(4)

under "Facts."

(Do not write above this line.)

State Bar Court of California  Hearing Department   Los Angeles  XXX San Francisco				
Counsel for the State Bar  Cydney Batchelor Deputy Trial Counsel 180 Howard St., 7th Fl. San Francisco, CA 94105 Tele: 415/538-2204  Bar # 114637  Taxounsel for Respondent In Pro Fer, Respondent Robert W. Stewart 21 Tamal Vista Blwd, #295	Case number(s)  04-0-11273 04-0-11476 04-0-12709	PUBLIC MATTER  FILED  OCT 1 8 2005  STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO		
Corte Madera, CA 94925 Tele: 415/924-5600 Bor# 48745	Submitted to <b>xaxigneckjedge</b> x			
in the Matter of  MICHAEL CHAPNIK  Bar # 202659	STIPULATION RE FACTS, CONCLUDISPOSITION AND ORDER APPR			
A Member of the State Bar of California (Respondent)	PREVIOUS STIPULATION REJECTED	· · · · · · · · · · · · · · · · · · ·		
Note: All information required by in the space provided, must be see e.g., "Facts," "Dismissals," "Conclus	t forth in an attachment to this stipu	lation under specific neadings,		
A. Parties' Acknowledgments	· ·			
(1) Respondent is a member of the	State Bar of California, admitted $\phantom{aaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaa$	/1/1999 (date)		
(2) The parties agree to be bound be disposition are rejected or change	y the factual stipulations contained her ged by the Supreme Court.	•••		
(3) All investigations or proceedings by this stipulation and are deemed.	listed by case number in the caption of deconsolidated. Dismissed charge(s)/co	f this stipulation, are entirely resolved ount(s) are listed under "Dismissals."		

(5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."

See attachment

A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included

- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) 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.

See attachment

(8)	-		of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086, 10 & Theck one option only):
		relle	costs are paid in full, Respondent will remain actually suspended from the practice of law unless if is obtained per rule 284, Rules of Procedure.  It to be paid in equal amounts prior to February 1 for the following membership years:
	00	cos	dship, special circumstances or other good cause per rule 284, Rules of Procedure) is walved in part as set forth in a separate attachment entitled "Partial Walver of Costs" is entirely walved
- 1	or P	rofe	iting Circumstances (for definition, see Standards for Attorney Sanction ssional Misconduct, standard 1.2(b)). Facts supporting aggravating ances are required.
(1)		Prior	record of discipline [see standard 1.2(f)]
	(a)	σ,	State Bar Court case # of prior case
	(b)	0	Dale prior discipline effective
	(c)	0	Rules of Professional Conduct/ State Bar Act violations:
	(d)	0	Degree of prior discipline
	(e)	<b>0</b>	If Respondent has two or more incidents of prior discipline, use space provided below or a separate attachment entitled "Prior Discipline."
(2)	Æz.		conesty: Respondent's misconduct was surrounded by or followed by bad faith, dishonesty.  cealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.  See attached
		_	See actached I Violation: Trust funds or property were involved and Respondent refused or was unable to

(4) 점조 Harm: Respondent's misconduct harmed significantly a client, the public or the administration of justice.

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See attached

(5)		Indifference: Respondent demonstrated indifference loward rectification of or atonement for the consequences of his of her misconduct.
(6)	ָ ת	Lack of Cooperation: Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
(7)	( <del>*</del> **	Multiple/Pattern of Misconduct: Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.  See attached
(8)		No aggravating circumstances are involved.
Ado	noitib	al aggravating circumstances;
	•	See attached
		gating Circumstances [see standard 1.2(e)]. Facts supporting mitigating umstances are required.
(1)		No Prior Discipline: Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.
(2)	D	No Harm: Respondent did not harm the client or person who was the object of the misconduct.
(3)		Candor/Cooperation: Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
(4)	0	Remorse: Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
(5)		Restitution: Respondent paid \$on
		in restitution to without the threat or force of disciplinary, civil or criminal proceedings.
(6)	0	Delay: These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
(7)	O	Good Falth: Respondent acted in good faith.
(B)		Emotional/Physical Difficulties: At the time of the slipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
(9)		Severe Financial Stress: At the time of the misconduct, Respondent suffered from severe financial

stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her

control and which were directly responsible for the misconduct.

(Do 1	not w	rile	abov	e this line.)		
(10)				Problems: At the time of the misconduct, Respondent suffered extreme difficulties in his/her illife 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)	٥	Rehabilitation: Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.				
(13)		No	milim c	gating circumstances are involved.		
Add	itlon	al r	nitig	ating circumstances;		
	•					
				See attached		
			•			
D.	Dis	clp	line			
(1)		Sto	yed	Suspension:		
	(a)	O,	Resp	condent must be suspended from the practice of law for a period of		
		I.		and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.		
		u,		and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.		
		116.		and until Respondent does the following:		
	(b)		The	above-referenced suspension is stayed.		
(2)	□ ,	Pro	obati	on:		
	whi	ch v	vill co	must be placed on probation for a period of memorial probation for a period of memorial probation for a period of the supreme Court order in this matter.  I, Calif, Rules of Ct.)		

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			ve this line.)
(3)	XXX.	K ACIUQI	Suspension:
	(a)		pondent must be actually suspended from the practice of law in the State of California for a od of thirty (30) days
•		1. 19cm	and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present filness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
	-	II. O	and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
		III. Select	and until Respondent does the following: see attached
E.	Addi	itional	Conditions of Probation:
(1)	<u>.</u>	he/she	indent is actually suspended for two years or more, he/she must remain actually suspended until proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in I law, pursuant to standard 1.4(c)(ii), Standards for Atlorney Sanctions for Professional Misconduct.
(2)	ם		the probation period, Respondent must comply with the provisions of the State Bar Act and Professional Conduct.
(3)		State Bo of Inform	en (10) days of any change, Respondent must report to the Membership Records Office of the or and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes motion, including current office address and telephone number, or other address for State Bar est, as prescribed by section 6002.1 of the Business and Professions Code.
(4)	0	Probation and co	hirty (30) days from the effective date of discipline, Respondent must contact the Office of and schedule a meeting with Respondent's assigned probation deputy to discuss these terms inditions of probation. Upon the direction of the Office of Probation, Respondent must meet with bation deputy either in-person or by telephone. During the period of probation, Respondent must by meet with the probation deputy as directed and upon request.
(5)		July 10, whethe condition are any current	dent must submit written quarterly reports to the Office of Probation on each January 10, April 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state it Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all ons of probation during the preceding calendar quarter. Respondent must also state whether there is proceedings pending against him or her in the State Bar Court and it so, the case number and status of that proceeding. If the first report would cover less than 30 days, that report must be ed on the next quarter date, and cover the extended period.
			tion to all quarterly reports, a final report, containing the same information, is due no earlier than (20) days before the last day of the period of probation and no later than the last day of on.
(6)		condition During In addi	dent must be assigned a probation monitor. Respondent must promptly review the terms and ons of probation with the probation monitor to establish a manner and schedule of compliance. the period of probation, Respondent must furnish to the monitor such reports as may be requested flon to the quarterly reports required to be submitted to the Office of Probation. Respondent must rate fully with the probation monitor.
(7)			to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any softhe Office of Probation and any probation monitor assigned under these conditions which are

complied with the probation conditions.

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directed to Respondent personally or in willing relating to whether Respondent is complying or has

(Do.	not w	rite above this line.)			
(8)	0	Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Offle of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the legiven at the end of that session.			
		□ No Ethics School recommended. Reason:			
(9)		Respondent must comply with all conditions of probation imposed in the underlying criminal matter armust so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.			
(10)	,0	The following conditions are attached hereto and incorporated:			
		☐ Substance Abuse Conditions ☐ Law Office Management Conditions			
1		☐ Medical Conditions ☐ Financial Conditions			
F. C	othe	r Conditions Negotiated by the Parties:			
(1)		Multistate Professional Responsibility Examination: Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 951(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.			
(2)	<b>Ö</b>	No MPRE recommended. Reason:  Rule 955, California Rules of Court: Respondent must comply with the requirements of rule 955, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.			
(3)		Conditional Rule 955, California Rules of Court: It Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 955, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.			
(4)		Credit for Interim Suspension [conviction referral cases only]: Respondent will be credited for the period of his/her Interim suspension toward the stipulated period of actual suspension. Date of commencement of Interim suspension:			
(5)	x x	Other Conditions:			
		See attached			

#### ATTACHMENT TO

#### STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISCIPLINE

IN THE MATTER OF:

MICHAEL CHAPNIK

CASE NUMBER(S):

04-O-11273; 04-O-11476; 04-O-12709

#### FACTS AND CONCLUSIONS OF LAW.

#### Case No. 04-O-11273 (Dorothy Ille)

<u>Facts</u>: In October 20, 2003, Dorothy Ille employed Respondent to represent her in a probate matter, and paid him \$3500.00 in advanced attorney fees. Respondent thereafter made three court appearances on Ms. Ille's behalf. At the hearing on January 6, 2004, Respondent was ordered to file an accounting by February 20, 2004, and to appear for another hearing on March 8, 2004. Thereafter, Respondent failed to take any further action on Ms. Ille's behalf, or to provide any further legal services. From January to March 2004, Ms. Ille telephoned and wrote to respondent on numerous occasions to inquire about the status of her civil matter and to demand the return of her file and unearned fees. Respondent failed to return her telephone calls or to respond to her letters, and did not refund her unearned attorney fees until May 2005, after the intervention of the State Bar.

Conclusions of Law: By recklessly failing to the accounting or to perform any substantive legal services on Ms. Ille's behalf after January 2004, Respondent failed to perform competently the legal services for which he was employed, in violation of Rule of Prof. Conduct 3-110(A). By willfully failing to respond to Ms. Ille's repeated requests for information about her case, Respondent failed to communicate adequately with his client, in violation of Bus. and Prof. Code section 6068(m). By willfully failing to respond to Ms. Ille's repeated requests for the refund of unearned attorney fees, Respondent failed to refund unearned attorney fees promptly, in violation of Rule of Prof. Conduct 3-700(D)(2).

#### Case No. 04-O-11476 (Ann Bradley)

<u>Facts</u>: In June 2003, Ann Bradley employed Respondent to represent her in an appeal of a marital dissolution matter. Ms. Bradley and Respondent agreed that she would perform the legal research and he would draft and file the appellate brief. Respondent did not file the brief in a timely fashion, despite twice being notified to do so by the clerk of the appellate court in November and December 2003. Respondent also failed to respond to numerous telephone inquiries from Ms. Bradley from December 2003 to February 2004. Finally, Respondent failed to return Ms. Bradley's client file to her upon her numerous requests until March 22, 2004, after the intervention of the State Bar.

Conclusions of Law: By recklessly failing to file the appellate brief, Respondent failed to perform competently the legal services for which he was employed, in violation of Rule of Prof. Conduct 3-110(A). By willfully failing to respond to Ms. Bradley's numerous telephone messages, Respondent failed to communicate adequately with his client, in violation of Bus. and Prof. Code section 6068(m). By willfully failing to release Ms. Bradley's client file to her upon her repeated request, Respondent failed to release to his client the papers she was entitled to receive, in violation of Rule of Prof. Conduct 3-700(D)(1).

#### Case No. 04-O-12709 (Llane Estrada)

<u>Facts</u>: In October 2002, Llane Estrada employed Respondent to represent him in an immigration matter, and paid him \$755.00 in advanced attorney fees on that date. Thereafter, Respondent failed to perform any legal services on the matter. Respondent spoke to Mr. Estrada in November 2003. However, he thereafter failed to respond to Mr. Estrada's numerous oral and written demands for information about the case. Finally, Respondent failed to refund the unearned attorney fees until May 2005, after the intervention of the State Bar.

Conclusions of Law: By recklessly failing to perform any legal services on Mr. Estrada's behalf, Respondent failed to perform competently the legal services for which he was employed, in violation of Rule of Prof. Conduct 3-110(A). By willfully failing to respond to Mr. Estrada's repeated oral and written requests for information about the case, Respondent failed to communicate adequately with his client, in violation of Bus. and Prof. Code section 6068(m). By willfully failing to refund unearned attorney fees until after the intervention of the State Bar, Respondent failed to refunded unearned attorney fees promptly, in violation of Rule of Prof. Conduct 3-700(D)(2).

#### NEXUS BETWEEN CHEMICAL DEPENDENCY AND MISCONDUCT.

If called as a witness, Respondent would testify that at the time of misconduct stipulated to herein, he was suffering from chemical dependency to alcohol.

#### PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(6), was September 2, 2005.

#### AGGRAVATING FACTORS.

<u>Multiple Acts of Misconduct</u>: The misconduct stipulated to above involves multiple acts of misconduct.

<u>Failure to Cooperate with Investigators</u>: Although he has cooperated through counsel with the State Bar deputy trial counsel on the resolution of these cases, Respondent failed to cooperate with the State Bar investigator on all three cases.

<u>Dishonesty</u>: Respondent misrepresented to all three clients that he was working on their cases when he was not.

<u>Significant Harm</u>: In the *Bradley* matter, default was entered and Ms. Bradley had to employ other counsel to have it set aside; this was made more difficult by Respondent's failure to release Ms. Bradley's client file until after the default was set aside. In the *Ille* matter, as a result of Respondent's inaction and failure to refund the unearned fees promptly, Ms. Ille did not have the financial ability to hire replacement counsel and, lost any claim she might have made to her mother's estate.

#### MITIGATING CIRCUMSTANCES.

#### Additional Mitigating Circumstances.

No Prior Discipline: Although Respondent has only been admitted since 1999, it should be noted that he has no prior record of discipline.

<u>Restitution</u>: Although he did not do so until after the intervention of the State Bar, it should be noted that Respondent refunded the attorney fees to Ms. Ille and Mr. Estrada, in full, plus interest, in July 2005.

Chemical Dependency: Before the intervention of the State Bar, Respondent had begun to address his addiction to alcohol by voluntarily consulting the State Bar Lawyer Assistance Program (LAP) in February 2004. At the suggestion of LAP, Respondent obtained residential treatment for his chemical dependency. Respondent also signed a long term participation plan with LAP on March 28, 2005. However, Respondent has determined to move to Israel and not to continue his participation with LAP.

## RESPONDENT'S RELOCATION TO ISRAEL AND OTHER CONDITIONS TO RETURN TO ACTIVE STATUS.

Respondent has told the State Bar that he wishes to relocate to Israel to continue to address his chemical dependency issues. Accordingly, the parties have agreed that Respondent will not be placed on probation, but will have to satisfy a number of conditions before he can return to active status. In addition to complying with std. 1.4(c)(ii) of the Standards for Attorney Discipline, Respondent will also have to demonstrate that he has undergone a meaningful and sustained period of rehabilitation from his chemical dependency (Harford v. State Bar (1990) 52 Cal.3d 93, 101; In re Billings (1990) 50 Cal.3d 358, 367). He will also have to provide proof that he has attended the State Bar Ethics School, and taken and passed the Ethics School test, and that he has passed the Multi-State Professional Responsibility Examination, both within one (1) year before being readmitted to active status.

# ELECTION NOT TO REQUEST STATE BAR COURT'S ALTERNATIVE DISCIPLINE PROGRAM.

By signing this stipulation, Respondent acknowledges that he was provided information about the State Bar Court's Alternative Discipline Program, that he was offered the opportunity to request referral to and participation in that program, and that he has elected not to do so.

(Do not write above this line.)

In the Matter of	Case Number(s):	
MICHAEL CHAPNIK	04-0-11273; 04-0-11476; 04-0-12709	
		· ."

#### NOLO CONTENDERE PLEA TO STIPULATION AS TO FACTS. CONCLUSIONS OF LAW AND DISPOSITION

Bus. & Prof. Code § 6085.5 Disciplinary Charges: Pleas to Allegations

There are three kinds of pleas to the allegations of a notice of disciplinary charges or other pleading which Initiales a disciplinary proceeding against a member:

- (a) Admission of culpability.
- (b) Denial of culpability.
- (C) Noto contenders, subject to the approval of the State Bar Court. The court shall ascertain whether the member completely understands that a plea of noio contendere shall be considered the same as an admission of culpability and that, upon a plea of noto contendere, the court shall find the member culpable. The legal effect of such a plea shall be the same as that of an admission of culpability for all purposes, except that the plea and any admissions required by the court during any inquiry it makes as to the voluntariness of, or the factual basis for, the pleas, may not be used against the member as an admission in any civil suit based upon or growing out of the act upon which the disciplinary proceeding is based. (Added by Stats, 1996, ch. 1104.) (emphasis supplied)

RULE 133, Rules of Procedure of the State Bar of California STIPULATIONS AS TO FACTS, CONCLUSIONS OF LAW AND DISPOSITION

- (a) A proposed stipulation as to facts, conclusions of law, and disposition must set forth each of the following:
  - (5) a statement that Respondent either
    - (i) admits the lacts set forth in the stipulation are true and that he or she is culpable of violations of the specified statutes and/or Rules of Professional Conduct or
    - (II) pleads note contenders to those tacts and violations. If the Respondent pleads note contendere, the stipulation shall include each of the following:
      - (a) an acknowledgment that the Respondent completely understands that the plea of note contenders shall be considered the same as an admission of the stipulated facts and of his or her culpability of the statutes and/or Rules of Professional Conduct specified in the stipulation; and
      - (b) If requested by the Court, a statement by the Deputy Trial Counsel that the factual stipulations are supported by evidence obtained in the State Bar-Investigation of the matter. (emphasis supplied)

I, the Respondent in this matter, have read the applicable provisions of Bus, & Prof. Code § 6085.5 and rule 133(a)(5) of the Rules of Procedure of the State Bar of California, I plead note contendere to the charges set forth in this stipulation and I completely understand that my plea must be considered the same as an admission of culpability except as stated in Business and Professions Code section 6085.5(c).

8/30/05 MC/m/e Signature

MICHAEL CHAPNIK

[Noto Contendere Plea form approved by SBC Executive Committee 10/22/1997. Revised 12/16/2004.)

Noio

In the Matter of	Case number(s):
MICHAEL CHAPNIK	04-0-11273; 04-0-11476; 04-0-12709
•	

### SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Facts, Conclusions of Law and Disposition.

9205 bate	Company of the state of the sta	CYDNEY BATCHELAL Print name
8 30 05 Date 30 05	Respondent's Counsel's signoitire	Robert W. Stensort
\$ /3º/05 Date /	Respondents signature	MICHAEL CHAPNIK

In the Matter of	Case number(s):	
MICHAEL CHAPNIK	04-0-11273; 04-0-11476; 04-0-12709	

#### ORDER

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

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

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

# 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 San Francisco, on October 18, 2005, I deposited a true copy of the following document(s):

# STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

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

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

ROBERT W. STEWART 21 TAMAL VISTA BLVD #295 CORTE MADERA CA 94925

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

#### CYDNEY BATCHELOR, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on October 18, 2005.

George Hue / Case Administrator

State Bar Court