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State Bar Court of California Hearing Department <input checked="" type="checkbox"/> Los Angeles <input type="checkbox"/> San Francisco PROGRAM FOR RESPONDENTS WITH SUBSTANCE ABUSE AND MENTAL HEALTH ISSUES		
Counsel for the State Bar BROOKE A. SCHAFER Deputy Trial Counsel 1149 South Hill Street Los Angeles, CA 90015 (213) 765-1051 Bar # 194824	Case Number(s) 04-O-10012; 04-O-13321; 04-O-10131; 04-O-13506; 04-O-10945; 04-O-13656; 04-O-10972; 04-O-13981; 04-O-10987; 04-O-14096; 04-O-11058; 04-O-14370; 04-O-11114; 04-O-14634 04-O-11116; 04-O-11207; 04-O-11351; 04-O-11363; 04-O-11394; 04-O-12398; 04-O-12794;	(for Court use) FILED JUN 07 2010 STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO LODGED MAY 24 2007 KOC STATE BAR COURT CLERK'S OFFICE LOS ANGELES PUBLIC MATTER
<input checked="" type="checkbox"/> Counsel for Respondent <input type="checkbox"/> In Pro Per EDWARD O. LEAR Century Law Group 5200 W. Century Blvd., Suite 940 Los Angeles, California 90045 Telephone: (310) 642-6900 Bar # 132669	Submitted to Program Judge STIPULATION RE FACTS AND CONCLUSIONS OF LAW <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
In the Matter of CRAIG THOMAS WORMLEY Bar # 182137 A Member of the State Bar of California (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:

- (1) Respondent is a member of the State Bar of California, admitted June 5, 1996 (date)
- (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 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 and order consists of 48 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."

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- (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 and will pay timely any disciplinary costs imposed in this proceeding.

B. Aggravating Circumstances [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 Action 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" (above)
- (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 the victims of his/her misconduct or the State Bar during disciplinary investigation or proceedings.
- (7) **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrong doing or demonstrates a pattern of misconduct.
- (8) **No aggravating circumstances are involved.**

Additional aggravating circumstances:

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C. Mitigating Circumstances [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 of 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 were directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drugs 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:

1 **Alternate Discipline Program Stipulation Attachment re:**
2 **Facts and Conclusions of Law**
3 ***In re Craig T. Wormley***

3 Case nos. 04-O-10012; 04-O-10131; 04-O-10972; 04-O-10987; 04-O-11058;
4 04-O-11116; 04-O-11207; 04-O-11351; 04-O-10945; 04-O-11363;
5 04-O-12398; 04-O-13321; 04-O-11114; 04-O-11394; 04-O-13506;
6 04-O-14096; 04-O-12794; 04-O-13656; 04-O-13981; 04-O-14370;
7 04-O-14634

6 **I. **JURISDICTION****

7 1. Respondent, Craig T. Wormley, bar no. 182137, was admitted to the
8 practice of law California on June 5, 1996, and since that time has been a
9 member of the State Bar of California.

10 **II. **STATEMENT OF ACTS OR OMISSIONS ACKNOWLEDGED BY****
11 ****RESPONDENT AS CAUSE OR CAUSES FOR DISCIPLINE, AND****
12 ****CONCLUSIONS OF LAW****

13 **Global Incorporation**

14 Respondent stipulates to the facts and conclusions of law below, and
15 agrees that all facts below are incorporated within the whole and can be read in
16 conjunction with one another without the need to specifically incorporate
17 paragraphs or sections hereafter.

18 **General Background Facts**

19 2. Prior to September 2003, and at all times relevant hereto, Respondent
20 and Joseph Virgilio formed a legal partnership, the Wormley Virgilio Law
21 Group (the "Law Group"), which had its main office in Santa Monica,
22 California. The two men anticipated that the Law Group would handle primarily
23 criminal defense matters throughout California, and to that end they ran
24 extensive advertising in the state.

25 3. At the time the Law Group was founded, Respondent agreed to act as
26 the managing partner of the Law Group, and Virgilio agreed to serve as the trial
27 attorney.

1 4. Respondent and Virgilio planned to hire local counsel for many
2 matters. These “associated local counsel” were to be independent contractors.
3 The Law Group expected to pay the local attorneys a percentage of the money
4 the Law Group collected from the client. Respondent agreed with this business
5 model for the operation of the Law Group, but undertook no steps to ensure that
6 the clients who hired the Law Group actually received competent legal services.

7 5. Respondent and Virgilio regularly delegated authority to non-attorney
8 employees of the Law Group to, among other things, meet with clients, evaluate
9 legal issues and needs, give legal advice, determine whether to accept cases and
10 set legal fees. Respondent took no steps to ensure that the Law Group’s
11 employees were properly trained or supervised.

12 6. Among other things, Respondent failed to attend client meetings,
13 examine the Law Group’s practices concerning case intake, review the Law
14 Group’s finances, and/or take steps to monitor the actions of the Law Group’s
15 employees.

16 7. Respondent’s high-volume law practice was not designed, nor did it
17 function, with the understanding that he would oversee cases brought in.
18 However, at all relevant t times, clients were given the impression that both
19 Respondent and Virgilio would be working on their cases. As the business
20 model was established for the Law Group, and as it existed in practice, once a
21 case came into the office it was “farmed out” to a contract attorney and
22 subsequently Respondent took little if any interest in it or the client.

23 **Case no. 04-O-10012 (LoFranco)**

24 8. On October 9, 2003, Lance LoFranco hired the Law Group to
25 represent him in a criminal matter filed against him in El Dorado Superior Court.
26 LoFranco met with Bob Chandler, an employee of the Law Group who was not
27 an attorney. The two discussed LoFranco’s criminal matter.

1 9. Chandler told LoFranco that the Law Group would charge \$4500.00
2 to represent LoFranco through trial. LoFranco paid the Law Group \$4500.00.

3 10. LoFranco had a court hearing set for the next day, October 10, 2003.
4 A Law Group contract attorney, Christopher Brooks, appeared at that hearing
5 with LoFranco. The two discussed LoFranco's case and agreed that a private
6 investigator would have to be hired to contact witnesses in the criminal case.
7 LoFranco explained to Brooks that since he was soon applying for graduate
8 school he needed to quickly resolve the charges against him. To that end,
9 Brooks assured LoFranco that the private investigator would be retained right
10 away to start work.

11 11. The next hearing in LoFranco's criminal matter was set for October
12 31, 2003, but Brooks was not available to attend that day. Brooks told LoFranco
13 that he would arrange that another attorney attend the hearing, and that he had
14 not yet hired a private investigator, but would soon do so.

15 12. On October 27, 2003, LoFranco discussed his case with Brooks and
16 learned that the private investigator was just then being retained. Brooks told
17 LoFranco he would ask the court for a 60-day continuance of the October 31st
18 hearing to allow the private investigator to work on his case.

19 13. On October 31, 2003, there was no Law Group attorney at the
20 hearing to represent LoFranco. The hearing was called but continued to January
21 5, 2004, to allow LoFranco to obtain other counsel. During a court recess on
22 October 31st LoFranco spoke to the prosecutor and settled the criminal matter as
23 a civil infraction. The Law Group failed to provide services of any value to
24 LoFranco.

25 14. LoFranco asked Respondent in writing for a refund of fees on
26 November 3, 2003, and on December 1, 2003. Although Respondent received
27 both letters he failed to respond in any way. During the remainder of November

1 2003 LoFranco called Respondent approximately 30 times seeking a refund.
2 Each time he left a substantive message for Respondent. On one occasion he
3 was told by a Law Group employee that his refund check would be mailed by
4 November 14, 2003. That check was never forthcoming, and at no time did
5 Respondent respond to LoFranco's messages.

6 15. On December 16, 2003, LoFranco filed a complaint with the State
7 Bar. On December 19, 2003, Respondent refunded LoFranco's \$4500.00
8 advanced fees.

9 Conclusions of law – case no. 04-O-15214 10012 RAD

10 – By setting up the Law Group's business model to accept cases from
11 throughout the state to be referred to outside attorneys without devising a plan
12 for reviewing the cases and ensuring that the clients received the services for
13 which the Law Group was employed; by delegating to non-attorneys the duties
14 to meet with clients, assess their legal problems, give legal advice and set legal
15 fees; by failing to ensure that an attorney attend the October 31, 2003, LoFranco
16 criminal hearing; by failing to respond to LoFranco's multiple requests to
17 discuss refund of fees during November and December 2003; by failing to
18 promptly refund unearned fees and by failing to take steps to adequately
19 supervise the Law Group's employees, Respondent recklessly failed to perform
20 legal services with competence, in wilful violation of rule 3-110(A), Rules of
21 Professional Conduct.

22 Case no. 04-O-10131 (Gallegos)

23 16. On November 20, 2003, Shellie Gallegos employed the Law
24 Group to represent her in a criminal matter pending in Sonoma County.
25 Pursuant to the retainer agreement, the Law Group agreed to represent Gallegos
26 for her case through trial. At the time she retained the Law Group, Gallegos
27 notified its employee Bob Chandler of her upcoming hearing date of December

1 5, 2003. Gallegos paid the Law Group \$2500.00 for representation.

2 17. Respondent assigned the case to a local attorney Patrick Meeks.
3 Meeks was not an employee of the Law Group, but an independent contract
4 attorney. Respondent undertook no steps to ensure that Gallegos would be
5 represented in the Gallegos criminal matter and at the December 5, 2003 hearing
6 other than assigning the case to Meeks.

7 18. At the December 5, 2003 hearing, no attorney from the Law
8 Group appeared, so she appeared on her own behalf and the matter was
9 continued.

10 19. Throughout December 2003 Gallegos repeatedly called
11 Respondent and the Law Group, terminating their services and requesting a
12 refund. Despite the detailed messages left by Gallegos. Respondent failed to
13 return her calls.

14 20. On January 8, 2004, almost five weeks after Gallegos terminated
15 Respondent and Virgilio, Gallegos filed a complaint with the State Bar. In April
16 2004 the Law Group refunded \$2,500.00 to Gallegos.

17 Conclusions of Law – case no. 04-O-10131 (Gallegos)

18 – By setting up the partnership's business model to accept cases from
19 throughout California to be referred to outside attorneys without devising any
20 plan for reviewing the cases and ensuring the clients received the services for
21 which the Law Group was employed, by delegating to non-attorney employees
22 the duties to meet with clients, assess their legal problems, give legal advice, and
23 set legal fees, by failing to attend meetings with the Law Group's clients, by
24 failing to ensure that Gallegos was represented at the December 5, 2003 hearing,
25 by failing to respond to Gallegos, by failing to refund unearned fees and by
26 failing to take any steps at all to adequately supervise the Law Group's
27 employees, Respondent, intentionally, recklessly, or repeatedly failed to perform

1 legal services with competence in violation of Rule of Professional Conduct 3-
2 110(A).

3 Case no. 04-O-10972 (Moore)

4 21. On September 1, 2003, Theresa Moore employed the Law Group
5 to represent her husband, Kevin Moore, in a criminal matter filed against him in
6 Los Angeles County Superior Court. Mrs. Moore met with Law Group
7 employee James Montez at the Law Group's offices to discuss the Moore
8 criminal matter.

9 22. After discussing the case with Montez, Montez told Mrs. Moore
10 that the Law Group would charge \$7,500.00 to represent M. Moore for the
11 complete case through trial. At that time, Mrs. Moore paid the Law Group
12 \$7,500.00 in advanced fees for the partnership's services.

13 23. Mr. Moore's arraignment had been set for September 2, 2003.
14 The Law Group was made aware of this date by Mrs. Moore. At the time of the
15 retention, Montez informed Mrs. Moore that one of the Law Group attorneys
16 would be in court to represent Mr. Moore at the arraignment.

17 24. The Moores were not satisfied with their legal representation and so
18 on September 7, 2003, Mrs. Moore terminated the Law Group's services in
19 person. Also, on September 9, 2003, Mrs. Moore faxed a letter to the Law
20 Group confirming her decision to terminate the Law Group's services and asked
21 for a \$7,250.00 refund of unearned fees from Respondent and Virgilio.

22 25. From September 9, 2003 through October 10, 2003, Mrs. Moore
23 made multiple telephone calls to Respondent and Virgilio requesting the refund
24 of unearned fees. In each of these phone calls to the Law Group she left detailed
25 messages requesting the refund and requesting an itemization of time spent on
26 the case from Respondent and Virgilio. None of these phone calls was returned.

27 26. On October 10, 2003, Mrs. Moore finally spoke with Respondent

1 concerning her refund request. Respondent offered to refund \$5,000.00 of the
2 unearned fees in the phone call. Mrs. Moore again requested an itemization of
3 services in the phone call. When Respondent began to use profanity during the
4 phone call, Mrs. Moore hung up. That same day Respondent sent a letter to the
5 Moores, offering to refund \$5,000.00 of the \$7,500.00 retainer.

6 27. On November 14, 2003, Mrs. Moore sent a letter to Respondent
7 and the Law Group, offering to accept \$6,500.00 as the refund of unearned fees
8 from the partnership. She received no response to this letter.

9 28. On February 5, 2004, Mrs. Moore filed a complaint with the State
10 Bar, since her request for refund and accounting had been ignored by
11 Respondent and Virgilio. In June 2004 that the Law Group refunded \$6,500.00
12 to the Moores.

13 29. The Law Group did not provide services of any value to the
14 Moores, except the single appearance of Michael Plaut at the arraignment. The
15 Law Group acknowledged that the Law Group did not earn the entirety of the
16 \$7,500.00 advanced fees in Respondent's letter of October 10, 2003, wherein he
17 offered a partial refund of \$5,000.00. Nevertheless, Respondent failed to
18 provide a refund of any unearned fees until June 2004.

19 Conclusions of law – 04-O-10972 (Moore)

20 – By setting up the partnership's business model to accept cases from
21 throughout California, to be referred to outside attorneys, without devising any
22 plan for reviewing the cases and ensuring the clients received the services for
23 which the Law Group was employed, by delegating to non-attorney employees
24 the duties to meet with clients, assess their legal problems, give legal advice, and
25 set legal fees, by failing to attend meetings with the Law Group's clients, and by
26 failing to take any steps at all to adequately supervise the Law Group's
27 employees, Respondent, intentionally, recklessly, or repeatedly failed to perform

W. C. ...
1 legal services with competence in violation of Rule of Professional Conduct 3-
2 110(A).

3 – By failing to refund any unearned fees to the Moores until June 2004,
4 at least nine months after the termination of the Law Group’s services and
5 several months after acknowledging that at least two-thirds of the advanced fees
6 had been unearned, Respondent failed to promptly refund any part of a fee paid
7 in advance that had not been earned in violation of Rule of Professional Conduct
8 3-700(D)(2).

9 – By failing to provide any accounting to the Moores despite the
10 repeated requests of Mrs. Moore, Respondent failed to render appropriate
11 accounts in violation of Rule of Professional Conduct 4-100(B)(3).
wild N/A

12 **Case no. 04-O-10987 (Shannon/Stroud)**

13 30. In November 2003, Ernest Shannon called the Law Group, to
14 discuss an ongoing criminal investigation against him in Miami, Florida.
15 Neither Respondent or Virgilio are admitted to practice law in Florida.

16 31. Shannon located the Law Group from the Law Group’s web site,
17 which did not notify potential clients that the Law Group’s attorneys could only
18 practice in jurisdictions where the attorneys were admitted. In fact, the web site
19 stated that the Law Group was “AVAILABLE NATIONWIDE 24 HOURS A
20 DAY/ 7 DAYS A WEEK.” The web site further represented that the caller could
21 “REACH AN ATTORNEY NOW! We promise a call-back in 5 minutes! or
22 less” The web site further listed as the Law Group’s attorneys both Respondent
23 and Virgilio.

24 32. Shannon spoke with Montez from the Law Group about his case.
25 Montez advised *Shannon N/A* Stroud what legal services he required, and told Shannon that the
26 Law Group would accept Shannon’s case for a flat fee of \$3,500.00.

27 33. On November 10, 2003, Rhonda Stroud, Shannon’s sister paid the
28

1 Law Group \$1,500.00 to begin work on the case.

2 34. In December 2003, Shannon was arrested. Despite repeated calls
3 to the Law Group no attorney from the Law Group returned his calls or provided
4 any services to Shannon after his arrest. Both Shannon and Stroud made calls to
5 the Law Group's telephone number provided on the web site. Even though the
6 Law Group's web site states that calls would be returned in five minutes or less,
7 the detailed messages of Shannon and Stroud, requesting reports on the status of
8 Shannon's legal matter, were ignored.

9 35. On January 10, 2004, Stroud wrote to the Law Group. In the letter,
10 Stroud requested a \$1,500.00 refund and accounting of services rendered.
11 Although the letter was received, no one from the Law Group ever responded to
12 the January 10, 2004 letter, and at no time did the Law Group provide Stroud
13 with an accounting as requested in her January 10, 2004 letter.

14 36. On March 8, 2004, almost two months after Shannon terminated
15 Respondent and Virgilio and requested a refund, Stroud filed a complaint with
16 the State Bar since the refund request had been ignored by Respondent and
17 Virgilio.

18 37. In April 2004 the Law Group refunded \$1500.00 to Shannon and
19 Stroud.

20 Conclusions of law – case. 04-O-10987 (Shannon/Stroud)

21 – By failing to refund any unearned fees to Stroud for at least three
22 months, Respondent failed to promptly refund any part of a fee paid in advance
23 that had not been earned in violation of Rule of Professional Conduct 3-
24 700(D)(2).

25 – By failing to provide an accounting of the advanced attorney fees to
26 Stroud at her request, Respondent failed to promptly render appropriate accounts
27 in violation of Rule of Professional Conduct 4-100(B)(3).

1 **Case no. 04-O-11058 (Beauchman)**

2 38. On September 8, 2003, Eunice Beauchman spoke with Montez of
3 the Law Group, to discuss a parole transfer from California to Wisconsin
4 involving her incarcerated husband, Thomas Beauchman. After discussing the
5 case with Mrs. Beauchman, Montez told her that the Law Group would provide
6 these legal services for a flat fee of \$5,500.00. Mrs. Beauchman paid the Law
7 Group \$5,500.00 in advanced fees.

8 39. In late September 2003, Mrs. Beauchman called the Law Group
9 numerous times to inquire as to her husband's whereabouts. Each time Montez
10 would tell Mrs. Beauchman that the Law Group was obtaining the information
11 for her from Mr. Beauchman's correctional officer, and would get back to her.
12 No one at the Law Group ever got back to Mrs. Beauchman. No one at the Law
13 Group provided any legal services on behalf of the Beauchmans.

14 40. During the last week of September 2003, Mr. Beauchman was
15 released in California without the assistance of the Law Group.

16 41. By letter dated October 1, 2003, Mrs. Beauchman terminated the
17 services of the Law Group and requested a refund. However, no one from the
18 Law Group responded to the October 1, 2003 letter. In addition to her letter,
19 Mrs. Beauchman also left detailed messages for both principals of the Law
20 Group, Respondent and Virgilio, at the Law Group's telephone number
21 concerning her request for a refund. No one returned her messages.

22 42. On October 21, 2003, Mrs. Beauchman sent a letter to the Law
23 Group, confirming her attempts to obtain the refund. The Law Group instead
24 offered a partial refund of \$2000.00, which Mrs. Beauchman rejected in writing
25 and demanded an accounting. The Law Group received the letter but failed to
26 respond to it.

27 43. On March 9, 2004, Mrs. Beauchman filed a complaint with the

1 State Bar since Respondent and Virgilio had ignored her request for a refund or
2 an accounting for several months.

3 44. On April 12, 2004, Mrs. Beauchman received a full refund for
4 unearned fees in the amount of \$5,500.00, after the State Bar initiated its
5 investigation.

6 Conclusions of Law – case no. 04-O-11048 (Beauchman)

7 – By delegating to non-attorney employees the duties to discuss legal
8 matters with clients, assess their legal problems, give legal advice, and set legal
9 fees, by failing to ensure that correspondence and phone calls directed to
10 Respondent were forwarded to Respondent for review, and by failing to take any
11 steps at all to adequately supervise the Law Group's employees, Respondent,
12 intentionally, recklessly, or repeatedly failed to perform legal services with
13 competence in violation of Rule of Professional Conduct 3-110(A).

14 – By failing to refund any unearned fees to Mrs. Beauchman for at least
15 six months, despite repeated requests, and not until the State Bar intervened,
16 Respondent failed to promptly refund any part of a fee paid in advance that had
17 not been earned in violation of Rule of Professional Conduct 3-700(D)(2).

18 – By failing to provide an accounting of the advanced attorney fees to
19 Mrs. Beauchman despite her requests, Respondent failed to render appropriate
20 accounts in violation of Rule of Professional Conduct 4-100(B)(3).

21 Case no. 04-O-11116 (Alonza)

22 45. On October 1, 2003, Annamarie Alonza hired the Law Group to
23 represent her son, Brian Alonza, in a criminal matter filed against him in
24 Connecticut. Mrs. Alonza located the Law Group through its web site which
25 represented that the Law Group was available nationwide.

26 46. Mrs. Alonza called the Law Group's toll free line and spoke with
27 Montez. At that time, Montez advised Mrs. Alonza that the Law Group was

1 based in California, but that a local attorney in Connecticut would be assigned to
2 handle her son's matter. Montez told Mrs. Alonza that she would have to
3 pay \$3,250.00 to retain the Law Group and additional fees if her son was
4 arrested. At the time of retention on October 1, 2003, Mrs. Alonza paid the Law
5 Group \$3,250.00.

6 47. On December 29, 2003, Mrs. Alonza contacted Montez at the
7 Law Group after the police came to her home looking for her son. At that time,
8 Montez promised Mrs. Alonza that he would call her back. Montez failed to
9 return Mrs. Alonza's call or otherwise communicate with her.

10 48. On December 30, 2003, Mrs. Alonza contacted Montez again to
11 inform him that the police had a warrant for her son's arrest. Again Montez
12 promised Mrs. Alonza that he would call her back. Montez failed to return Mrs.
13 Alonza's call or otherwise communicate with her. Later that day, Mrs. Alonza's
14 husband contacted Montez. Montez advised him that there were two attorneys
15 working to push her son's surrender until after the holiday. Montez did not
16 identify these attorneys supposedly working on Brian Alonza's behalf.

17 49. Unsure that her son had competent legal representation, in late
18 December 2003, Mrs. Alonza terminated the Law Group's services and hired
19 another attorney to handle her son's matter. At the same time, Mrs. Alonza
20 requested a refund of the unearned fees, since the Law Group provided no legal
21 services of value to her son. The Law Group did not refund any of the advance
22 fee paid.

23 50. In early February 2004, Mrs. Alonza made a State Bar complaint,
24 since her request for a refund was ignored by the Law Group.

25 51. It was not until after the State Bar initiated its investigation that
26 the Law Group refunded to Mrs. Alonza the \$3,250.00.

27 Conclusions of law – case no. 04-O-11116 (Alonza)

1 – By accepting a legal matter in a state in which neither he nor his
2 partner was admitted to practice law and thereby would not be competent to
3 oversee contract attorneys, by delegating to non-attorney employees the duties to
4 discuss legal matters with clients, assess their legal problems, give legal advice,
5 and set legal fees, by failing to ensure that correspondence and phone calls
6 directed to Respondent were forwarded to Respondent for review, by failing to
7 take any steps at all to adequately supervise the Law Group's employees, and by
8 failing to refund unearned fees for several months after the request and not until
9 the State Bar complaint, Respondent, intentionally, recklessly, or repeatedly
10 failed to perform legal services with competence ⁱⁿ violation of Rule of
11 Professional Conduct 3-110(A).

12 **Case no. 04-O-11207 (Kamara)**

13 52. On January 4, 2004, Mohamed Kamara was arrested. The next
14 day Kamara's wife called the Law Group and spoke with non-attorney employee
15 Bob Chandler about her husband's criminal case. At the time, Mrs. Kamara
16 thought she was discussing the case with an attorney. During the phone call
17 Chandler advised Kamara's wife to find a way to bail Kamara out.

18 53. On January 7, 2004, Chandler met with Kamara. After discussing
19 the case with Kamara, Chandler told Kamara that he could help him with the
20 case for a flat fee of \$5,500.00. Kamara paid Chandler \$2,000.00 to begin work.
21 During their meeting Kamara was still lead to believe Chandler was an attorney
22 with the Law Group.

23 54. Later that day Kamara reviewed the documents and Chandler's
24 business card which he had left for her. She discovered that Chandler in fact was
25 not an attorney but a case manager for the Law Group. At that time, Kamara
26 decided to cancel the Law Group's services. She called Chandler to cancel the
27

1 Law Group's services and to request a refund. She was asked to fax a statement
2 to the Law Group's office stating that she wanted a refund of the advanced fees.

3 55. On March 15, 2004, Kamara faxed a request for a refund to the
4 Law Group. Despite receiving the letter, no one at the Law Group responded to
5 the request.

6 56. Respondent and the Law Group did not earn any portion of the
7 fees advanced by Kamara.

8 57. In mid-March 2004, Kamara made a complaint to the State Bar
9 since Respondent and Virgilio had ignored his requests for a refund.

10 58. In April 2004 Kamara received a refund for unearned fees in the
11 amount of \$1,250.00.

12 Conclusions of law – case no. 04-O-11207 (Kamara)

13 – By delegating to non-attorney employees the duties to discuss legal
14 matters with clients, assess their legal problems, give legal advice, and set legal
15 fees, by failing to ensure that correspondence and phone calls directed to
16 Respondent were forwarded to Respondent for review, by failing to promptly
17 refund unearned fees and by failing to take any steps at all to adequately
18 supervise the Law Group's employees, Respondent, intentionally, recklessly, or
19 repeatedly failed to perform legal services with competence in violation of Rule
20 of Professional Conduct 3-110(A).

21 Case no. 04-O-~~11351~~ 11351

22 59. In 2003 Respondent and Virgilio placed and ran an advertisement
23 for the Law Group in the Hayward/Fremont SBC Yellow Pages. The
24 advertisement contained materially false and misleading information, to wit: the
25 ad stated that Respondent and Virgilio had a combined experience of over 50
26 years in the law profession. In reality, Virgilio was admitted to the California
27 State Bar in 1989 and Respondent was admitted into the California State Bar in

1 1996. Thus the two had a combined experience of approximately 20 years, not
2 50 as stated in the advertisement. This ad was placed knowing it would be seen
3 by members of the public in California who were seeking legal services.

4 Conclusion of law – case 04-O-11351 (Beles)

5 – By publishing an advertisement offering legal services that was
6 materially false and misleading, Respondent communicated a matter in a manner
7 or format which is false, deceptive, or which tends to confuse, deceive, or
8 mislead the public, in wilful violation of Rule of Professional Conduct section
9 1-400(D)(2).

10 Case no. 04-O-10945 (Christian)

11 60. On November 14, 2003, Mark C. Christian retained the Law
12 Group after Christian's ex-wife alleged that he had committed potentially
13 criminal conduct. Christian paid the Law Group \$4,000.00 for legal
14 representation.

15 61. On November 17, 2003, Christian met with attorney Brian
16 Gupton from the Law Group to discuss Christian's case. Gupton advised
17 Christian that he would proceed with caution because he did not want his inquiry
18 to cause the District Attorney ("D.A.") to file charges.

19 62. During the last week of November 2003, Christian made multiple
20 phone calls to Gupton, each time leaving detailed messages for Gupton to return
21 his call to provide a status report on his legal matter. He also called the Law
22 Group to obtain a status report on his legal matter. Despite the fact that Gupton
23 and the Law Group received Christian's phone calls, neither Gupton nor anyone
24 else from the Law Group returned Christian's phone calls or otherwise
25 communicated with Christian during that time period.

26 63. During the first week of December 2003, Christian called Gupton
27 to ask if he was still representing him, since Christian had not heard from him.

1 This time Gupton returned the phone call and again informed Christian that he
2 was "low keying" his approach with the D.A.'s office. Gupton promised to get
3 back to Christian to provide a status report to him after meeting with the D.A.
4 the second week of December 2003.

5 64. On January 7, 2004, Christian requested a status report on
6 Gupton's meeting with the D.A. Gupton did not respond to Christian's request.
7 On January 10, 2004, Christian called the Law Group to complain about
8 Gupton's lack of communication. He was assured by a Law Group employee
9 that Gupton would contact him with a status report right away. He did not.

10 65. Christian made additional calls both to Gupton and to the Law
11 Group to obtain a status report on his legal matter, but never received a return
12 phone call, despite the Law Group's receipt of the calls.

13 66. Christian also left several detailed messages for Respondent
14 personally, requesting a status report between January 10, 2004 and February 13,
15 2004. Despite his receipt of the phone messages, Respondent did not contact
16 Christian or provide any status report.

17 67. Finally, Christian himself contacted the detective who had
18 originally interviewed him. The detective told Christian that he thought the case
19 had been dropped.

20 68. On February 13, 2004, after still not receiving any
21 communications from Gupton or the Law Group, Christian sent a letter to the
22 Law Group terminating their relationship and requesting a \$2,000.00 refund.
23 Christian also requested that someone contact him to confirm whether or not
24 charges would be filed against him. The Law Group received this letter.

25 69. Neither Respondent nor any member of the Law Group provided
26 legal services of any value to Christian.

27 70. On March 4, 2004, Christian filed a complaint with the State Bar.

1 On March 19, 2004, the State Bar sent a letter to Respondent requesting a
2 response to Christian's allegations which Respondent received. In June 2004,
3 Respondent provided Christian a refund check in the amount of \$2,000.00.

4 Conclusions of law – case no 04-O-10945 (Christian)

5 – By failing to perform services of any value to Christian, by failing to
6 communicate promptly with Christian, and by failing to refund unearned fees in
7 a timely manner, Respondent intentionally, recklessly and repeatedly failed to
8 perform legal services with competence in wilful violation of Rule of
9 Professional Conduct 3-110(A).

10 Case no. 04-O-11363 (Mendiola)

11 71. On April 26, 1991, Gilberto Mendiola was convicted in Sonoma
12 County Municipal Court of “annoying or molesting” a minor in violation of
13 Penal Code 647.6. Mendiola was sentenced to 30 days in jail and 24 months
14 probation.

15 72. On October 3, 2003, Mendiola attempted to obtain a replacement
16 of his Alien Registration Card from the Department of Homeland Security,
17 Immigration and Customs Enforcement (“ICE”). ICE did not reissue an Alien
18 Registration Card for Mendiola, and instead referred Mendiola to the
19 Investigations unit after identifying him as a convicted sexual offender.

20 73. On October 8, 2003, Mendiola retained the Law Group and paid
21 the Law Group \$4,000.00 to evaluate his legal problems related to obtaining a
22 replacement Alien Registration Card (the “Mendiola matter”). Specifically, the
23 retainer provided:

24 Client retained W.V.L.G. to conduct evaluation &
25 find out what type case client is involved. Retain
26 [sic] report & records relating [sic] to incident.

27 74. Mendiola's matter was assigned to attorney Kristina Kliszewski

1 of the Law Group.

2 75. ICE sent a notification to Mendiola of a hearing in removal
3 proceedings before the Immigration Court. The Immigration Court scheduled a
4 hearing for December 4, 2003.

5 76. Concerned about the status of the proceedings in Immigration
6 Court, Mendiola made numerous calls to the Law Group to obtain a status report
7 on his legal matter between October 8, 2003 and October 28, 200~~4~~^{3 LAP}, and left
8 detailed messages requesting a return call. Despite receiving the messages,
9 Respondent failed to return any of Mendiola's calls. Mendiola left similar
10 detailed messages through February 2004 but never received a reply from the
11 Law Group.

12 77. On October 29, 2003, Mendiola filed a complaint at the State Bar
13 against Respondent, alleging failure to perform, failure to communicate and
14 failure to refund unearned fees.

15 78. At no time did Respondent or anyone from the Law Group
16 investigate the status of the proceedings in Immigration Court in Mendiola's
17 matter. Respondent did not perform any legal services for Mendiola.

18 79. In June 2004 Respondent refunded \$4,000.00 to Mendiola.

19 Conclusions of law – case no. 04-O-11363 (Mendiola)

20 – By failing to perform any services of value for Mendiola, failing to
21 respond to Mendiola's messages concerning his legal matter, and not refunding
22 unearned fees in a timely manner, Respondent intentionally, recklessly or
23 repeatedly failed to perform legal services with competence in wilful violation of
24 Rule of Professional Conduct 3-110(A).

25 Case no. 04-O-12398 (Tucci)

26 80. On April 25, 2004, Tony Tucci Sr. retained the Law Group as he
27 was facing possible criminal charges in Riverside County. On this same date

1 Tucci paid \$5,000.00 to the Law Group for the legal work. Tucci did not receive
2 a copy of his retainer agreement signed by Respondent at the time of retention.

3 The Law Group employee who visited Tucci's residence told Tucci that the Law
4 Group would mail a copy of the retainer agreement once Respondent signed the
5 agreement. The Law Group never mailed a copy of the retainer to Tucci.

6 81. Tucci made numerous calls to Respondent in the next nine days,
7 and left detailed messages with the Law Group's staff requesting a return call
8 from Respondent to discuss the status of his legal matter. None of Tucci's calls
9 were returned, even though Respondent received the messages.

10 82. On May 4, 2004, Tucci received a telephone voice mail message
11 from Respondent on his cell phone, leaving a time and telephone number for
12 Tucci to return the call. Tucci called Respondent at the requested time, however,
13 Respondent was not available. Respondent never returned Tucci's call, despite
14 receiving the message and inviting the call in the first place.

15 83. Tucci continued to leave messages for Respondent at his office
16 telephone number until May 10, 2004 and despite the fact that Respondent
17 received the messages, Respondent failed to return any of Tucci's calls.

18 84. By May 10, 2004, fifteen days after he retained Respondent,
19 Tucci contacted new legal counsel. That day Tucci met with new counsel and
20 learned from new counsel who made a phone call to the D.A. during their
21 meeting that charges against him had been dropped on May 6, 2004.

22 85. On May 13, 2004, Tucci sent a letter to the Law Group requesting
23 a full refund due to Respondent's failure to provide legal counsel to Tucci, and
24 failure to communicate with Tucci. Respondent received this letter but did not
25 respond.

26 86. Respondent did not perform any legal services of value for Tucci.

27 87. On June 1, 2004, Tucci filed a complaint with the State Bar.

1 88. It was not until March 17, 2005 that Respondent provide a refund
2 check to Tucci in the amount of \$5,000.00.

3 Conclusions of law – case no. 04-O-12398 (Tucci)

4 – By failing to perform legal services of any value to Tucci, by failing to
5 communicate with Tucci, by failing to communicate significant developments,
6 and by failing to refund unearned fees, Respondent intentionally, recklessly or
7 repeatedly failed to perform legal services with competence in wilful violation of
8 the Rule of Professional Conduct 3-110(A).

9 Case no. 04-O-13321 (Bowers)

10 89. On May 10, 2004, Brenda Bowers retained the Law Group to
11 represent her in a criminal matter that was under investigation. That day Bowers
12 initially paid the Law Group \$3,500.00 and agreed to pay another \$2,000.00 if
13 charges were filed. Pursuant to the retainer agreement, the Law Group agreed to
14 evaluate the case and conduct pre-filing investigation for the retainer fee of
15 \$3,500.00.

16 90. On June 7, 2004, Bowers paid an additional \$2,000.00 to the Law
17 Group for the Law Group to represent her after the charges were filed.

18 91. On June 8, 2004, attorney Michael B. DeWeese made a court
19 appearance on behalf of Bowers. He requested a continuance, and the matter
20 was continued to June 22, 2004. An employee of the Law Group told Bowers
21 that attorney Jason Davis would appear on her behalf at the June 22, 2004 court
22 date.

23 92. On June 18, 2004, Bowers spoke to attorney Jason Davis, who
24 informed Bowers that he would not be at the June 22, 2004 hearing. He further
25 explained that he never agreed to be her attorney and could not give her legal
26 advice. He directed her back to the Law Group and Respondent.
27

1 93. On June 22, 2004, no attorney from the Law Group appeared on
2 Bowers's behalf at the court hearing. A Public Defender stepped in for Bowers.

3 94. Respondent did not perform any legal services of any value for
4 Bowers.

5 95. On June 28, 2004, Bowers called the Law Group requested a
6 refund. She terminated the Law Group's services. She soon followed this up
7 with a letter confirming same.

8 96. Also, on July 1, 2004, Bowers sent an e-mail to Respondent
9 requesting a full refund due to the Law Group's failure to perform. Respondent
10 did not respond to this e-mail despite his receipt of the e-mail.

11 97. In March 2005 Respondent refunded \$5,500.00 to Bowers.

12 Conclusions of law - case no. 04-O-13321 (Bowers)

13 – By failing to perform legal services of value for Bowers, by failing to
14 appear at the June 22, 2004 hearing, by failing to communicate with Bowers
15 Respondent intentionally, recklessly or repeatedly failed to perform legal
16 services with competence in wilful violation of the Rule of Professional Conduct
17 3-110(A).

18 – By failing to promptly refund to Bowers the \$5,500.00 advanced fees
19 which Respondent had not earned, Respondent wilfully failed to refund unearned
20 fees in wilful violation of the Rule of Professional Conduct 3-700(D)(2).

21 Case no. 04-O-11114 (Matteucci)

22 98. On October 10, 2003, Steve Matteucci employed the Law Group to
23 represent his son, Anthony Matteucci, in a criminal matter (the "Matteucci
24 criminal matter"). Matteucci paid the Law Group \$11,500.00 in advanced
25 attorney fees. Matteucci hired the Law Group after discussing the case with an
26 employee of the Law Group named Bob Chandler, who was not an attorney.

27 99. Attorney William Daly was assigned to handle the Matteucci

1 criminal matter. Attorney Daly then went on vacation. In Daly's absence,
2 another attorney at the Law Group, Daniel Brown, was assigned to handle
3 Anthony Matteucci's surrender to authorities and bail reduction hearing. The
4 surrender and bail reduction hearing was set for October 17, 2003. However,
5 Anthony Matteucci was denied a bail reduction hearing because Brown missed
6 the deadline to file the appropriate paperwork with the District Attorney's office.

7 100. Anthony Matteucci subsequently surrendered to authorities and
8 Matteucci had to post a \$20,000 bond.

9 101. On October 30, 2003, after Daly returned from vacation,
10 Matteucci spoke to Daly over the telephone regarding the status of his son's
11 criminal matter. Daly told Matteucci that he would have to read the case file and
12 get back to him.

13 102. On November 6, 2003, Matteucci again telephoned Daly, but
14 Daly was still not prepared to discuss the case and said he would have to do
15 some checking. Matteucci insisted on an appointment and one was tentatively
16 scheduled for the next day. Later that same day, Matteucci called the Law
17 Group to verify the time and place of the scheduled appointment and spoke with
18 another Law Group employee who advised Matteucci that he would speak with
19 Daly and call Matteucci back with the details. No one from the Law Group
20 called Matteucci back.

21 103. On November 12, 2003, Matteucci telephoned the Law Group and
22 advised Chandler that he no longer wanted the Law Group to represent his son in
23 the Matteucci criminal matter. However, Chandler requested that Matteucci
24 meet with him on November 14, 2003 to discuss the issue.

25 104. On November 14, 2003, Matteucci met with Chandler, but was
26 unable to resolve the continuing problems with the Law Group.

27 105. On November 16, 2003, Matteucci employed new counsel to

1 represent his son in the Matteucci criminal matter.

2 106. Other than the mishandling of the bail reduction hearing, the Law
3 Group failed to perform any legal services of value on behalf of Anthony
4 Matteucci.

5 107. On November 17, 2003, Matteucci telephoned Chandler and
6 advised him that he was terminating the Law Group and requested a refund of
7 any unearned fees. Chandler asked Matteucci to put his request in writing,
8 which he did that day.

9 108. Even though Matteucci asked for a refund, no one from the Law
10 Group ever responded to him or sent a refund. Matteucci telephoned the Law
11 Group several times, left detailed messages requesting a return call and a refund
12 of unearned fees. Matteucci also spoke with several different Law Group
13 employees, including Respondent, regarding the issue of refunding unearned
14 fees, to no avail.

15 109. Matteucci filed a complaint with the State Bar against Respondent
16 on December 20, 2003, since his refund request had been ignored by
17 Respondent. Matteucci also filed a petition for fee arbitration.

18 110. On May 4, 2004, the Alameda County Bar Association Fee
19 Arbitration Committee awarded Matteucci a total of \$11,920.00 (which included
20 the filing fee of \$420.00). This award was non-binding.

21 111. In July 2004 Matteucci received a full refund of the arbitration
22 award from Respondent.

23 Conclusions of law – case no. 04-O-11114

24 – By setting up the partnership's business model to accept cases from
25 throughout California, to be referred to outside attorneys, without devising any
26 plan for reviewing the cases and ensuring the clients received the services for
27 which the Law Group was employed, by delegating to non-attorney employees

1 the duties to meet with clients, assess their legal problems, give legal advice, and
2 set legal fees, by failing to attend meetings with the Law Group's clients, by
3 failing to ensure that Matteucci was properly represented at the bail reduction
4 hearing and by failing to take any steps at all to adequately supervise the Law
5 Group's employees, Respondent recklessly failed to perform legal services with
6 competence ^{wilful} in violation of Rule of Professional Conduct 3-110(A).

7 – By delaying the refund to Matteucci over nine months, and until after a
8 fee arbitration, Respondent failed to refund promptly any part of a fee paid in
9 advance that has not been earned in wilful violation of Rule of Professional
10 Conduct 3-700(D)(2).

11 **Case no. 04-O-11394 (Meyer)**

12 112. On October 28, 2003, Courtney Meyer employed the Law Group to
13 represent her in a criminal matter (the "Meyer criminal matter"). Meyer paid
14 one of Respondent's employees at the Law Group \$6,000.00 in advanced
15 attorney fees. At the time she retained the Law Group, Meyer explained that
16 she had a hearing scheduled for October 31, 2003.

17 113. On October 29, 2003, Law Group attorney Patrick Meeks
18 telephoned Meyer and told her that the court advised him that Meyer's criminal
19 case had been dismissed due to lack of evidence. However, Meeks told Meyer
20 that she would need to go to the court herself to confirm that the case had, in
21 fact, been dismissed.

22 114. On November 12, 2003, after confirming on her own that the
23 Meyer criminal matter had been dismissed, Meyer sent a letter to Respondent
24 asking for a refund of unearned fees.

25 115. On November 25, 2003, the Law Group sent Meyer a Settlement
26 Agreement and Release ("Settlement Agreement") wherein Respondent agreed
27 to issue a refund Meyer in the amount of \$5,000.00 The Settlement Agreement

1 was executed by Respondent. Meyer signed the Settlement Agreement and
2 returned it to the Law Group.

3 116. Thereafter, during the next month Meyer repeatedly called
4 Respondent and the Law Group to inquire when she would be receiving her
5 refund of unearned fees. Meyer was told by the Law Group staff she spoke with
6 that either the refund check had already been mailed, or that it would be mailed
7 soon, or that maybe she just missed their deadline for issuing refunds and that
8 she would be "next in line." Meyer kept asking for a refund over the next
9 several weeks.

10 117. On February 1, 2004, the Law Group sent Meyer a refund check
11 in the amount of \$2,500.00, which was half of what was agreed upon in
12 Settlement Agreement which was drafted and executed by Respondent.

13 118. On March 19, 2004, Meyer filed a State Bar complaint since
14 Respondent failed to refund the unearned fees as promised.

15 119. On March 31, 2004, after Meyer had filed a complaint with the
16 State Bar, Respondent sent Meyer a second refund check in the amount of
17 \$2,500.00.

18 Conclusions of law – case no. 04-O-11394

19 – By delaying the refund of unearned fees to Meyer, Respondent failed
20 to refund promptly any part of a fee paid in advance that has not been earned in *with all*
21 violation of Rule of Professional Conduct 3-700(D)(2).

22 Case no. 04-O-13506 (Shafer)

23 120. On December 5, 2003, Debra Shafer employed the Law Group to
24 represent her son, Jason Shafer, in a criminal matter (the "Shafer criminal
25 matter"). Shafer paid the Law Group \$10,000 in advanced attorney fees. Shafer
26 wanted her case assigned to an attorney located near Kansas City, Missouri.
27 However, the Law Group is located in Beverly Hills, California, and neither

1 Respondent or his partner, Virgilio are admitted to practice on Missouri.

2 121. In December 2003, the Law Group contracted with attorney
3 Michael Leamer, an independent attorney, to handle Shafer's case. Leamer's
4 office is located in Chillicothe, Missouri.

5 122. In late 2003 or early 2004, the Law Group paid Leamer \$4,000.00
6 to handle Shafer's case and kept the balance, \$6,000.00, that Shafer had paid the
7 Law Group in advanced fees.

8 123. On February 17, 2004, Leamer appeared in court with Jason
9 Shafer and entered a not guilty plea. The matter was continued to March 16,
10 2004.

11 124. On March 16, 2004, Leamer appeared in court with Jason Shafer
12 and withdrew the not guilty plea and entered a plea of guilty to amended
13 charges.

14 125. The Shafer criminal matter having come to a quick conclusion, on
15 April 16, 2004, Shafer wrote to the Law Group requesting a refund of any
16 unearned fees. Despite Respondent's actual receipt of Shafer's request, neither
17 Respondent or anyone at the Law Group responded.

18 126. On July 20, 2004, Shafer filed a State Bar complaint because of
19 Respondent's failure to return unearned fees.

20 127. On March 17, 2005, after being contacted by the State Bar, the
21 Law Group issued a refund to Shafer in the amount of \$6,000.00.

22 Conclusion of law – case 04-O-13506

23 – By delaying the refund of unearned fees to Shafer, Respondent failed to
24 refund promptly part of a fee paid in advance that has not been earned in *Wormley*
25 violation of Rule of Professional Conduct 3-700(D)(2).

26 Case no. 04-O-14096 (Hill)

27 128. On July 17, 2004, Darryl Hill employed the Law Group to represent

1 him in a criminal matter (The "Hill criminal matter"). Hill paid the Law Group
2 \$5,000.00 in advanced attorney fees. Hill retained the Law Group after
3 discussing the underlying matter with Law Group employee Randy Hintzen, who
4 was a non-attorney. Hintzen advised Hill that Respondent would be handling
5 Hill's case.

6 129. A court hearing regarding the Hill criminal matter was scheduled
7 for August 3, 2004.

8 130. In July 2004, Respondent advised Hill over the telephone that he
9 would appear at the August 3, 2004 hearing on behalf of Hill. Respondent
10 further represented to Hill that Hill did not need to attend the hearing. Based
11 upon Respondent's representations Hill went on a previously planned vacation
12 that conflicted with the hearing date.

13 131. As noted in the previous cases which are the subject of this notice
14 of disciplinary charges, during the time Respondent undertook the representation
15 of Hill, Respondent failed to properly supervise his staff and maintain his
16 calendar. Respondent failed to take steps to properly supervise his staff and
17 maintain his calendar even after discovering problems, discussing the problems
18 with the State Bar, and assuring the State Bar that he had taken remedial steps to
19 cure the problems in his office.

20 132. As the result of Respondent's reckless disregard of his
21 responsibilities to maintain his calendar and properly supervise his office staff,
22 Respondent failed to appear at the August 3, 2004 hearing. However, Hill's
23 brother, Darren Hill, did appear in court. Darren Hill explained the situation
24 and prevailed upon the judge not to issue a bench warrant for Hill's arrest.

25 133. On August 9, 2004, Hill sent a letter to Respondent terminating
26 the Law Group from representing him in the Hill criminal matter, requesting the
27 release of Hill's client file and requesting a refund of unearned fees. Despite

1 having received the letter, no one from the Law Group ever responded to the
2 August 9, 2004 letter, despite Respondent's receipt of the letter.

3 134. Respondent failed to perform the legal services for which he had
4 been employed and paid, and in fact provided no legal services of value to Hill.

5 135. Having received no response from Respondent to his request for a
6 refund, on August 19, 2004, Hill filed a State Bar complaint against Respondent.

7 136. On March 17, 2005, after being contacted by the State Bar,
8 Respondent issued a refund to Hill in the amount of \$5,000.00.

9 137. In addition, despite Hill's request for return of file, Respondent
10 failed to do so until October 12, 2004, after being contacted by the State Bar.

11 Conclusion of law – case no. 04-O-14096

12 – By delaying the refund of unearned fees to Hill, Respondent failed to
13 refund promptly any part of a fee paid in advance that has not been earned in *willful ADP*
14 violation of Rule of Professional Conduct 3-700(D)(2).

15 – By delaying the return of Hill's client file, Respondent failed to release
16 promptly, upon termination of employment, to the client, at the request of the
17 client, all the client papers and property in *willful ADP* violation of Rule of Professional
18 Conduct 3-700(D)(1).

19 Case no. 04-O-12794 (Mejia)

20 138. On September 29, 2003, Joseph Robert Mejia was sentenced to
21 30 years to life following a criminal conviction.

22 139. On October 15, 2003, Mejia's mother, Dolores Garcia, contacted
23 the Law Group to discuss the possible representation of her son with respect to
24 an appeal of his criminal conviction (the "Mejia appeal"). A Law Group
25 investigator, James Montez, made an appointment to meet with Garcia at her
26 home to discuss possible representation in the Mejia appeal.

27 140. Respondent had just hired Montez in October 2003. Although he

1 was a Law Group investigator, his job duties varied and included answering
2 phone calls from prospective clients, meeting with them at the Law Group's
3 offices or in their homes, signing contracts on behalf of the Law Group with new
4 clients, quoting a fee for the Law Group's services and accepting payments on
5 any contracts signed.

6 141. Respondent did not put in place any tracking system or other
7 supervisory procedure to ensure that the Law Group employees who "signed up"
8 cases actually brought the cases into the office and deposited all legal fees into
9 the Law Group's accounts. He also failed to properly train Montez, but
10 authorized Montez to receive legal fees and accept new cases on behalf of the
11 Law Group the same month he hired Montez.

12 142. On November 10, 2003, Montez met with Garcia at her home to
13 discuss her son's appeal. Montez presented Garcia with the Law Group's
14 retainer agreement which specified that the Law Group would handle Mejia's
15 appeal for a flat fee of \$15,000.00.

16 143. Montez accepted a cash payment of \$3,000.00 from Garcia at the
17 initial meeting on November 10, 2003 toward the flat fee of \$15,000.00. Montez
18 did not deposit the money with the Law Group and did not open a case at the
19 Law Group's offices. Instead, he kept the money for himself without notifying
20 anyone at the Law Group that he signed up the case and received the money
21 from Garcia toward Mejia's appeal.

22 144. According to Respondent, Montez signed many contracts on
23 behalf of the Law Group to represent clients about which Respondent was never
24 informed and accepted payments that Montez kept rather than turn over to the
25 Law Group.

26 145. Garcia called the Law Group about her son's legal matter and
27 was directed by the Law Group receptionist to Montez. At no time was she

1 informed that the Law Group was not handling Mejia's appeal, even though she
2 identified the legal matter for which the Law Group was retained each time she
3 called the Law Group's telephone number. At the December 14, 2003 meeting
4 Montez promised Garcia that the documents would be filed by December 18,
5 2003 in Mejia's appeal.

6 146. The Law Group filed no documents with the court by December
7 18, 2003 or at any time before the appeal was dismissed for lack of prosecution.

8 147. On January 6, 2004, Montez went to Garcia's home to pick up an
9 additional payment toward the \$15,000.00 flat fee. When Garcia asked Montez
10 if the Law Group filed the required documents in the Mejia appeal, Montez
11 advised her that the filing had been delayed due to difficulty in obtaining the trial
12 transcripts.

13 148. On February 10, 2004, the court of appeal dismissed Mejia's
14 appeal for lack of appellant's prosecution.

15 149. Neither Respondent nor any member of the Law Group provided
16 legal services of any value to Mejia from the time of retention.

17 Conclusion of law – case no. 04-O-12794

18 – By operating his law partnership to accept cases from throughout the
19 state to be referred to outside attorneys without devising any plan for reviewing
20 the cases and ensuring the clients received the services for which the Law Group
21 was employed, by delegating to non-attorney employees the duties to meet with
22 clients, assess their legal problems, give legal advice, sign contracts on behalf of
23 the Law Group and set legal fees, by failing to attend meetings with the Law
24 Group's clients, by failing to adequately supervise Law Group employees,
25 including Montez, Respondent recklessly and repeatedly failed to perform legal
26 services with competence in violation of Rule of Professional Conduct, rule 3-
27 110(A).

1 **Case no. 04-O-13656 (Miller)**

2 150. On November 5, 2002, William L. Miller employed the Law
3 Group through his mother, June Anderson, to represent him in a criminal matter
4 (the "Miller criminal matter"). The attorney-client fee agreement provided for a
5 flat fee of \$9,000.00 for Miller's criminal matter "Felony, Lower Court ONLY"
6 and \$1,400.00 for investigation. Anderson paid the Law Group \$9000.00 for
7 legal fees and \$1,400.00 for the investigation.

8 151. On March 4, 2003, Anderson signed a second attorney-client fee
9 agreement with the Law Group providing for a \$25,000.00 flat fee for the entire
10 case through trial.

11 152. On March 10, 2003, Anderson paid the Law Group \$6,000.00.

12 153. On May 20, 2003, Anderson paid the Law Group \$19,000.00.

13 154. Respondent assigned attorney William Daley, an independent
14 contractor, to handle the pretrial portion of the Miller criminal matter. Daley
15 represented Miller throughout the pretrial phase of the Miller criminal matter.

16 155. On June 4, 2003, Miller appeared in court with Daley. At that
17 time, the court set the trial for August 13, 2003 and the pre-trial hearing for
18 August 4, 2003.

19 156. On August 4, 2003, neither Respondent nor any attorney from the
20 Law Group appeared on Miller's behalf at the pre-trial hearing. The matter was
21 continued to August 13, 2003.

22 157. On August 13, 2003, Miller appeared in court with Daley. The
23 August 18, 2003 trial date was vacated and reset for November 17, 2003. A
24 further hearing was set for October 30, 2003.

25 158. On October 30, 2003, Miller and Daley appeared at the pre-trial
26 conference. A further hearing was set for November 5, 2003.

27 159. On November 5, 2003, Miller appeared in court with Daley. A

1 further hearing was set for November 12, 2003.

2 160. On November 12, 2003 Miller and Daley appeared in court. The
3 court continued the trial date to January 22, 2004. A further hearing was set for
4 January 22, 2004.

5 161. By January 2004, Daley had severed all ties with the Law Group.
6 Respondent did not inform Miller or Anderson that Daley would no longer be
7 working on the Miller criminal matter. Respondent further failed to inform
8 Miller or Anderson that another attorney was being assigned to the Miller
9 criminal matter.

10 162. On January 9, 2004, attorney Patrick Meeks, another independent
11 contractor assigned by Respondent to the Miller criminal matter, sent a letter to
12 Contra Costa Deputy District Attorney Matt O'Connor in which Meeks advised
13 O'Connor that Daley no longer worked for the Law Group and that all of
14 Daley's cases were assigned to him. In his letter, Meeks requested a continuance
15 of the jury trial.

16 163. The January 26, 2004 trial date was not continued. Neither
17 Respondent nor any attorney working on behalf of the Law Group filed a motion
18 to continue the trial date. The January 22, 2004 hearing was not taken off
19 calendar either.

20 164. On January 22, 2004, neither Respondent nor any attorney from
21 the Law Group appeared on Miller's behalf at the hearing. Miller was present
22 for the hearing. Anderson attended the hearing and asked the Deputy District
23 Attorney what was happening. He told her that Daley was off the case and
24 referred her to Meeks. Because of the failure of any Law Group attorney to
25 appear on behalf of Miller at the January 22, 2004 hearing, the court continued
26 the hearing to the next day, January 23, 2004.

27 165. The following day, January 23, 2004, Miller appeared in court.

1 Meeks also attended the hearing and met Miller for the first time at the hearing.
2 The trial date was continued to April 5, 2004 and a further hearing was set for
3 March 29, 2004.

4 166. Meeks continued to represent Miller throughout the remainder of
5 2004 until the Miller criminal matter was resolved.

6 167. Dissatisfied with Respondent's handling of Miller's criminal
7 matter, Anderson sought a refund of unearned fees from Respondent and an
8 accounting. Despite receiving Anderson's request for a refund and for an
9 accounting, Respondent failed to provide either. Accordingly, Anderson filed a
10 fee arbitration petition against Respondent which was heard on November 17,
11 2004 before the Solano County Bar Association Fee Arbitration Panel.

12 Respondent contested the non-binding arbitration. The Arbitration Panel
13 awarded Anderson \$14,000.00 to be reimbursed by Respondent and awarded her
14 costs of \$300.00. Respondent received actual notice of the arbitration award,
15 which had been properly served on him. The award became final.

16 168. On March 8, 2005, Anderson sent a letter via certified mail, return
17 receipt requested through the United States Postal Service to Respondent at the
18 Santa Monica office address he originally provided to Anderson, requesting that
19 Respondent pay the arbitration award of \$14,300.00. Despite his receipt of the
20 letter, Respondent failed to pay the arbitration award.

21 169. Thereafter, Anderson filed and properly served on Respondent a
22 motion to confirm the arbitration award. On June 23, 200~~4~~⁵, the court granted
23 Anderson's motion to confirm the arbitration award.

24 170. Although Respondent knew of the court order, he failed to satisfy
25 the arbitration award against him. Respondent did not earn the \$14,300.00 of
26 fees advanced by Anderson, which constituted the amount of the arbitration
27 award.

1 **Conclusion of law – 04-O-13656**

2 – By failing to refund the \$14,300.00 in unearned fees to Anderson,
3 Respondent failed to refund unearned fees in wilful violation of Rule of
4 Professional Conduct 3-700(D)(2).

5 **Case no. 04-O-13981 (Braden)**

6 171. In February 2002, Evelyn Hume contacted the law firm of Miller
7 & Associates to represent her brother, Charles William Braden in a criminal
8 matter (the “Braden criminal matter”).

9 172. At the time of the retention, Miller & Associates employed
10 Respondent as an associate. Respondent was assigned to the Braden criminal
11 matter.

12 173. At the time she hired Miller & Associates, Hume spoke with
13 Montez, who at that time was employed by Miller & Associates as an
14 investigator. Montez told Hume that she had to pay a retainer fee of \$50,000.00
15 before Miller & Associates could take the case. At that time, Hume paid
16 \$8,000.00. In March 2002 Mildred Braden, Mr. Braden’s mother, paid the
17 remaining \$42,000.00.

18 174. On March 25, 2002, neither Respondent nor any other attorney
19 from Miller & Associates appeared on Braden’s behalf at his arraignment. At
20 that time, the court appointed a public defender for Braden and set a pre-
21 preliminary hearing for April 2, 2002 and a preliminary hearing for April 4,
22 2002.

23 175. On April 2, 2002, Respondent and another attorney from Miller &
24 Associates appeared to represent Braden. The court relieved the public defender,
25 vacated the hearing set for April 4, 2002 and continued the hearing to May 20,
26 2002.

1 176. On June 12, 2002, Respondent appeared with Braden for the
2 hearing at which Braden pleaded not guilty. The court set a pretrial and jury trial
3 setting conference for July 26, 2002. On July 26, 2002, Respondent and Virgilio
4 appeared with Braden. The pretrial and jury trial setting was continued to
5 September 6, 2002.

6 177. By August 2002 Respondent no longer worked for Miller &
7 Associates. On August 28, 2002, Braden paid \$5,000.00 to Respondent toward
8 the legal fees for Respondent to proceed with his case through trial. Respondent
9 told Braden that he would charge \$60,000.00 to take the case to trial,
10 significantly less than Miller & Associates had quoted Braden. Respondent
11 explained to Braden that he would have to pay additional attorney fees to him
12 directly for Respondent to continue on the case.

13 178. On September 18, 2002, Braden paid Respondent an additional
14 \$5,000.00. On October 7, 2002, Braden paid Respondent an additional
15 \$10,000.00. On October 13, 2002, Braden paid Respondent an additional
16 \$5,000.00. On December 13, 2002, Braden paid Respondent another \$5,000.00.

17 179. That same day, December 13, 2002, attorney Victoria Norwich
18 made a special appearance for Respondent in the Braden criminal matter. The
19 defense motion for continuance was granted. The pretrial and jury trial setting
20 were continued to January 17, 2003.

21 180. On January 8, 2003, Braden and his mother received a letter from
22 Miller & Associates which requested a status of the Braden criminal matter and
23 clarification of which attorney was representing Braden, their firm or
24 Respondent.

25 181. On January 17, 2003, attorney John Spahn made another special
26 appearance for Respondent to continue the pretrial and the jury trial setting. The
27 court continued the pretrial and jury trial setting to March 7, 2003. Spahn

1 notified Respondent of the next hearing date. However, neither Respondent nor
2 any other attorney appeared on behalf of Braden at the March 7, 2003 hearing.
3 The pretrial and jury trial setting were continued three days, and the court
4 ordered Respondent to appear at the next hearing.

5 182. At no time did Respondent or any attorney on his behalf give
6 advance notice to his client that Respondent would not be appearing on March 7,
7 2003.

8 183. On March 10, 2003, attorney Michael Plaut appeared on behalf of
9 Respondent. The court set new dates for the pretrial and the jury trial. On May
10 2, 2003, Respondent appeared at the pretrial hearing. The court set the matter
11 for another pretrial and jury trial setting on June 13, 2003.

12 184. On June 13, 2003, Spahn made another special appearance for
13 Respondent at the Braden hearing. The pretrial and jury trial setting were
14 continued to July 11, 2003.

15 185. On July 11, 2003, Spahn specially appeared at the Braden hearing
16 along with Braden. The court inquired whether Braden agreed to have Spahn
17 appear for Respondent that day. Braden agreed in open court to allow Spahn to
18 appear that day. The court reset the pretrial for August 1, 2003.

19 186. On August 1, 2003, Spahn made another special appearance for
20 Respondent. The court ordered Respondent to personally appear at the next
21 hearing on September 12, 2003. The jury trial was set for September 15, 2003.

22 187. On September 12, 2003, Respondent appeared at the hearing and
23 requested another continuance. The court vacated the trial date and reset it for
24 November 6, 2003.

25 188. On November 6, 2003, Plaut made a special appearance for
26 Respondent in the Braden matter. Plaut and Respondent filed a written motion
27 to continue the trial. Based on Respondent's motion, the jury trial was reset for

1 December 15, 2003 and the pretrial was reset for December 12, 2003.

2 189. On November 13, 2003, Braden paid Respondent an additional
3 \$5,000.00, and on December 12, 2003, Braden's family paid Respondent an
4 additional \$20,000.00 on behalf of Braden.

5 190. On that same day, December 12, 2003, Spahn made a special
6 appearance for Respondent in the Braden criminal matter. The trial date was
7 vacated. The pretrial and jury trial setting was set for January 30, 2004.

8 191. On January 30, 2004, neither Respondent nor any other attorney
9 appeared on behalf of Braden. The pretrial and jury trial setting were continued
10 to February 3, 2004. The court ordered Respondent to appear at the February 3,
11 2004 hearing. Respondent received proper notice that he was ordered to appear
12 at the next hearing.

13 192. At no time did Respondent or any attorney on his behalf give
14 advance notice to his client that Respondent would not be appearing on January
15 30, 2004.

16 193. On February 3, 2004, Respondent failed to appear at the hearing
17 as ordered by the court, but instead sent Spahn to make a special appearance.
18 The court issued a bench warrant for Respondent with bail set at \$50,000.00.
19 The pretrial and jury trial setting were reset for February 6, 2004.

20 194. On February 6, 2004, Respondent appeared as ordered by the
21 court. Sanctions were imposed against Respondent in the amount of \$500.00.
22 The jury trial was set for March 22, 2004 and the pretrial was set March 19,
23 2004.

24 195. On March 19, 2004, Respondent appeared at the hearing. The
25 trial was rescheduled for May 3, 2004 and a further pretrial was set for April 30,
26 2004.

27 196. On April 12, 2004, Braden's family hired attorney Mark Barrett

1 to assist in Braden's defense as Respondent's co-counsel.

2 197. On April 27, 2004, Respondent filed a motion for continuance.
3 On April 30, 2004, Respondent appeared at the hearing with Barrett and Braden.
4 The court granted the motion for continuance and reset the trial for August 30,
5 2004. A further pretrial conference was set for August 27, 2004.

6 198. During the time period from April 2004 through early July 2004,
7 Barrett called Respondent's office repeatedly to discuss the trial preparation for
8 Braden's case. Despite the fact that Barrett left multiple detailed messages for
9 Respondent, failed to return any of the calls.

10 199. As part of his preparation for the upcoming trial, Barrett planned
11 a trip from Oklahoma (where he was located) to California to gather information,
12 view the crime scene, consult with Braden and meet with Respondent.

13 200. A week before the planned trip, in early July 2004, Barrett left a
14 message with Respondent's staff detailing the dates Barrett would be in
15 California and indicating that Barrett wished to meet with Respondent during his
16 trip. Despite his receipt of the message, Respondent failed to contact Barrett to
17 schedule the meeting.

18 201. Having heard nothing from Respondent, Barrett contacted Darryl
19 Carlson, an investigator located in Santa Monica, to continue with efforts to
20 schedule a meeting with Respondent. Carlson arranged a meeting Respondent
21 and Barrett on July 14, 2004.

22 202. On the morning of the scheduled meeting, however, Barrett was
23 notified that Respondent postponed the meeting to sometime between 8 and 9
24 pm at his home. Barrett and Carlson went to Respondent's home at the
25 appointed time, but Respondent was not home.

26 203. On July 16, 2004, after Barrett returned to Oklahoma, Barrett
27 called Respondent and left a message stating that he still needed information

1 about the case from Respondent and that Barrett needed a return phone call.

2 Despite his receipt of Barrett's message, Respondent failed to return the phone
3 call.

4 204. During the time period from April 2004 through July 2004,
5 several of Braden's family members also attempted to contact Respondent and
6 left messages for Respondent to call. However, despite his receipt of these
7 messages, Respondent failed to return any of the calls.

8 205. Moreover, Braden also attempted to contact Respondent in the
9 time period April 2004 through July 2004 on multiple occasions without success.
10 Braden left messages with Law Group staff, but despite Respondent's receipt of
11 the messages, he failed to return any of Braden's calls. Respondent had
12 abandoned Braden's criminal matter.

13 206. On July 14, 2004, Barrett contacted the psychologist hired by
14 Respondent, Dr. James Podboy. At that time Barrett learned that Respondent
15 had never arranged for Braden to undergo psychological testing by the expert,
16 and that the expert was unavailable to do so through October.

17 207. On July 14, 2004, Barrett also contacted Ed Hueske, the ballistics
18 and crime scene expert. Respondent had never contacted the expert up to that
19 point, despite the upcoming trial date.

20 208. Respondent had taken no steps to prepare Braden's criminal
21 matter. On July 16, 2004, Braden officially notified Respondent he had been
22 terminated. Braden demanded a refund of the unearned fees from Respondent at
23 the time of his termination.

24 209. Respondent has failed at any time to provide an accounting to
25 Braden but instead sent a notice of right to arbitrate letter to Hume on August 25,
26 2004.

1 210. Respondent did not provide legal services of any value to Braden.
2 Respondent did not earn any of the advanced fees paid by Braden. The
3 numerous continuances of Braden's criminal matter were of no value to Braden.

4 Conclusion of law – 04-O-13981

5 – By failing to perform services of value to Braden, failing to attend
6 court appearances, failing to meet with Braden and Barrett, failing to contact
7 experts, failing to prepare the Braden criminal matter for trial and failing to
8 provide an accounting upon request, Respondent repeatedly failed to perform
9 legal services with competence in wilful violation of Rule of Professional
10 Conduct 3-110(A).

11 – By failing to refund any unearned fees of \$50,000.00 to Braden,
12 Respondent failed to refund unearned fees in wilful violation of Rule of
13 Professional Conduct 3-700(D)(2).

14 Case no. 04-O-14370 (Heredia)

15 211. In July 2004, Neftaly Heredia, Jr., was charged with crimes of drug
16 and weapons possession. Following his arraignment he hired Respondent's Law
17 Group to represent him. He paid \$3000.00 advance fees as a down payment on
18 the \$5000.00 for legal services through the preliminary hearing.

19 212. At the time Heredia retained the Law Group he made it known that
20 his next court appearance was August 2, 2004.

21 213. On August 2, 2004, however, a Law Group employee was an hour
22 late for the appearance. By that time Heredia had already utilized the services of
23 a public defender, who represented Heredia at the hearing where the charges
24 against him were dismissed.

25 214. Because the charges against him were now dismissed, on August 2,
26 2004, Heredia fired the Law Group and asked for a refund of the \$3000.00
27 advance fees. Heredia made several phone calls to the Law Group in August

⁴ *MP*
1 200~~2~~ requesting a refund of unearned fees. Despite receiving his messages, no
2 one from the law Group returned his calls.

3 215. On September 10, 2004, Heredia received a check for \$1500.00,
4 half of the money he had advanced the Law Group. There was no explanation as
5 to why the other half of the money was not refunded, nor was there an
6 accounting of fees allegedly earned.

7 216. On September 14, 2004, Heredia complained to the State Bar about
8 Respondent and the lack of response regarding the fee refund.

9 217. Not until March 17, 2005, however, did Respondent refund the
10 remaining \$1500.00 to Heredia.

11 Conclusion of law – case no. 04-O-14370

12 – By not returning Heredia’s messages regarding unearned fees, by not
13 providing an accounting of fees and by delaying approximately six months
14 before refunding the remaining unearned fees, Respondent failed to perform
15 legal services with competence, in wilful violation of Rules of Professional
16 Conduct, rule 3-110(A).

17 Case no. 04-O-14634 (Reyes)

18 218. In January 2003, Columbio Reyes retained the Law Group to
19 represent him in a federal criminal matter which at the time had not yet been
20 filed in U.S. District Court. Reyes paid the Law Group \$15,000.00 for pre-filing
21 investigation and evaluation of his case.

22 219. At the time Reyes hired the Law Group, Respondent told Reyes that
23 the attorney’s fees would be approximately \$100,000.00 for legal services up to
24 trial. Respondent’s legal services were to be provided on an hourly basis, for
25 which Respondent had a duty to account to Reyes.

26 220. Reyes paid the Law Group \$125,000.00 in fees. On May 22, 2003,
27 Reyes paid an additional \$10,000.00 in advance costs for the specific purpose of

1 hiring a private investigator, pursuant to a request made by an agent of Law
2 Group.

3 221. In June 2003 Reyes was formally charged in U.S. District Court
4 with bribery of a public official. He plead guilty to one count of the complaint.
5 He was sentenced in October 2003. Respondent represented Reyes through
6 sentencing.

7 222. Following sentencing in October 2003 Reyes learned that no private
8 investigator, for which he had paid \$10,000.00 in advance costs, was ever hired.

9 223. In October and November 2003 Reyes left multiple phone messages
10 for Respondent, and sent a letter that Respondent received, asking for an
11 accounting of fees and costs, and for a refund of the \$10,000.00 in advance costs
12 that was never used. Although Respondent received these messages and letter he
13 never responded to Reyes.

14 224. At no time did Respondent or anyone from the Law Group provide
15 an accounting of fees and costs to Reyes, nor have any of them refunded any
16 unearned fees or costs to him.

17 Conclusions of law – 04-O-14634

18 – By failing to provide an accounting to Reyes for the fees and costs,
19 Respondent failed to render appropriate accounts to a client regarding all funds
20 of the client coming into Respondents possession in wilful violation of Rule of
21 Professional Conduct, rule 4-100(B)(3).

22 – By failing to refund the \$10,000.00 in advance costs to hire an
23 investigator that was never used, Respondent failed to refund unearned costs in
24 wilful violation of Rules of Professional Conduct, rule ~~3-700(D)(2)~~. 4-100(B)(4). *MAJ*

1 **III. RESTITUTION**

2 (1) Theresa Moore, \$750.00 plus interest from January 1, 2004.

3 (2) Mohammed Kamara, \$750.00 plus interest from February 1, 2004.

4 (3) Mark Christian, \$2000.00 plus interest from June 1, 2004.

5 (4) Columbio Reyes, \$10,000 plus interest from January 1, 2004.

6 (5) Dolores Garcia, \$3000.00 plus interest from January 1, 2004.

7 (6) June Anderson, \$14,300.00 plus interest from July 1, 2004.

8 (7) Charles Braden, \$55,000.00 plus interest from January 1, 2005.

9 (8) Accounting and Fee arbitration for Columbio Reyes:

10 (a) Respondent shall, within thirty (30) days of entering the Alternative
11 Discipline Program, provide former client Columbio Reyes with an accounting
12 of all fees and costs associated with any/all legal representation provided after
13 January 1, 2003.

14 (b) Further, Respondent agrees that should Columbio Reyes pursue fee
15 arbitration, whether an accounting has been provided or not pursuant to this
16 stipulation, Respondent shall not raise any defense based on statute of limitation,
17 limitations of action, laches or similar defenses.

18 **IV. RULE 133(12) NOTIFICATION OF PENDING MATTERS**

19 Respondent was notified by writing dated ~~July~~ ^{February 27, 2006} 28, 2006, of any
20 matters not included in this stipulation.

21 */// End of Attachment ////*

(Do not write above this line.)

In the Matter of CRAIG THOMAS WORMLEY MEMBER #: 182137	Case number(s): 04-O-10012; 04-O-11058; 04-O-11363; 04-O-13506; 04-O-14634 04-O-10131; 04-O-11114; 04-O-11394; 04-O-13656; 04-O-10945; 04-O-11116; 04-O-12398; 04-O-13981; 04-O-10972; 04-O-11207; 04-O-12794; 04-O-14096; 04-O-10987; 04-O-11351; 04-O-13321; 04-O-14370;
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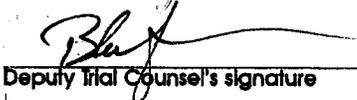
SIGNATURE OF THE PARTIES

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 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.

Date <u>Aug 15, 2006</u>	 Respondent's signature	<u>CRAIG T. WORMLEY</u> Print name
Date <u>8/15/2006</u>	 Respondent's Counsel's signature	<u>PAUL J. VIRGO</u> <u>EDWARD O. LEAR</u> Print name
Date <u>8/15/06</u>	 Deputy Trial Counsel's signature	<u>BROOKE A. SCHAFER</u> Print name

(Do not write above this line.)

In the Matter of CRAIG THOMAS WORMLEY MEMBER #: 182137	Case number(s): 04-O-10012; 04-O-11058; 04-O-11363; 04-O-13506; 04-O-14634 04-O-10131; 04-O-11114; 04-O-11394; 04-O-13656; 04-O-10945; 04-O-11116; 04-O-12398; 04-O-13981; 04-O-10972; 04-O-11207; 04-O-12794; 04-O-14096; 04-O-10987; 04-O-11351; 04-O-13321; 04-O-14370;
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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 stipulation as to facts and conclusions of law is APPROVED.
- The stipulation as to facts and conclusions of law is APPROVED AS MODIFIED as set forth below.
- All court dates in the Hearing Department 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; or 3) Respondent is not accepted for participation in the Program or does not sign the Program Contract. (See rule 135(b) and 802(b), Rules of Procedure.)

05-21-07
Date



Judge of the State Bar Court