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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 ERIN McKEOWN JOYCE DEPUTY TRIAL COUNSEL 1149 SOUTH HILL STREET LOS ANGELES, CALIFORNIA 90015 TELEPHONE: 213.765.1356 Bar # 149946	Case number(s) 05-J-04474	(for Court's use) <div style="text-align: center; font-size: 2em; font-weight: bold;">FILED</div> <div style="text-align: center;">APR 10 2006</div> <div style="text-align: center;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</div>
<input type="checkbox"/> Counsel for Respondent <input type="checkbox"/> In Pro Per, Respondent PETER R. JARVIS, ESQ. HINSHAW & CULBERTSON, LLP 1000 SW BROADWAY, #1950 PORTLAND, OREGON 97205-3078 TELEPHONE: (503) 243-3243 Bar # 219751	<div style="font-size: 3em; font-weight: bold; opacity: 0.5;">PUBLIC MATTER</div> Submitted to <input checked="" type="checkbox"/> assigned judge <input type="checkbox"/> settlement judge	
In the Matter of CHARLES HERNAN CARREON Bar # 127139 A Member of the State Bar of California (Respondent)	STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING <div style="font-weight: bold;">ACTUAL SUSPENSION</div> <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	

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 January 14, 1987
(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 20 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.

(Do not write above this line.)

(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 two (2) years~~ two (2) billing cycles following the effective date of the Supreme Court Order. (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 _____

(b) Date prior discipline effective _____

(c) Rules of Professional Conduct/ State Bar Act violations: _____

(d) Degree of prior discipline _____

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

(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.

(Do not write above this line.)

- (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.

(Do not write above this line.)

- (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:

Respondent has no prior imposition of discipline in California or Oregon in over 15 years of practice.

D. Discipline:

(1) **Stayed Suspension:**

(a) Respondent must be suspended from the practice of law for a period of two (2) 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 Two (2) years which will commence upon the effective date of the Supreme Court order in this matter.
(See rule 953, Calif. Rules of Ct.)

(Do not write above this line.)

(3) **Actual Suspension:**

(a) Respondent must be actually suspended from the practice of law in the State of California for a period of sixty (60) days

- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
- ii. and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. and until Respondent does the following: _____

E. 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.

(Do not write above this line.)

- (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.
- No Ethics School recommended. Reason: _____
- (9) Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.
- (10) 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: CHARLES HERNAN CARREON

CASE NUMBER: 05-J-04474

FACTS AND CONCLUSIONS OF LAW.

1. Respondent was admitted to the practice of law in California on January 14, 1987, was a member at all times pertinent to these charges and is currently a member of the State Bar of California.
2. Respondent was admitted to practice law in Oregon on September 27, 1993, was a member at all times pertinent to these charges and is currently a member of the Oregon State Bar.
3. On January 19, 2005, a Formal Complaint was filed against Respondent pursuant to the authorization of the Oregon State Professional Responsibility Board ("SPRB"), alleging violation of DR 3-101(B) [unlawful practice of law] and DR 9-101(A) [failure to deposit or maintain client funds in trust].
4. On October 4, 2005, the Supreme Court of the State of Oregon issued an order imposing a sixty day actual suspension on Respondent for violation of DR-3-101(B) and DR 9-101(A). This disciplinary order was based on a stipulation entered into between the SPRB and Respondent on September 23, 2005. True and correct copies of the October 4, 2005 disciplinary order and September 23, 2005 stipulation are collectively attached hereto as Exhibit 1.
5. The facts and circumstances underlying the Formal Complaint brought by the SPRB are as follows:
6. In October 2001, Respondent was hired by Sweet Entertainment Group and Sweet Productions, Inc. (collectively "SEG"), a U.S. corporation, on a non-exclusive basis to function as house counsel for its U.S. legal matters and business operations in Vancouver, British Columbia, Canada.
7. Respondent is not, and at all time mentioned herein was not, an attorney duly admitted or licensed to practice law in the province of British Columbia or the country of Canada.
8. Under British Columbia Law Society Rule ("BC Rules") 2-18, a lawyer wishing to practice only foreign law in British Columbia, Canada, must complete an application, submit it with a fee to the Executive Director and obtain a permit to act as a practitioner of foreign law

in British Columbia. Respondent did not apply for or obtain admission as a practitioner of foreign law under BC Rule 2-18.

9. From Fall 2001 through Spring 2002, Respondent acted as house counsel for SEG and engaged in the practice of law in British Columbia, Canada, a violation of BC Rules.

10. As counsel for SEG, Respondent held in trust settlement proceeds for the benefit of SEG received in connection with a litigation matter.

11. On October 11, 2002, without consulting SEG or obtaining SEG's express consent, Respondent used \$1,400.00 of the settlement proceeds to pay a money judgment that had been obtained for a residential lease he signed in connection with Respondent's employment in Canada. At the time, Respondent knew or in the absence of gross negligence, should have known that SEG disputed whether Respondent was entitled to payment for the lease as a reimbursable expense.

12. The Oregon October 4, 2005 disciplinary order found a violation of the duty to maintain client funds in trust as the result of Respondent's payment of the lease judgment. There was no finding of misappropriation, due to Respondent's good faith belief that he had the authority to pay the lease judgment incurred as the result of his employment with SEG with the SEG settlement funds.

CONCLUSIONS OF LAW

By practicing law in a jurisdiction where to do so was in violation of regulations of the profession in that jurisdiction, Respondent violated DR 3-101(B) of Oregon's Code of Professional Responsibility. DR 3-101(B) provides:

A lawyer shall not practice law in a jurisdiction where to do so would be in violation of regulations of the profession in that jurisdiction.

This misconduct also constituted a violation of California Rule of Professional Conduct 1-300(B).

By failing to maintain client funds in an attorney trust account, Respondent violated DR 9-101(A) of Oregon's Code of Professional Responsibility. This misconduct also constituted a violation of California Rule of Professional Conduct 1-300(B).

AUTHORITIES SUPPORTING DISCIPLINE.

STANDARDS FOR ATTORNEY SANCTIONS

Pursuant to Standard 1.3 of the Standards for Professional Misconduct:

The primary purposes of disciplinary proceedings conducted by the State Bar of California and of sanctions imposed upon a finding or acknowledgment of a member's professional misconduct are the protection of the public, the courts and

the legal profession; the maintenance of high professional standards by attorneys and the protection of public confidence in the legal profession.

Pursuant to Standard 2.10 of the Standards for Professional Misconduct:

Culpability of a member of a violation of any provision of the Business and Professions Code not specified in these standards or of a wilful violation of any Rule of Professional Conduct not specified in these standards shall result in reproof or suspension according to the gravity of the offense or the harm, if any, to the victim, with due regard to the purposes of imposing discipline set forth in standard 1.3.

Pursuant to Standard 2.2(b) of the Standards for Professional Misconduct:

Culpability of a member of commingling of entrusted funds or property with personal property or the commission of another violation of rule 4-100, Rules of Professional Misconduct, none of which offenses result in the wilful misappropriation of entrusted funds or property shall result in at least a three month actual suspension from the practice of law, irrespective of mitigating circumstances.

Rule 4-100(A) provides that:

All funds received or held for the benefit of clients by a member or law firm, including advances for costs and expenses, shall be deposited into one or more identifiable bank accounts labeled "Trust Account," "Client's Funds Account," or words of similar import, maintained in the State of California.

Where there is a dispute as to ownership or control of such client funds, Respondent cannot unilaterally make a determination as to the allocation of such funds. *McKnight v. State Bar* (1991) 53 Cal.3d 1025 (Misconduct including failure to deposit into client trust account all of client's funds received from corporate dissolution, use of such funds without the client's knowledge or consent, and failure to repay funds as agreed warrants five year suspension,

including one year actual suspension and seven year probation, including restitution order); *Most v. State Bar* (1967) (Attorney may not unilaterally determine his own fee and withdraw funds held in trust for client, without knowledge or consent of client).

In this case, the Oregon October 4, 2005 disciplinary order provided that Respondent's payment of the lease judgment as a business expense chargeable to SEG was in good faith – and did not constitute wilful misappropriation. Based on the facts and circumstances of this reciprocal discipline case, the proffered suspension is appropriate.

The October 4, 2005 disciplinary order in the State of Oregon imposed a sixty day actual suspension, which in view of Standards 1.3 and 2.10 is sufficient to protect the public and the profession in California. Accordingly, the stipulation discipline is warranted.

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

Respondent acknowledges that he has been disciplined in the State of Oregon for acts that would warrant discipline by the State Bar of California under the laws or rules binding upon members of the State Bar at the time he committed misconduct in Oregon. Respondent acknowledges that his conduct in Oregon, if charged by the State Bar of California, would have resulted in a finding of culpability for violation of Rules of Professional Conduct rule 1-300(B) [unauthorized practice of law in another jurisdiction] and rule 4-100(A)[failure to maintain client funds in account].

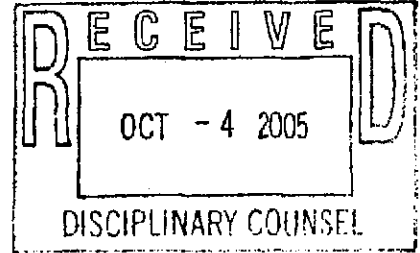
Respondent acknowledges that the proceeding in Oregon provided respondent with fundamental constitutional protection.

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(7), was February 1, 2006.

CERTIFIED TRUE COPY

Amber Savage



IN THE SUPREME COURT
OF THE STATE OF OREGON

In re:

Complaint as to the Conduct of

CHARLES H. CARREON,

Accused.

Case No. 04-146

ORDER APPROVING STIPULATION
FOR DISCIPLINE

This matter having been heard upon the Stipulation for Discipline entered into by the Accused and the Oregon State Bar, and good cause appearing,

IT IS HEREBY ORDERED that the stipulation between the parties is approved and the Accused is suspended for sixty (60) days, effective October 24, 2005, or three (3) days after this Order is signed, whichever is later, for violation of DR 3-101(B) and DR 9-101(A).

DATED this 30 day of September, 2005.

[Signature]

Michael C. Zusman, Esq.
State Disciplinary Board Chairperson

[Signature]

R. Paul Frasier, Esq., Region 3
Disciplinary Board Chairperson

Amber... [Signature]

IN THE SUPREME COURT
OF THE STATE OF OREGON

3	In re:)	
4	Complaint as to the Conduct of)	Case No. 04-146
5	CHARLES H. CARREON,)	STIPULATION FOR
6	Accused.)	DISCIPLINE

Charles H. Carreon, attorney at law, (hereinafter, "the Accused") and the Oregon State Bar (hereinafter, "the Bar"), hereby stipulate to the following matters pursuant to Oregon State Bar Rule of Procedure 3.6(c).

1.

The Bar was created and exists by virtue of the laws of the State of Oregon and is, and at all times mentioned herein was, authorized to carry out the provisions of ORS Chapter 9, relating to the discipline of attorneys.

2.

The Accused was admitted by the Oregon Supreme Court to the practice of law in Oregon on September 27, 1993, and has been a member of the Oregon State Bar continuously since that time, currently having his office and place of business in Jackson County, Oregon.

3.

The Accused enters into this Stipulation for Discipline freely and voluntarily. This Stipulation for Discipline is made under the restrictions of Bar Rule of Procedure 3.6(h).

4.

On January 19, 2005, a Formal Complaint was filed against the Accused pursuant to the authorization of the State Professional Responsibility Board (hereinafter, "SPRB"), alleging violation of DR 3-101(B) (unlawful practice of law) and DR 9-101(A) (failure to deposit or

1 maintain client funds in trust). The parties intend that this Stipulation for Discipline set forth all
2 relevant facts, violations and the agreed-upon sanction as a final disposition of the proceeding.

3 Facts

4 5.

5 In or around October 2001, the Accused was hired by Sweet Entertainment Group and
6 Sweet Productions, Inc. (hereinafter collectively "SEG"), a U.S. corporation, on a non-exclusive
7 basis to function as house counsel for its U.S. legal matters and business operations in
8 Vancouver, British Columbia, Canada. The Accused is not, and at all times mentioned herein
9 was not, an attorney duly admitted or licensed to practice law in the province of British
10 Columbia or the country of Canada.

11 6.

12 Under British Columbia Law Society Rule (hereinafter "BC Rules") 2-18, a lawyer
13 wishing to practice only foreign law in British Columbia, Canada, must complete an application,
14 submit it with a fee to the Executive Director and obtain a permit to act as a practitioner of
15 foreign law in British Columbia. The Accused did not apply for or obtain admission as a
16 practitioner of foreign law under BC Rule 2-18.

17 7.

18 From Fall 2001 through Spring 2002, the Accused acted as house counsel for SEG and
19 engaged in the practice of law in British Columbia, Canada, in violation of BC Rules.

20 8.

21 As counsel for SEG, the Accused held in his trust account settlement proceeds for the
22 benefit of SEG, received in connection with a litigation matter. On or about October 11, 2002,
23 without consulting with SEG or obtaining its express consent, the Accused utilized \$1,400 of the
24 settlement proceeds to pay a portion of a money judgment that had been entered against the
25 Accused and his wife for a residential lease they signed in connection with the Accused's

1 employment in Canada. At the time, the Accused knew or should have known that SEG disputed
2 whether the Accused was entitled to payment for the lease as a reimbursable employment
3 expense.

4 Violations

5 9.

6 The Accused admits that, by practicing law in a jurisdiction where to do so was in
7 violation of regulations of the profession in that jurisdiction and by failing to maintain client
8 funds in a lawyer trust account, he violated DR 3-101(B) and DR 9-101(A) of the Code of
9 Professional Responsibility.

10 Sanction

11 10.

12 The Accused and the Bar agree that in fashioning an appropriate sanction in this case, the
13 Disciplinary Board should consider the *ABA Standards for Imposing Lawyer Sanctions*
14 (hereinafter, "*Standards*"). The *Standards* require that the Accused's conduct be analyzed by
15 considering the following factors: (1) the ethical duty violated; (2) the attorney's mental state;
16 (3) the actual or potential injury; and (4) the existence of aggravating and mitigating
17 circumstances.

- 18 a. **Duty Violated.** The Accused violated his duty to his client to preserve client
19 property and his duty to the profession to refrain from the unauthorized practice
20 of law. *Standards* §§ 4.1, 7.0.
- 21 b. **Mental State.** The Accused knowingly engaged in the practice of law in Canada,
22 negligent of his duty to be licensed as a foreign legal consultant in violation of the
23 BC Rules, and negligent in his failure to investigate the licensing requirements
24 prior to engaging in such practice in Canada. "Knowledge" is the conscious
25 awareness of the nature or attendant circumstances of the conduct but without the

1 conscious objective or purpose to accomplish a particular result. *Standards* at 7.
2 "Negligence" is the failure of a lawyer to heed a substantial risk that
3 circumstances exist or that a result will follow, which failure is a deviation from
4 the standard of care that a reasonable lawyer would exercise in the situation. *Id.*
5 The Accused also knew or should have known that he was dealing improperly
6 with client property, but utilized the funds believing that SEG would ultimately be
7 responsible for his lease obligation.

8 c. **Injury.** Injury does not need to be actual, but only potential to support the
9 imposition of sanctions. *In re Williams*, 314 Or 530, 840 P2d 1280 (1992). The
10 Accused caused actual and potential injury to his client. The client was denied the
11 opportunity to challenge the Accused's use of its funds for payment of the lease
12 judgment. In addition, the BC Rules require proof of malpractice coverage by an
13 applicant as a practitioner of foreign law under BC Rule 2-18. The Accused did
14 not comply with the practitioner of foreign law admissions rule, and did not
15 obtain malpractice coverage for his work on behalf of SEG.

16 d. **Aggravating Factors.** Aggravating factors include:

- 17 1. The Accused utilized client funds for a personal obligation. *Standards*
18 § 9.22(b);
- 19 2. Multiple offenses. *Standards* § 9.22(d);
- 20 3. The Accused has substantial experience in the practice of law, having been
21 admitted in Oregon in 1993 and in California in 1987. *Standards* § 9.22(i)

22 e. **Mitigating Factors.** Mitigating factors include:

- 23 1. The Accused has no prior history of discipline. *Standards* § 9.32(a).
- 24 2. The Accused has displayed a cooperative attitude toward the disciplinary
25 proceedings. *Standards* § 9.32(e).

11.

The *Standards* provide that absent aggravating or mitigating circumstances, suspension is generally appropriate when a lawyer knows or should know that he is dealing improperly with client funds and causes injury or potential injury to a client. *Standards* § 4.12. Suspension is also appropriate when a lawyer knowingly engages in conduct that is a violation of a duty owed as a professional (i.e., unauthorized practice of law), and causes injury or potential injury to a client, the public, or the legal system. *Standards* § 7.2.

12.

Oregon case law is in accord. *See, e.g., In re Eakin*, 334 Or 238, 258-58, 48 P3d 147 (2002) (60-day suspension where lawyer "should have known" that she was dealing improperly with the trust account, due in part to substantial experience in the practice of law); *In re Wyllie*, 331 Or 606, 19 P3d 338 (2001) (4-month suspension for violation of DR 9-101(A) and other charges, with prior discipline); *In re Starr*, 326 Or 328, 952 P2d 1017 (1998) (6-month suspension for improperly withdrawing disputed funds from trust); *In re Williams*, 314 Or 530, 840 P2d 1280 (1992) (63-day suspension for, among other charges, failing to hold funds in trust pending resolution of dispute). *See also, In re Jones*, 308 Or 306, 779 P2d 1016 (1989) (6-month suspension for unlawful practice); *In re Nelson*, 17 DB Rptr 41 (2003) (reprimand for unauthorized appearance in Washington bankruptcy); *In re Kimmell*, 10 DB Rptr 175 (1996) (reprimand for representation of clients in 3 matters in California while inactive in that state); *In re Butler*, Or S Ct No S40533 (1993) (90-day suspension for filing an answer to a complaint in Nebraska when he was not authorized to practice law in Nebraska).

13.

Consistent with the *Standards* and Oregon case law, the parties agree that the Accused shall be suspended for 60 days for violation of DR 3-101(B) and DR 9-101(A) of the Code of

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24th CMC

1 Professional Responsibility, the suspension to be effective October 1, 2005 or three (3) days after
2 this stipulation is approved, whichever is later.

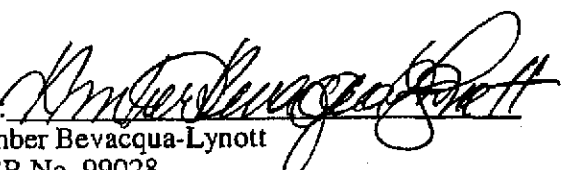
3 14.

4 This Stipulation for Discipline is subject to review by Disciplinary Counsel of the Oregon
5 State Bar and to approval by the State Professional Responsibility Board (SPRB). If approved by
6 the SPRB, the parties agree the stipulation is to be submitted to the Disciplinary Board for
7 consideration pursuant to the terms of BR 3.6.


8
9 EXECUTED this 9th day of September, 2005.

10
11 
12 _____
13 Charles H. Carreon
14 OSB No. 93469

15 EXECUTED this 23rd day of September, 2005.
16 OREGON STATE BAR


17 By: 
18 Amber Bevacqua-Lynott
19 OSB No. 99028
20 Assistant Disciplinary Counsel

1 I, Charles H. Carreon, being first duly sworn, say that I am the Accused in the above-
2 entitled proceeding and that I attest that the statements contained in the stipulation are true and
3 correct as I verily believe.

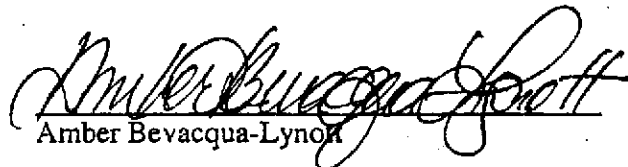
4 
5 Charles H. Carreon

6 Subscribed and sworn to before me this 9th day of September, 2005.

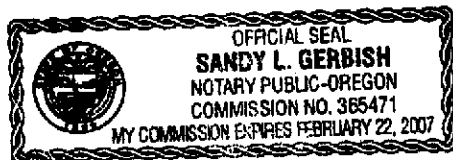


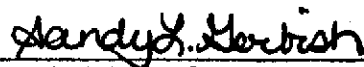
8 
9 Notary Public for Oregon
My commission expires: 6.21.07

10
11
12 I, Amber Bevacqua-Lynott, being first duly sworn, say that I am Assistant Disciplinary
13 Counsel for the Oregon State Bar and that I attest that I have reviewed the foregoing Stipulation
14 for Discipline and that the sanction was approved by the SPRB for submission to the
15 Disciplinary Board on the 12th day of August, 2005.

16 
17 Amber Bevacqua-Lynott

18 Subscribed and sworn to before me this 23 day of September, 2005.



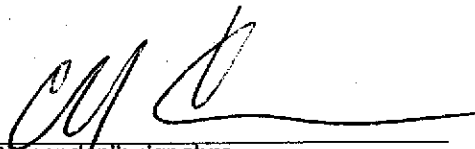
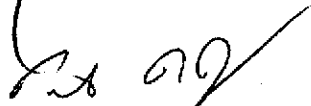
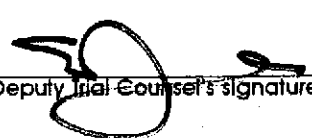
20 
21 Notary Public for Oregon
22 My commission expires: 2/22/2007

(Do not write above this line.)

In the Matter of CHARLES HERNAN CARREON	Case number(s): 05-J-04474
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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>3/8/2006</u> Date	 Respondent's signature	<u>CHARLES HERNAN CARREON</u> Print name
<u>2/17/06</u> Date	 Respondent's Counsel's signature	<u>PETER R. JARVIS</u> Print name
<u>3-16-06</u> Date	 Deputy Trial Counsel's signature	<u>ERIN M. JOYCE</u> Print name

(Do not write above this line.)

In the Matter of CHARLES HERNAN CARREON	Case number(s): 05-J-004474
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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.)**

Date

4/6/06


RICHARD A. HONN
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 April 10, 2006, I deposited a true copy of the following document(s):

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

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

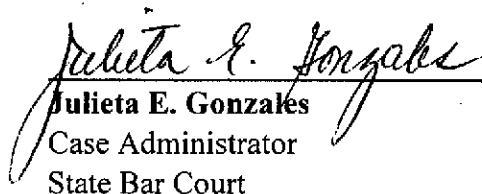
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**PETER R JARVIS ESQ
HINSHAW & CULBERTSON LLP
1000 SW BROADWAY #1950
PORTLAND, OR 97205**

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

Erin M. Joyce, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **April 10, 2006**.



Julieta E. Gonzales
Case Administrator
State Bar Court