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**State Bar Court of California  
Hearing Department  
Los Angeles**

<p>Counsel For The State Bar</p> <p><b>Suzan J. Anderson</b> Deputy Trial Counsel 1149 S. Hill Street Los Angeles, California 90015 (213) 765-1209</p> <p>Bar # <b>160559</b></p>	<p>Case Number (s) <b>06-C-13188-RAH</b></p>	<p>(for Court's use)</p> <p align="center"><b>FILED</b> <i>MDS</i> <b>JUN 26 2007</b> STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent</p> <p><b>Susan L. Margolis</b> MARGOLIS &amp; MARGOLIS, LLP 2000 Riverside Drive Los Angeles, California 90039</p> <p>Bar # <b>104629</b></p>	<p align="center"><b>PUBLIC MATTER</b></p> <p>Submitted to: <b>Settlement Judge</b></p>	
<p>In the Matter Of: <b>RYAN H. RAINEY</b></p> <p>Bar # <b>122152</b></p> <p>A Member of the State Bar of California (Respondent)</p>		

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

**STAYED SUSPENSION; NO ACTUAL SUSPENSION**

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 **December 10, 1985**.
- (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 consists of **16** pages, not including the order.
- (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."



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- (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.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- costs added to membership fee for calendar year following effective date of discipline.
  - costs to be paid in equal amounts prior to February 1 for the following membership years: **Costs to be paid in equal amounts prior to February 1 for the following two 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.
- (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. **Please see attachment pages 13 through 15**
- (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. **Please see attachment pages 13 through 15**
- (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.
- (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. **Please see attachment pages 13 through 15**
- (12)  **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation. **Please see attachment pages 13 through 15**
- (13)  **No mitigating circumstances are involved.**

**Additional mitigating circumstances**

Please see attachment pages 13 through 15

**D. Discipline:**

(1)  Stayed Suspension:

(a)  Respondent must be suspended from the practice of law for a period of one (1) year.

- 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:

The above-referenced suspension is stayed.

(2)  Probation:

Respondent is placed on probation for a period of one (1) year, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18 California Rules of Court)

**E. Additional Conditions of Probation:**

- (1)  During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (2)  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.
- (3)  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.
- (4)  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.

- (5)  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.
- (6)  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.
- (7)  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 State Bar Ethics School, and passage of the test given at the end of that session.
- No Ethics School recommended. Reason: Respondent lives in Delaware and will take additional MPRE classes instead of Ethics School.
- (8)  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.
- (9)  The following conditions are attached hereto and incorporated:
- |   |  |
|---|--|
| <input type="checkbox"/> Substance Abuse Conditions | <input checked="" 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 within one year. Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.

No MPRE recommended. Reason:

- (2)  **Other Conditions:**

**Respondent's satisfactory passage of the MPRE taken anytime after the time this Stipulation is signed and before the Supreme Court order will be deemed to satisfy the above condition with respect to the passage of the MPRE**

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Attachment language (if any):

**Please see attachment pages 8 through 15.**

In the Matter of  
RYAN H. RAINEY

Case number(s):  
06-C-13188-RAH

A Member of the State Bar

### Law Office Management Conditions

- a.  Within      days/      months/      years of the effective date of the discipline herein, Respondent must develop a law office management/organization plan, which must be approved by the Office of Probation. This plan must include procedures to (1) send periodic reports to clients; (2) document telephone messages received and sent; (3) maintain files; (4) meet deadlines; (5) withdraw as attorney, whether of record or not, when clients cannot be contacted or located; (6) train and supervise support personnel; and (7) address any subject area or deficiency that caused or contributed to Respondent's misconduct in the current proceeding.
- b.  Within      days/12 months/      years of the effective date of the discipline herein, Respondent must submit to the Office of Probation satisfactory evidence of completion of no less than 12 hours of Minimum Continuing Legal Education (MCLE) approved courses in law office management, attorney client relations and/or general legal ethics. This requirement is separate from any MCLE requirement, and Respondent will not receive MCLE credit for attending these courses (Rule 3201, Rules of Procedure of the State Bar.) None of these 12 units need be participatory.  
(See also p. 15)
- c.  Within 30 days of the effective date of the discipline, Respondent must join the Law Practice Management and Technology Section of the State Bar of California and pay the dues and costs of enrollment for      year(s). Respondent must furnish satisfactory evidence of membership in the section to the Office of Probation of the State Bar of California in the first report required.

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

IN THE MATTER OF:      RYAN H. RAINEY

CASE NUMBER:            06-C-13188-RAH

**FACTS AND CONCLUSIONS OF LAW.**

**FACTS**

Respondent admits that the following facts are true and that he is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

1. From January 2002, through April 1, 2005, Respondent was employed as an attorney by the Department of Justice, Civil Rights Division, Special Litigation Section ("Civil Rights Division"). During his tenure with the Civil Rights Division, Respondent's responsibilities included, among other things, investigating alleged civil rights of persons confined in juvenile correctional facilities, owned or operated by, or on behalf of, state and local governments.

2. "California Attorney General's Office Official A" was a Supervising Deputy Attorney General employed by the State of California's Department of Justice Office of the Attorney General.

3. The California Youth and Adult Correctional Agency ("YACA") was an agency and department of the government of the State of California. YACA's responsibilities included overseeing and administering the State of California's penal institutions through specialized departments, councils, commissions, and boards. Among these entities was the California Youth Authority ("Youth Authority"), which was charged with, among other responsibilities, operating the state's juvenile detention centers and youth correctional facilities.

4. The N.A. Chaderjian Youth Correctional Facility ("Chad Facility"), located in Stockton, California, was one of approximately nine institutions and camps run by the Youth Authority. The Chad Facility housed a young adult offender population whose wards and inmates ranged in age from 18 to 25.

5. On January 16, 2003, a taxpayer lawsuit was filed in California state court against the Youth Authority, challenging the living conditions of all of the state's juvenile detention and correctional institutions, including the Chad Facility, as well as the state's treatment of those

housed in the facilities (“taxpayer lawsuit”). “Plaintiff’s Counsel A” served as the attorney for the named plaintiff in the taxpayer lawsuit.

6. On November 16, 2004, the parties to the taxpayer lawsuit executed and filed with the state court a comprehensive decree outlining the remedial actions to be voluntarily undertaken by the State of California to reform its juvenile detention and correction institutions, and detailing the parties’ rights and responsibilities under the settlement agreement.

7. The taxpayer lawsuit agreement memorialized, among other things, the parties’ prior agreement that a Special Master be appointed by the court to monitor the reform of the juvenile facilities as well as the parties’ compliance with the terms of the consent decree. The State of California, through the Youth Authority, was to be responsible for compensating the Special Master.

8. On April 3, 2003, while the above-referenced taxpayer lawsuit was pending in state court, the Department of Justice formally notified then-California Governor Gray Davis of the Federal Government’s intent to investigate the Chad Facility pursuant to the civil Rights of Institutional Persons Act and the Violent Crime Control and Law Enforcement Act of 1994.

9. When the Department of Justice’s civil investigation of the Chad Facility was officially opened, Respondent was assigned to serve as the lead attorney.

10. In the course of the Department of Justice’s investigation of the Chad Facility, Respondent and other attorneys assigned to the case, retained expert consultants. On August 11-14, October 29-30, and December 9-12, 2003, Respondent, the other DOJ attorneys assigned to the investigation, and the retained experts conducted on-site inspections of the Chad Facility. During each of these visits, residents as well as direct care, program, and administrative staff were interviewed.

11. In January 2004, Respondent and his investigative team completed their on-site review of the Chad Facility’s policies and procedures, incident and investigation reports and medical, mental health, and education reports. The disclosure of discoverable materials from the State of California and California Attorney General’s Office Official A continued to be produced to Respondent through March 2004.

12. In the interim, in February 2004, Respondent and the other DOJ attorneys assigned to the Chad Facility investigation, began drafting the Department of Justice’s findings letter, addressed to California Governor Arnold Schwarzenegger, detailing their findings, conclusions, and recommendations relating to the Department of Justice’s investigation. Respondent continued to work on the Department of Justice’s findings letter through June 7, 2004, when he was recused from handling the case as a direct result of the facts leading to this conviction.

13. California Attorney General's Office Official A was handling the taxpayer lawsuit against the Youth Authority on behalf of the State of California and simultaneously served as Respondent's point of contact with regard to the Department of Justice's investigation of the Chad Facility.

14. In February 2004, California Attorney General's Office Official A contacted Respondent by telephone to discuss possible nominees for the Special Master position created in the course of settlement negotiations in the taxpayer lawsuit.

15. In late-February 2004, California Attorney General's Office Official A again contacted Respondent by telephone. She told Respondent that she had discussed Respondent's possible candidacy for the Special Master position with her colleagues, supervisors, and officials from her client agencies (i.e. YACA and Youth Authority). California Attorney General's Office Official A then asked Respondent whether he was interested in the Special Master position. Respondent informed her that he was.

16. On March 1, 2004, Respondent forwarded his resume to California Attorney General's Office Official A by e-mail.

17. On March 29, 2004, a conference call was conducted between Respondent, California Attorney General's Office Official A, and YACA and Youth Authority officials, representatives, and agents. The purpose of this conference call was for the California state officials and agents to interview Respondent for the Special Master position. Following his interview, the California state officials decided to submit Respondent to the plaintiff as the state's candidate for the Special Master position.

18. On or about April 1, 2004, California Attorney General's Office Official A contacted Plaintiff's Counsel A and informed him of the state's decision to submit Respondent for consideration by the plaintiff for the Special Master position.

19. In late-April or early-May 2004, California Attorney General's Office Official A was notified by Plaintiff's Counsel A that he would not endorse Respondent's appointment as Special Master. California Attorney General's Office Official A informed Respondent of this development, and told him that she wanted to pursue his nomination over the objection of Plaintiff's Counsel A and was going to submit his name to the court as the Youth Authority's nominee. Ultimately, this was never done.

20. On June 2, 2004, one of Respondent's Civil Rights Section supervisors ("DOJ Supervisor A") received a voice-mail message from Plaintiff's Counsel A inquiring about another potential Special Master candidate ("Candidate B").

21. Because Respondent had worked previously with Candidate B, and presumably would have to work with him if Candidate B was appointed to the Special Master position in California, DOJ Supervisor A called Respondent to discuss Candidate B's qualifications.

22. On June 3, 2004, Respondent informed DOJ Supervisor A that he could not discuss Candidate B's qualifications because he was being considered for the same position.

23. On June 7, 2004, Respondent met with two other Civil Rights supervisors ("DOJ Supervisor B" and "DOJ Supervisor C") to discuss his previously undisclosed candidacy for the Special Master position. After receiving advice from a DOJ Ethics Official, DOJ Supervisor C informed Respondent that, effective immediately, Respondent was recused from further handling the Department of Justice's Chad Facility investigation.

24. On January 24, 2005, Respondent submitted his resignation from the Civil Rights Section. Two (2) days later, he was interviewed by representatives of the DOJ's Public Integrity Section, Criminal Division.

25. When he was asked if he had talked to anyone else in his Section about his application eight (8) months earlier for the Special Master position, Respondent informed them that he had not, when in actuality he had discussed in with one colleague. Respondent made this statement in an effort to shield that person from any repercussions that might flow from the investigation into his conduct and to protect that person from any problems that might be experienced in the Section.

26. The parties to the taxpayer lawsuit ultimately agreed upon a different candidate for the Special Master position. California Attorney General's Office Official A notified Respondent of his non-selection in an e-mail dated November 5, 2004.

27. On June 1, 2006, an Information was filed against Respondent in the United States District Court for the District of Columbia, entitled *United States of America v. Ryan H. Rainey*, Case Number 06-252-M-01, charging Respondent with a violation of Title 18 United States Code sections 208(a) and 216(a)(1) - Conflict of Interest.

28. On June 14, 2006, Respondent plead guilty to the Information. On September 15, 2006, Respondent was sentenced to one year probation, with a \$3,000 fine.

## CONCLUSIONS OF LAW

The facts and circumstances surrounding Respondent's violation of Title 18 United States Code sections 208(a) and 216(a)(1), did not involve moral turpitude, but did involve other conduct warranting discipline. Respondent acknowledges by the conduct described above, he

failed to support the laws of the United States in wilful violation of California Business and Professions Code section 6068(a).

**PENDING PROCEEDINGS.**

The disclosure date referred to, on page one, paragraph A.(7), was June 13, 2007.

**COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of June 8, 2007, the costs in this matter are \$1,636.00. 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.

**PROCEDURAL BACKGROUND IN CONVICTION PROCEEDING.**

1. This is a proceeding pursuant to sections 6101 and 6102 of the Business and Professions Code and rule 9.10 of the California Rules of Court.
2. On June 14, 2006, Respondent was convicted of violating Title 18 United States Code sections 208(a) and 216(a)(1) - conflict of interest, a misdemeanor.
3. On January 23, 2007, the Review Department of the State Bar Court issued an order referring the matter to the Hearing Department on the following issues: whether the facts and circumstances surrounding violation of Title 18 United States Code sections 208(a) and 216(a)(1) involved moral turpitude or other misconduct warranting discipline.

**AUTHORITIES SUPPORTING DISCIPLINE.**

Pursuant to Standard 1.3, the primary purposes of disciplinary proceedings and imposing sanctions for professional misconduct 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."

Pursuant to Standard 2.8, discipline for the conflict alone would result in suspension unless the extent of the member's misconduct and the harm are minimal, in which case, the degree of discipline shall be a reproof.

With respect to the criminal conviction, Standard 3.4 provides:

Final conviction of a member of a crime which does not involve moral turpitude inherently or in the facts and circumstances surrounding the crime's commission but which does involve other misconduct warranting discipline shall result in a sanction as prescribed under part B of these standards appropriate to the nature and extent of the misconduct found to have been committed by the member.

By definition, every criminal conviction involves a violation of Business and Professions Code section 6068(a). Pursuant to Standard 2.6, the culpability of a member of a violation of Business and Professions Code section 6068, "shall result in disbarment or suspension depending on 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."

The Supreme Court gives the Standards "great weight," and will reject a recommendation consistent with the Standards only where the Court entertains "grave doubts" as to its propriety. *In re Naney* (1990) 51 Cal. 3d 186, 190; *see also In re Silvertown* (2005) 36 Cal. 4th 81, 91, 92. Further, although the Standards are not mandatory, it is well established that the Standards may be deviated from only when there is compelling, well-defined reason to do so. *See Aronin v. State Bar* (1990) 52 Cal. 3d 276, 291; *see also Bates v. State Bar* (1990) 52 Cal. 3d 1056, 1060, fn. 2.

#### MITIGATING CIRCUMSTANCES.

Respondent has been a licensed attorney for 23 years and has no prior record of discipline or trouble with the law. Std. 1.2(e)(i).

He is a decorated career prosecutor who has dedicated his life to serving children. He overcame a difficult past to become a devoted advocate for children's rights. He has had a long and exemplary career as a prosecutor with the Los Angeles County District Attorney's office, the National Center for Prosecution of Child Abuse in Alexandria, Virginia, and with the Department of Justice - first as an Assistant U.S. Attorney in the Sex Offense & Domestic Violence Section, Appellate Division, and Special Proceedings Unit, and then as a Senior Trial Attorney in the DOJ's Civil Rights Division - Special Litigation. He has received numerous awards and commendations for his work as a prosecutor, lecturer, teacher and trainer over the years, including a Special Commendation for Outstanding Service in the DOJ's Civil Rights Division in 2003. Among other things, he is currently a Member of the Inter-Agency Council on Child Abuse and an Advisory Board Member of the National Center for Child Death Review. He currently teaches criminal justice courses in Delaware.

Throughout the proceeding, Respondent cooperated fully with the State Bar and was willing to discuss this matter, answer any questions which were posed by the State Bar, and entered into this comprehensive Stipulation. Std. 1.2(e)(v).

Objective steps demonstrating recognition, remorse. Std. 1.2(e)(vii). Mr. Rainey voluntarily brought the Special Master negotiations to the attention of his immediate supervisor. He admitted the full extent of his own culpability when he first disclosed the matter to his supervisors and when the matter was investigated, after he resigned, months later. By "not naming names," he believed in good faith that he would not be obstructing the legitimate goals of the investigation, while at the same time, he acted to protect a co-worker from the type of retaliation and harassment he says he was subjected to. His violation was a failure to disclose his interest in the position for a period of approximately 90 days; however, the statute that was violated did not specify a particular time period for disclosure.

Numerous character witnesses attested to Respondent's integrity, strength of character, and devotion to the cause of abused children and reformation of juvenile detention facilities at the time of his criminal sentencing. Std. 1.2(e)(vi).

By the time of his interview by federal investigators in 2005, Respondent suffered from extreme emotional distress, due to a consistent pattern of abuse and harassment he states that he had been subjected to at the Department of Justice. Std. 1.2(e)(iv). Respondent's hesitation about initially discussing the Special Master position with his supervisor was due to his perception and fear of retaliation.

Respondent submitted his resignation on January 24, 2005. Because he had a number of pending matters that needed to be concluded and he was the most senior attorney in his unit, he made the effective date April 1, 2005. However, he was immediately informed that all of his work had been reassigned and that all planned job-related travel had been canceled.

On January 26, 2005, two days after submitting his resignation and almost eight (8) months after the 2004 job negotiations, Respondent was interviewed by DOJ Trial Attorney and DOJ Special Agent of the Public Integrity Section, Criminal Division regarding the conflict of interest allegation. This was the first indication he had of any investigation relating to the 2004 job negotiations.

During his interview, Respondent was forthright regarding his *own* culpability. However, given the circumstances of the interview, he was concerned that, to the extent information he provided during the interview would be shared with his supervisor, it would be used to continue the his perceived pattern of harassment which he believed had escalated even more since submitting his resignation. He became especially concerned when the DOJ Trial Attorney began

asking him who else in the section knew about his negotiations with the State of California. Respondent did not want to subject any of his colleagues to similar harassment simply because they were aware of his discussions with California in 2004. For that reason, Respondent misstated to Investigators that he had not discussed the matter with any of his colleagues in the Special Litigation Section.

In early May 2005, after leaving the Department of Justice, Respondent opened a consulting business. As part of his business, he began working with several states to access conditions in their juvenile detention facilities. Prior to engaging in this business, Respondent consulted extensively with his counsel regarding the permissible limits of his post-employment activities to ensure that he did not inadvertently violate any federal post-employment restrictions or laws. He made specific reference in his consulting agreement to the provisions of 18 U.S.C. §207.

Within weeks of beginning work for the State of Georgia, Respondent's attorney received a call from the DOJ Trial Attorney, Public Integrity Section, advising that Respondent was violating the federal conflict of interest laws with respect to his work in Georgia. After learning of counsel's involvement in assisting Respondent with his post-employment obligations, and after reviewing Respondent's consulting agreement expressly setting forth his obligations under Section 207, the DOJ Trial Attorney acknowledged that there was nothing unlawful about Respondent's agreement with, or work for, the State of Georgia. Notwithstanding the above, DOJ officials later contacted the State of Georgia and questioned the consulting agreement. Thereafter, officials from the State of Georgia apologetically advised Respondent that they could not continue working with him. Respondent lost the consulting work. Similar comments were made to state officials in California, Ohio, and Massachusetts.

In June 2006, the DOJ posted a news release dated June 14, 2006, regarding Respondent's criminal conviction on the DOJ Website and it remains there to date.

The harmful consequences of Respondent's conviction and the negative publicity surrounding it may be considered in mitigation. *e.g.*, In re Mudge (1982) 33 Cal.3d 152; In re Chira (1986) 42 Cal.3d 904; In re Battin (1980) 28 Cal.3d 524; In re Segretti (1970) 15 Cal.3d 878.

#### **STATE BAR ETHICS SCHOOL EXCLUSION**

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 the following courses: 6 of the required 12 hours shall be in legal ethics.

(Do not write above this line.)

In the Matter of RYAN H, RAINEY	Case number(s): 06-C-13188-RAH
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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 Fact, Conclusions of Law and Disposition.

6/15/07  
Date

6/18/07  
Date

6/18/07  
Date

Ryan H. Rainey  
Respondent's Signature

Susan L. Margolis  
Respondent's Counsel Signature

Suzan J. Anderson  
Deputy Trial Counsel's Signature

RYAN H. RAINEY  
Print Name

SUSAN L. MARGOLIS  
Print Name

SUZAN J. ANDERSON  
Print Name

(Do not write above this line.)

In the Matter Of RYAN H. RAINEY	Case Number(s): 06-C-13188-RAH
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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 9.18(a), California Rules of Court.)

06/21/07  
Date

  
Judge of the State Bar Court

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on June 26, 2007, 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:

**SUSAN LYNN MARGOLIS  
MARGOLIS & MARGOLIS LLP  
2000 RIVERSIDE DR  
LOS ANGELES, CA 90039**

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

**Suzan J. Anderson, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on **June 26, 2007**.

  
\_\_\_\_\_  
**Milagro del R. Salmeron**  
Case Administrator  
State Bar Court