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

**PUBLIC MATTER**

<p>Counsel For The State Bar</p> <p><b>Eli D. Morgenstern</b> The State Bar of California OCTC Enforcement 1149 South Hill Street Los Angeles, CA 90015-2299 (213) 765-1334</p> <p>Bar # 190560</p>	<p>Case Number (s) <b>06-O-12349-RAP</b></p>	<p>(for Court's use)</p> <p align="center"><b>FILED</b></p> <p align="center">MAY 14 2008 <i>[Signature]</i></p> <p align="center">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent</p> <p><b>Arthur Lewis Margolis</b> 2000 Riverside Drive Los Angeles, CA 90039 (323) 953-8996</p> <p>Bar # 57703</p>	<p>Submitted to: <b>Settlement Judge</b></p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p><b>STAYED SUSPENSION; NO ACTUAL SUSPENSION</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter Of: <b>PETER G. SCHUMAN</b></p> <p>Bar # 182365</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 **June 11, 1996**.
- (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 **13** 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."



- (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 **three billing cycles\***  
(hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
- costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
- costs entirely waived

\*following the effective date of the Supreme Court Order. For a further discussion concerning costs, please see page 9.

**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 **00-O-12675; 01-O-02725; 01-O-01160**
- (b)  Date prior discipline effective **April 17, 2003**
- (c)  Rules of Professional Conduct/ State Bar Act violations: **Rules 4-100(A), 4-100(B)(4), 4-100(B)(3), 3-100(A), 3-310(B), 3-700(D)(2), section 6068(m)**
- (d)  Degree of prior discipline **One (1) year suspension, stayed, three (3) years probation on condition that Respondent be actually suspended for 60 days**
- (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. **See page 11.**
- (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. **See page 11.**
- (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. **See page 11.**
- (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:

The above-referenced suspension is stayed.

(2)  **Probation:**

Respondent is placed on probation for a period of **three years**, 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.

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- (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:
- (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:**

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06-O-12349

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/        months/**one (1)** 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 **ten (10)** 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.)
- 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 **three (3)** 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.

**Thereafter, Respondent must furnish satisfactory evidence of membership in the Law Practice Management and Technology Section to the Office of Probation of the State Bar by the March 10 Quarterly Report for the following two years.**

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

IN THE MATTER OF:        PETER G. SCHUMAN

CASE NUMBER:            06-O-12349-RAP

**FACTS AND CONCLUSIONS OF LAW.**

Respondent admits that the following facts are true and that he is culpable of violations of the specified statute and Rule of Professional Conduct.

**Facts**

1. In September 2003, Elizabeth Castro ("Castro"), Chi Lee ("Lee"), and Carlos ("Miller") employed Respondent to represent them in a legal malpractice/negligence action against the law firm of Billings & Bobchick.

2. On September 22, 2003, Respondent filed a complaint for legal malpractice/professional negligence against Nancy J. Billings, Esq. ("Billings") and Anne C. Bobchick, Esq. ("Bobchick"), as individuals, and the law firm of Billings & Bobchick, in a matter titled *Miller, Lee, and Castro v. Billings, Bobchick, Billings & Bobchick*, Riverside County Superior Court Case No. RIC 401133 ("*Miller v. Billings & Bobchick*").

3. However, Respondent did not file a proof of service of the complaint. Consequently, on January 8, 2004, the Court conducted an order to show cause ("OSC") hearing re why sanctions should not be imposed against Respondent in *Miller v. Billings & Bobchick* for failure to file proof of service of the complaint. Respondent appeared for the hearing and the Court continued the OSC to March 15, 2004.

4. On March 12, 2004, Respondent filed a Notice and Acknowledgment of Receipt of the complaint by Bobchick and a Proof of Service of Summons of the complaint on Billings. Respondent did not file proof of service of the complaint on Billings & Bobchick.

5. On March 15, 2004, the Court conducted an OSC re why sanctions should not be imposed in *Miller v. Billings & Bobchick* re Respondent's failure to file proof of service of the complaint. Respondent appeared for the hearing, and the Court continued the OSC to May 13, 2004.

6. On May 13, 2004, the Court conducted an OSC re why sanctions should not be imposed in *Miller v. Billings & Bobchick* re Respondent's failure to file proof of service of the

complaint. Respondent appeared for the hearing, and the Court set an OSC re dismissal for August 13, 2004, as to any defendants who had not answered unless their default had been filed.

7. On July 6, 2004, the Court entered defaults against Billings and Bobchick.

8. On August 13, 2004, the Court ordered *Miller v. Billings & Bobchick* "closed."

9. Between January 2005 and July 6, 2005, Castro telephoned Respondent approximately once or twice a month to obtain a status report on *Miller v. Billings & Bobchick*. No one from Respondent's office answered the telephone, and Castro left messages for Respondent with his telephone answering service requesting that he return her telephone calls and provide a status report.

10. Respondent received the messages; however, he did not provide the status report requested by Castro or otherwise communicate with Castro.

11. Between November 2004, and July 28, 2006, Respondent did not file any documents with the Court to obtain judgments against Billings or Bobchick in *Miller v. Billings & Bobchick* or otherwise seek to return the case to the Court's trial calendar.

12. On July 28, 2006, Respondent filed Default Judgment documents in *Miller v. Billings & Bobchick*. In August 2006, the Court rejected the documents.

13. On October 17, 2006, Respondent filed a motion to set aside decree closing *Miller v. Billings & Bobchick* and to reopen the case.

14. On December 11, 2006, the Court granted Respondent's motion to set aside decree closing *Miller v. Billings & Bobchick* and to reopen the case.

15. On May 10, 2007, Respondent filed a Default Judgment packet in *Miller v. Billings & Bobchick*; however, the Court rejected the documents on May 16, 2007.

16. On August 15, 2007, Respondent filed another Default Judgment packet in *Miller v. Billings & Bobchick*; however, the Court again rejected the documents on November 16, 2007.

17. In March 2008, Respondent resubmitted the Default Judgment documents in *Miller v. Billings & Bobchick* to the Court. The next hearing date in *Miller v. Billings & Bobchick* is set for May 28, 2008.

### **Conclusions of Law**

By failing to file any documents with the Court to obtain judgments against Billings and Bobchick in the matter titled *Miller v. Billings & Bobchick* between November 2004, and July 28, 2006, or otherwise seek to reactivate the matter, Respondent repeatedly failed to

perform legal services with competence in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to respond to the messages left by Castro requesting status reports between January and July 2005, Respondent failed to respond promptly to reasonable status inquiries of a client in wilful violation of Business and Professions Code section 6068(m).

**PENDING PROCEEDINGS.**

The disclosure date referred to, on page one, paragraph A.(7), was April 21, 2008.

**DISMISSALS.**

The parties respectfully request the Court to dismiss the following alleged violations in the interest of justice:

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
06-O-12349	Three	Business and Professions Code section 6068(i)

**COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed him that as of April 21, 2008, the costs in this matter are \$2,341. The costs are to be paid in equal amounts prior to February 1 for the following three billing cycles following the effective date of the Supreme Court Order. 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.

If Respondent fails to pay any installment within the time provided herein or as may be modified by the State Bar Court pursuant to section 6086.10, subdivision (c), the remaining balance of the costs is due and payable immediately and enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment unless relief has been granted under the Rules of Procedure of the State Bar of California. (Rules Proc. of State Bar, rule 286.)

**AUTHORITIES SUPPORTING DISCIPLINE.**

Standard 2.4(b) of the Standards for Attorney Sanctions for Professional Misconduct ("Standard(s)") provides that culpability of wilfully failing to perform services in an individual matter or matters not demonstrating a pattern of misconduct or culpability of wilfully failing to communicate with a client shall result in reproof or suspension depending upon the extent of the misconduct and the degree of harm to the client.

Here, Respondent's neglect of his client's legal malpractice/negligence case has not compromised the matter, that is, it remains an active case. Further, Respondent's clients have not been harmed as a result of Respondent's delay in finalizing the matter.

Standard 2.6(a) provides that the culpability of a member of a violation of Business and Professions Code section 6068(m) shall result in disbarment or suspension depending upon the gravity of the offense or the harm, if any, to the victim.

Again, Respondent's failure to promptly communicate with his client caused little, if any, harm to the clients.

Standard 1.7(a) provides that:

"If a member is found culpable of professional misconduct in any proceeding in 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 discipline imposed was so remote in time to the current proceeding and the offense for which it was imposed was so minimal in severity that imposing greater discipline in the currently proceeding would be manifestly unjust."

Respondent has a prior record of discipline. On March 18, 2003, the Supreme Court filed Order S112433 ordering Respondent suspended from the practice of law for one year, stayed, and condition that he be placed on probation for three years with conditions including a 60-day actual suspension.

However, in *Arm v. State Bar* (1990) 50 Cal.3d 763, the Supreme Court made it clear that the number or fact of prior disciplinary proceedings cannot, without more analysis, foretell the result of a particular disciplinary proceeding. And, in *In the Matter of Miller* (Review Dept. 1990) 1 Cal. State Bar 131, 136, the Review Department stated that Standard 1.7 cannot be applied without regard to the other provisions of the Standards, particularly Standard 1.3, which describes the primary purpose of the Standards as the protection of the public, the courts, and the legal profession; the maintenance of high professional standards and the preservation of public confidence in the profession.

More recently, in the case of *In re Silvertan* (2005) 36 Cal.4th 81, the Supreme Court reaffirmed the fact that the Standards are entitled to great weight and that the State Bar Court should follow their guidance whenever possible. (*In re Silvertan, supra*, 36 Cal. 4<sup>th</sup> at p. 92.)

However, the Supreme Court also made it clear that the State Bar Court may deviate from the Standards where there exist grave doubts as to the propriety of applying them in a particular case. (*In re Silvertan, supra*, 36 Cal. 4<sup>th</sup> at p. 92.) For example, departure from the Standards may be appropriate where the imposition of discipline called for by the Standards would be manifestly unjust. (*Id.*)

The parties submit that it would be manifestly unjust to apply Standard 1.7(a) in this matter without deviation for the reasons discussed below.

The parties further submit that the intent and goals of Standard 1.3 are met by the imposition of a stayed suspension with a lengthy period of probation consisting of the conditions articulated herein, including that Respondent: (1) attend the State Bar Ethics School; (2) take and pass the Multistate Professional Responsibility Exam; and (3) join the Law Practice Management and Technology Section of the State Bar of California.

#### **AGGRAVATING CIRCUMSTANCES.**

##### **FACTS SUPPORTING AGGRAVATING CIRCUMSTANCES.**

Respondent's prior record of discipline is the only aggravating factor. (*See*, Std. 1.2(b)(i).)

#### **MITIGATING CIRCUMSTANCES.**

##### **FACTS SUPPORTING MITIGATING CIRCUMSTANCES.**

Respondent's clients were not harmed by Respondent's delay in finalizing their legal malpractice case. (Std. 1.2(e)(iii)). The malpractice case is active, and Respondent and his clients have confirmed their desires to have Respondent continue to represent them in the matter, and Respondent is doing so.

Respondent has displayed spontaneous candor and cooperation with the State Bar and his clients during the disciplinary investigation and proceedings. (Std. 1.2(e)(v).) At all times, Respondent has admitted that after in or about November 2004, he delayed in finalizing the malpractice lawsuit.

In addition, Respondent took objective steps to atone for his misconduct. (Std. 1.2(e)(vii).) Although the malpractice case was closed on August 13, 2004, Respondent did not receive notice of the closure at that time. Respondent did not discover that the case was closed until August 2006, when the Court returned the Default Judgment documents that Respondent had mailed to the Court the previous month.

Upon learning of the closure, Respondent successfully moved to set aside the Court's decree closing *Miller v. Billings & Bobchick* and to re-open the case.

#### **OTHERS FACTORS IN CONSIDERATION REGARDING STIPULATED DISCIPLINE.**

In October 2004, contemporaneous with Respondent's misconduct herein, a colleague of Respondent's was diagnosed with terminal cancer. The colleague asked Respondent to take over his Workers' Compensation law practice that consisted of approximately 1,500 cases.

Respondent, out of concern and sympathy for his colleague, agreed to the request and did so. However, Respondent went through a difficult period getting control of and handling all the cases. The process contributed to Respondent's failure to perform in a timely manner on the malpractice case.

Respondent has represented to the State Bar that if at the next hearing in the malpractice case the Court rejects the Default Judgment documents that he submitted in March 2008, he will request that a trial date be set.

#### **STATE BAR ETHICS SCHOOL.**

Because Respondent has agreed to attend State Bar Ethics School as part of this stipulation, he may receive Minimum Continuing Legal Education ("MCLE") credit upon the satisfactory completion of State Bar Ethics School.

However, Respondent cannot apply the credits received upon his satisfactory completion of State Bar Ethics School to the requirement that he complete no less than ten hours of MCLE-approved courses in law office management, attorney client relations, and/or general legal ethics. That is, Respondent must submit satisfactory proof of completion of State Bar Ethics School to the Office of Probation as well as ten additional hours of MCLE-approved courses in law office management, attorney client relations, and/or general legal ethics.

(Do not write above this line.)

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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.

<u>5/29/08</u> Date	 Respondent's Signature	<u>Peter G. Schuman</u> Print Name
<u>5/1/08</u> Date	<u>Arthur L. Margolis</u> Respondent's Counsel Signature	<u>Arthur L. Margolis</u> Print Name
<u>5/2/08</u> Date	<u>Eli D. Morgenstern</u> Deputy Trial Counsel's Signature	<u>Eli D. Morgenstern</u> Print Name

(Do not write above this line.)

In the Matter Of  
**Peter G. Schuman**

Case Number(s):  
**06-O-12349-RAP**

### 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.)**

May 6, 2008  
Date

  
Judge of the State Bar Court

**DONALD F. MILES**

**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 May 14, 2008, 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:

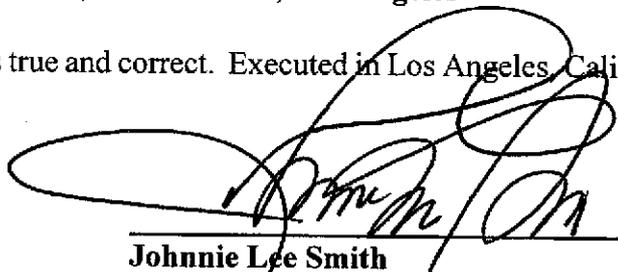
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**ARTHUR LEWIS 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:

**ELI MORGENSTERN , Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on May 14, 2008.

  
\_\_\_\_\_  
**Johnnie Lee Smith**  
Case Administrator  
State Bar Court