Restitution."	nment under "Financial Conditions,
). []	 If respondent possesses client funds at any time during report, respondent shall file with each required report certified public accountant or other financial profession that: 	a certificate from respondent and/or a
	 respondent has maintained a bank account in a of California, at a branch located within the Stat designated as a "Trust Account" or "Clients' Fund 	te of California, and that such account is
	 b. respondent has kept and maintained the followi i. a written ledger for each client on whose be 1. the name of such client; 2. the date, amount and source of all fund 3. the date, amount, payee and purpose such client; and, 4. the current balance for such client. ii. a written journal for each client trust fund ad 1. the name of such account; 2. the date, amount and client affected b 	ehalf funds are held that sets forth: ds received on behalf of such client; of each disbursement made on behalf of ccount that sets forth:
	 the current balance in such account. all bank statements and cancelled checks to iv. each monthly reconciliation (balancing) of (in differences between the monthly total balan reasons for the differences. 	i), (ii), and (iii), above, and if there are any
·	 c. respondent has maintained a written journal of s that specifies: i. each item of security and property held; ii. the person on whose behalf the security or p iii. the date of receipt of the security or property. iv. the date of distribution of the security or property. v. the person to whom the security or property. 	roperty is held; rty; pperty; and,
	 If respondent does not possess any client funds, proposed by a report, respondent must so state unde the Probation Unit for that reporting period. In this the accountant's certificate described above. 	er penalty of perjury in the report filed with
	 The requirements of this condition are in addition to sional Conduct. 	those set forth in rule 4-100, Rules of Profes
, ם	Within one (1) year of the effective date of the discipline tion Unit satisfactory proof of attendance at a session of School, within the same period of time, and passage of	the Ethics School Client Trust Accounting

(Financial Conditions form approved by SBC Executive Committee 10/16/00)

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ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: Scott K. Hildebrandt

CASE NUMBER(S): 01-O-03962

FACTS AND CONCLUSIONS OF LAW.

On or about June 29, 1999, Linda Milovina, employed Respondent to represent her in a pending marital dissolution matter entitled *Danny Milovina v. Linda Milovina*, Case No. 1-98-FL-077312. Sidney Parks, Linda's father, paid Respondent \$2500 by check.

On August 9, 1999, Respondent appeared on behalf of Milovina at a scheduled court hearing. At this hearing, the court found Milovina guilty of eight counts of contempt of court on May 17, 1999 and sentenced Milovina to 10 days in County Jail. The sentence was suspended and Milovina was placed on three years court probation. The court also ordered that Respondent pay child support, spousal support and child support arrears. However, the court did not calculate an arrears amount and no arrears amount was ever calculated.

On August 10, 1999, Parks gave Respondent a check in the amount of \$2800 to pay for Milovina's child support arrears. The notation in the memo portion of the check stated, "Linda's Contempt Payment."

On September 15, 1999, Respondent deposited the \$2800 check into his Client Trust Account.

On September 24, 1999 Parks gave Respondent another check for attorney's fees in the amount of \$2100. The notation in the memo portion of the check stated "Linda's attorney."

On March, 17, 2000, Respondent held a meeting at his office. Milovina, her mother, Parks and Delbert Welker were all present at the meeting. Respondent discussed attorney's fees and the balance owed by Milovina. Consequently, Parks wrote Respondent an additional check for \$6000. The notation in the memo portion of the check stated "Linda's attorney." During this meeting, Respondent told the parties he was closing his law office and that another attorney in the same building, Delbert Welker, was taking over many of the cases and was available to take on their case. Milovina employed Welker at the March 17, 2000 meeting. Parks paid on behalf of Milovina, a total of \$13,400. This amount included the \$2800 check with the notation in the memo portion which stated "Linda's Contempt Payment." Respondent alleges Milovina's attorney's fees to Respondent totaled \$9,813.75. Respondent alleges the parties agreed to apply the \$2800 to attorneys fees–Respondent's attorney's fees and Welker's retainer fee. Milovina and Parks allege they did not agree that the \$2,800 would be used as attorney's fees.

. . . .)

On or about August 24, 2000, Milovina retained Bradford Baugh to substitute into her case. On April 26, 2001 and May 14, 2001, Baugh wrote Respondent on behalf of Milovina, requesting that Respondent provide an accounting of the \$2800. Respondent never responded to Baugh's request for an accounting.

By using the \$2800 provided by Parks to Respondent for attorney's fees instead of child support payment arrears, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in violation of Rules of Professional Conduct, rule 3-110(A).

By failing to respond to Baugh's requests for an accounting on behalf of Milovina, Respondent failed to render appropriate accounts to a client regarding all funds and other properties of the client coming into Respondent's possession in violation of Rules of Professional Conduct, rule 4-100(B)(3).

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(6), was November 22, 2004.

DISMISSALS.

The parties respectfully request the Court to dismiss the following alleged violations in the interest of justice:

<u>Case No.</u>	<u>Count</u>	Alleged Violation
01-O-03962	Three	Business and Professions Code section 6068(i), Failure to Cooperate in State Bar Investigation.

AUTHORITIES SUPPORTING DISCIPLINE.

Standard 2.4(b) provides, "[c]ulpability of a member of a pattern of wilfully failing to perform services in an individual matter . . . not demonstrating the member's abandonment of the causes in which he or she was retained shall result in disbarment.

In In the Matter of Fonte (1994) 2 Cal. State Bar Ct. Rptr. 752, the respondent violated Rules of Professional conduct concerning representation of adverse parties; requirements of disclosure, independent counsel, and consent before obtaining an interest adverse to clients; and accounting for legal fees paid in advance. The accounting ultimately prepared by the respondent was incomplete in that it did not list specific dates of services, the entries were an aggregation of more than one event, they were not strictly chronological and some were for services prior to his retention in the matter in question. (See id. at p. 756-757.) The hearing judge found that the respondent unilaterally determined attorney fees his client had paid and violated rule 4-100(B)(3) by failing to render appropriate accounts to his client. (See id. at p. 757.) In mitigation, the respondent had twenty-five years of practice with no prior discipline and extensive public service. (See id. at p. 764.) In aggravation, the Court pointed to overreaching and uncharged misconduct by the respondent, including soliciting a client while in the hospital, removing \$2500 in fees from the client's account when he had a conflict of interest in his representation and trying to induce clients to dismiss their State Bar complaints and possible civil causes against him. (See id. at p. 764-765.) The court recommended that the respondent be suspended for one year, stayed; that the respondent be placed on probation for two years on the condition that he be actually suspended for the first sixty days. (See id. at p. 764-765.)

In *Fitzsimmons v. State Bar* (1983) 34 Cal.3d 327, 331-332 the respondent, who was representing the executor of an estate, failed to obtain written direction from his client for disbursement of his client's funds, gave funds to a third party from his client's account without obtaining a receipt and paid himself funds for expenses for which he maintained no substantiating records. The Court found that the respondent had failed to maintain adequate records and to account to his client. (See *id.* at p. 333.) The respondent was publicly reproved. (See *id.*)

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aio		Respondent's Counsel's signature	print name
	14 F127-F 200727-2 A		JOY CHANTARASOMPOTH
376		Deputy Irial Counsel's signature	print name
2)-20 2-17-17-17-17 -17-17-17-17-17-17-17-17-17-17-17-17-17-)" đời đường vào cho chuẩn đản đản đảng vào cho chuẩn đảo chuẩn đảo chuẩn đảo chuẩn đảo chuẩn đảo chuẩn đảo chu		na a seanna an an ann an ann ann ann ann ann a
		ORDER	
be s	served by any c	ulation protects the public and t onditions attached to the reprov harges, if any, is GRANTED without	hat the interests of Respondent will val, IT IS ORDERED that the requested t prejudice, and:
\Box	The stipulated too	ots and disposition are APPROVED AND T	He Reproval Imposed.
	The stipulated fac	ts and disposition are APPROVED AS MOD	XFIED as set forth below, and the REPROVAL
	intposed.		
The p	ourtles are bound	by the stipulation as approved u	unless: 1) a motion to withdraw or
coun	' modifies or furth	er modifies the approved stipulat	of this order, is granted; or 2) this tion. (See rule 135(b), Rules of Prace-
		stipulation shall be effective 15 o	
1 K - K - K - K - K - K - K - K - K - K	e to comply with the proce <mark>eding</mark> f	any conditions attached to this re for willful breach of rule 1-110, Rul	proval may constitute cause for a les of Professional Conduct.
-taliun Taliyar			

(1975) The DECT and both woled from woled that to CENCRA AS MODIFIED as set forth below, and the LDE and CERCAMI JAVORAR BHT QUA QEVORAR OLD notificadala bind stock between the set chamical of counts/charges, if any, is GRANTED without prejudice, and: be served by any conditions attached to the reproval, IT is ORDERED incl the requested ling traded for state of the public and that the public and the interests of Respondent will ORDER 1 seamber by saud SI ORIO SVEVENCED - 10 Counsel's signature tinebnoqse9 emph inhig Respondent's signature 20/62emon innq TGENERIZATE IN TTOOL 1.14

The parties are bound by the stipulation as approved unless: 1) a motion to withing a standard, or 3) the stipulation standard stipulation of this order, is granted, or 3) the standard of 3 the stipulation. (See rule 13 the stipulation of 3) the standard of 3 the stipulation of a standard of 3 the stipulation of a standard of 3 the stipulation.

In the second excluding the willing preach of rule 1-110, Rules of Protessional Construct.

Judge of the State Bar Court

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)	SCOTT K. HILDEBRANDT
Date	Respondent's signature	print name
Date	Respondent's Counsel's signature	print name
		JOY CHANTARASOMPOTH
Date	Deputy Trial Counsel's signature	print name
•		
		· · · ·
		• ·
	ORDER	
	ed facts and disposition are APPROVED AND THE R ed facts and disposition are APPROVED AS MODIFIED See attached Modifi) as set forth below, and the REPROVAL
modify the stipul court modifies of dure.) Otherwise Failure to comply	bound by the stipulation as approved unleation, filed within 15 days after service of r further modifies the approved stipulation is the stipulation shall be effective 15 days with any conditions attached to this reproduing for willful breach of rule 1-110, Rules 0.5	this order, is granted; or 2) this n. (See rule 135(b), Rules of Proce- ys after service of this order. oval may constitute cause for a

(Stipulation form approved by SBC Executive Comittee 6/6/00)

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10 12 MM Reproval Signature Page

IN THE MATTER OF SCOTT K. HILDEBRANT State Bar Court Case No. 01-O-03962

<u>COURT'S MODIFICATIONS TO STIPULATED FACTS,</u> <u>CONCLUSIONS OF LAW AND DISPOSITION</u>

- 1. At page 1, section A(3), delete "10" and insert "13." The Stipulation, order and the court's modifications consist of 13 pages.
- 2. At page 5, insert an "x" in the box under paragraph (7), indicating that "No Ethics School ordered."
- 3. At page 5, insert an "x" in the box under paragraph (9), indicating that "No MPRE ordered."
- 4. At page 7, under "Facts and Conclusions of Law," in the fourth sentence of the second paragraph, delete "Respondent" and in its place insert "Milovina." Accordingly, the sentence reads: "The court also ordered that Milovina pay child support, spousal support and child support arrears."
- 5. At page 8, delete the last two sentences of the first paragraph on the page. Accordingly, the following is deleted: "Respondent alleges the parties agreed to apply the \$2800 to attorneys fee-Respondent's attorney's fees and Welker's retainer fee. Milovina and Parks allege they did not agree that the \$2,800 would be used as attorney's fees." These allegations are inconsistent with the facts set forth to support a violation of rule 3-110(A) of the Rules of Professional Conduct.

Dated: January 5, 2005

JØANN M. REMKE / Judge of the State Bar Court

CERTIFICATE OF SERVICE [Rule 62(b), Rules Proc.; Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of San Francisco, on January 5, 2005, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

in a sealed envelope for collection and mailing on that date as follows:

[X] by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:

SCOTT K. HILDEBRANDT 740 WHITE MOUNTAIN CIRCLE CORONA CA 92881

[X] by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

JOY CHANTARASOMPOTH, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on January 5, 2005.

Bernadette C. O. Molina Case Administrator State Bar Court