


**ORIGINAL**

<b>Counsel for the State Bar</b> THE STATE BAR OF CALIFORNIA OFFICE OF THE CHIEF TRIAL COUNSEL ENFORCEMENT MARGARET P. WARREN, BAR NO. 108774 1149 South Hill Street Los Angeles, CA 90015-2299 Telephone: (213) 765-1342	<b>Case number(s)</b>  02-0-15192	(for Court's use) <b>FILED</b> OCT 27 2004 STATE BAR COURT CLERK'S OFFICE LOS ANGELES  kwiktag® 022 602 843 
<b>Counsel for Respondent</b>  GLENN D. NELSON, BAR NO. 74832 PMB 131 3400 Panama Ln #F Bakersfield, CA 93313	<p style="text-align: center; font-size: 2em; font-weight: bold;">PUBLIC MATTER</p> <p>Submitted to <input type="checkbox"/> assigned judge <input checked="" type="checkbox"/> settlement judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p>REPROVAL <input type="checkbox"/> PRIVATE <input checked="" type="checkbox"/> PUBLIC</p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<b>In the Matter of</b>  GLENN D. NELSON  Bar # 74832  A Member of the State Bar of California (Respondent)		

**A. Parties' Acknowledgments:**

- (1) Respondent is a member of the State Bar of California, admitted June 28, 1977 (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 10 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 reproof)
  - ☐ case ineligible for costs (private reproof)
  - ☒ costs to be paid in equal amounts for the following membership years:  
2005, 2006, 2007, 2008, and 2009  
 (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."

(8) The parties understand

- (a) A private reproof 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 inquiries and is not reported on the State Bar's web page. The record of the proceeding in which such a private reproof 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 reproof 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 reproof 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.

(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 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 victims and lack of remorse 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) ☐ 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.

Additional mitigating circumstances;

D. Discipline:

(1) ☐ Private reproof (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).

or

(2) ☒ Public reproof (check applicable conditions, if any, below)

E. Conditions Attached to Reproval:

(1) ☒ Respondent shall comply with the conditions attached to the reproof for a period of \_\_\_\_\_.

(2) ☒ During the condition period attached to the reproof, Respondent shall comply with the provisions of the State Bar Act and Rules of Professional Conduct.

(3) ☒ 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 reproof. 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 the reproof 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.

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 condition period and no later than the last day of the condition period.

- (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) ☒ 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 reprobation.
- (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 reprobation.
- ☐ No MPRE ordered.
- (10) ☐ The following conditions are attached hereto and incorporated:
- |   |   |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions         | <input type="checkbox"/> Financial Conditions             |
- (11) ☒ Other conditions negotiated by the parties:  
PLEASE SEE PAGE 9, BELOW.

**ATTACHMENT TO**  
**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

IN THE MATTER OF:       GLENN D. NELSON

CASE NUMBER(S):       02-O-15192

**FACTS AND CONCLUSIONS OF LAW.**

Respondent admits that the following facts are true and that he is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

**Facts:**

1. In or about October 1996, Sarah Brothers ("Brothers") retained her then-brother-in-law, Respondent, as legal counsel in a wrongful termination action against Brothers' former employer, California State University, and in a workers' compensation case. Both matters settled in October 1998, in the aggregate amount of approximately \$450,000.
2. After settling Brothers's cases, Respondent continued to represent Brothers for several months in negotiations with various creditors to whom Brothers owed money.
3. In or about December 1998, Respondent introduced Brothers to the principal of Estate and Development Planning Services, Inc. ("EDPS"). Brothers invested \$85,000 with EDPS as a short-term real-estate investment. Within 90 days, in or about February 1999, Brothers obtained a 10% return on her investment from EDPS.
4. In May 1999, Brothers entered into an oral agreement to loan Respondent and his then-wife (Brothers's sister) \$80,000.
5. In May 1999, Brothers withdrew \$80,000 from a Certificate of Deposit and

loaned said funds to Respondent.

6. Prior to accepting the loan, Respondent did not advise Brothers in writing that she could seek the advice of an independent lawyer. Prior to accepting the loan, Respondent did not allow Brothers an opportunity to seek independent legal advice. Respondent never obtained Brother's written consent to the terms of the loan.

7. The terms of the loan did not require Respondent to provide any security to Brothers to ensure repayment of the loan, and Respondent did not provide any security to Brothers.

8. In May 1999, Respondent invested the funds Brothers loaned him and his then-wife in a real estate venture through one Khalil Capehart ("Capehart"), who was an officer of EDPS and also a member of the church Respondent attended. Respondent was one of several investors involved in the real-estate venture structured by Capehart. The real estate venture failed a few months later, and Capehart disappeared. Respondent filed a lawsuit against Capehart for fraud, but was unable to serve Capehart, and the lawsuit was ultimately dismissed.

9. In October 2001, Respondent acknowledged to Brothers that he and his then-wife both owed Brothers an obligation to repay the \$80,000 loan.

10. Pursuant to a marital settlement agreement executed in Respondent's marital dissolution matter in November 2001 and approved by the court in September 2002, Respondent is responsible for repaying half (or \$40,000) of the \$80,000 loaned by Brothers; Respondent's former wife, Brothers's sister, is responsible for the other half of the \$80,000 loan.

**Legal Conclusions:**

By entering into a business transaction with a client without complying with the requirements that: the transaction or acquisition and its terms were fair and reasonable to the client; the transaction or acquisition and its terms were fully disclosed and transmitted in writing to the client in a manner which should reasonably have been understood by the client; the client was advised in writing that the client may seek the advice of an independent lawyer of the client's choice; the client was given a reasonable opportunity to seek that advice; and the client thereafter consented in writing to the terms of the transaction or acquisition, Respondent wilfully violated Rules of Professional Conduct, rule 3-300.

**PENDING PROCEEDINGS.**

The disclosure date referred to, on page one, paragraph A.(6), was October 5, 2004.

**DISMISSALS.**

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

<b><u>Case No.</u></b>	<b><u>Count</u></b>	<b><u>Alleged Violation</u></b>
02-O-15192	Three	6068(i)

[Count Two was previously dismissed by the Court on oral motion made by trial counsel at the April 8, 2004 pre-trial conference held in the instant matter.]



### **STATE BAR ETHICS SCHOOL.**

Because respondent has agreed to attend State Bar Ethics School as part of this stipulation, respondent may receive Minimum Continuing Legal Education credit upon the satisfactory completion of State Bar Ethics School.

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

Respondent shall repay Sarah Brothers \$40,000 (or the Client Security Fund, if appropriate) within the period of his probation herein, in the following amounts on a monthly basis (or the equivalent amount on a quarterly basis), and provide proof thereof to the Probation Unit with each quarterly report Respondent is required to submit pursuant to the terms and conditions of his probation:

In the first twelve months of his probation period, Respondent shall pay \$325.00 per month (or \$975 per quarter);

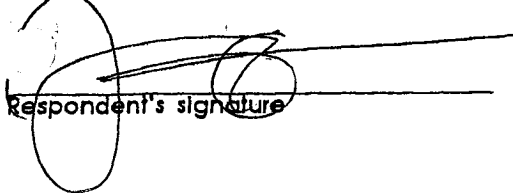
In the second twelve months of his probation period, Respondent shall pay \$525.00 per month (or \$1,575 per quarter);

In the third twelve months of his probation period, Respondent shall pay \$775.00 per month (or \$2,325 per quarter);

In the fourth twelve months of his probation period, Respondent shall pay \$855.00 per month (or \$2,565 per quarter);

In the fifth twelve months of his probation period, Respondent shall pay \$855.00 per month (or \$2,565 per quarter).

10/14/04  
Date

  
Respondent's signature

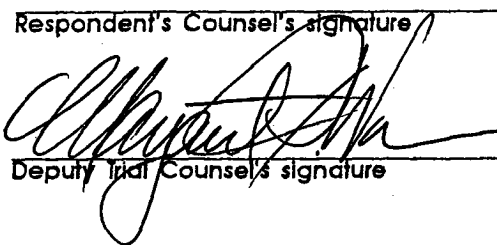
GLENN D. NELSON  
print name

Date

Respondent's Counsel's signature

print name

10/20/04  
Date

  
Deputy Trial Counsel's signature

MARGARET P. WARREN  
print name

## ORDER

Finding that the stipulation protects the public and that the interests of Respondent will be served by any conditions attached to the reproval, 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 REPROVAL IMPOSED.



The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the REPROVAL IMPOSED.

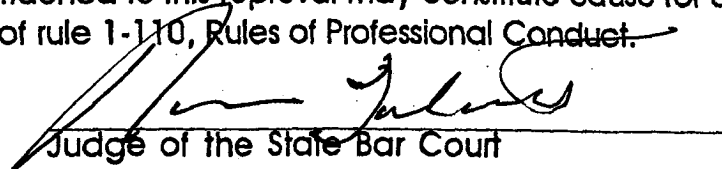
At page 1, Section A.(7) delete "2005" and insert "2010".

At page 4, Section E.(1) insert "5 years".

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.) Otherwise the stipulation shall be effective 15 days after service of this order.

Failure to comply with any conditions attached to this reproval may constitute cause for a separate proceeding for willful breach of rule 1-110, Rules of Professional Conduct.

10-27-04  
Date

  
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 October 27, 2004, I deposited a true copy of the following document(s):

**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION  
AND ORDER APPROVING, filed October 27, 2004**

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

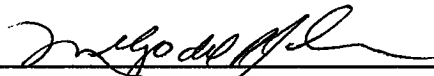
- ☒ by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**GLENN DALE NELSON  
ATTORNEY AT LAW  
3400 PANAMA LN STE F  
PMB 131  
BAKERSFIELD, CA 93313 3698**

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

**Margaret P. Warren, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **October 27, 2004.**

  
\_\_\_\_\_  
**Milagro del R. Salmeron**  
Case Administrator  
State Bar Court