(Do not write above this line.) State Bar Court of California Hearing Department ☑ Los Angeles □ San Francisco (for Court's use) Counsel for the State Bar Case number(s) Lee Kern 03-0-05149 Deputy Trial Counsel FILED 1149 S. Hill Street PUBLIC MATTER Los Angeles, CA JAN 25 2006 (213) 765-1272Bar# 156623 STATE BAR COUNT CLERK'S OFFICE □ Counsel for Respondent IS AMORT FO kwiktag* 022 605 565 In Pro Per, Respondent Ellen Pansky 1114 Fremont Ave. South Pasadena, CA 91030 Bar # 77688 Submitted to assigned judge settlement judge In the Matter of STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ANDREW DAVIS Bar # 24255 ACTUAL SUSPENSION A Member of the State Bar of California PREVIOUS STIPULATION REJECTED (Respondent) 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: Respondent is a member of the State Bar of California, admitted _____July 22_ (1) 1953 The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or (2) disposition are rejected or changed by the Supreme Court. All investigations or proceedings listed by case number in the caption of this stipulation, are entirely resolved (3) by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation and order consist of 14 pages. (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts." Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of (5) (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority." No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any **{7**}

pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.

(D	o not	write	above this line.)						
(8)	8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):								
	Œ	until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 284, Rules of Procedure.							
		COS	costs to be paid in equal amounts prior to February 1 for the following membership years:						
	(hardship, special circumstances or other good cause per rule 284, Rules of Procedure) □ costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs" □ costs entirely waived								
В.	for	Profe	ating Circumstances (for definition, see Standards for Attorney Sanctions essional Misconduct, standard 1.2(b)). Facts supporting aggravating tances are required.						
(1)	茲	Prio	r record of discipline [see standard 1.2(f)]						
	(a)	K	State Bar Court case # of prior case <u>02-0-14032</u>						
	(b)	80	Date prior discipline effectiveFebruary 6. 2004						
	(c)	K	Rules of Professional Conduct/ State Bar Act violations: Rules 4-100(A) (failing to maintain client funds in trust) and 3-110(A), Rules of Professional Conduct.						
	(d)	Ž)	Degree of prior discipline One year suspension, stayed; three years probation; and, sixty-days actual suspension.						
	(e)		If Respondent has two or more incidents of prior discipline, use space provided below or a separate attachment entitled "Prior Discipline."						
(2)			onesty: Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, cealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.						
(3)	X	acce	Violation: Trust funds or property were involved and Respondent refused or was unable to punt to the client or person who was the object of the misconduct for improper conduct toward funds or property. Respondent failed to maintain client funds in trust in violation of Rule 4-100(A).						
(4)		Ham	n: 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.
(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.
Adı	ditio	nal aggravating circumstances:
_	N <i>A</i> (+)	gating Circumstances [see standard 1.2(e)]. Facts supporting mitigating
		umstances 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)	ĸ	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. Upon learning of his employee's misconduct, respondent terminated the employee, closed his trust account, filed a police report, and
(5)		Restitution: Respondent paid \$ closed his Stockton office. 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 Falth: 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

(Do	not	Wri	te ab	ove this line.)				
(10)				y Problems: At the time of the misconduct, Respondent suffered extreme difficulties in his/her nal life which were other than emotional or physical in nature.				
(11)				Character: Respondent's good character is attested to by a wide range of references in the 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.							
Add	itior	nal	miti	gating circumstances:				
÷								
D	Die	~ir	dine	,,				
D. Discipline:								
(1)	K	St	ayec	f Suspension:				
	(a)	ठ	Res	pondent must be suspended from the practice of law for a period of two years				
		i.	223	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.				
		il.		and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.				
		ili,		and until Respondent does the following:				
	(b)		The	above-referenced suspension is stayed.				
(2)	X	Pro	bat	lon:				
	whic	:h v	vill co	must be placed on probation for a period of three years mmence upon the effective date of the Supreme Court order in this matter. 3, Calif. Rules of Ct.)				

(D	o not v	vrite above this line.)
(3)	X	Actual Suspension:
	(a)	Respondent must be actually suspended from the practice of law in the State of California for a period of 90 days
		 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 as set forth in the Financial Conditions form attached to this stipulation.
		iii. and until Respondent does the following:
E.	Addl	Itlonal Conditions of Probation:
(1)		If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in general law, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.
(2)	X	During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
(3)	120	Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), 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)	83	Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
(5)		Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must 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. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must 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.
(6)		Respondent must be assigned a probation monitor. Respondent must 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 must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
(7)		Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation 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.

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(8)	K	Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation 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. Reason:		
(9)		Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.		
(10)	X	The following conditions are attached hereto and incorporated:		
		☐ Substance Abuse Conditions ☐ Law Office Management Conditions		
		□ Medical Conditions		
F. O	the	r Conditions Negotiated by the Parties:		
(1) pı (2)	cio:	Multistate Professional Responsibility Examination: Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. Fallure 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. Respondent took and passed the PRE in Momentum order in case no. 02-0-14032. (see, In the *Rule 955, California Rules of Court: Respondent must comply with the requirements of rule 955, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order		
(3)		in this matter. Conditional Rule 955, California Rules of Court: If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 955, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.		
(4)		Credit for Interim Suspension [conviction referral cases only]: Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension:		
(5)	Ø	Other Conditions: Respondent is currently subject to similar reporting conditions in case no. 02-0-14032. During the time period in which the probation period in this matter overlaps with the probation period in case no. 02-0-14032, Respondent may submit one report for both matters during each applicable reporting period.		

Rptr. 229, 244

* Matter of Trousil (rev. Dept. 1991) 1 Cal. State Bar Crt.

	ot write above this line.) e Matter of		Casa Mumbasia)		
	e Muner of		Case Number(s):		
	ANDREW J. DAVIS		03-0-05149		
Fina	ncial Conditions				
a.	Restitution				
	to the payee(s) listed be payee(s) for all or any p	slow. If the ortion of th	Client Security Fund ("CS	ount, plus interest of 10% per F") has reimbursed one or m ed below, Respondent must rest and costs.	ore of the
	Payee	Princ	ipal Amount	Interest Accrues From]
		<u> </u>			_
					_
	to the Office of Probatio	n not late	ferenced restitution and p r than	rovide satisfactory proof of p	oayment
. Ir	nstallment Restitution Pay	ments			
	Respondent must provide quarterly probation report days prior to the expiration	satistacte t, or as ot n of the p	ory proof of payment to the herwise directed by the O eriod of probation (or per	e payment schedule set forth e Office of Probation with ea ffice of Probation. No later th iod of reproval), Responden e payment of restitution, inc	ach han 30 t must
	Payee/CSF (as applicable)	Minim	um Payment Amount	Payment Frequency	
	1			·	

Client Funds Certificate

- If Respondent possesses client funds at any time during the period covered by a required quarterly report, Respondent must file with each required report a certificate from Respondent and/or a certified public accountant or other financial professional approved by the Office of Probation, certifying that:
 - a. Respondent has maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of California, and that such account is designated as a "Trust Account" or "Clients' Funds Account";

(Do not write above this line.)			
In the Matter of	Case Number(s):		
ANDREW J. DAVIS	03-0-05149		

- b. Respondent has kept and maintained the following:
 - i. a written ledger for each client on whose behalf funds are held that sets forth:
 - 1. the name of such client:
 - 2. the date, amount and source of all funds received on behalf of such client;
 - 3. the date, amount, payee and purpose of each disbursement made on behalf of such client; and,
 - 4. the current balance for such client.
 - ii. a written journal for each client trust fund account that sets forth:
 - the name of such account;
 - 2. the date, amount and client affected by each debit and credit; and,
 - 3. the current balance in such account.
 - iii. all bank statements and cancelled checks for each client trust account; and,
 - iv. each monthly reconciliation (balancing) of (i), (ii), and (iii), above, and if there are any differences between the monthly total balances reflected in (i), (ii), and (iii), above, the reasons for the differences.
- Respondent has maintained a written journal of securities or other properties held for clients that specifies;
 - i. each item of security and property held;
 - ii. the person on whose behalf the security or property is held;
 - iii. the date of receipt of the security or property;
 - iv. the date of distribution of the security or property; and,
 - v. the person to whom the security or property was distributed.
- If Respondent does not possess any client funds, property or securities during the entire period
 covered by a report, Respondent must so state under penalty of perjury in the report filed with
 the Office of Probation for that reporting period. In this circumstance, Respondent need
 not file the accountant's certificate described above.
- The requirements of this condition are in addition to those set forth in rule 4-100, Rules of Professional Conduct.

d. Client Trust Accounting School

Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School, within the same period of time, and passage of the test given at the end of that session.

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In the	Matter of	Case Number(s):		
	ANDREW J. DAVIS	03-0-05149		
Law	Office Management Condi	tions		
a. 🗆	Respondent must develop a law approved by the Office of Proba reports to clients; (2) document to (4) meet deadlines; (5) withdraw contacted or located; (6) train ar	years of the effective date of the discipline herein, office management/ organization plan, which must be tion. This plan must include procedures to (1) send periodic elephone messages received and sent; (3) maintain files; as afforney, whether of record or not, when clients cannot be and supervise support personnel; and (7) address any subject or contributed to Respondent's misconduct in the current		
b. 🗽	Respondent must submit to the O less than 6 hours of Minimum office management, attorney click separate from any MCLE requiren	yeax of the effective date of the discipline herein, ffice of Probation satisfactory evidence of completion of no Continuing Legal Education (MCLE) approved courses in law ent relations and/or general legal ethics. This requirement is ment, and Respondent will not receive MCLE credit for 11, Rules of Procedure of the State Bar.)		
c. 🗆	Management and Technology S costs of enrollment foryea	late of the discipline, Respondent must join the Law Practice ection of the State Bar of California and pay the dues and ar(s). Respondent must furnish satisfactory evidence of e Office of Probation of the State Bar of California in the		

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:

ANDREW J. DAVIS

CASE NUMBER(S):

03-0-05149

FACTS AND CONCLUSIONS OF LAW.

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

- 1. In 2003, Respondent maintained his primary office in Los Angeles, and also had a branch office in Stockton. Respondent traveled to Stockton regularly, typically on a weekly basis.
- 2. In 2003, Respondent employed in the Stockton office a long-term secretary, Sopha Phengdy-Ting (who had been with him approximately 8 ½ years), and an office manager, Soeun Lee Hem ("Hem"). By 2003, Hem had been employed by Respondent for over two years.
- 3. Hem had previously worked for other lawyers and for the court as a translator. Hem was a trusted employee of Respondent. Hem was also aware that Respondent had been victimized by a prior office manager and that Respondent had stipulated to a term of suspension arising from his failure to have adequately supervised the prior office manager.
- 4. Hem was not a signator on Respondent's client trust account, account number 701-6708666, at Wells Fargo Bank ("CTA").
- 5. On or about October 23, 2003, Hem left the United States for Cambodia for several weeks. On or about October 25, 2003, Respondent was notified by his bank of two NSF checks. Respondent eventually determined that, just before Hem left for Cambodia, Hem secretly purloined trust account checks that Respondent had pre-signed and left in a secured drawer for emergencies. The two checks which were returned by Wells Fargo Bank were written on October 16, 2003 and October 21, 2003. The checks were written by Hem and to hem and were in the amounts of \$2,500 each. Without Respondent's knowledge, Hem took the checks from the CTA check book and misappropriated these funds.
- 6. Hem's scheme was to deposit the trust account checks into Respondent's general account and then misappropriate those funds from the general account by using forged checks

and an ATM card about which Respondent had no knowledge. Respondent promptly closed the trust account once he learned the true facts of Hem's wrongdoing.

- 7. On or about November 3, 2003, Respondent wrote to Hem demanding an explanation. On or about November 10, 2003, Hem unilaterally repaid the amount of \$6,000, covering the \$5,000 he took from the trust account, by making a deposit directly into Respondent's CTA. Hem delivered a copy of the deposit slip with a note to Respondent which notified him that Hem had made the deposit, and which also said, "May God Bless you," in a clear admission of his theft and to apologize.
- 8. Respondent filed a police report against Hem on January 28, 2004 and Respondent has closed his Stockton office.
- 9. CONCLUSIONS OF LAW: By providing Hem with pre-signed CTA checks and access to the CTA and the client funds therein, which then led to the loss of some of those client funds, Respondent failed to supervise his employee and thereby failed to provide legal services with competence, in wilful violation of rule 3-110(A), Rules of Professional Conduct.
- 10. CONCLUSIONS OF LAW: By failing to maintain at least \$5,000 in client funds in his CTA, Respondent failed to maintain client funds in trust, in wilful violation of rule 4-100(A), Rules of Professional Conduct.

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(7), was December 19, 2005.

AUTHORITIES SUPPORTING DISCIPLINE.

Standard 2.2(b) - Culpability of a member of a violation of rule 4-100(A), Rules of Professional Conduct, which does not result in wilful misappropriation of entrusted funds shall result in at least a three month actual suspension.

Palomo v. State Bar (1984) 36 Cal.3d 785. Attorney's gross negligence in failing to oversee client trust funds resulted in a one year probationary term, with no actual suspension.

Hipolito v. State Bar (1989) 48 Cal.3d 621, and cases cited therein, imposed a one year actual suspension for multiple direct misappropriations of client funds, committed under extenuating circumstances, and where mitigating factors were demonstrated.

The instant case is somewhat more serious than *Palomo*, and less serious than *Hipolito* in that the Respondent in the within proceeding did not misappropriate any client funds. The

misconduct in this case resulted when Respondent left his employee with two pre-signed CTA checks and access to the CTA. Respondent's failure to supervise his employee, and the resulting failure to maintain client funds in trust, occurred during the same general time period in which Respondent was correcting problems that occurred as a result of the conduct of a different dishonest former employee. Other than the aberrational wrongdoing of two employees during a discreet period, Respondent has had an unblemished career. In that he stipulated to a 60-day suspension for the first offense, a 90-day suspension in this proceeding will adequately serve the purpose of disciplinary proceedings, including protecting the public and maintaining the integrity of the legal professional and the judicial system.

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in the Matter of	Case number(s):
ANDREW J. DAVIS	03-0-05149
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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, Conclusions of Law and Disposition.

	\sim	
12-29-05 Date	Respondent's signaluse	ANDREW J. DAVIS
1-3-05	Clin Handy Respondent's Counsel's signature	ELLEN PANSKY PANSKY AND MARKLE
t/irtolo	2111	Lite o Hearing
Daile	Députy Trial Courtsel's signature	LEE ANN KERN

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In the Matter of Case number(s):

ANDREW J. DAVIS 03-0-05149

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.
m.	All Hearing dates are vacated

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 1/25/06

Judge of the State Bar Court
RICHARD A. HONN

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 January 25, 2006, 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 Los Angeles, California, addressed as follows:

ELLEN A PANSKY ATTORNEY AT LAW PANSKY & MARKLE 1114 FREMONT AVE SOUTH PASADENA, CA 91030

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

Lee A. Kern, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **January 25, 2006**.

ulieta E. Gonzales

Case Administrator

State Bar Court