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**State Bar Court of California  
Hearing Department  
San Francisco**

<p>Counsel For The State Bar</p> <p><b>Susan I. Kagan</b> Deputy Trial Counsel 180 Howard Street San Francisco, CA 94105 (415) 538-2037</p> <p>Bar # 214209</p>	<p>Case Number (s) 06-11195</p> <p><b>PUBLIC MATTER</b></p>	<p>(for Court's use)</p> <p><b>FILED</b> </p> <p>JUN 17 2009</p> <p>STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO</p>
<p>Counsel For Respondent</p> <p><b>Jonathan I. Arons, Esq.</b> 101 Howard St. #310 San Francisco, CA 94105 (415) 957-1818</p> <p>Bar # 111257</p>	<p>Submitted to: <b>Settlement Judge</b></p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p><b>ACTUAL SUSPENSION</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter Of: <b>Stephen C. Becker</b></p> <p>Bar # 42701</p> <p>A Member of the State Bar of California (Respondent)</p>		

**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 1/9/69.
- (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 19 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):
- 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:  
(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 **91-O-01933**
  - (b)  Date prior discipline effective **May 20, 1993**
  - (c)  Rules of Professional Conduct/ State Bar Act violations: **Former rule 5-101**
  - (d)  Degree of prior discipline **Private Reproval**
  - (e)  If Respondent has two or more incidents of prior discipline, use space provided below.
- (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. **See page 14.**
- (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.
- (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 **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 9.18, California Rules of Court)

(3)  **Actual Suspension:**

(a)  Respondent must be actually suspended from the practice of law in the State of California for a period of **ninety (90) 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.
- (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:

Substance Abuse Conditions                       Law Office Management Conditions  
 Medical Conditions                                       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 954-9.10(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.**

No MPRE recommended. Reason:

- (2)  **Rule 955-9.20, California Rules of Court:** Respondent must comply with the requirements of rule 955-9.20, 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.

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- (3)  **Conditional Rule 955-9.20, California Rules of Court:** If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 955-9.20, 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 language begins here (if any):

## FACTS AND CONCLUSIONS OF LAW

### Facts

1. At all relevant times herein, respondent maintained a client trust funds account at Bank of America (Account No. xxxxx-x5581; hereinafter "trust account" or "respondent's trust account;" the account number has been excluded to protect the account from identity theft.)
2. At all relevant times herein, respondent maintained the following law firm email address: "[scbecker@beckersfo.com](mailto:scbecker@beckersfo.com)" ("email address").
3. On August 30, 2005, an unsolicited e-mail ("unsolicited email") was sent to respondent's email address. The unsolicited email was addressed to "Dear Attorney" and sent by someone identifying himself as Salomon Fridman ("Fridman") from the following email address: "[salomonfridman@yahoo.com.ar](mailto:salomonfridman@yahoo.com.ar)." ("Fridman's email address"). In the unsolicited email, Fridman stated: "I would like to know if your office takes consults about American checks. Thanks for your time. Salomon Fridman, cobranzas, [salomonfridman@yahoo.com.ar](mailto:salomonfridman@yahoo.com.ar), Diaz Velez 5585 (1405), Tel. 0054-11-4982-3788, Buenos Aires." Respondent received the unsolicited email.
4. On August 30, 2005, respondent emailed a response to Fridman at Fridman's email address stating: "Dear Senor Fridman: Yes, I can consult with you concerning cheques and other negotiable instruments. Regards, Stephen C. Becker."
5. On August 30, 2005, Fridman sent a response to respondent's email address, stating: "Dear Sir. Thanks for your answer. Here you have a detail of the situation: I have a cashier and collection agency here, mainly in Buenos Aires area. Many clients receive American checks, in payment for services rendered or goods sold (Travel agencies, attorneys, accounts, advertisement, royalties, counseling, audit, etc) some of them don't have bank account in the USA, so they cannot deposit the checks, nor can they forward the checks to the USA. Also they mistrust the argentine [sic] bank system because of the general bankruptcy of 2001-2002, the lack of experience, high cost and time consuming red tape. Most of the checks never were deposited, and they suspect that the money is waiting in the drawer's account. Also, the checks are not stale, expired or matured. I believe that they can bring me around \$50,000 weekly in American or Canadian checks. The checks are made to different payees/clients. My questions are the following: Is there a way of collecting or cashing or clearing these checks, for instance, by depositing them into an escrow or trust account? Or by electronic means? Finally, if you are willing to take this work, which [sic] will be your percentage or fees? Waiting for your advice. Best regards." Respondent received Fridman's email.
6. On August 30, 2005, respondent emailed a response to Fridman at Fridman's email address stating: "Dear Senor Fridman: This will respond to your last message. My understanding is as follows: You wish to deposit various cheques into an escrow account here in the United States in order that they might be processed through American banking channels and the proceeds remitted either to you or to whomever you designate. Subject to compliance with any applicable American laws that pertain, or may pertain, to such deposits, we could be able to assist you. Please advise me as to what precisely you need to be done, how you

propose to handle it, and also the compensation arrangement that you have in mind. I will respond to you promptly.”

7. On or about September 1, 2005, Fridman sent a response to respondent’s email at respondent’s email address, stating: “This is exactly what I want. About the compensation: What do you think about 7% percent? Please advice [sic].” Respondent received Fridman’s email.

8. On September 1, 2005, respondent emailed a response to Fridman at Fridman’s email address stating: “Dear Senor Fridman: That percentage would be acceptable. Please forward to us appropriate [sic] instructions so that we can proceed. If further information is needed, I will advise you accordingly. Incidentally, please send me some background information concerning your company. As for me, I suggest you refer my listing in Martindale-Hubbell, and I direct your attention to my firm’s web site, which is at . [sic] Regards, Stephen C. Becker.”

9. On September 2, 2005, Fridman sent a response to respondent’s email at respondent’s email address, stating: “Excuse me: Shall I send you directly the original checks?” Respondent received Fridman’s email.

10. On September 2, 2005, respondent emailed a response to Fridman at Fridman’s email address stating: “Dear Senor Fridman: Please do the following: 1. Send the cheques via courier to my office address, which is as follows: Becker Law Office, Attention: Stephen C. Becker, Suite 330, Robert Dollar Building, 311 California Street, San Francisco, California 94104-2625, USA. Telephone (415) 434-8000. 2. Furnish me instructions as to how you wish the proceeds from these cheques to be processed after the cheques have been deposited for collections and paid. If you wish the funds, less our 7% commission on the amount of the cheque, to be wired to another account, please furnish the appropriate wiring instructions. 3. If you wish us to send our trust cheque after a cheque has been paid, please furnish me the name of the payee that you want to appear on the cheque and where the cheque should be sent. 4. We will deduct from the proceeds payable to you any incidental expenses, such as for example, courier costs and wire transfer and other bank fees.

11. As of September 2, 2005, respondent and Fridman had entered into an agreement whereby the only service to be provided by respondent was the funneling of third party checks through his trust account in exchange for a 7 percent fee from the amount of each check. At the time that respondent entered into the agreement with Fridman, respondent knew that the third party checks would not be deposited into his trust account for the purposes of holding those funds for the benefit of a client.

12. In response to respondent’s request in his September 1, 2005 email for “some background information concerning your company,” Fridman sent respondent a copy of a purported business certificate in Spanish from the “Ministerio Justicia y Derechos Humanos de la nacion Argentina” for Fridman’s company, “Salomon Fridman Services Financieros.”

13. Thereafter, Fridman instructed respondent to wire the amounts from the deposited checks, less respondent’s 7 percent fee, to an account held in a New York branch of an Uruguayan bank in the name of Aldo Alejandro Pileggi (“Pileggi”).

14. At all relevant times herein, Pileggi was not a client of respondent and respondent had never met or spoken to Pileggi.

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15. Prior to October 17, 2005, Fridman instructed respondent to make a one-time wire transfer of the amounts from the deposited checks, less respondent's 7 percent fee, to an account held in a New York branch of an Uruguayan bank in the name of Marcelo Prantera Daniel ("Daniel").
16. At all relevant times herein, Daniel was not a client of respondent and respondent had never met or spoken to Daniel.
17. Thereafter, respondent received and deposited into his trust account the following 68 checks ("68 checks") sent by Fridman via airmail:

### CHECK DEPOSIT CHART

(The payees/payors listed on the checks have been omitted for privacy reasons)

Check No.	Amount	Date of Receipt	Date of Deposit
100779469	\$6,567.49	9/6/05	9/6/05
114839	\$26,190.00	9/6/05	9/6/05
12883	\$67,662.00	9/9/05	9/9/05
90982	\$8,709.99	9/9/05	9/9/05
239931	\$2,263.30	9/9/05	9/9/05
22395	\$319.30	9/9/05	9/9/05
9484003952	\$3,401.52	9/9/05	9/9/05
5171157974	\$83,746.53	9/12/05	9/12/05
13016	\$100,902.00	9/12/05	9/12/05
202092424	\$11,135.53	9/12/05	9/12/05
782	\$226,000.00	9/7/05	9/12/05
380927	\$800.00	9/21/05	9/21/05
108520	\$388.30	9/21/05	9/21/05
432985	\$400.00	9/21/05	9/21/05
1204	\$900.00	9/21/05	9/21/05
395063	\$669.19	9/21/05	9/21/05
4845202	\$820.00	9/21/05	9/21/05
77087	\$440.55	9/21/05	9/21/05
159648	\$945.25	9/21/05	9/21/05
159648	\$2,026.63	9/21/05	9/21/05
50374	\$372.67	9/21/05	9/21/05
213634	\$1,900.66	9/21/05	9/21/05
142779	\$19,318.88	9/21/05	9/21/05
45052	\$1,243.00	9/21/05	9/21/05
11617	\$261.50	9/21/05	9/21/05

(Stipulation form approved by SBC Executive Committee 10/16/00. Revised 12/16/2004.)

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Check No.	Amount	Date of Receipt	Date of Deposit
514478	\$210.00	9/21/05	9/21/05
3515	\$625.94	9/21/05	9/21/05
6785	\$1031.69	9/21/05	9/21/05
23708	\$358.00	9/21/05	9/21/05
64830	\$664.92	9/21/05	9/21/05
321411423	\$649.17	9/21/05	9/21/05
64393	\$314.60	9/21/05	9/21/05
321402876	\$175.77	9/21/05	9/21/05
321416333	\$120.00	9/21/05	9/21/05
10146390	\$1,140.20	9/21/05	9/21/05
33536	\$3,698.59	9/21/05	9/21/05
321416330	\$199.40	9/21/05	9/21/05
1451	\$763.81	9/27/05	9/27/05
4001830202	\$34,900.39	9/27/05	9/27/05
17271	\$36,136.73	9/27/05	9/27/05
30163309	\$1,344.31	9/27/05	9/27/05
321419980	\$278.15	9/27/05	9/27/05
321435669	\$223.20	9/27/05	9/27/05
30168477	\$1,206.00	10/3/05	10/3/05
91988	\$500.00	10/3/05	10/3/05
91989	\$500.00	10/3/05	10/3/05
91991	\$500.00	10/3/05	10/3/05
91992	\$500.00	10/3/05	10/3/05
26940	\$136.50	10/3/05	10/3/05
75522	\$991.75	10/3/05	10/3/05
146169	\$1,301.50	10/3/05	10/3/05
600148523	\$250.78	10/3/05	10/3/05
6627031	\$240.00	10/3/05	10/3/05
501173	\$900.00	10/3/05	10/3/05
17918	\$610.50	10/3/05	10/3/05
909586	\$786.50	10/3/05	10/3/05
59842	\$111.86	10/3/05	10/3/05
14713	\$112.10	10/3/05	10/3/05
30326	\$283.27	10/3/05	10/3/05
22995	\$428.37	10/3/05	10/3/05

(Stipulation form approved by SBC Executive Committee 10/16/00. Revised 12/16/2004.)

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Check No.	Amount	Date of Receipt	Date of Deposit
31742	\$135,683.20	10/11/05	10/17/05
20497954327	\$11,708.00	10/24/05	10/24/05
299714	\$17,000	10/24/05	10/24/05
1267	\$8,200.00	10/24/05	10/24/05

18. The amounts from the 68 checks deposited by respondent into his trust account from September 6, 2005 through October 24, 2005, totaled \$1,033,950.90.
19. None of the 68 checks deposited by respondent contained any mention of Fridman or "Salomon Fridman Services Financieros."
20. None of the payees listed on the 68 checks were clients of respondent.
21. At all relevant times herein, respondent never met, spoke to, or tried to contact any of the payees listed on the 68 checks prior to depositing the 68 checks into his trust account.
22. At some point in October 2005, respondent received forms from Fridman entitled "SPECIAL POWER OF ATTORNEY," purportedly signed by the payees of the following four checks, authorizing respondent to handle the checks on their behalf: 1) 31742; 2) 299714; 3) 1267; and 4) 20497954327
23. Prior to depositing the other 64 checks into his trust account, respondent never investigated, or asked Fridman whether the payees' signatures were authentic or authorized.
24. Prior to depositing the other 64 checks into his trust account, respondent never obtained authorizations from the payees listed on the checks.
25. Prior to depositing the 68 checks into his trust account, respondent never attempted to contact any of the payors listed on the 68 checks, or the issuing banks of the 68 checks to verify whether the checks were authentic.
26. In truth and in fact, the payees' signatures on at least 22 of the 68 checks had been forged.

(Do not write above this line.)

27. After depositing the 68 checks into his trust account, respondent charged and collected fees, as follows:

**FEE CHART**

<b>Date Fee Request Submitted to Bank</b>	<b>Amount of Fee</b>
9/16/05	\$3,321.60
9/26/05	\$4,736.34
9/27/05	\$22,461.73
9/29/05	\$2,276.88
9/29/05	\$570.00
10/6/05	\$182.65
10/14/05	\$16,490.21
10/18/05	\$659.70
11/8/05	\$2,583.56

28. In total, respondent charged and collected \$53,282.67 in fees from the 68 checks deposited into his trust account.

29. After collecting his 7 percent fees from the amounts of the 68 checks deposited into his trust account, respondent wire transferred the remaining amounts of the deposited checks to the accounts of Pileggi and Daniel, as follows:

**WIRE TRANSFER CHART**

<b>Date of Wire Transfer</b>	<b>Amount</b>
9/9/05	\$30,434.47
9/19/05	\$13,665.53
9/27/05	\$62,895.66
9/27/05	\$298,339.02
9/29/05	\$7,543.60
9/29/05	\$30,223.25
10/6/05	\$2,396.82
10/17/05	\$86,000.00 (transferred to Daniel's account)
10/17/05	\$133,024.38
10/18/05	\$8,780.37
11/9/05	\$34,294.44

30. As of November 9, 2005, respondent wire transferred \$707,597.54 from his trust account to the accounts of Pileggi and Daniel.
31. Beginning on November 3, 2005, Bank of America began receiving notices from the issuing banks of some of the 68 checks that the payees' signatures on the checks were forged. The issuing banks demanded reimbursement from Bank of America for the amounts listed on the checks.
32. Thereafter, on November 25, 2005, Bank of America sent a letter to respondent notifying him of a forged endorsement on Merrill Lynch/JPMorganChase check number 5171157974, made payable to Norbero Jesus Rivera in the amount of \$83,746.53. In the November 25, 2005 letter, Bank of America advised respondent that he was responsible for the checks deposited into his trust account and also advised that Bank of America placed a hold on respondent's trust account until reimbursement was made. Bank of American then requested respondent to deposit \$53,658.33 into his trust account to cover the amount of the check. Respondent received the November 25, 2005 letter, but never deposited \$53,658.33 into his trust account or personally made an effort to pay any portion of the \$53,658.33 to Bank of America.
33. On December 6, 2005, Bank of America sent an email to respondent's email address notifying respondent of a forged endorsement Well Fargo Bank check number 12883, made payable to Plersil, S.A., in the amount of \$67,663.00. In the December 6, 2005 email, Bank of America advised respondent that it had placed a hold on two operating accounts respondent held with Bank of America. Respondent received the December 6, 2005 email.
34. Thereafter, Bank of America seized \$45,049.09 from the operating accounts respondent held with Bank of America to cover the overdraft in respondent's trust account.
35. From December 31, 2005 through May 17, 2006, respondent's trust account was overdrawn, as follows:

**RESPONDENT'S TRUST ACCOUNT**

<b>Statement Period</b>	<b>Balance</b>
12/31/05-1/20/06	-\$244,233.45
2/1/06-2/28/06	-\$447,686.52
3/1/06-3/31/06	-\$446,553.17
4/1/06-4/28/06	-\$447,181.45
4/29/06-5/17/06	-\$447,807.39

36. To date, Bank of America has paid \$656,118.56 to the issuing banks of 22 of the 68 checks that respondent deposited into his trust account based on forged payee signatures.
37. On May 17, 2006, Bank of America unilaterally closed respondent's trust account. As of May 17, 2006, respondent's trust account was deficient by \$447,807.39.
38. Overall, even after the \$45,049.09 offset from respondent's other accounts with Bank of America, Bank of America sustained a total loss of \$611,069.57 due to forged payee signatures on 22 of the 68 checks deposited by respondent into his trust account.

39. To date, respondent failed to repay any portion of the \$611,069.57 to Bank of America.

### **Conclusions of Law**

By entering into an agreement with Fridman whereby the only service to be provided by respondent was the funneling of third party checks through his trust account in exchange for a 7 percent fee and by funneling the third party checks provided by Fridman through his trust account in exchange for a 7 percent fee, when respondent knew that the payees listed on the 68 checks were not his clients, that he did not have authorization from the payees listed on 64 of the 68 checks to deposit those 64 checks, that neither Fridman's name, nor Fridman's company's name was listed on the 68 checks, and that he was not depositing the 68 checks for the purpose of holding funds on behalf of a client, respondent intentionally or with gross negligence, misused his trust account.

### **PENDING PROCEEDINGS**

The disclosure date referred to on page two, paragraph A (7) was May 14, 2009

### **STATE BAR ETHICS SCHOOL AND CLIENT TRUST ACCOUNTING SCHOOL.**

Because respondent has agreed to attend State Bar Ethics School and State Bar Client Trust Accounting School as part of this stipulation, respondent may receive Minimum Continuing Legal Education credit upon the satisfactory completion of State Bar Ethics School and State Bar Client Trust Accounting School.

### **FACTS SUPPORTING AGGRAVATING AND MITIGATING CIRCUMSTANCES**

#### **AGGRAVATING CIRCUMSTANCES**

Standard 1.2(b)(i). Respondent has one prior record of discipline.

Standard 1.2(b)(iv). Respondent's misconduct caused Bank of America to lose more than \$600,000, causing significant harm.

#### **MITIGATING CIRCUMSTANCES**

There are no mitigating circumstances.

#### **SUPPORTING AUTHORITY**

Standard 2.2(b) requires at least a three-month actual suspension for a violation of rule 4-100, irrespective of mitigating circumstances.

Standard 1.7(a) provides that if a member is found culpable of professional misconduct in any proceeding which discipline may be imposed and the member has a record of one prior imposition of discipline as defined by standard 1.2(f), the degree of discipline imposed in the current proceeding shall be greater than that imposed in the prior proceeding unless the prior proceeding was so remote in time to the current

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proceeding and the offense for which it was imposed was so minimal in severity that imposing greater discipline in the current proceeding would be manifestly unjust.

The proper discipline for the misuse of a client trust account is actual suspension. (See *In the Matter of McKiernan* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 420 [90 days' actual suspension for misuing client trust account in violation of 4-100].)

In accordance with the standards and case law, a 90-day actual suspension is appropriate for respondent's misconduct in this matter.

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A Member of the State Bar

### Financial Conditions

**a. Restitution**

- Respondent must pay restitution (including the principal amount, plus interest of 10% per annum) to the payee(s) listed below. If the Client Security Fund ("CSF") has reimbursed one or more of the payee(s) for all or any portion of the principal amount(s) listed below, Respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

Payee	Principal Amount	Interest Accrues From

- Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than

**b. Installment Restitution Payments**

- Respondent must pay the above-referenced restitution on the payment schedule set forth below. Respondent must provide satisfactory proof of payment to the Office of Probation with each quarterly probation report, or as otherwise directed by the Office of Probation. No later than 30 days prior to the expiration of the period of probation (or period of reproval), Respondent must make any necessary final payment(s) in order to complete the payment of restitution, including interest, in full.

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency

**c. Client Funds Certificate**

1. If Respondent possesses client funds at any time during the period covered by a required quarterly report, Respondent must file with each required report a certificate from Respondent and/or a certified public accountant or other financial professional approved by the Office of Probation, certifying that:
- a. Respondent has maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of California, and that such account is designated as a "Trust Account" or "Clients' Funds Account";

- b. Respondent has kept and maintained the following:
- i. A written ledger for each client on whose behalf funds are held that sets forth:
    1. the name of such client;
    2. the date, amount and source of all funds received on behalf of such client;
    3. the date, amount, payee and purpose of each disbursement made on behalf of such client; and,
    4. the current balance for such client.
  - ii. a written journal for each client trust fund account that sets forth:
    1. the name of such account;
    2. the date, amount and client affected by each debit and credit; and,
    3. the current balance in such account.
  - iii. all bank statements and cancelled checks for each client trust account; and,
  - iv. each monthly reconciliation (balancing) of (i), (ii), and (iii), above, and if there are any differences between the monthly total balances reflected in (i), (ii), and (iii), above, the reasons for the differences.
- c. Respondent has maintained a written journal of securities or other properties held for clients that specifies:
- i. each item of security and property held;
  - ii. the person on whose behalf the security or property is held;
  - iii. the date of receipt of the security or property;
  - iv. the date of distribution of the security or property; and,
  - v. the person to whom the security or property was distributed.
2. If Respondent does not possess any client funds, property or securities during the entire period covered by a report, Respondent must so state under penalty of perjury in the report filed with the Office of Probation for that reporting period. In this circumstance, Respondent need not file the accountant's certificate described above.
3. The requirements of this condition are in addition to those set forth in rule 4-100, Rules of Professional Conduct.

**d. Client Trust Accounting School**

- Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School, within the same period of time, and passage of the test given at the end of that session.

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

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

There are three kinds of pleas to the allegations of a Notice of Disciplinary Charges or other pleading which initiates a disciplinary proceeding against a member:

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

Rule 133, Rules of Procedure of the State Bar of California **STIPULATION AS TO FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

(a) *A proposed stipulation as to facts, conclusions of law, and disposition must set forth each of the following:*

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

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

Date **MAY 24, 2009**

  
Signature

**STEPHEN C. BECKER**

Print Name

(Nolo Contendere Plea form approved by SBC Executive Committee 10/22/1997. Revised 12/16/2004; 12/13/2006.)

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In the Matter of Stephen C. Becker	Case number(s): 06-O-11080
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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.

MAY 27, 2007

Date



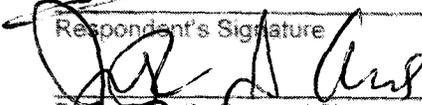
Respondent's Signature

Stephen C. Becker

Print Name

May 29, 2009

Date



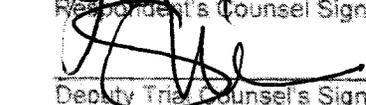
Respondent's Counsel Signature

Jonathan I. Arons, Esq.

Print Name

6/1/09

Date



Deputy Trial Counsel's Signature

Susan I. Kagan

Print Name

(Do not write above this line.)

In the Matter Of <b>Stephen C. Becker</b>	Case Number(s): <b>06-O-11080</b>
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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:

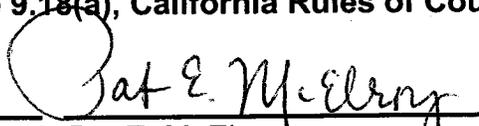
- The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.
- All Hearing dates are vacated.

1. On page 2—B.(1)(b)—the effective date of prior discipline is 8/23/93, not 5/20/93.
2. On page 4—E.(1)—delete as a conditional standard 1.4(c)(ii) as it is not necessary.

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.)**

June 16, 2009

Date

  
Pat E. McElroy  
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 San Francisco, on June 17, 2009, 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:

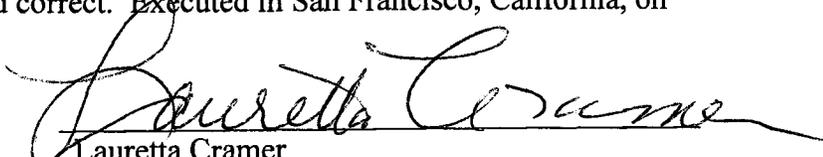
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:

**JONATHAN IRWIN ARONS  
LAW OFC JONATHAN I ARONS  
221 MAIN ST STE 740  
SAN FRANCISCO, CA 94105**

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

**SUSAN I. KAGAN** , Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on June 17, 2009.

  
Laretta Cramer  
Case Administrator  
State Bar Court