


<p>Counsel for the State Bar                  THE STATE BAR OF CALIFORNIA                  OFFICE OF THE CHIEF TRIAL COUNSEL                  ENFORCEMENT                  SHARI SVENINGSON, BAR NO. 195298                  1149 So. Hill Street                  Los Angeles, CA 90015-2299                  Telephone: (213) 765-1000</p>	<p>Case number(s)                  02-0-12365                  03-0-00613                  03-0-01208                  03-0-01346                  03-0-03659</p>	<p>(for Court's use)  <b>PUBLIC MATTER</b>   <b>FILED</b>                   APR 26 2004                  STATE BAR COURT                  CLERKS OFFICE                  LOS ANGELES</p>
<p>Counsel for Respondent                  SUSAN MARGOLIS                  MARGOLIS &amp; MARGOLIS, LLP                  2000 Riverside Drive                  Los Angeles, CA 90039                  Telephone: (323) 953-8996</p>	<p>kwiktag® 035 117 125  </p>	
<p>In the Matter of                  WILLIAM A. SOBEL                   Bar # 114147                  A Member of the State Bar of California                  (Respondent)</p>	<p>Submitted to <input type="checkbox"/> assigned judge <input checked="" type="checkbox"/> settlement judge                  STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION                  AND ORDER APPROVING                  STAYED SUSPENSION; NO ACTUAL SUSPENSION  <input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	

A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted August 6, 1984 (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 11 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
  - costs to be paid in equal amounts prior to February 1 for the following membership years:  
2005 & 2006  
 (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."

B. Aggravating Circumstances (for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b).) Facts supporting aggravating circumstances are required.

(1)  Prior record of discipline [see standard 1.2(f)]

(a)  State Bar Court case # of prior case 94-0-14267

(b)  date prior discipline effective March 13, 1997

(c)  Rules of Professional Conduct/ State Bar Act violations: Rules of Professional Conduct, rules 3-110(A), 3-400(B), Business & Professions Code, Section 6068(M)

(d)  degree of prior discipline One year suspension, stayed, ninety (90) days actual, one year probation

(e)  If Respondent has two or more incidents of prior discipline, use space provided below or 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.

(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.

(8)  No aggravating circumstances are involved.

Additional aggravating circumstances:

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 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)  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.
- (10)  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.
- (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.

Additional mitigating circumstances:

Respondent agreed to represent the clients involved in these cases even though their claims were of limited recovery in light of the amount of work that needed to be expended on them.

1. Stayed Suspension.

A. Respondent shall be suspended from the practice of law for a period of Six (6) months

- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
- ii. and until Respondent pays restitution to \_\_\_\_\_ [payee(s)] (or the Client Security Fund, if appropriate), in the amount of \_\_\_\_\_, plus 10% per annum accruing from \_\_\_\_\_ and provides proof thereof to the Probation Unit, Office of the Chief Trial Counsel
- iii. and until Respondent does the following: \_\_\_\_\_

B. The above-referenced suspension shall be stayed.

2. Probation.

Respondent shall be placed on probation for a period of One (1) year which shall commence upon the effective date of the Supreme Court order herein. (See rule 953, California Rules of Court.)

E. Additional Conditions of Probation:

- (1)  During the probation period, Respondent shall comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (2)  Within ten (10) days of any change, Respondent shall report to the Membership Records Office of the State Bar 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.
- (3)  Respondent shall submit written quarterly reports to the Probation Unit on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, respondent shall state whether respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. If the first report would cover less than 30 days, that report shall be submitted on the next quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

- (4)  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 to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Probation Unit. Respondent shall cooperate fully with the probation monitor.
- (5)  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 probation conditions.

- (6)  Within one (1) year of the effective date of the discipline herein, respondent shall provide to the Probation Unit satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.
- No Ethics School recommended.
- (7)  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 to be filed with the Probation Unit.
- (8)  The following conditions are attached hereto and incorporated:
- Substance Abuse Conditions       Law Office Management Conditions
- Medical Conditions                       Financial Conditions
- (9)  Other conditions negotiated by the parties:      See Pages 9 + 10

- Multistate Professional Responsibility Examination: 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. Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 951(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.
- No MPRE recommended.



Case No. 03-O-00613

On or about April 11, 2001, Uel Hur ("Hur") employed Respondent to represent him in a personal injury matter.

On or about August 1, 2001, Respondent settled Hur's matter for \$500. Although Hur had consented to the settlement amount, Respondent failed to adequately explain the disbursement breakdown. After deduction of attorneys fees, medical liens and costs, Hur received \$40 as his net settlement proceeds.

Case No. 03-O-01208

In or about December 2001, Irene Contreras ("Contreras") employed Respondent to represent her in a personal injury matter.

On or about November 8, 2002, Respondent settled Contreras' matter for \$500. Although Contreras had consented to the settlement amount, Respondent failed to adequately explain the disbursement breakdown. After deduction of attorneys fees, medical liens and costs, Contreras received \$25 as her net settlement proceeds.

Case No. 03-O-01346

In or about June 2002, Phyllis Wilson ("Wilson") employed Respondent to represent her in a personal injury matter.

On or about April 1, 2003, Respondent settled Wilson's matter for \$1,020. Although Wilson had consented to the settlement amount, Respondent failed to adequately explain the disbursement breakdown. After deduction of attorneys fees, medical liens and costs, Wilson received \$458 as her net settlement proceeds.

Case No. 03-O-03659

In or about May 2002, Antoinette White ("White") employed Respondent to represent her in a personal injury matter.

On or about April 11, 2003, Respondent settled Whites's matter for \$3,240. Although White had consented to the settlement amount, Respondent failed to adequately explain the

disbursement breakdown. White's doctors thereafter refused to compromise their liens. Respondent has filed a motion to interplead the entire \$3,240 settlement with the court.

### **LEGAL CONCLUSIONS**

Based on the foregoing conduct, Respondent failed to communicate significant developments to his clients in a matter in which he agreed to provide legal services in violation of Business and Professions Code, section 6068(m).

### **PENDING PROCEEDINGS.**

The disclosure date referred to, on page one, paragraph A.(6), was by letter dated 4/13/04 .

### **COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of **March 25, 2004**, the estimated prosecution costs in this matter are approximately **\$4,480** Respondent acknowledges that this figure is an estimate only and that it does not include State Bar Court costs which will be included in any final cost assessment. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

### **AUTHORITIES SUPPORTING DISCIPLINE.**

Martin v. State Bar (1978) 20 Cal. 3d 717:

Martin was found culpable of failing to perform and failing to communicate in 6 client matters; and misrepresented the status of the case to clients in 3 matters. The Supreme Court imposed 2 years stayed suspension and 1 year actual suspension. Martin had no prior history of discipline.

Respondent's should be subject to less discipline because his misconduct did not involve any misrepresentation and because Respondent acted in good faith when he obtained settlements on behalf of his clients.



## **OTHER CONDITIONS NEGOTIATED BY THE PARTIES**

### **I. NOTICE TO CLIENT LETTER**

Respondent agrees to provide a "Notice to Client Letter" to his clients at the time of retention. The letter will explain how personal injury cases are handled and their risks and benefits. The letter will also explain what happens if a case settles with a low recovery or no recovery at all.

### **II. WRITTEN DISBURSEMENT AUTHORIZATION**

Respondent agrees to obtain written authorization of the disbursement of the settlement proceeds from each client prior to settling a personal injury case. Respondent will provide his clients with a written disbursement sheet with all proposed amounts filled in. Respondent will endeavor to give each client an opportunity to review the figures and sign the distribution sheet prior to accepting the settlement offer.

In situations where time constraints or other exigent circumstances make it unfeasible to obtain prior written authorization, Respondent agrees to obtain verbal authorization from the client. In those situations, the client's verbal authorization shall be tape-recorded with the client's permission. All such recordings shall reflect that Respondent has (1) advised the client of the total amount of the settlement, (2) described each and every disbursement from the settlement funds, identifying names of payees and proposed amounts to be distributed, (3) identified the amount of costs and expenses Respondent will be reimbursed from the settlement funds; and (4) stated the total amount of attorney's fees, including the division of any such fees, to be paid from settlement funds.

When settlement authorization is verbal rather than written, Respondent agrees to follow up by providing the client with a written disbursement sheet with all proposed amounts filled in, and to give that client the opportunity to review the figures and sign the distribution sheet prior to the actual disbursement of the settlement proceeds.

### **III. FUTURE COMPLAINTS**

The State Bar agrees to terminate a future complaint against Respondent provided the following criteria are met:

A "future complaint" is defined as:

(a) any allegation in any complaint received by the State Bar after the date of execution of this Stipulation which relates to a personal injury case; and

(b) which makes an allegation of: (1) failing to communicate, (2) failure to communicate a settlement offer, (3) failure to communicate the proposed distribution of settlement proceeds to a client prior to obtaining a client's authorization to the gross settlement, or (4) failure to promptly pay out client funds after receiving settlement proceeds; and

*SLM obo  
um. 5/26/24*  
(c) when the settlement of a personal injury action was obtained prior to the execution of this Stipulation or when the alleged misconduct which is the subject of the investigation occurred prior to the execution of this Stipulation.

If the above criteria are met, the State Bar will terminate the future complaint.

Additionally, the State Bar agrees that it will notify Respondent of the initiation of any subsequent investigation and of its intent to file any formal charges after the date of execution of this Stipulation, if that situation arises. If Respondent believes that the proposed charges involve a "future complaint", he shall notify, in writing, the State Bar staff person who is assigned to the matter of his belief and of the conditions of this Stipulation. If the Office of the Chief Trial Counsel is in agreement that the matter is a "future complaint" it will terminate the complaint. If there is no agreement and the matter is not resolved or terminated at that stage and formal charges are filed, Respondent may file a motion for relief with the State Bar Court on or before the 20 day period expires for the filing of his Answer to the charging document. If the Court determines the matter should be dismissed pursuant to the terms of the Stipulation, the Office of the Chief Trial Counsel will not oppose the filing of a motion by the Respondent to make that portion of the public record which relates to the dismissed matter confidential.

#### **IV. CLIENT TRUST ACCOUNT SCHOOL**

Respondent must attend and complete the State Bar Client Trust Account School within one (1) year of the effective date of discipline.

Date 4/11/04

William A. Sobel  
Respondent's signature

WILLIAM A. SOBEL  
print name

Date 4/13/04

Susan L. Margolis  
Respondent's Counsel's signature

SUSAN L. MARGOLIS  
print name

Date 4/14/04

Shari Sveningson  
Deputy Trial Counsel's signature

SHARI SVENINGSON  
print name

ORDER

Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 135(b), Rules of Procedure.) The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after file date. (See rule 953(a), California Rules of Court.)

Date 4/26/04

[Signature]  
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 Los Angeles, on April 26, 2004, I deposited a true copy of the following document(s):

**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION  
AND ORDER APPROVING, filed April 26, 2004**

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

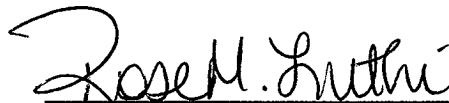
- [X] by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**SUSAN MARGOLIS, A/L  
MARGOLIS & MARGOLIS  
2000 RIVERSIDE DRIVE  
LOS ANGELES CA 90039-3758**

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

**SHARI SVENINGSON, A/L, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **April 26, 2004**.



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**Rose M. Luthi**  
Case Administrator  
State Bar Court