

State Bar Court of California

Hearing Department Los Angeles

PROGRAM FOR RESPONDENTS WITH SUBSTANCE ABUSE OR MENTAL HEA

Counsel For The State Bar

Eric H. Hsu **Deputy Trial Counsel** 1149 S. Hill Street Los Angeles, CA 90015-2299 Tel: (213)765-1247

Bar # 213039

Counsel For Respondent

David A. Clare, Esq. 444 W. Ocean Blvd. #800 Long Beach, CA 90802 Tel: (562)624-2837

Bar # 44971

In the Matter Of:

SHERYL LYNNE HAMMER

Bar # 143588

(Respondent)

A Member of the State Bar of California

Case Number (s) 02-O-12364

STATE KAR C CLEKK'S OFFIC LOS ANGELES (for Court's use)

SEP 09 204

STATE BAR COURT CLERK'S OFFICE LOS ANGELES

PUBLIC MATTER

Submitted to: Program Judge

STIPULATION RE FACTS AND CONCLUSIONS OF LAW

☐ PREVIOUS STIPULATION REJECTED

Note: All information required by this form and any additional information which cannot be provided in the space provided, must be set forth in an attachment to this stipulation under specific headings, e.g., "Facts," "Dismissals," "Conclusions of Law," "Supporting Authority," etc.

A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted December 11, 1989.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition (to be attached separately) are rejected or changed by the Supreme Court. However, if Respondent is not accepted into the Lawyer Assistance Program, this stipulation will be rejected and will not be binding on the Respondent or the State Bar.
- (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, except for Probation Revocation proceedings. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of 12 pages, excluding the order.
- (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".

(Do n	ot writ	e above this line.)		
(6)	No per	more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any ding investigation/proceeding not resolved by this stipulation, except for criminal investigations.		
(7)	Pay 614	Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 140.7 and will pay timely any disciplinary costs imposed in this proceeding.		
F	Profe	avating Circumstances [for definition, see Standards for Attorney Sanctions for essional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances equired.		
(1)		Prior record of discipline [see standard 1.2(f)]		
**	(a)	State Bar Court case # of prior case		
	(b)	☐ Date prior discipline effective		
	(c)	Rules of Professional Conduct/ State Bar Act-violations:		
	(d)	☐ Degree of prior discipline		
	(e)	If Respondent has two or more incidents of prior discipline, use space provided below:		
(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.		
(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.		
(7)		Multiple/Pattern of Misconduct: Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct. Respondent's misconduct evinces multiple acts of wrongdoing, in that the objects of her misconduct were client Herbert Kidwell and the Los Angeles County Superior Court.		
(8)		No aggravating circumstances are involved.		
Add	itiona	ll aggravating circumstances:		

None.

C. Mitigating Circumstances [see standard 1.2(e)]. Facts supporting mitigating circumstances are required.		
(1)		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 with 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.
(12)		Rehabilitation : Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
(13)		No mitigating circumstances are involved.
Addi	tiona	Il mitigating circumstances:

(Stipulation form approved by SBC Executive Committee 9/18/2002. Rev. 12/16/2004; 12/13/2006.)

Respondent has no prior record of discipline since her admission to practice law in California on December 11, 1989.

ATTACHMENT TO

STIPULATION RE FACTS AND CONCLUSIONS OF LAW

IN THE MATTER OF:

SHERYL LYNNE HAMMER

CASE NUMBER:

02-O-12364

FACTS AND CONCLUSIONS OF LAW.

Respondent admits that the facts as set forth in the attached Stipulation as to Facts and Conclusions of Law dated June 19, 2007 (the June 19, 2007 Stipulation), are true and that she is culpable of violating rule 3-300 of the California Rules of Professional Conduct and California Business and Professions Code section 6103, which constitute causes for discipline in this matter.

The parties hereby acknowledge that the attached exhibit 1 is a true and correct copy of the June 19, 2007 Stipulation, and it is hereby incorporated by reference in its entirety as if fully set forth herein.

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A(6), was June 26, 2007.

WAIVER OF VARIANCE BETWEEN NOTICE OF DISCIPLINARY CHARGES AND STIPULATED FACTS AND CULPABILITY

The parties hereby waive any variance between the Notice of Disciplinary Charges filed on February 28, 2006, and the facts and conclusions of law contained in this stipulation and its attachment. Additionally, the parties waive the issuance of an amended Notice of Disciplinary Charges relating to cases which are the subject matters of this stipulation.

SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Facts and Conclusions of Law.

Respondent enters into this stipulation as a condition of his/her participation in the Program. Respondent understands that he/she must abide by all terms and conditions of Respondent's Program Contract.

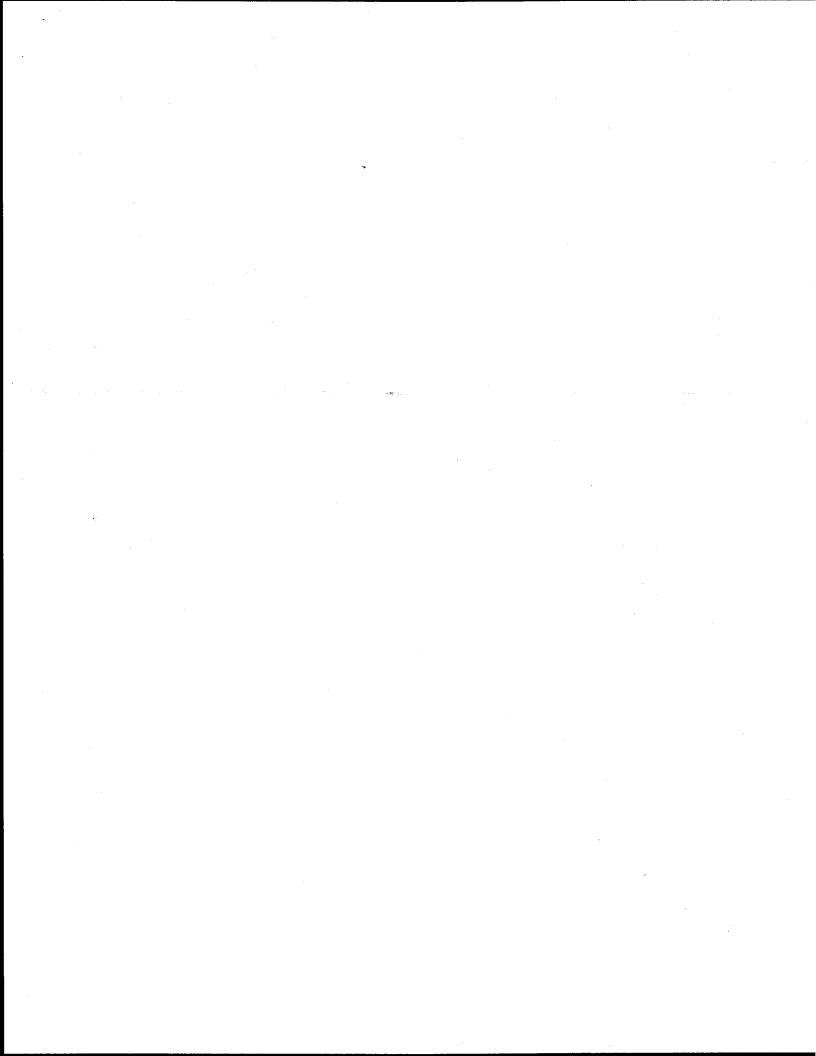
If the Respondent is not accepted into the Program or does not sign the Program contract, this Stipulation will be rejected and will not be binding on Respondent or the State Bar.

If the Respondent is accepted into the Program, upon Respondent's successful completion of or termination from the Program, this Stipulation will be filed and the specified level of discipline for successful completion of or termination from the Program as set forth in the State Bar Court's Statement Re: Discipline shall be imposed or recommended to the Supreme Court.

8/6/07		Sheryl Lynne Hammer	
Date	Respondent's Signature	Print Name	
1/20/07 Date	Respondent's Counsel Signature	David A. Clare Print Name	
Ay. 13, 2007 Date	Deputy Trial Counsel's Signature	Eric H. Hsu Print Name	

(Do not write above this line.) In the Matter Of	Case Number(s):
SHERYL LYNNE HAMMER	02-O-12364
	ORDER
- ·	o the parties and that it adequately protects the public, ed dismissal of counts/charges, if any, is GRANTED without
The stipulation as to	facts and conclusions of law is APPROVED.
The stipulation as to forth below.	facts and conclusions of law is APPROVED AS MODIFIED as set
All court dates in the	Hearing Department are vacated.
•	
stipulation, filed within 15 days a further modifies the approved sti	bulation as approved unless: 1) a motion to withdraw or modify the fter service of this order, is granted; or 2) this court modifies or bulation; or 3) Respondent is not accepted for participation he Program Contract. (See rule 135(b) and 802(b), Rules of
03-05-05	122
Date	Judge of the State Bar Court

RICHARD A. PLATEL



1	STATE BAR OF CALIFORNIA OFFICE OF THE CHIEF TRIAL COUNSEL	
2	SCOTT J. DREXEL, No. 65670 CHIEF TRIAL COUNSEL	RECEIVED
3	RUSSELL G. WEINER, No. 94504 DEPUTY CHIEF TRIAL COUNSEL	JUN 19 2007
4	VICTORIA R. MOLLOY, No. 97747 ASSISTANT CHIEF TRIAL COUNSEL	STATE BAR COURT CLERK'S OFFICE
5	KEVIN B. TAYLOR, No. 151715 SUPERVISING TRIAL COUNSEL	Los angeles
6	JOSEPH R. CARLUCCI, No. 172309 DEPUTY TRIAL COUNSEL	
7	1149 South Hill Street Los Angeles, California 90015-2299	
8 9	Telephone: (213) 765-1053	
10	OT A TD	BAR COURT
10		MENT - LOS ANGELES
12	HEARING DEPART	IMENT - LOS ANGELES
13	In the Matter of:) Case No. 02-O-12364-RAH
14	SHERYL LYNN HAMMER,) STIPULATION AS TO FACTS AND
15	No. 143588,) CONCLUSIONS OF LAW
16	A Member of the State Bar	(Rules of Proc. of the State Bar, rule 132)
17		d between the State Bar of California, by and
18	through Deputy Trial Counsel Joseph R. Carlucci, and SHERYL LYNN HAMMER,	
19		dent's counsel, in accordance with rule 132 of Rules
20	of Procedure of the State Bar of California as	
21	A. JURISDICTION	
22	Respondent was admitted to the practi	ice of law in the State of California on December
23	11, 1989, and since that time has been a mem	ber of the State Bar of California.
24	B. INVESTIGATIONS AND PROCEI	EDINGS INCLUDED IN STIPULATION
25	It is understood and acknowledged by	the parties to this stipulation that only the
26	following investigations and proceedings are	included in this stipulation: State Bar Court, case
27	no. 02-O-12364-RAH. (Rules of Procedure.	rule 132(b)(1)).
28		

Disclosure has been made to the Respondent in a separate written document of any pending investigations or proceedings not resolved by this stipulation. The date of the disclosure to Respondent was June 8, 2007. (*Rules of Procedure*, rule 132(b)(9)).

C. ADDITIONAL UNDERSTANDING AND ACKNOWLEDGMENTS OF THE PARTIES.

It is understood and acknowledged by the parties to this stipulation that:

- 1. This stipulation resolves the entire proceeding except as expressly set forth in the stipulation and except as to disposition. (*Rules of Procedure*, rule 132(b)(6)).
- 2. Any variance between the Notice of Disciplinary Charges filed on February 28, 2006, and the facts and/or conclusions of law contained in this stipulation is waived.

 Additionally, the parties waive the issuance of an amended Notice of Disciplinary Charges. The parties further waive the right to a formal hearing on any charge not included in the pending Notice of Disciplinary Charges.
- 3. The following counts contained in the Notice of Disciplinary Charges filed on February 28, 2006 in this matter shall be dismissed: Count One (*R.P.C.*, rule 4-100(A)); and Count Two (*B&P*, section 6106). (*Rules of Procedure*, rule 132(b)(5)).
- 4. Respondent acknowledges the provisions of Business and Professions Code, section 6086.10 and 6140.7 regarding the imposition and payment of disciplinary costs (*Rules of Procedure*, rule 132(b)(7)).
- 5. This stipulation of facts is binding upon the parties even if any or all of the conclusions of law are rejected by the court and regardless of the degree of discipline recommended or imposed. (*Rules of Procedure*, rule 132(b)(8)).
- 6. The stipulated facts contained in this stipulation constitute admissions of fact and may not be withdrawn by either party, except with Court approval.
- 7. Evidence to prove or disprove a stipulated fact is inadmissible at trial. The parties agree that either party may seek to admit evidence at trial as to facts not contained in this stipulation, which do not contradict these stipulated facts. Neither party waives the right to submit and present evidence relating to mitigation or relating to aggravation.

D. STATEMENT OF STIPULATED FACTS AND CONLUSIONS OF LAW.

Facts

The parties hereby stipulate that the following facts are true.

Respondent admits that the facts set forth herein are true and that she is culpable of violating *Rules of Professional Conduct*, rule 3-300 and *Business and Professions Code*, section 6103.

In December 1998, Herbert Kidwell ("Kidwell") hired Respondent for advice regarding his financial situation and whether he should file a bankruptcy petition. At the time Kidwell hired Respondent, the two agreed that Kidwell would give Respondent \$45,000 to hold for him. Respondent and Kidwell agreed that Respondent would hold the \$45,000 in trust for the benefit of Kidwell. The \$45,000 was not intended as advanced legal fees or costs.

On December 17, 1998, Kidwell, acting on the advice of Respondent, purchased a cashier's check payable to Respondent in the amount of \$45,000 from Wells Fargo Bank, cashier's Check No. 0626001396. Kidwell gave the check to Respondent.

On December 18, 1998, Respondent and Kidwell executed a formal written agreement whereby Kidwell agreed to loan Respondent \$10,000 from the \$45,000 Respondent was holding in trust for him. In exchange, Respondent agreed to begin repayment of the loan on February 1, 1999 at a rate of \$500 per month plus interest at the rate of 6 percent annually.

At no time did Respondent advise Kidwell in writing or otherwise that he may seek the advice of an independent lawyer of the his choice before entering into the December 18, 1998 loan agreement, nor did Respondent give Kidwell a reasonable opportunity to seek that advice.

On December 21, 1998, Respondent deposited the \$45,000 cashier's check into her client trust account at First Professional Bank (later changed to Pacific Western Bank), client trust account number 003-808203 ("CTA"). Respondent then disbursed \$10,000 of Kidwell's funds from her CTA to herself.

In November 1999, Kidwell agreed to loan Respondent an additional \$5,000 from the funds she was holding in trust for him. On November 14, 1999, Respondent and Kidwell entered into and executed a second formal written loan agreement that superceded and replaced the

December 18, 1998 agreement. In the November 14, 1999 agreement, Kidwell loaned Respondent \$15,000. In exchange, Respondent agreed to begin repayment of the loan on November 20, 1999 at a rate of \$500 per month plus interest at the rate of 10 percent annually. Following the execution of November 14, 1999 agreement, Respondent disbursed \$5,000 of Kidwell's funds from her CTA to herself.

At no time did Respondent advise Kidwell in writing or otherwise that he may seek the advice of an independent lawyer of the his choice before entering into the November 14, 1999 loan agreement, nor did Respondent give Kidwell a reasonable opportunity to seek that advice.

On November 26, 1999, Respondent and Kidwell executed a third formal written loan agreement that replaced and superceded the November 14, 1999 agreement. The November 26, 1999 agreement was more detailed than and contained more provisions than the November 14, 1999 agreement. However, the amount of the loan, \$15,000; the repayment amount, \$500; repayment schedule, monthly; and interest rate, 10 percent annually; remained unchanged.

At no time did Respondent advise Kidwell in writing or otherwise that he may seek the advice of an independent lawyer of the his choice before entering into the November 26, 1999 loan agreement, nor did Respondent give Kidwell a reasonable opportunity to seek that advice.

Between June 29, 1999 and November 15, 1999, Respondent returned to Kidwell the remaining \$30,000 held in trust through five separate checks issued from her CTA to Kidwell.

On or about January 29, 2000, Kidwell died.

On March 31, 2000, the Public Administrator for the County of Los Angles ("Public Administrator") was appointed as the Special Administrator of the *Estate of Herbert Eugene Kidwell*, Los Angeles County Superior Court, case no. BP 061334 ("*Estate of Kidwell*").

On April 5, 2000, the Public Administrator filed a Petition for an Order to Direct Conveyance of Funds to Estate of Decedent ("Petition") in the *Estate of Kidwell* seeking an order that Respondent be directed to convey the \$45,000 that she had received from Kidwell to the *Estate of Kidwell*. The Petition was served on and was received by Respondent.

On August 25, 2000, the hearing on the Petition in the Estate of Kidwell was held. Respondent did not appear at the hearing. Following the hearing, the Los Angeles County

Superior Court ("Superior Court") issued an "Order to Direct Conveyance of Funds to Estate of Decedent" ("Order") ordering Respondent to convey \$45,000 to the *Estate of Kidwell*. The Order was not served on Respondent, but she later received a copy of it as an enclosure to a letter sent to her by the attorney for the Public Administrator on February 22, 2002.

On February 22, 2002, the attorney for the Public Administrator sent a letter to Respondent requesting that she comply with the Order to convey \$45,000 to the *Estate of Kidwell*.

On March 13, 2002, the attorney for the Public Administrator had a telephone conversation with Respondent, wherein Respondent acknowledged receipt of the Order and the Public Administrator's attorney's February 22, 2002 letter.

On March 18, 2002, Respondent sent a letter to the attorney for the Public Administrator in which she stated that she paid Kidwell \$30,000 by way of five separate disbursements from her CTA. In her letter, Respondent did not mention the \$15,000 loan she obtained from Kidwell or otherwise account for the remaining \$15,000 she obtained from Kidwell.

Respondent did not convey \$45,000 to the Estate of Kidwell after the court issued the Order on August 25, 2000. Respondent did not take any steps to vacate, set aside, or otherwise address the Order. Respondent did not provide the court with an accounting of the \$45,000 beyond her March 18, 2002 letter to the Public Administrator's attorney (which, by itself, did not amount to an acceptable accounting), nor did she advise the court that she had borrowed the remaining \$15,000 from Kidwell. As such, at all times the Order remained valid and outstanding. Respondent did not comply with the court's Order.

CONCLUSIONS OF LAW

Respondent entered into a business transaction (loan agreement) with Kidwell regarding the \$15,000 loan she received from him, which was modified twice in writing, without advising Kidwell in writing that he may seek the advice of an independent lawyer of his choice or giving Kidwell a reasonable opportunity to seek that advice. Respondent thereby willfully failed to comply with rule 3-300, *Rules of Professional Conduct*.

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.1	By failing to address the Order in the matter of the Estate of Kidwell, including failing to		
2	take any steps to vacate it, set it aside, or otherwise account for the \$45,000, Respondent failed to		
3	obey a court order in willful violation of Business and Professions Code, section 6103.		
4	Respectfully submitted,		
5	THE STATE BAR OF CALIFORNIA OFFICE OF THE CHIEF TRIAL OF	A.	
6	OFFICE OF THE CHIEF TRIAL CO	DUNSEL	
7			
8		TOTAL CONTROL	
9	Deputy Trial Counsel		
. 10			
11	D)		
12	DAVID A. CLARE Attorney for Respondent		
13			
14			
15	SHERYL LYNN HAMMER		
16	Respondent		
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DECLARATION OF SERVICE BY REGULAR MAIL

CASE NUMBER: 02-0-12364 - RAH

I, the undersigned, over the age of eighteen (18) years, whose business address and place of employment is the State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, declare that I am not a party to the within action; that I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for mailing with the United States Postal Service; that in the ordinary course of the State Bar of California's practice, correspondence collected and processed by the State Bar of California would be deposited with the United States Postal Service that same day; that I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date on the envelope or package is more than one day after date of deposit for mailing contained in the affidavit; and that in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County of Los Angeles, on the date shown below, a true copy of the within

STIPULATION AS TO FACTS AND CONCLUSIONS OF LAW

in a sealed envelope placed for collection and mailing at Los Angeles, on the date shown below, addressed to:

David A. Clare David A. Clare, Attorney at Law 444 W. Ocean Blvd., #800 Long Beach, CA 90802

in an inter-office mail facility regularly maintained by the State Bar of California addressed to:

N/A

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Los Angeles, California, on the date shown below.

DATED: June 19, 2007

SIGNED: Roberta L. Hernandez

Declarant

CERTIFICATE OF SERVICE

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

I am a Case Administrator of the State Bar Court of California. 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 Los Angeles, on March 6, 2008, I deposited a true copy of the following document(s):

CONFIDENTIAL STATEMENT OF ALTERNATIVE DISPOSITIONS AN ORDERS; CONTRACT AND WAIVER FOR PARTICIPATION IN THE STATE BAR COURT'S ALTERNATIVE DISCIPLINE PROGRAM; STIPULATION RE FACTS AND CONCLUSIONS OF LAW

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 Los Angeles, California, addressed as follows:

DAVID CLARE DAVID CLARE ATTY AT LAW 444 W OCEAN BLVD STE 800 LONG BEACH CA 90802

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

MONIQUE MILLER, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on March 6, 2008.

Angela Owens-Carpenter

Case Administrator 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 of California. 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 Los Angeles, on November 23, 2010, I deposited a true copy of the following document(s):

DECISION AND ORDER SEALING DOCUMENTS; STIPULATION RE FACTS, CONCLUSIONS OF LAW

	COLUMN OF THE STATE OF THE STAT
in a se	ealed envelope for collection and mailing on that date as follows:
	by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:
	DAVID CLARE ESQ 444 W OCEAN BLVD STE 800 LONG BEACH CA 90802
	by certified mail, No. , with return receipt requested, through the United States Postal Service at , California, addressed as follows:
	by overnight mail at , California, addressed as follows:
	by fax transmission, at fax number . No error was reported by the fax machine that I used.
	By personal service by leaving the documents in a sealed envelope or package clearly labeled to identify the attorney being served with a receptionist or a person having charge of the attorney's office, addressed as follows:
	by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:
	MONIQUE MILLER, Enforcement, Los Angeles
	by certify that the foregoing is true and correct. Executed in Los Angeles, California, on other 23, 2010.

Angela Carpenter Case Administrator State Bar Court