



(Do not write above this line.)

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 THE STATE BAR OF CALIFORNIA OFFICE OF THE CHIEF TRIAL COUNSEL - ENFORCEMENT CHARLES A. MURRAY 1149 South Hill Street, 9th Floor Los Angeles, California 90015-2299 Telephone: (213) 765-1236 Bar # 146069	Case Number(s) 04-O-10876	(for Court use) <div style="text-align: center; font-size: 2em; font-weight: bold;">LODGED</div> <div style="text-align: center;">SEP - 1 2005 <i>CHS</i></div> <div style="text-align: center;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</div>
<input checked="" type="checkbox"/> Counsel for Respondent <input checked="" type="checkbox"/> In Pro Per Phillip Feldman Law Offices of Phillip Feldman 15250 Ventura Blvd, Suite 610 Sherman Oaks, CA 91403 Phone (818) 86-9890 Bar # 40792	<div style="font-size: 3em; font-weight: bold;">PUBLIC MATTER</div>	
In the Matter of RICHARD M. SEFF Bar # 150440 A Member of the State Bar of California (Respondent)	Submitted to Program Judge <div style="text-align: center; font-weight: bold;">STIPULATION RE FACTS AND CONCLUSIONS OF LAW</div> <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
<div style="font-size: 2em; font-weight: bold;">FILED</div> <div style="text-align: center;">FEB 01 2008 <i>NS</i></div> <div style="text-align: center;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</div>		

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:

December 4, 1990

- (1) Respondent is a member of the State Bar of California, admitted _____ (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 11 pages.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts, are also included under "Conclusions of Law."

(Do not write above this line.)

- (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:

(Do not write above this line.)

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:

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: **RICHARD M. SEFF, #150440**

CASE NUMBER(S): **04-O-10876**

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(6), was June 1, 2005.

STIPULATION AS TO FACTS AND CONCLUSIONS OF LAW:

Respondent admits that the following facts are true and that he is culpable of violations of the specified statutes and/or Rules of Professional Conduct, or has otherwise committed acts of misconduct warranting discipline:

Case No. 04-O-10876

FACTS:

In September 2000 Natasha Washington retained Respondent to handle a personal injury matter.

On February 5, 2001, Respondent signed a medical lien with the County of Los Angeles regarding Washington's personal injury matter. Washington's outstanding medical bill was \$44,942. The lien was not signed by Washington.

Washington's personal injury matter was settled on October 9, 2001 for a present cash value of \$150,000.

With Washington's agreement, Respondent agreed to use \$46,500 of the settlement money to purchase an annuity for Washington from Traveler's Insurance Company which pays Washington \$319 per month. The annuity contract was signed on October 30, 2001.

On October 25, 2001, \$103,500 was deposited into Respondent's client trust account at Bank of America - account no. 16640-04552 ("Respondent's CTA").

On October 25, 2001, Respondent took his fees and costs by writing himself check no. 1079 from Respondent's CTA, payable to Respondent, in the sum of \$56,500. This left a balance of \$47,000 of Washington's settlement funds in Respondent's CTA. Check no. 1079 was paid out of Respondent's CTA on October 31, 2001.

On October 25, 2001, Respondent wrote check no 1080 from Respondent's CTA, payable to Washington in the sum of \$5,000. Check no. 1080 was paid out of Respondent's CTA on November 1, 2001.

On November 19, 2001, Respondent wrote a letter to the County of Los Angeles proposing a compromise offer on Washington's outstanding medical bill to \$11,235 - a sum that was 25% of the \$44,942 which was due on the medical lien.

On November 23, 2001, the balance in Respondent's CTA was \$41,133.38.

On November 28, 2001, the balance in Respondent's CTA was \$38,733.38.

On November 29, 2001, the balance in Respondent's CTA was \$33,986.55.

On December 5, 2001, the County of Los Angeles sent a letter to Respondent requesting payment of Washington's medical bill in the full amount of \$44,942.

On December 10, 2001, the balance in Respondent's CTA was \$33,736.55.

On December 19, 2001, Respondent wrote check no 1092 from Respondent's CTA payable to Washington in the sum of \$2,000. Check no. 1092 was paid out of Respondent's CTA on December 21, 2001.

On December 21, 2001, the balance in Respondent's CTA was \$31,736.55. As of December 21, 2001, there should have been a minimum of at least \$40,000 held in Respondent's CTA on behalf of Washington.

On March 7, 2002, Respondent wrote check no. 735 from his Bank of America account no. 21474-01530 ("Respondent's business account") payable to Washington in the sum of \$1,000. In the memo section of this check it stated: "third advance".

On April 11, 2002, Respondent wrote check no. 1102 from Respondent's CTA payable to Washington in the sum of \$3,000. In the memo section of this check it stated: "Not to be deposited until I [Respondent] give verbal approval." This check was paid on April 19, 2002.

On April 12, 2002, the balance in Respondent's CTA was \$34,731.35.

On April 17, 2002, Washington signed a statement prepared by Respondent which stated that Respondent provided her with a verbal and documented explanation of settlement proceeds; that Washington was satisfied with the settlement and disbursement of proceeds; and that Washington had received her full share of the settlement proceeds through cash disbursements and a structured annuity. The declaration prepared by Respondent was sent to Washington with the above-described CTA check no. 1102 in the sum of \$3,000 and instructions that Washington was to keep this check on hold until she returned the declaration signed.

On April 19, 2002, the balance in Respondent's CTA was \$31,731.35. The balance held in Respondent's CTA on behalf of Washington on April 19, 2002, should have been at least \$37,000.

On October 17, 2002, Washington signed a declaration regarding monies received and withheld by Respondent to pay medical liens which were to be disbursed to Washington over a three (3) month period. Washington declared that she accepted a settlement of her personal injury claim as follows: \$5,000 cash at settlement; \$46,5000 present day cash value annuity with monthly lifetime income; and that Respondent paid an additional amount of \$6,000 over a period of time subsequent to the settlement. The declaration stated that Washington was told that the County of Los Angeles has not yet attempted to collect on the lien against Respondent, but has attempted to collect medical bills from Washington. Washington declared that Respondent and her had agreed Respondent will pay Washington four (4) payments and in amounts agreeable to her and that after receiving those payments she would have no further claims against Respondent for the portion of the proceeds that were set aside for payment of medical expenses.

On October 1, 2002, Respondent wrote check no. 1113 from Respondent's CTA payable to Washington in the sum of \$2,000. This check was paid on October 3, 2002.

On October 3, 2002, Respondent's CTA balance was \$17,668.85.

On October 4, 2002, Respondent's CTA balance was \$13,154.56.

On October 4, 2002, the County of Los Angeles sent a letter to Washington regarding the outstanding balance of \$44,942 owed by Washington for its medical lien and demanding a response within five (5) days of the matter would be transferred to general debt collections to pursue as a self-pay account (rather than a medical lien).

On October 7, 2002, Respondent's CTA balance was \$12,891.06.

On October 15, 2002, on behalf of Washington, Respondent wrote check no. 1118 from Respondent's CTA payable to Law Office of Cary Medill in the sum of \$4,000. This check was paid on October 16, 2002.

On October 16, 2002, the balance in Respondent's CTA was \$8,891.06. On October 16, 2002, the balance of funds held in Respondent's CTA on behalf of Washington should have been at least \$31,000.

On October 25, 2002, the balance in Respondent's CTA was \$5,558.06.

On November 1, 2002, a deposit in the sum of \$12,500 was made to Respondent's CTA.

On November 6, 2002, Respondent wrote check no. 1122 from Respondent's CTA payable to Washington and Law Office of Cary Medill in the sum of \$12,500. The check was paid on November 6, 2002.

On November 6, 2002, the balance in Respondent's CTA was \$3,538.06. On November 6, 2002, the balance of funds held in Respondent's CTA on behalf of Washington should have been at least \$18,500.

On November 15, 2002, Respondent wrote check no. 1123 from Respondent's CTA payable to Washington and Law Office of Cary Medill in the sum of \$4,000. The check was paid on November 18, 2002.

On November 18, 2002, the balance in Respondent's CTA was \$38.06. On November 18, 2002, the balance of funds held in Respondent's CTA on behalf of Washington should have been at least \$14,500.

On November 29, 2002, the balance in Respondent's CTA was \$2,971.06.

On December 4, 2002, Respondent wrote check no. 1125 from Respondent's CTA payable to Washington or John Savage in the sum of \$2,500. This check was paid on December 5, 2002.

On December 5, 2002, the balance in Respondent's CTA was \$471.06. On December 5, 2002, the balance of funds held in Respondent's CTA on behalf of Washington should have been at least \$12,000.

On December 13, 2002, the balance in Respondent's CTA was \$3,371.71.

On December 20, 2002, the balance in Respondent's CTA was \$1,371.71.

From December 23, 2002 to June 20, 2003, Respondent made payments totaling the sum of \$10,900 on behalf of Washington to the Law Office of Cary Medill and/or John Savage from Respondent's business account and one TransAm wire transfer. All of these payments were for "Client distribution" (client being Washington) and the payee was either Law Office of Cary Medill, or John Savage.

On October 23, 2003, Respondent wrote check no. 1140 from Respondent's CTA payable to Dr. Stephen M. Field on behalf of Washington in the sum of \$1,151. This was the outstanding balance of a bill for a medical lien that Respondent signed with this doctor on behalf of Washington. The \$1,151 paid from Respondent's CTA to satisfy this medical lien could not be attributed to funds held in Respondent's CTA on behalf of Washington.

From October 25, 2001, when Respondent deposited Washington's remaining settlement proceeds of \$47,000 (\$150,000 settlement less the \$46,500 paid for the annuity and less the \$56,500 Respondent paid himself for fees and costs) and through October 23, 2003, the balance in Respondent's CTA fell below the minimum amount he was required to hold for Washington on numerous occasions, including but not limited to the following:

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<u>DATE:</u>	<u>CTA BALANCE (\$):</u>	<u>OWED TO WASHINGTON (\$):</u>
11/23/2001	41,133.38	42,000
11/28/2001	38,733.38	42,000
11/29/2001	33,986.55	42,000
12/10/2001	33,736.55	42,000
12,21/2001	31,736.55	40,000
04/12/2002	34,731.35	40,000
04/19/2002	31,731.35	37,000
10/03/2002	17,668.85	35,000
10/04/2002	13,154.56	35,000
10/07/2002	12,981.06	35,000
10/16/2002	8,891.06	31,000
11/06/2002	3,538.06	18,500
11/18/2002	38.06	14,500

From November 19, 2001 through termination of his representation of Washington, the medical bill from the County of Los Angeles on behalf of Washington in the amount of \$44,942 was not paid.

Respondent either dishonestly or with gross negligence kept Washington's settlement proceeds for two (2) years.

CONCLUSIONS OF LAW:

**Violation of Rules of Professional Conduct, rule 3-110(A)
Failure to Perform with Competence**

By failing to maintain the minimum required balance in Respondent's CTA corresponding to his client's settlement funds held for medical liens; by signing medical liens on behalf of his client without the client's approval; by not paying all of his client's outstanding medical liens from Respondent's CTA funds held on behalf of his client to pay medical liens; and by writing checks from his general account to his CTA to reimburse funds misappropriated from funds he was obligated to hold in trust on behalf of his client, Respondent intentionally or recklessly failed to perform services with competence in wilful violation of Rules of Professional Conduct, rule 3-110(A).

**Violation of Rules of Professional Conduct, rule 4-100(A)
Failure to Maintain Client Funds in Trust Account**

By failing to maintain the minimum required balance of his client's settlement funds in Respondent's CTA on behalf of his client, Respondent wilfully failed to maintain client funds in a trust account in violation of Rules of Professional Conduct, rule 4-100(A).

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**Violation of Rules of Professional Conduct, rule 4-100(B)(4)
Failure to Pay Client Funds Promptly**

By disbursing to the client of her settlement monies over a two year time period (to wit: October 25, 2001 to October 23, 2003); and by making client sign a false statement that the client acknowledged that Respondent paid all medical liens - knowing that the client had not received her full share of her settlement proceeds and that there were medical liens outstanding and unpaid - Respondent wilfully failed to pay promptly to the client funds in Respondent's possession which the client was entitled to receive - in wilful violation of Rules of Professional Conduct, rule 4-100(B)(4).

**Violation of Rules of Professional Conduct, rule 3-300
Acquiring an Interest Adverse to Client**

Respondent knowingly acquired a pecuniary interest adverse to his client without complying with the following requirements of Rules of Professional Conduct, rule 3-300 that: the transaction and its terms were fair and reasonable to the client; the transactions and its terms were fully disclosed and transmitted in writing to the client in a manner which should reasonably have been understood by the client; the client was advised in writing that the client may seek the advice of an independent lawyer of client's choice; the client was given a reasonable opportunity to seek that advice; and, the client consented in writing to the terms fo the transaction - in wilful violation of Rules of Professional Conduct, rule 3-300.

**Violation of Business and Professions Code, section 6106
Moral Turpitude**

By taking two years to disburse his client her settlement funds; by making his client sign a false statement prepared by Respondent; by not paying all of his client's medical liens; by using his business account to pay his client funds which Respondent failed to hold in trust; and, by using funds from his CTA not on deposit on behalf of his client to pay a medical lien on behalf of the client - Respondent committed acts involving moral turpitude, dishonesty or corruption, in wilful violation of Business and Professions Code, section 6106.

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In the Matter of RICHARD M. SEFF	Case number(s): 04-0-10876
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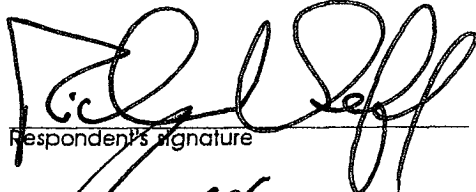
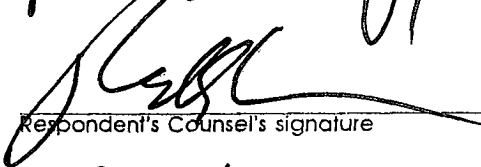
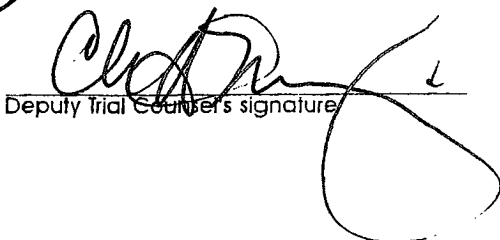
SIGNATURE OF THE PARTIES

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>6-23-05</u>		<u>Richard M. Seff</u> Print name
Date	<u>6-23-05</u>		<u>Philip Feldman</u> Print name
Date	<u>6/20/05</u>		<u>Charles A. Murray</u> Print name

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In the Matter of RICHARD M. SEFF # 150440	Case number(s): 04-0-10876
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SIGNATURE OF THE PARTIES

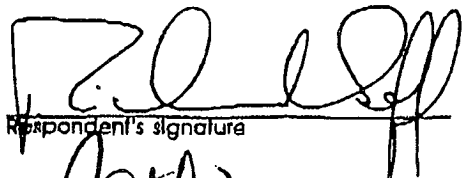
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6-3-05
Date


Respondent's signature

Richard M. Seff
Print name

06/03/05
Date


Respondent's Counsel's signature

Philip Feldman
Print name

Date

Deputy Trial Counsel's signature

Charles A. Murray
Print name

(Do not write above this line.)

In the Matter of Richard M. SEFF # 150440	Case number(s): 04-0-10876
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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.)

9/1/05
Date


Judge of the State Bar Court

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

I am a Case Administrator of the State Bar Court 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 September 14, 2005, I deposited a true copy of the following document(s):

STATEMENT OF ALTERNATIVE DISPOSITIONS AND ORDERS;

**CONTRACT AND WAIVER FOR PARTICIPATION IN THE STATE BAR COURT'S
ALTERNATIVE DISCIPLINE PROGRAM;**

STIPULATION RE FACTS AND CONCLUSIONS OF LAW;

ORDER

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

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

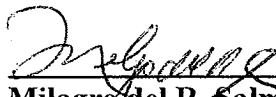
**PHILLIP FELDMAN
ATTORNEY AT LAW
15250 VENTURA BLVD #610
SHERMAN OAKS, CA 91403**

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

Charles Murray, Enforcement, Los Angeles

Supervising Attorney Office of Probation, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **September 14, 2005**.



Milagro del R. Salmeron
Case Administrator
State Bar Court

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on March 20, 2008, I deposited a true copy of the following document(s):

**DECISION AND ORDER FILING AND SEALING CERTAIN DOCUMENTS
and STIPULATION RE FACTS AND CONCLUSIONS OF LAW**

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

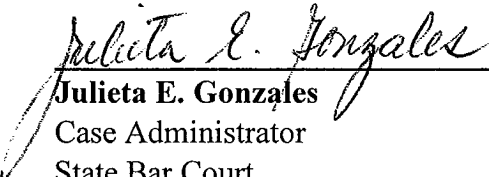
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**RICHARD M SEFF ESQ
LAW OFC RICHARD M SEFF
4165 E THOUSAND OAKS BLVD STE 160
WESTLAKE VILLAGE, CA 91362**

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

Monique T. Miller, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **March 20, 2008**.



Julieta E. Gonzales
Case Administrator
State Bar Court