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

<p>Counsel For The State Bar</p> <p>Jean Cha Deputy Trial Counsel 1149 S. Hill Street Los Angeles, CA 90015 (213) 765-1000</p> <p>Bar # 228137</p>	<p>Case Number (s) 07-O-11227 & 08-O-13364-DFM</p>	<p>(for Court's use)</p> <p align="center">FILED DEC 17 2009 <i>YJC</i> STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p> <p align="center">PUBLIC MATTER</p>
<p>In Pro Per Respondent</p> <p>David Robert Baade 2151 Michelson Drive, #105 Irvine, California 92612 (949) 553-3945</p> <p>Bar # 46509</p>	<p>Submitted to: Settlement Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p>ACTUAL SUSPENSION</p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter Of: David Robert Baade</p> <p>Bar # 46509</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 26, 1970.
- (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 15 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".



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- (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):
- until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 284, Rules of Procedure.
 - costs to be paid in equal amounts prior to February 1 for the following membership years: Two 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 94-O-16603.
 - (b) Date prior discipline effective February 22, 1996.
 - (c) Rules of Professional Conduct/ State Bar Act violations: Business and Professions Code section 6068(m) for failure to inform client of significant developments.
 - (d) Degree of prior discipline Private Reprimand with Public Disclosure.
 - (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.
- (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.

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- (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. Respondent has implemented new office procedures and obtained a CPA to assist him in his bookkeeping and record keeping CTA responsibilities.
- (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.

(Stipulation form approved by SBC Executive Committee 10/16/00. Revised 12/16/2004; 12/13/2006.)

Actual Suspension

Additional mitigating circumstances

D. Discipline:

(1) **Stayed Suspension:**

(a) Respondent must be suspended from the practice of law for a period of Three 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 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)

(3) **Actual Suspension:**

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

<input type="checkbox"/> Substance Abuse Conditions	<input type="checkbox"/> Law Office Management Conditions
<input type="checkbox"/> Medical Conditions	<input checked="" type="checkbox"/> Financial Conditions

F. Other Conditions Negotiated by the Parties:

- (1) **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. **Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.**

No MPRE recommended. Reason:

- (2) **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule **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.
- (3) **Conditional Rule 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 **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): ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: DAVID ROBERT BAADE, 46509
CASE NUMBERS: 07-O-11227 & 08-O-13364

Facts Case No. 07-O-11227

1. From about August 7, 1981, to and including February 15, 2007, Respondent was the authorized signatory for his client trust account at Union Bank of California (Bank), identified as account number xxxxxx9612.

2. During that aforementioned period, Respondent was also an authorized signatory for his law office's general bank account at California Bank & Trust, identified as account number xxxxxx2097.

3. From November 3, 2006 until January 2, 2007, Respondent, on fourteen occasions deposited non entrusted funds into his Client Trust Account (CTA).

4. On December 29, 2006, Respondent's CTA check number 2988, issued for the amount of \$1,300, was presented for payment while Respondent's CTA balance was negative. On January 2, 2007, the Bank paid Respondent's CTA check number 2988, despite the insufficient funds in the CTA. Respondent knew or was grossly negligent in not knowing that the funds in his CTA were insufficient or would become insufficient to pay that check number 2988, at the time the check was issued or by the time of its presentment.

5. On December 29, 2006, Respondent's CTA check number 2990, issued for the amount of \$2,800, was presented for payment while Respondent's CTA balance was negative. On January 2, 2007, the Bank returned Respondent's CTA check number 2990 as unpaid, due to insufficient funds in the CTA. On January 5, 2007, Respondent's CTA check number 2990, issued for the amount of \$2,800, was presented for payment while Respondent's CTA balance was negative. On January 8, 2007, the Bank returned Respondent's CTA check number 2990 as unpaid, due to insufficient funds in the CTA. Respondent knew or was grossly negligent in not knowing that the funds in his CTA were

insufficient or would become insufficient to pay check number 2990, at the time the check was issued or by the time of its presentment.

6. On January 8, 2007, Respondent's general account check number 5280 and check number 5281, which he had deposited into his CTA, was returned as unpaid by California Bank & Trust, as a result of insufficient funds in Respondent's general account. Respondent knew or was grossly negligent in not knowing that the funds in his general account were insufficient or would become insufficient to pay check number 5280 and check number 5281, at the time the check was issued or by the time of its presentment.

7. On January 16, 2007, Respondent's general account check numbers 5280 and 5281, totaling \$3,050, were returned as unpaid by California Bank & Trust.

8. On February 15, 2007, Respondent's CTA was closed, due to return-item activity.

9. As a result of the return-item activity related to his bank accounts, Respondent owed the Bank \$1,848.61 on February 15, 2007.

Facts Case No. 08-O-13364

10. On September 12, 2006, Dawn N. Shade (Shade) employed Respondent to represent Shade in her marriage dissolution action.

11. On February 5, 2008, Shade terminated Respondent's employment.

12. By Respondent's billing statement issued to Shade dated February 15, 2008, there was a credit balance in the amount of \$522.20 as of February 5, 2008.

13. On February 27, 2008, a substitution of counsel form was filed in Shade's case, removing Respondent as Shade's attorney of record.

14. By a letter dated April 28, 2008, and addressed to Respondent, Shade disputed Respondent's fees and requested that any credit balance be refunded to her.

15. On June 23, 2009, Respondent issued check number 6747, in the amount of \$522.20, to Dawn Shade and drawn against Respondent's general account (the refund check), which Shade received.

16. On July 1, 2009, Ms. Shade presented that refund check to California Bank & Trust for payment, in person. On July 1, 2009, California Bank & Trust refused to honor the refund check because of insufficient funds in Respondent's general account. Respondent knew or was grossly negligent in not knowing that the funds in his general account were insufficient or would become insufficient to pay that check number 6747, at the time the check was issued or by the time of its presentment.

17. On July 9, 2009, Shade returned to the bank and presented the check again, this time it was honored.

Conclusions of Law

18. By depositing funds not belonging to any client into Respondent's CTA from November 3, 2006, to and including January 2, 2007, Respondent commingled funds belonging to him or his law firm in a trust account, in willful violation of rule 4-100(A) of the California Rules of Professional Conduct.

19. By repeatedly issuing checks drawn against insufficient funds in his CTA and by repeatedly issuing checks drawn against insufficient funds in his general account, while Respondent knew or was grossly negligent in not knowing that the funds in those accounts were insufficient or would become insufficient to pay those checks, either at the time such checks were issued or by the time of presentment, Respondent willfully committed an act or acts involving moral turpitude, dishonesty, or corruption, in willful violation of California Business and Professions Code section 6106.

20. By failing to promptly refund the \$522.20 in unearned fees to Shade, after Respondent's employment had terminated by February 27, 2008, Respondent willfully violated rule 3-700(D)(2) of the California Rules of Professional Conduct.

Other Circumstances

In November 2006, Respondent recognized that the funds in his CTA were not sufficient to cover upcoming disbursements. He made deposits into his CTA to replenish missing funds without verifying the exact amounts he should deposit. This conduct ultimately caused the insufficient funds checks. However, the CTA deficiencies were not caused by any deliberate conversion of the funds by

Respondent. Here, the lack of an evil intent does not immunize the attorney's conduct from a finding of moral turpitude. (*Fitzsimmons v. State Bar* (1983) 34 Cal.3d 327, 331.)

Aggravation

Respondent has a prior record of discipline. In 1996, Respondent was privately reprovved for failing to communicate significant developments to his client regarding the court's order striking his client's answer and cross-complaint and additional monetary sanctions and discovery sanctions which Respondent paid but failed to inform his client. However, the misconduct in Respondent's prior was almost 17 years ago. The discipline is given diminished aggravating weight as it was many years ago and did not involve clients or client funds. (Std. 1.2(b)(i).)

Mitigation

Respondent has participated in pro bono work in his community for the past several years which is a factor in mitigation. (*Rose v. State Bar* (1989) 49 Cal.3d 646, 667; *In the Matter of Spaiith* (Review Dept. 1996) 3 Cal.State Bar Ct. Rptr. 511, 521.)

Respondent has been candid and cooperative. (Std. 1.2(e)(v); *Silva-Vidor v. State Bar* (1989) 49 Cal.3d 1071, 1079; *Pineda v. State Bar* (1989) 49 Cal.3d 753, 760.)

Respondent has provided two character reference letters from an attorney and a nonprofit charity where Respondent had volunteered many hours of service. (Std. 1.2(e)(vi).) These letters attested to his character, integrity and honesty even with the knowledge of the misconduct and believe that the conduct was due to his extenuating circumstance and error and will not recur. (Std. 1.2(e)(vi).)

AUTHORITIES SUPPORTING DISCIPLINE.

The purposes of 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. (Std. 1.3; *In re Morse* (1995) 11 Cal.4th 184, 205, Std. 1.3; *Tarver v. State Bar* (1984) 37 Cal.3d 122, 133, 207 Cal.Rptr. 302, 688 P.2d 911; *Chadwick v. State Bar* (1989) 49 Cal.3d 103, 111.) In order to properly fulfill the purposes of lawyer discipline, we must review the nature and extent of the facts and circumstances surrounding the misconduct. The determination of discipline involves an analysis of the standards and on balance with any mitigation and aggravation. (Std. 1.6(b). *Segal v. State Bar* (1988) 44 Cal.3d 1077, 1089; *Snyder v. State Bar* (1990) 49 Cal.3d 1302, 1310-11.)

Standard 2.2(b) provides that culpability of a member of commingling funds not resulting in the willful misappropriation of entrusted funds shall result in at least a three-month actual suspension from the practice of law, irrespective of mitigating circumstances.

Standard 2.3 provides that misconduct involving moral turpitude, fraud, or intentional dishonesty toward a client or of concealment of material fact to a client, shall result in actual suspension or disbarment, depending upon the extent to which the victim of the misconduct is harmed

or misled and depending upon the magnitude of the act of misconduct and the degree to which it relates to the member's acts within the practice of law.

Standard 2.10 provides that a violation of any Rules of Professional Conduct not specified in the standards shall result in reproof or suspension, according to the gravity of the offense or harm to any victim, with due regard to the purposes set forth in standard 1.3.

In *In the Matter of McKiernan* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 420, an attorney received two years stayed suspension two years probation with 90 days actual suspension, where his misconduct in a single matter involved repeated misuse and neglect of his client trust account, and his issuance of two checks when he knew that there were insufficient funds to cover them.

The attorney in *McKiernan* had no prior discipline, however the period of the CTA misconduct in *McKiernan* was lengthier.

The purpose of CTA rules is to provide against the dangers related to commingling of personal funds with client funds which could result in the loss of client money. (*Hamilton v. State Bar* (1979) 23 Cal.3d 868, 876.) The rule is violated merely by an attorney's failure to deposit and manage trust account money in the manner designated by the rule. (*Vaughn v. State Bar* (1972) 6 Cal.3d 847, 858.) An attorney is expected to take reasonable care to comply with the crucially important rules for the safeguarding and allocation of client funds. (*Palomo v. State Bar* (1984) 36 Cal.3d 785, 795.)

Here, Respondent unreasonably issued checks before having confirmation that the incoming funds had cleared. At best, Respondent's actions were the result of his gross negligence and therefore involved moral turpitude. (*In the Matter of Hagen* (Review Dept. 1992) 2 Cal. State Bar Ct. Rptr. 153, 169.)

DISMISSALS.

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

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
08-O-13364	Three	Rules of Professional Conduct, rule 3-100(A)
08-O-13364	Four	Business and Professions Code, section 6068(m)
08-O-13364	Five	Business and Professions Code, section 6106

WAIVER OF VARIANCE BETWEEN NOTICE OF DISCIPLINARY CHARGES AND STIPULATED FACTS AND CULPABILITY.

The parties waive any variance between the Notice of Disciplinary Charges filed on December 4, 2008 and the facts and/or conclusions of law contained in this stipulation. Additionally, the parties waive the issuance of an amended Notice of Disciplinary Charges. The parties further waive the right to the filing of a notice of Disciplinary Charges and to a formal hearing on any charge not included in the pending Notice of Disciplinary Charges.

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(7), was November 24, 2009.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of November 24, 2009, the estimated prosecution costs in this matter are approximately \$3,654.00. Respondent acknowledges that this figure is an estimate only and that it might not include State Bar Court costs that will be included in any final cost assessment (see Bus. & Prof. Code section 6068.10(c)) or taxable costs (see C.C.P. section 1033.5(a)), which will be included in any final cost assessment. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings. It is also noted that if Respondent fails to pay any installment of disciplinary costs 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 unless relief has been granted under the Rules of Procedure of the State Bar of California (Rules Proc. of State Bar, rule 286). The payment of costs is enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment.

In the Matter of David Robert Baade	Case number(s): 07-O-11227 & 08-O-13364
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 **Twelve months from the effective date of the Supreme Court Order.**

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 reprobation), 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";

(Financial Conditions form approved by SBC Executive Committee 10/16/2000. Revised 12/16/2004; 12/13/2006.)

- 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

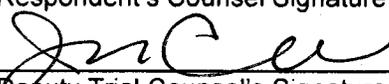
- Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School, within the same period of time, and passage of the test given at the end of that session.

(Do not write above this line.)

In the Matter of David Robert Baade	Case number(s): 07-O-11227 & 08-O-13364
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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>12-1-09</u> Date	 Respondent's Signature	David Robert Baade Print Name
<u>12/2/2009</u> Date	 Deputy Trial Counsel's Signature	Jean Cha Print Name

(Do not write above this line.)

In the Matter Of
David Robert Baade

Case Number(s):
07-O-11227 & 08-O-13364

ORDER

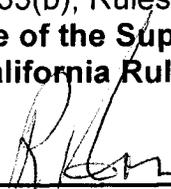
Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- 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.)**

12-14-09

Date



Judge of the State Bar Court

RICHARD A. HONN

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 December 17, 2009, I deposited a true copy of the following document(s):

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

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

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

**DAVID ROBERT BAADE
LAW OFC DAVID R BAADE
2151 MICHELSON DR #105
IRVINE, CA 92612**

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

JEAN CHA, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on December 17, 2009.



Tammy Cleaver
Case Administrator
State Bar Court