



ORIGINAL

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State Bar Court of California		
Hearing Department <input checked="" type="checkbox"/> Los Angeles <input type="checkbox"/> San Francisco		
Counsel for the State Bar  Jean Cha Deputy Trial Counsel 1149 South Hill Street Los Angeles, California 90015-2299 Telephone: (213) 765-1157  Bar # 228137	Case number(s)  05-J-01032-RMT	(for Court's use)  <div style="text-align: center;"> <b>FILED</b>   <b>MAR 27 2006</b> <i>HC</i>  <b>STATE BAR COURT</b>  <b>CLERK'S OFFICE</b>  <b>LOS ANGELES</b> </div>
<input type="checkbox"/> Counsel for Respondent <input checked="" type="checkbox"/> In Pro Per, Respondent  Peter H. Blunt 2495 S Quebec St Apt 17 Denver, CO 80231  Bar # 153392	Submitted to <input type="checkbox"/> assigned judge <input checked="" type="checkbox"/> settlement judge RAP	
In the Matter of  PETER HOWE BLUNT  Bar # 153392  A Member of the State Bar of California (Respondent)	STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING  <b>ACTUAL SUSPENSION</b>  <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	

PUBLIC MATTER

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 6, 1991 (date)
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation, are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation and order consist of 21 pages.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."
- (6) 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.

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(8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):

- ☐ until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 284, Rules of Procedure.
- ☒ costs to be paid in equal amounts prior to February 1 for the following membership years:  
Two (2) Billing Cycles  
(hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
- ☐ costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
- ☐ costs entirely waived

**B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.**

(1) ☒ Prior record of discipline [see standard 1.2(f)]

(a) ☒ State Bar Court case # of prior case 95-0-10850

(b) ☒ Date prior discipline effective March 24, 2001

(c) ☒ Rules of Professional Conduct/ State Bar Act violations: \_\_\_\_\_  
Business and Professions Code Sections 6068(b) and 6103.  
Pursuant to Business and Professions Code Section 6049.1.

(d) ☒ Degree of prior discipline 2 years stayed suspension, one year

(e) ☒ If Respondent has two or more incidents of prior discipline, use space provided below or a separate attachment entitled "Prior Discipline."  
See Prior Discipline on page 15.)

(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.

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- (5) ☐ **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6) ☐ **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (7) ☐ **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.
- (8) ☐ **No aggravating circumstances** are involved.

Additional aggravating circumstances:

**C. Mitigating Circumstances [see standard 1.2(e)]. Facts supporting mitigating circumstances are required.**

- (1) ☐ **No Prior Discipline:** Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.
- (2) ☒ **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3) ☒ **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
- (4) ☒ **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5) ☐ **Restitution:** Respondent paid \$ \_\_\_\_\_ on \_\_\_\_\_ in restitution to \_\_\_\_\_ without the threat or force of disciplinary, civil or criminal proceedings.
- (6) ☐ **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) ☒ **Good Faith:** Respondent acted in good faith.
- (8) ☐ **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) ☒ **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.

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- (10) ☐ **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11) ☐ **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.
- (12) ☐ **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) ☐ **No mitigating circumstances** are involved.

**Additional mitigating circumstances:**

**D. Discipline:**

(1) ☒ **Stayed Suspension:**

- (a) ☒ Respondent must be suspended from the practice of law for a period of Four (4) years
- i. ☒ and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.
- ii. ☐ and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. ☐ and until Respondent does the following: \_\_\_\_\_
- (b) ☒ The above-referenced suspension is stayed.

(2) ☒ **Probation:**

Respondent must be placed on probation for a period of Five (5) years,  
which will commence upon the effective date of the Supreme Court order in this matter.  
(See rule 953, Calif. Rules of Ct.)

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(3) ☒ **Actual Suspension:**

(a) ☒ Respondent must be actually suspended from the practice of law in the State of California for a period of Three (3) years

i. ☒ and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct

ii. ☐ and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.

iii. ☐ and until Respondent does the following: \_\_\_\_\_

**E. Additional Conditions of Probation:**

(1) ☒ If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in general law, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.

(2) ☒ During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.

(3) ☒ Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.

(4) ☒ Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.

(5) ☒ Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

(6) ☒ Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.

(7) ☒ Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.

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- (8) ☐ Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.
- In the interest of justice,
- ☒ No Ethics School recommended. Reason: See State Bar Ethics School Alternative on page 19.
- (9) ☐ Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.
- (10) ☐ The following conditions are attached hereto and incorporated:
- |   |   |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions         | <input type="checkbox"/> Financial Conditions             |

#### F. Other 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.**
- ☐ No MPRE recommended. Reason: \_\_\_\_\_
- (2) ☒ **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:** If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 955, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (4) ☐ **Credit for Interim Suspension [conviction referral cases only]:** Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension: \_\_\_\_\_
- (5) ☐ **Other Conditions:**

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

IN THE MATTER OF:      **PETER H. BLUNT**

CASE NUMBER:          **05-J-01032-RMT**

**FACTS AND CONCLUSIONS OF LAW.**

Peter Howe Blunt (Respondent) was admitted to the practice of law in the State of California on June 6, 1991, was a member at all times pertinent to these charges, and is currently a member of the State Bar of California. Respondent was admitted to the practice of law in the State of Colorado on October 2, 1973, was a member at all times pertinent to these charges, and is currently a member of the State Bar of Colorado.

By entry order filed on October 26, 2004, the Colorado Supreme Court ordered that respondent be suspended from the practice of law in Colorado for three years upon findings that respondent had committed professional misconduct in that jurisdiction as set forth in the Stipulation, Agreement and Affidavit containing Respondent's Conditional Admission of Misconduct filed on October 19, 2004. The decision of the foreign jurisdiction is final.

A copy of a certified copy of the Colorado Supreme Court's entry order filed on October 26, 2004 was attached to the Notice of Disciplinary Charges filed on November 18, 2005 as Exhibit 1 and incorporated therein by reference.

A copy of the Respondent's stipulation with Colorado's Office of Attorney Regulation dated October 19, 2004 was attached to the Notice of Disciplinary Charges filed on November 18, 2005 as Exhibit 2 and incorporated therein by reference.

Prior to 2001, Respondent was operating a business called CorpLegal Services in the State of California.

In or about 2001, Respondent moved CorpLegal Services to Colorado and began operating the business in Denver, Colorado.

From March 3, 1998 to the present, Respondent has not been authorized to practice law in Colorado as a result of a Colorado Supreme Court disciplinary order in case no. 04PDJ024. Respondent was aware that he would not be able to practice law in Colorado until he had petitioned for reinstatement and was reinstated.

From October 23, 1998 through December 3, 2001, a condominium rental property identified as Unit 701 and 701A Lagoon Drive was owned by Mr. Van Heukelem and Sue Gunn each individually as tenants in common in equal portions. After December 3, 2001, the condominium rental property was transferred to Pinnacle Place LLC and an Operating Agreement was entered into by Mr. Van Heukelem and Ms. Gunn. On May 31, 2002, Mr. Van Heukelem transferred half of his interest in Pinnacle Place LLC to Respondent. As a result of the conveyance, Respondent became a co-owner of an undivided twenty-five (25%) interest in Pinnacle Place LLC. Mr. Van Heukelem held a twenty-five (25%) interest and Ms. Gunn held a fifty percent (50%) interest in Pinnacle Place LLC.

The three co-owners sought approval from the condominium association Board for the construction of four units to be built over the garage owned by Pinnacle. The co-owners agreed to pay Respondent to prepare a presentation for the Board's approval for construction of the four units. Respondent could not afford to volunteer his time towards the project. Respondent agreed to work on the project for \$100.00 per hour.

In June 2002, Respondent entered into a legal consulting agreement with Grant Van Heukelem (Van Heukelem) and Sue Gunn (Gunn) agreeing to provide Van Heukelem, Gunn and their company, Pinnacle Place LLC (Pinnacle), with consulting and negotiating services to help resolve an ongoing dispute with the board of a condominium association (the real estate dispute). The legal consulting agreement listed CorpLegal Services in the letterhead. Respondent now fully appreciates that the use of such letterhead created the impression that the Respondent could provide legal consulting services. Respondent informed Van Heukelem and Gunn that he was suspended from the practice of law in the State of Colorado from the outset of their relationship.

On June 6, 2002, Gunn and Van Heukelem paid Respondent \$2,500 in the form of a check. The check for \$2,500 bore the notation: "Legal Services."

Between August 9, 2002 and February 16, 2003, Pinnacle paid Respondent an additional \$18,265 for providing services in the real estate dispute.

In February 2003, Respondent, on behalf of Pinnacle, Van Heukelem, Gunn and himself<sup>1</sup>, met with the Board and attorneys who represented the Board regarding the real estate dispute.

Respondent drafted legal documents on behalf of Pinnacle, including documents providing legal advice and legal analysis.

Respondent drafted a proposed amendment to a declaration of covenants on Pinnacle's behalf.

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<sup>1</sup>As Respondent was a co-owner of Pinnacle Place LLC from May 2002.



Respondent knew at all times pertinent to providing services to Pinnacle, Van Heukelem and Gunn that he could not practice law in Colorado.

Respondent provided legal advice to Pinnacle, Van Heukelem and Gunn and provided services on behalf of Pinnacle, Van Heukelem, Gunn and himself.

The Colorado Office of Attorney Regulation Counsel and the Colorado Supreme Court accepted Respondent's Conditional Admission of Misconduct.

In Respondent's Conditional Admission of Misconduct, Respondent admitted to violating rule 5.5(a) of the Colorado Rules of Professional Conduct.

Rule 5.5(a) of the Colorado Rules of Professional Conduct provides that a lawyer shall not "practice law in a jurisdiction where doing so violates the regulations of the legal profession in that jurisdiction."

The findings and final order of The Colorado Office of Attorney Regulation Counsel and the Colorado Supreme Court are conclusive evidence that Respondent is culpable of professional misconduct in California.

Respondent's culpability as determined by the foreign jurisdiction is admitted. The misconduct which occurred in Colorado constitutes a wilful violation of Rules of Professional Conduct, Rule 1-300(B).

#### **PENDING PROCEEDINGS.**

The disclosure date referred to, on page one, paragraph A.(7), was March 20, 2006.

#### **COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of March 20, 2006, the estimated prosecution costs in this matter are approximately \$4,920.00. Respondent acknowledges that this figure is an estimate only and that it does not include incidental expenses (see Bus. & Prof. Code section 6068.10(c)) or taxable costs (see C.C.P. section 1033.5(a)) which will be included in any final cost assessment. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

**AGREEMENTS AND WAIVERS PURSUANT TO BUSINESS AND PROFESSIONS  
CODE SECTION 6049.1.**

1. Respondent's culpability determined in the disciplinary proceeding in the State of Colorado would warrant the imposition of discipline in the State of California under the laws or rules in effect in this State at the time the misconduct was committed; and
2. The proceeding in the above jurisdiction provided Respondent with fundamental constitutional protection.

**AUTHORITIES SUPPORTING DISCIPLINE.**

Business and Professions Code section 6049.1(a) states that the final order of the Supreme Court of Colorado is conclusive evidence of misconduct in this state.

Business and Professions Code section 6049.1(a) states:

In any disciplinary proceeding under this chapter, a certified copy of a final order made by any court of record or any body authorized by law or by rule of court to conduct disciplinary proceedings against attorneys, of the United States or of any state or territory of the United States or of the District of Columbia, determining that a member of the State Bar committed professional misconduct in such other jurisdiction shall be conclusive evidence that the member is culpable of professional misconduct in this state, subject only to the exceptions set forth in subdivision (b).

The potential disputed issues in this proceeding are limited by Business and Professions Code section 6049.1(b) to the following:

The degree of discipline to impose;

Whether, as a matter of law, Respondent's culpability determined in the proceeding in the other jurisdiction would not warrant the imposition of discipline in the State Bar of California under the laws or rules binding upon members of the State Bar at the time the member committed misconduct in such other jurisdiction; and

Whether the proceedings of the other jurisdiction lacked fundamental constitutional protection.

The California State Bar Court has jurisdiction to regulate misconduct even when that misconduct occurred in another state and did not result in an out-of-state criminal conviction. (*Emslie v. State Bar* (1974) 11 Cal.3d 210.) "Although the State Bar has discretion whether to pursue allegations of alleged misconduct in other states, there is simply no jurisdictional requirement that the alleged misconduct must occur in this state in order to be prosecuted by the State Bar of California." (*In the Matter of Respondent V* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 442, 447; see also Bus. & Prof. Code § 6049.1(e) permitting non-expedited disciplinary proceedings against a California attorney based on the attorney's conduct in another jurisdiction.)

The issues in this proceeding are limited to three factors: (1) the degree of discipline to be imposed upon Respondent in California; (2) whether, as a matter of law, Respondent's culpability in the Colorado proceeding would not warrant the imposition of discipline in California under the laws or rules applicable in this State at the time of Respondent's misconduct in Colorado; and (3) whether the Colorado proceeding lacked fundamental constitutional protections. (Bus. & Prof. Code § 6049.1(b).)

The present proceeding, under the provisions of section 6049.1, is based on a finding of Respondent's misconduct by the State of Colorado. Under that section the Colorado Supreme Court's order filed October 26, 2004 approving the Respondent's stipulation with Colorado's Office of Attorney Regulation dated October 19, 2004 constitutes a final order of the United States, or of a sister state or territory in the United States, determining that a member of the California Bar has committed professional misconduct in that jurisdiction is conclusive evidence that the attorney is culpable of professional misconduct in California. (*In the Matter of Jenkins* (Review Dept. 2000) 4 Cal. State Bar Ct. Rptr. 157, 162.) As a matter of law, the culpability found in Colorado warrants discipline in California and the Colorado proceeding provided constitutional protection. This stipulation addresses the degree of discipline as negotiated by the parties in California. (*In the Matter of Jenkins* (Review Dept. 2000) 4 Cal. State Bar Ct. Rptr. 157, 163-164.)

In Colorado, the practice of law includes but is not limited to actions as a representative in protecting, enforcing or defending the legal rights and duties of another and/or in counseling, advising and assisting that person in connection with those legal rights and duties. (*Denver Bar Ass'n v. P.U.C.* (1964) 154 Colo. 273, 391.)

The Colorado Supreme Court has held that disbarment is warranted when a lawyer practices law while suspended or otherwise violated an order of suspension and causes harm to a client. (See, e.g., *People v. Redman* (Colo. 1995) 902 P.2d 839 [unauthorized practice of law during administrative suspension, and after discipline for continuing to practice law under suspension, warrants disbarment]; *People v. Zimmerman* (Colo. 1998) 960 P.2d 85 [disbarment rather than three year suspension was warranted in an attorney disciplinary proceeding where the attorney's

existing suspension was disciplinary, as opposed to administrative, and the attorney's conduct caused actual harm since the clients received little or no benefit from the fees that they paid].)

In California the practice of law consists of the same conduct as that recognized in Colorado. (Cf. *Denver Bar Ass'n v. P.U.C.* (1964) 154 Colo. 273.) "The practice of law includes not only appearing in a court of law but also the giving of legal advice and counsel and the preparation of legal instruments and contracts by which legal rights are secured although such matter may or may not be depending in a court." (*Morgan v. State Bar* (1990) 51 Cal.3d 598, 604; *People v. Merchants Protective Corp.* (1922) 189 Cal. 531, 535.) Respondent entered into a legal consulting agreement in June 2002 with Van Heukelem and Gunn. Respondent presented matters before the condominium association Board and represented the rights and interests of Van Heukelem and Gunn.

The "character of the act, and not the place where it is performed, is the decisive element, and if the application of legal knowledge and technique is required, the activity constitutes the practice of law." (*Morgan v. State Bar* (1990) 51 Cal.3d 598, 603.) Respondent clearly provided ongoing services that were enhanced by his legal expertise such as drafting and advising them as to what action could and should be taken for a fee. (*Responsible Citizens v. Superior Court (Askins)* (1993) 16 Cal.app.4th 1717.) The type of conduct engaged in by Respondent constitutes the practice of law. (See *Crawford v. State Bar* (1960) 54 Cal.2d 659; *Arden v. State Bar* (1959) 52 Cal.2d 310, 315.) Respondent performed services that utilized his legal knowledge and technique arising out his legal expertise in real estate matters. (*Baron v. City of Los Angeles* (1970) 2 Cal.3d 535, 543; Annotation, What Amounts to the Practice of Law (1937) 111 A.L.R. 1932; see also *Birbrower, Montalbano, Condon & Frank v. Superior Court* (1998) 17 Cal.4th 119, 128.)

The primary purposes of the disciplinary proceedings are the protection of the public, the courts, and the legal profession; the maintenance of high professional standards by attorneys; and the preservation of public confidence in the legal profession. (Std 1.3; *In re Morse* (1995) 11 Cal.4th 184, 205.) No fixed formula applies in determining the appropriate level of discipline. (*In the Matter of Brimberry* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 390, 403.) Instead, we determine the appropriate discipline in light of all relevant circumstances. (*Gary v. State Bar* (1988) 44 Cal.3d 820, 828.)

The appropriate level of discipline for practicing law while under suspension is disbarment or suspension depending upon the gravity of the offense and the harm, if any, to the victim. (Std. 2.6; *Morgan v. State Bar* (190) 274 Cal.Rptr. 8, 12.)

In *Arm v. State Bar* (1990) 50 Cal.3d 763, 768-781, the court found no common thread and no evidence that Arm had engaged in 'a repetition of offenses' for which he had previously been disciplined. The court considered a lack of significant harm resulting from Arm's misconduct

and the absence of bad faith in mitigation of misleading a judge by failing to disclose his upcoming 60-day suspension, which involved moral turpitude and commingling client and attorney funds where Arm had three prior disciplinary proceedings in 22 years of practice.

In *Arm* an 18-month actual suspension was adequate to protect the court, the public, and the legal profession. However, here, Respondent's prior history of discipline involves a 955 violation and probation condition violations in two separate disciplinary matters back to back. Therefore, a longer period of actual suspension than that in *Arm* is proper. Also, Respondent was admitted in California in 1991. Over the past ten years, Respondent has been involved in disciplinary proceedings in California; for two-thirds of Respondent's California membership term. Respondent's record of prior discipline raises concern for Respondent's regard to the obligations of the profession and cannot be ignored. Thus, greater discipline than that in *Arm* is appropriate.

The Standards for Attorney Sanctions for Professional Misconduct<sup>2</sup> provide us with guidelines in determining the appropriate degree of discipline to be recommended. (*In the Matter of Taylor* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 563, 580.)

Standard 1.7(b) provides that if a member has a record of two prior impositions of discipline, the degree of discipline in the current proceeding shall be disbarment unless the most compelling mitigating circumstances clearly predominate. Here, Respondent has three prior records of discipline. While the standards are entitled to great weight, they are not binding. (*In re Silverton* (2005) 36 Cal.4th 81, 92.)

A literal application of standard 1.7(b) would call for disbarment of any attorney who is found culpable in a fourth disciplinary proceeding, unless compelling mitigating circumstances predominate. However, this standard must be applied in light of the nature and extent of the prior record. (*In the Matter of Anderson* (Review Dept. 1992) 2 Cal. State Bar Ct. Rptr. 208, 217 [Where Respondent's prior record of two reprimands involved inattention to the needs of clients, misconduct of different nature than the drunk driving convictions involved in Respondent's third proceeding, Respondent's prior disciplinary record did not warrant disbarment, but did constitute a proper aggravating factor].)

In order to properly fulfill the purposes of lawyer discipline, we must review the nature and chronology of a Respondent's record of discipline. The mere fact that Respondent has three impositions of discipline without further analysis, may not justify disbarment. (*In the Matter of Miller* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 131.) Here, the number of priors matters is less when we look to the substance and nature of Respondent's disciplinary history with due regard to the facts and circumstances of the present misconduct.

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<sup>2</sup>Future references to standard or Std. are to the Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct.

The original disciplinary proceeding started with a reciprocal disciplinary matter from Colorado. Respondent's second and third California disciplinary proceedings both resulted from non compliance with probation conditions arising out of the original reciprocal disciplinary proceeding from Colorado. While not minimizing the prior record of disciplinary history, when compared to other cases, they may have been consolidated and may be considered not serious enough to warrant disbarment for purposes of this stipulation.

As articulated below under mitigating circumstances, discipline less than that recommended by the applicable standard is appropriate for the protection of the public. (Standard 1.3; Standard 1.7(b); *In the Matter of Farrell* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 490; *In the Matter of Moriarty* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 245.)

The Standards for Attorney Discipline are treated by the Supreme Court as guidelines for imposing discipline, non-talismanic fashion, but from which it will generally not depart unless there is a compelling reason and are not mandatory sentencing provisions. (*In the Matter of Bouyer* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 404; *In the Matter of Stamper* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 96.)

Standard 1.7(b) of the Standards for Attorney Sanctions for Professional Misconduct, which provides for disbarment of a Respondent who has a record of two prior impositions of discipline, cannot be applied without regard to the other provisions of the standards, particularly standard 1.3, which describes the primary purpose of the standards as the protection of the public, the courts and the legal profession; the maintenance of high professional standards and the preservation of public confidence in the profession. (*In the Matter of Miller* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 131.)

Those primary aims of attorney disciplinary probation are the protection of the public and the rehabilitation of the attorney. In this situation, a lengthy period of actual suspension provides Respondent an opportunity to reflect upon the many delicate facets of practicing law and an opportunity to prove through rehabilitation and probation conditions that he is fit to practice upon application in accordance of standard 1.4(c)(ii). (*In the Matter of Hunter* (Review Dept. 1994) 3 Cal. State Bar Ct. Rptr. 63.) The lengthy period of stayed suspension subject to probation conditions atop the actual suspension period is an adequate additional measure to protect the public, courts and legal profession. (*In the Matter of Howard* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 445.)

Discipline is imposed to protect the public, enforce professional standards and maintain public confidence in the legal profession, not to punish. Pursuant to these principles, the Supreme Court and State Bar Court are most concerned when it appears an attorney is likely to repeat very serious misconduct, and the misconduct is not excused by personal stress or dramatic misfortune, and the attorney has failed to make restitution to clients when the attorney had the means to do

so. (*In the Matter of Collins* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 737.) In this case, Respondent has been informed of the definition of the practice of law as defined by Colorado and California case law and the threat of recurrence is de minimus.

Here, all relevant facts have been considered, including the purposes of imposing discipline, which include: protection of the public, courts, and legal profession; maintenance of high professional standards; and maintenance of integrity of and public confidence in the legal profession. (*In the Matter of Kueker* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 583.) In consideration of all the relevant facts, the acts committed in Colorado which warranted a three-year suspension at the time they were committed warrant a three-year suspension, four years' stayed suspension, and five years' probation in California in order to protect the public and comport with California case law.

## **AGGRAVATING CIRCUMSTANCES.**

### **PRIOR DISCIPLINE. (Std. 1.2.(b)(i).)**

#### **State Bar Court Case No. 95-O-10850<sup>3</sup>:**

Respondent was suspended by the Colorado Supreme Court in case no. 97SA451, effective March 4, 1998, for one year and one day based upon a stipulation where in he admitted that he violated Colorado Rules of Professional Conduct, rule 3.4(c) (knowingly disobeying an obligation under the rules of a tribunal); rule 8.4(c) (engaging in conduct prejudicial to the administration of justice); and rule 8.4(h) (engaging in conduct adversely reflecting on the lawyer's fitness to practice law). If the misconduct had been committed in the State of California, Respondent would have wilfully violated Business and Professions Code section 6068(b) and 6103.

In a reciprocal proceeding stemming from the Colorado disciplinary proceeding, California Supreme Court Order number S084432 filed February 23, 2000, Respondent was suspended from the practice of law for two years and until standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct, that the two-year suspension be stayed, and that Respondent be placed on probation for one year subject to six-months actual suspension. The order became effective on March 24, 2000 and ended on March 24, 2001.

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<sup>3</sup>Section 6049.1 became effective in January 1986. State Bar Case Number 95-O-10850 was opened as an original matter and by inadvertence was not changed to a "J" proceeding for reciprocal discipline stemming from a certified copy of another jurisdiction's final attorney disciplinary order conclusively establishing that a California attorney is culpable of professional misconduct in California.

**State Bar Court Case No. 00-N-12955:**

In California Supreme Court Order number S094045 filed March 7, 2001, Respondent was suspended from the practice of law for one year, stayed, and placed on a one year term of probation, including six-months actual suspension. The order became effective on April 6, 2001 and ended on April 6, 2002.

On February 23, 2000, the California Supreme Court filed Order No. S084432 (955 Order) which required Respondent to comply with rule 955, California Rules of court, and to perform the acts specified in subdivisions (a) and (b) of rule 955, California Rules of Court, within 30 and 40 days, respectively, after the effective date of the Supreme Court Order. The 955 Order required Respondent to notify all clients and co-counsel of his suspension, deliver to all clients any papers or other property to which the clients were entitled, refund any unearned attorney fees, notify opposing counsel and adverse parties of his suspension, and file a copy of the notice with the court, agency, or tribunal before which the ligation was pending. Respondent was further required to file with the Clerk of the State Bar Court an affidavit showing that he fully complied with these requirements. The 955 Order became effective on March 24, 2000. Respondent failed to timely file a declaration or affidavit concerning his compliance with California Rules of Court, rule 955, within the time required by the 955 Order. After receiving notification from the State Bar of his failure to comply with the 955 Order, Respondent untimely filed the required notice on September 8, 2000 in wilful violation of Business and Professions Code, section 6103.

**State Bar Court Case No. 02-O-10540:**

In California Supreme Court Order number S11008 filed December 11, 2002, Respondent was suspended from the practice of law for two years, stayed and placed on probation for a one-year term on condition that Respondent be suspended for 45 days. The order became effective on January 10, 2003 and ended on January 10, 2004.

In the discipline related to State Bar Court Case No. 95-O-10850, Supreme Court Order No. S084432, and the November 8, 1999 stipulation related to said matter, Respondent was required to comply with probation conditions, one of which required Respondent to attend the State Bar Ethics School, and pass the test given at the end of such session, within one year of the effective date of the disciplinary order of March 24, 2000. By order of the Hearing Department, the May 24, 2001 deadline was extended to September 24, 2001. Respondent did not attend the State Bar Ethics School and did not pass the test given at the end of such session by September 24, 2001 in wilful violation of his probation as ordered by Supreme Court Order No. S088876 in State Bar case number 98-C-00852 and wilful violation of Business and Professions Code section 6068(k).

In the discipline related to State Bar Court Case No. 00-N-12955, Supreme Court Order No. S094045, and the November 1, 2000 stipulation related to said matter, Respondent was required to submit written quarterly reports to the Probation Unit which were due each January 10, April



10, July 10, and October 10 of the probation period. Respondent did not submit to the Probation Unit his January 10, 2002 quarterly report in wilful violation of the conditions of his probation as ordered by Supreme Court Order No. S094045, in State Bar case number 00-N-12955 and wilful violation of Business and Professions Code section 6068(k).

### **MITIGATING CIRCUMSTANCES.**

#### **No Harm:**

Harm to the public and to the administration of justice, and risk of harm to clients, are inherent in the unauthorized practice of law. (*In the Matter of Trousil* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 229.) In this case, the legal services agreement was for the benefit of the co-owners, Respondent included. No legal documents were presented to the Board or any other attorney. The intent was that all legal documents were to be reviewed and signed by a licensed attorney. Respondent's conduct did not cause harm to Pinnacle. Respondent informed the other two investor/owners and all outside parties that he was not permitted to practice law in Colorado and that he was not an attorney.

#### **Candor and Cooperation:**

Respondent has entered into a stipulation as to facts and stipulates to culpability in these proceedings. Respondent agreed to the imposition of discipline without requiring a hearing.

Mitigating weight is afforded on account of Respondent's cooperation with the State Bar in entering into a factual stipulation regarding background facts and because Respondent willingly admits his culpability. (*In the Matter of Johnson* (Review Dept. 2000) 4 Cal. State Bar Ct. Rptr. 179.) An attorney has a legal and ethical duty to cooperate with the State Bar's disciplinary investigation, and that cooperation, in and of itself, is not entitled to great weight as a mitigating factor. (*In the Matter of Spaith* (Review Dept. 1996) 3 Cal. State Bar Ct. Rptr. 511.) Here, Respondent admitted his wrongdoing and culpability from the outset. The gravity is slightly diminished because the stipulated facts are easily provable, nonetheless we take them into consideration. (*In the Matter of Bouyer* (Review Dept. 1998) 3 Cal. State Bar Ct. Rptr. 888.)

Respondent provided an explanation and articulated a basis for deviating from disbarment. (*In the Matter of Lybbert* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 297.)

#### **Good Faith:**

In order to clearly establish good faith as a strong mitigating circumstance, an attorney's beliefs must be both honestly held and reasonable at the time of the conduct. (*In the Matter of Rose* (Review Dept. 1997) 3 Cal. State Bar Ct. Rptr. 646.) Respondent's belief that his conduct was not the unauthorized practice of law were honest but not reasonable. Also, disclosure of a

suspension from the practice of law does not excuse Respondent from committing the act and the resultant harm to the public and the legal profession.<sup>4</sup>

However, upon examination of the surrounding circumstances we consider Respondent's good faith belief that at the time of the misconduct, Respondent believed that it did not rise to a violation of the rules of professional conduct and should be considered a mitigating factor, albeit worth only little weight. (*In the Matter of Harney* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 266.)

Respondent was acting in what he believed to be the best interests of all co-owners of the condominium investment. Though Respondent's intention or motives, which were also driven by potential financial gain and Respondent was paid over \$20,000 in fees for his services, Respondent's good will is mitigation, here. (*In the Matter of DeMassa* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 737.)

**Remorse:**

Respondent acknowledges that his misconduct was wrongful and is sincerely remorseful. Respondent's acceptance of providing services for a fee in a real estate interest where the relationship and conduct is the unauthorized practice of law was a desperate response to personal pressures related to financial difficulties and is reasonably understandable where Respondent wrongfully believed that he was not practicing law at the time he provided those services and believed that he took the necessary measures to safeguard any impropriety by giving notice to those he provided services and to whom he met regarding the condominium improvement but recognizes and acknowledges that the conduct was improper. (*In the Matter of Bleeker* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 113.) Respondent has shown a recognition of a new understanding for what constitutes the practice of law and ceased providing services to Pinnacle. (*In the Matter of Ward* (Review Dept. 1992) 2 Cal. State Bar Ct. Rptr. 47.)

Here, Respondent's unauthorized practice of law was an isolated incident related to a matter in which he had a personal relationship with co-owners in a real estate investment. Respondent misunderstood his obligations to the profession and said misconduct is diminished in gravity because possible recurrence is not likely. Respondent now, in response to the Colorado investigation and proceedings, conducts himself in a manner that comports with his professional limitations by hiring licensed counsel in any legal matter where Respondent does research and drafts documents under the supervision of this licensed attorney. In that specific arrangement, Respondent's conduct would not constitute the practice of law.

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<sup>4</sup>Respondent's misconduct harmed the public and the administration of justice by the very nature of the unauthorized practice of law. (Std. 1.2(b)(iv).)

**Severe Financial Stress:**

Respondent's financial stress and intermittent inability to pay child support due to his dire straits may have clouded his judgment and is causally related or is directly responsible for the reason he engaged providing services to Pinnacle in Colorado and deserves some weight in mitigation. (*In the Matter of Mitchell* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 332.)

Respondent no longer provides services to Pinnacle and acknowledges that all future legal work must be under the supervision of a licensed attorney in the capacity of a legal assistant or the like. Rehabilitation has been established because the unauthorized practice of law is not likely to recur. (*In re Naney* (1990) 51 Cal.3d 186, 197.) Also, Respondent is pursuing alternative sources of income and is the principal caretaker of his elderly mother who was diagnosed with terminal cancer in February 2005.

As in the present matter, mitigating evidence based on the surrounding circumstances may be sufficiently mitigating to avert an attorney's disbarment for prior misconduct. (*In the Matter of Snyder* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 593.)

Though none of these aforementioned circumstances excuse the unauthorized practice of law, sufficient mitigation to depart from disbarment yet imparting substantial discipline is appropriate. In consideration of the responsibility to preserve confidence in the legal profession and maintain the highest possible professional standards for attorneys, the nature and chronology of Respondent's record of discipline weighed against Respondent's mitigating circumstances, three-years actual suspension is appropriate. (Std. 1.3; see *Sands v. State Bar* (1989) 49 Cal.3d 919, 928; *Porter v. State Bar* (1991) 52 Cal.3d 518, 528.)

Based on these several mitigating circumstances on balance with the nature and impact of the prior record of discipline, the stipulated discipline is appropriate.

**STATE BAR ETHICS SCHOOL ALTERNATIVE.**

Respondent resides outside California and is unable to attend State Bar Ethics School. As an alternative to State Bar Ethics School, the parties agree that Respondent will complete a Colorado Ethics course(s) pertaining to the Rules of Ethics for a total of six (6) ethics credits that shall not be used towards any Minimum Continuing Legal Education Requirements in any jurisdiction.

If Respondent attends State Bar Ethics School in California, Respondent may receive Minimum Continuing Legal Education credit upon the satisfactory completion of State Bar Ethics School.

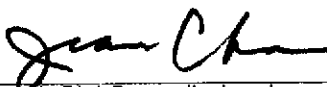
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In the Matter of  PETER H. BLUNT	Case number(s):  05-J-01032-RMT
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### SIGNATURE OF THE PARTIES

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


Date	Respondent's signature	PETER HOWE BLUNT Print name
Date	Respondent's Counsel's signature	Print name
3-21-06 Date	 Deputy Trial Counsel's signature	JEAN CHA Print name

(Do not write above this line.)

In the Matter of  PETER H. BLUNT	Case number(s):  05-J-01032-RMT
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### SIGNATURE OF THE PARTIES

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

<u>Mar. 21, 2006</u> Date	<u></u> Respondent's signature	<u>PETER HOWE BLUNT</u> Print name
_____ Date	_____ Respondent's Counsel's signature	_____ Print name
_____ Date	_____ Deputy Trial Counsel's signature	<u>JEAN CHA</u> Print name

(Do not write above this line.)

In the Matter of PETER H. BLUNT	Case number(s): 05-J-01032-RMT
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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 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.)

03/24/06  
Date

  
RICHARD A. PLATEL  
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 March 27, 2006, I deposited a true copy of the following document(s):

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

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

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

**Peter H. Blunt  
CorpLegal Services  
2495 S Quebec St Apt 17  
Denver, CO 80231 6067**

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

**JEAN CHA, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **March 27, 2006**.



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**Tammy R. Cleaver**  
Case Administrator  
State Bar Court