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State Bar Court of California Hearing Department San Francisco		kwiktag® 035 131 887 
Counsel For The State Bar Christine Souhrada Deputy Trial Counsel 180 Howard Street San Francisco, CA 94105 (415) 538-2183 Bar # 214209	Case Number (s) 07-O-12713 [07-O-15734; 07-O-14355; 08-O-11680; 08-O-11933; 08-O-12534; 08-O-12920; 09-O-19140]	(for Court's use) PUBLIC MATTER FILED SEP 27 2010 STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO
In Pro Per Respondent Nathaniel D. Potratz (AKA Nathaniel Sterling) 4790 Dewey Dr., Ste. A Fair Oaks, CA 95628 (916) 962-2780 Bar # 215734	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
In the Matter Of: Nathaniel D. Potratz (AKA Nathaniel Sterling) Bar # 215734 A Member of the State Bar of California (Respondent)	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 November 30, 2001.
- (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 23 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."

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- (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):
 - until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 2B4, 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 2B4, Rules of Procedure)
 - costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
 - costs entirely waived

B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.

- (1) Prior record of discipline [see standard 1.2(f)]
 - (a) State Bar Court case # of prior case
 - (b) Date prior discipline effective
 - (c) Rules of Professional Conduct/ State Bar Act violations:
 - (d) Degree of prior discipline
 - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (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. See page 18.
- (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 18.
- (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. See page 18.
- (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. See page 18.
- (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

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D. Discipline:

(1) **Stayed Suspension:**

(a) Respondent must be suspended from the practice of law for a period of four (4) 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 five (5) 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 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:

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.

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(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 9.10(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.

No MPRE recommended. Reason:

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- (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:**

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Attachment language begins here (if any):

FACTS AND CONCLUSIONS OF LAW

Respondent pleads *nolo contendere* to the following facts and violations. Respondent completely understands that the plea of *nolo contendere* shall be considered as set forth in the *Nolo Contendere* Plea form attached hereto.

1. Case No. 07-O-12713 [State Bar Investigation]

Facts

1. In 2007, respondent was hired by Larry and Katrina Wreshe ("the Wreshes") to represent them and their corporation, Wreshe Corporation, Inc., in the matter, *Haydel v. Wresche*, Sacramento County Superior Court Case No. 06AS01498 ("civil matter"). Thereafter, respondent became counsel of record on behalf of the Wreshes and their corporation in the civil matter.
2. Prior to April 4, 2007, respondent filed a cross-complaint on behalf of the Wreshes and their corporation in the civil matter. Thereafter, opposing counsel filed a demurrer to the cross-complaint. On April 4, 2007, the court issued an order sustaining the demurrer and dismissing the cross-complaint. Soon thereafter, respondent received a copy of the court's April 4, 2007 order, but failed to inform the Wreshes that their cross-complaint had been dismissed.
3. On April 27, 2007, while the civil matter was still pending, respondent filed Substitution of Attorney forms, substituting each of his clients in *pro per*, in lieu of himself. At no time prior to filing the Substitution of Attorney forms did respondent advise the Wreshes of his intent to withdraw as counsel of record in the civil matter, or obtain their consent to his withdrawal. Thereafter, respondent ceased performing any work on behalf of the Wreshes and their corporation in the civil matter.
4. At no time did respondent obtain court approval for his withdrawal as attorney of record on behalf of the Wreshes and their corporation in the civil matter.
5. On July 2, 2007, the court issued an order sanctioning respondent in the amount of \$1,020.00 for discovery abuses in the civil matter, to be paid to opposing counsel by August 2, 2007. In the order, the court also noted that respondent improperly abandoned his clients, including a corporation which cannot represent itself in *pro per*, and withdrew as attorney of record without court approval. Soon thereafter, respondent received the court's July 2, 2007 order, but failed to pay the sanction by August 2, 2007.
6. It was not until March 22, 2010, that respondent paid the \$1,020.00 sanction.

Conclusions of Law

1. By failing to obtain permission from the court to withdraw from employment on behalf of the Wreshes and their corporation prior to his withdrawal from employment, respondent withdrew from employment in a proceeding before a tribunal without its permission in willful violation of rule 3-700(A)(1) of the Rules of Professional Conduct.

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2. By failing to inform the Wreshes that their cross-complaint had been dismissed and by failing to inform the Wreshes of his intent to withdraw as counsel of record, respondent failed to keep a client reasonably informed of significant developments in a matter in which respondent had agreed to provide legal services, in willful violation of section 6068(m) of the Business and Professions Code.
3. By failing to pay the \$1,020.00 sanction by August 2, 2007, in violation of the court's July 2, 2007 order, respondent disobeyed an order of the court requiring him to do or forbear an act connected with or in the course of respondent's profession which he ought in good faith to do or forbear in willful violation of section 6103 of the Business and Professions Code.

2. Case No. 07-O-13734 [The Montiero matter]

Facts

1. On April 12, 2005, respondent was hired by Anthony Montiero ("Montiero") to represent him in the matter, *Montiero v. 7-11*, Sacramento County Superior Court Case No. 05AS02316 ("civil matter").
2. On February 13, 2007, a settlement was reached in the civil matter for \$53,900.
3. On March 7, 2007, a check in the amount of \$49,500 was sent to respondent on behalf of Montiero pursuant to the settlement agreement in the civil matter. On March 15, 2007, a check in the amount of \$4,500 was sent to respondent on behalf of Montiero pursuant to the settlement agreement in the civil matter. On March 14, and April 3, 2007, respectively, respondent deposited the checks totaling \$53,900 into his trust account on behalf of Montiero.
4. On March 29, 2007, respondent sent a letter to Montiero outlining the disbursement of Montiero's settlement funds in the civil matter. In the disbursement letter, respondent noted that the settlement funds were insufficient to pay respondent's fees and costs and the outstanding medical liens, as follows: respondent claimed fees in the amount of \$26,950, costs in the amount of \$11,201.91 and medical liens in the amount of \$50,010.72. In the disbursement letter, respondent listed the net recovery to Montiero as "\$34,262.63." He included a check to Montiero in the amount of \$1,000 "out of an abundance of generosity."
5. On April 4, Montiero sent several e-mails to respondent disputing the amount of respondent's fees in the civil matter. Soon thereafter, respondent received Montiero's April 4, 2007 e-mails. As of April 4, 2007, respondent was required to maintain the \$26,950 in his trust account, pending resolution of the fee dispute.
6. As of April 30, 2007, respondent had not paid many of the costs or any of the medical liens outlined in his March 29, 2007 disbursement letter. As of that date, respondent was required to maintain those funds in trust pending payment of the costs and medical liens. On April 30, 2007, respondent issued a trust account check to himself in the amount of \$52,900 as fees and costs in the Montiero matter. Thereafter, respondent did not pay many of the costs or any of the medical liens outlined in his March 29, 2007 disbursement letter. Consequently, the medical lienholders and others sought payment for the liens and costs from Montiero.
7. On August 29, 2007, respondent and Montiero participated in binding arbitration. On September 5, 2007, the arbitrator issued an award in favor of Montiero in the amount of \$17,687.85. In addition, to that payment, respondent was responsible for all of the other liens and costs in the civil matter, with any excess

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from negotiated liens to be paid to Montiero. Thereafter, respondent paid Montiero pursuant to the arbitration award.

Conclusions of Law

1. By failing to maintain the \$26,950 in trust when respondent knew that Montiero was disputing the amount of his fees and by failing to maintain the remaining funds in trust pending payment of the costs and medical liens outlined in his March 29, 2007 disbursement letter, respondent failed to maintain funds in trust in willful violation of rule 4-100 of the Rules of Professional Conduct.

3. Case No. 07-O-14355 [The Dempster matter]

Facts

1. On July 27, 2006, respondent was hired by Roger Dempster ("Dempster") to represent him in the matter, *Dempster v. Peterson*, Sacramento Superior Court Case No. 06AS05415 ("medical malpractice matter").

2. On June 26, 2007, respondent sent Dempster a letter requesting payment of advanced costs in the medical malpractice matter.

3. On July 6, 2007, Dempster went to respondent's law office and provided his son-in-law's credit card information to respondent and authorized respondent to charge advanced costs in the medical malpractice matter. On the same date, respondent charged \$3,000 on the son-in-law's credit card as advanced costs. On July 10, 2007, respondent deposited the \$3,000 he charged Dempster in advanced costs into his general operating account.

4. In September 2007, respondent withdrew from representation on behalf of Dempster in the medical malpractice matter. Thereafter, Dempster left several voicemail messages for respondent demanding a refund of the \$3,000. Soon thereafter, respondent received Dempster's voicemail messages, but failed to refund any portion of the \$3,000.

5. On October 30, 2007, Dempster filed a complaint against respondent with the State Bar ("disciplinary complaint"). Soon thereafter, respondent was notified about the disciplinary complaint.

6. On July 12, 2008, respondent and Dempster entered into a settlement agreement wherein respondent agreed to refund \$1,000 to Dempster in exchange for Dempster's agreement to withdraw his disciplinary complaint.

Conclusions of Law

1. By failing to deposit the \$3,000 that Dempster paid as advanced costs into his trust account respondent failed to deposit funds held for the benefit of his client in trust in willful violation of rule 4-100 of the Rules of Professional Conduct.

2. By failing promptly pay the \$3,000 as requested by Dempster, respondent failed to promptly pay funds in willful violation of rule 4-100 of the Rules of Professional Conduct.

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3. By entering into an agreement which required Dempster to withdraw his disciplinary complaint, respondent entered into an agreement for the withdrawal of a disciplinary complaint in willful violation of section 6090.5 of the Business and Professions Code.

4. Case No. 08-O-11680 [The Coleman matter]

Facts

1. On February 8, 2006, respondent was hired byCarolynn Coleman ("Coleman") to represent her in the matter, Coleman v. Protection One, Sacramento County Superior Court Case No. 06AS01617 ("sexual harassment matter"). On the same date, respondent and Coleman entered into a written fee agreement which contained the following language regarding fees:

"Hourly Rate. Client will be charged \$250.00 per hour for services of Nathaniel Potratz. Client will receive periodic billing statements which are immediately due and payable upon receipt."

"Contingent Fee: Client agrees to pay a percentage of the gross settlement or judgment equal to 50% of all sums received, or according to the Law Firm's above-stated hourly rates, whichever amount is greater."

On the written fee agreement, respondent checked the box next to "Contingent Fee."

2. In December 2007, respondent and Coleman participated in a mediation in the sexual harassment matter. At the mediation, respondent advised Coleman that he would not be taking more than 50 percent of the total settlement as fees. Based on this representation, Coleman agreed to settle the sexual harassment matter for \$75,000. At no time during the mediation or prior to Coleman's agreement to the \$75,000 settlement did respondent inform Coleman that his fees and costs exceeded \$75,000 based on his hourly billing rates.

3. On December 12, 2007, a check in the amount of \$10,000 was sent to respondent on behalf of Coleman pursuant to the settlement agreement in the sexual harassment matter. On December 14, 2007, a check in the amount of \$65,000 was sent to respondent on behalf of Coleman pursuant to the settlement agreement in the sexual harassment matter. On December 18, 2007, respondent deposited the checks totaling \$75,000 into his trust account on behalf of Coleman.

4. On December 20, 2007, respondent sent a letter to Coleman outlining the disbursement of Coleman's settlement funds in the sexual harassment matter. In the disbursement letter, respondent claimed attorney's fees and costs in the amount of \$78,763.54, with a net to the client in the amount of "\$3,763.54." Enclosed with the December 20, 2007 disbursement letter was an 18-page billing statement dated December 29, 2007, for work respondent claimed he performed from February 3, 2006, through December 19, 2007, at a rate of \$250.00 an hour. This was the first and only billing statement that respondent provided to Coleman in the sexual harassment matter.

5. At no time prior to December 20, 2007, did respondent inform Coleman that he would be charging fees at an hourly rate.

6. On January 1, 2008, respondent issued a trust account check to himself in the amount of \$75,000 for fees and costs in the sexual harassment matter.

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7. On March 31, 2008, Coleman filed a complaint against respondent with the State Bar ("disciplinary complaint"). Soon thereafter, respondent was notified about the disciplinary complaint and the fact that Coleman was disputing the amount of respondent's fees in the sexual harassment matter. At no time did respondent return any portion of the \$75,000 in disputed fees to his trust accounting pending resolution of the fee dispute.

8. On July 2, 2008, respondent and Coleman entered into a settlement agreement wherein respondent agreed to refund \$20,000 to Coleman in exchange for Coleman's agreement to withdraw her disciplinary complaint.

Conclusions of Law

1. By entering into an agreement with Coleman where respondent could charge fees, at his option, at either a rate of \$250 per hour, or 50 percent of the gross recovery, whichever is greater, by charging and collecting fees which exceeded Coleman's recovery after informing Coleman that he would not charge more than 50 percent of her gross recovery, and by charging and collecting a fee which was unconscionable under the factors set forth in rule 4-200 and, in particular, because the amount of the fees was grossly disproportionate to the value of the services performed by respondent, respondent entered into an agreement to charge and charged and collected an unconscionable fee in violation of rule 4-200 of the Rules of Professional Conduct.

2. By entering into a fee agreement that was deliberately ambiguous as to the amount of fees respondent would charge, by intentionally not advising his client at any time before settlement that he was charging fees at an hourly rate and that the fees and costs exceeded the total amount of the settlement, by intentionally misrepresenting at the mediation that he would not take more than 50 percent of Coleman's gross recovery, and by intentionally failing to provide an accounting of his fees until after the sexual harassment matter had settled, respondent committed an act or acts involving moral turpitude, dishonesty or corruption, in willful violation of section 6106 of the Business and Professions Code.

3. By failing to return the \$75,000 to his trust account when respondent knew that Coleman was disputing the amount of his fees, respondent failed to maintain funds in trust in willful violation of rule 4-100 of the Rules of Professional Conduct.

4. By failing to inform Coleman at the mediation that he would charge her fees based on an hourly billing rate instead of on a contingency basis, and by failing to inform Coleman prior to December 20, 2007, that he would charge her fees based on an hourly billing rate, respondent failed to inform the client of significant developments in willful violation of section 6068(m) of the Business and Professions Code.

5. By entering into an agreement which required Coleman to withdraw her disciplinary complaint, respondent entered into an agreement for the withdrawal of a disciplinary complaint in willful violation of section 6090.5 of the Business and Professions Code.

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5. Case No. 08-O-11933 [The Brewer matter]

Facts

1. On March 16, 2007, respondent was hired by Glenda Brewer ("Brewer") to represent her in a personal injury matter. On the same date, respondent and Brewer entered into a written fee agreement which contained the following language regarding fees:

"Hourly Rate. Client will be charged \$250.00 per hour for services of Nathaniel Potratz....Client may receive periodic billing statements which are immediately due and payable upon receipt."

"Contingent Fee: Client agrees to pay a percentage of the gross settlement or judgment equal to 50% of all sums received, or according to the Law Firm's above-stated hourly rates, whichever amount is greater."

On the written fee agreement, respondent checked the box next to "Contingent Fee."

2. Prior to March 20, 2008, respondent contacted Brewer by telephone and advised that the defendant was offering \$3,500 to settle the personal injury matter. On March 20, 2008, Brewer entered into a settlement of the personal injury matter for \$3,500. At no time prior to Brewer's agreement to enter into the \$3,500 settlement did respondent inform Brewer that he would be charging fees based on an hourly billing rate or that his fees and costs exceeded \$3,500.

3. Prior to April 7, 2008, a check in the amount of \$3,500 was sent to respondent on behalf of Brewer pursuant to the settlement agreement in the personal injury matter. On April 7, 2008, respondent deposited the \$3,500 into his trust account on behalf of Brewer.

4. On April 15, 2008, respondent sent a letter to Brewer outlining the disbursement of Brewer's settlement funds in the personal injury matter. In the disbursement letter, respondent claimed attorney's fees and costs in the amount of \$3,550.50, with a net to the client in the amount of "\$50.50." Enclosed with the April 15, 2008 disbursement letter was a 3-page billing statement dated April 15, 2008, for work respondent claimed he performed from March 16, 2007, through April 15, 2008, at a rate of \$250.00 an hour. This was the first and only billing statement that respondent provided to Brewer in the personal injury matter.

5. At no time prior to April 15, 2008, did respondent inform Brewer that he would be charging fees at an hourly rate.

6. Upon receipt of the April 15, 2008 disbursement letter, Brewer contacted respondent by telephone to dispute his fees. However, on May 7, 2008, respondent issued a trust account check to himself in the amount of \$3,500 for fees and costs in the personal injury matter.

7. On May 2, 2008, Brewer filed a complaint against respondent with the State Bar ("disciplinary complaint"). Soon thereafter, respondent was notified about the disciplinary complaint.

8. On July 9, 2008, respondent and Brewer entered into a settlement agreement wherein respondent agreed to refund \$1,750 to Brewer. As part of the settlement agreement, respondent sought Brewer's agreement to withdraw her disciplinary complaint, but Brewer refused to withdraw her disciplinary complaint.

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

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Conclusions of Law

1. By entering into an agreement with Brewer where respondent could charge fees, at his option, at either a rate of \$250 per hour, or 50 percent of the gross recovery, whichever is greater, and by charging and collecting a fee which was unconscionable under the factors set forth in rule 4-200 and, in particular, because the amount of the fees was grossly disproportionate to the value of the services performed by respondent, respondent entered into an agreement to charge and charged and collected an unconscionable fee in violation of rule 4-200 of the Rules of Professional Conduct.
2. By entering into a fee agreement that was deliberately ambiguous as to the amount of fees respondent would charge, by intentionally not advising his client at any time before settlement that he was charging fees at an hourly rate and that the fees and costs exceeded the total amount of the settlement and by intentionally failing to provide an accounting of his fees until after the personal injury matter had settled, respondent committed an act or acts involving moral turpitude, dishonesty or corruption, in willful violation of section 6106 of the Business and Professions Code.
3. By withdrawing the \$3,500 from his trust account when respondent knew that Brewer was disputing the amount of his fees, respondent failed to maintain funds in trust in willful violation of rule 4-100 of the Rules of Professional Conduct.
4. By failing to inform Brewer before she entered into the settlement agreement, that he would charge her fees based on an hourly billing rate instead of on a contingency basis, and by failing to inform Brewer prior to April 15, 2008, that he would charge her fees based on an hourly billing rate respondent failed to inform the client of significant developments in willful violation of section 6068(m) of the Business and Professions Code.
5. By seeking to enter into an agreement which required Brewer to withdraw her disciplinary complaint, respondent sought to enter into an agreement for the withdrawal of a disciplinary complaint in willful violation of section 6090.5 of the Business and Professions Code.

6. Case No. 08-O-12534 (The Lucatero matter)

Facts

1. On July 23, 2007, respondent was hired by Gerardo Lucatero ("Lucatero") to represent him in the matter, *Lucatero v. Piepho*, Sacramento County Superior Court Case No. 07AS03553 ("personal injury matter"). On the same date, respondent and Lucatero entered into a written fee agreement which contained the following language regarding fees:

"Hourly Rate. Client will be charged \$250.00 per hour for services of Nathaniel Potratz. ... Client may receive periodic billing statements which are immediately due and payable upon receipt."

"Contingent Fee: Client agrees to pay a percentage of the gross settlement or judgment equal to 50% of all sums received, or according to the Law Firm's above-stated hourly rates, whichever amount is greater."

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On the written fee agreement, respondent checked the box next to "Contingent Fee." At the time of hire, respondent advised Lucatero that he would only charge the 50 percent contingency fee and not the hourly rate.

2. On May 6, 2008, Lucatero entered into a settlement of the personal injury matter for \$13,000. At no time prior to Lucatero's agreement to enter into the \$13,000 settlement did respondent inform Lucatero that he would be charging fees based on an hourly billing rate or that his fees and costs exceeded \$13,000.

3. On May 2, 2008, checks in the amount of \$7,000 and \$6,000 were sent to respondent on behalf of Lucatero pursuant to the settlement agreement in the personal injury matter. Respondent deposited the checks totaling \$13,000 into his trust account on behalf of Lucatero on June 5, 2008.

4. On May 19, 2008, respondent sent a letter to Lucatero outlining the disbursement of Lucatero's settlement funds in the personal injury matter. In the disbursement letter, respondent claimed attorney's fees and costs in the amount of \$13,626, with a net to the client in the amount of "\$-626." Enclosed with the May 19, 2008 disbursement letter was a 5-page billing statement dated May 19, 2008, for work respondent claimed he performed from July 23, 2007, through May 19, 2008, at a rate of \$250.00 an hour. This was the first and only billing statement that respondent provided to Lucatero in the personal injury matter.

5. At no time prior to May 19, 2008, did respondent inform Lucatero that he would be charging fees at an hourly rate.

6. Thereafter, Lucatero disputed respondent's fees. On February 5, 2009, respondent and Lucatero entered into a settlement agreement wherein respondent agreed to refund \$8,891.25 to Lucatero.

Conclusions of Law

1. By entering into an agreement with Lucatero where respondent could charge fees, at his option, at either a rate of \$250 per hour, or 50 percent of the gross recovery, whichever is greater, by charging and collecting fees which exceeded Lucatero's recovery after informing Lucatero that he would charge a 50 percent contingency fee, and by charging and collecting a fee which was unconscionable under the factors set forth in rule 4-200 and, in particular, because the amount of the fees was grossly disproportionate to the value of the services performed by respondent, respondent entered into an agreement to charge and charged and collected an unconscionable fee in violation of rule 4-200 of the Rules of Professional Conduct

2. By entering into a fee agreement that was deliberately ambiguous as to the amount of fees respondent would charge, by intentionally not advising his client at any time before settlement that he was charging fees at an hourly rate and that the fees and costs exceeded the total amount of the settlement, by charging Lucatero fees based on an hourly billing rate after advising him at the time of hire that he would not take more than 50 percent of Lucatero's gross recovery, and by intentionally failing to provide an accounting of his fees until after the personal injury matter had settled, respondent committed an act or acts involving moral turpitude, dishonesty or corruption, in willful violation of section 6106 of the Business and Professions Code.

3. By failing to inform Lucatero before he entered into the settlement agreement that he would charge him fees based on an hourly billing rate instead of on a contingency basis and by failing to inform Lucatero prior to May 19, 2008, that he would charge her fees based on an hourly billing rate, respondent failed to inform

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the client of significant developments in willful violation of section 6068(m) of the Business and Professions Code.

7. Case No. 08-O-12920 [The Brooks matter]

Facts

1. On November 2, 2007, respondent was hired by Jaclyen Brooks ("Brooks") to represent her in the matter, *Brooks v. Spencer*, Sacramento County Superior Court Case No. 06AS04905 ("personal injury matter"). On the same date, respondent and Brooks entered into a written fee agreement which contained the following language regarding fees:

"Hourly Rate. Client will be charged \$250.00 per hour for services of Nathaniel Potratz. Client will receive periodic billing statements which are immediately due and payable upon receipt."

"Contingent Fee: Client agrees to pay a percentage of the gross settlement or judgment equal to 50% of all sums received, or according to the Law Firm's above-stated hourly rates, whichever amount is greater."

On the written fee agreement, respondent checked the box next to "Contingent Fee."

2. Thereafter, the defendant in the personal injury matter sent an Offer to Compromise to respondent pursuant to California Code of Civil Procedure section 998 ("998 offer"), offering to settle the personal injury matter for \$6,000. Brooks rejected the 998 offer and proceeded to trial. Brooks prevailed at trial, but received a judgment for less than \$6,000. Based on her rejection of the 998 offer, she owed more than she recovered to the defendant.

3. On May 22, 2008, respondent sent a letter to Brooks. Enclosed with the May 22, 2008 letter was a 10-page billing statement dated May 22, 2008, charging Brooks a total of \$41,363.80 for work respondent claimed he performed from November 2, 2006, through May 22, 2008, at a rate of \$250.00 an hour. This was the first and only billing statement that respondent provided to Brooks in the personal injury matter.

4. Upon receipt of the May 22, 2008 letter, Brooks left several voicemail messages for respondent and sent respondent a letter disputing his fees. Soon thereafter, respondent received the voicemail messages and the letter, but failed to respond to them.

5. On July 10, 2008, Brooks filed a complaint against respondent with the State Bar ("Brooks complaint"). Soon thereafter, respondent was notified about the Brooks complaint. Thereafter, respondent sent letters to the State Bar and Brooks advising that he would not pursue payment of the \$41,363.80 from Brooks.

Conclusions of Law

1. By entering into an agreement with Brooks where respondent could charge fees, at his option, at either a rate of \$250 per hour, or 50 percent of the gross recovery, whichever is greater, by charging fees which exceeded Brooks' recovery, and by charging and collecting a fee which was unconscionable under the factors set forth in rule 4-200 and, in particular, because the amount of the fees was grossly disproportionate

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to the value of the services performed by respondent, respondent entered into an agreement to charge and charged and collected an unconscionable fee in violation of rule 4-200 of the Rules of Professional Conduct

2. By entering into a fee agreement that was deliberately ambiguous as to the amount of fees respondent would charge and by intentionally failing to provide an accounting of his fees until after the personal injury matter was completed, respondent committed an act or acts involving moral turpitude, dishonesty or corruption, in willful violation of section 6106 of the Business and Professions Code.

3. By failing to inform Brooks that he would charge her fees based on an hourly billing rate instead of on a contingency basis, respondent failed to inform the client of significant developments in willful violation of section 6068(m) of the Business and Professions Code.

8. Case No. 09-O-19140 [The Sherwood matter]

Facts

1. On July 27, 2006, respondent was hired by Kathi Sherwood ("Sherwood") to represent her in the matter, *Sherwood v. Blue Cross*, U.S. District, Eastern District of California, Court Case No. 2:07-cv-0633-LKK-DAD ("age discrimination matter"). On the same date, respondent and Sherwood entered into a written fee agreement which contained the following language regarding fees:

"Hourly Rate. Client will be charged \$250.00 per hour for services of Nathaniel Potratz....Client may receive periodic billing statements which are immediately due and payable upon receipt."

"Contingent Fee: Client agrees to pay a percentage of the gross settlement or judgment equal to 50% of all sums received, or according to the Law Firm's above-stated hourly rates, whichever amount is greater."

On the written fee agreement, respondent checked the box next to "Contingent Fee." Respondent and Sherwood executed an identical written fee agreement on March 30, 2007.

2. In April 2008, respondent and Sherwood participated in a mediation in the age discrimination matter. At the mediation, respondent confirmed that he would not be taking more than 50 percent of the total settlement as fees. Based on this representation, Sherwood agreed to settle the sexual harassment matter for \$35,000. At no time during the mediation or prior to Sherwood's agreement to the \$35,000 settlement did respondent inform Sherwood that his fees and costs exceeded \$35,000 based on his hourly billing rates.

3. On May 16 and June 8, 2008, checks totaling \$35,000 were sent to respondent on behalf of Sherwood pursuant to the settlement agreement in the age discrimination matter. Thereafter, respondent deposited the checks into his trust account on behalf of Sherwood.

4. On June 6, 2008, respondent sent a letter to Sherwood outlining the disbursement of Sherwood's settlement funds in the age discrimination matter. In the disbursement letter, respondent claimed attorney's fees and costs in the amount of \$37,683 with a net to the client in the amount of "\$4,655.50." Enclosed with the June 6, 2008 disbursement letter was a 10-page billing statement dated June 6, 2008, for work respondent claimed he performed from July 27, 2006, through June 6, 2008, at a rate of \$250.00 an hour.

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This was the first and only billing statement that respondent provided to Sherwood in the age discrimination matter.

5. At no time prior to June 6, 2008, did respondent inform Sherwood that he would be charging fees at an hourly rate.
6. On June 10, 2008, Sherwood sent an e-mail to respondent disputing his fees. Soon thereafter, respondent received Sherwood's e-mail. On June 18, 2008, respondent and Sherwood entered into a settlement agreement wherein respondent agreed to refund \$7,500 to Sherwood.

Conclusions of Law

1. By entering into an agreement with Sherwood where respondent could charge fees, at his option, at either a rate of \$250 per hour, or 50 percent of the gross recovery, whichever is greater, by charging fees which exceeded Sherwood's recovery after informing Sherwood that he would not charge more than 50 percent of her gross recovery, and by charging a fee which was unconscionable under the factors set forth in rule 4-200 and, in particular, because the amount of the fees was grossly disproportionate to the value of the services performed by respondent, respondent entered into an agreement to charge and charged and collected an unconscionable fee in violation of rule 4-200 of the Rules of Professional Conduct.
2. By entering into a fee agreement that was deliberately ambiguous as to the amount of fees respondent would charge, by intentionally not advising his client at any time before settlement that he was charging fees at an hourly rate and that the fees and costs exceeded the total amount of the settlement, by charging Sherwood fees based on an hourly billing rate after advising her that he would not take more than 50 percent of her gross recovery, and by intentionally failing to provide an accounting of his fees until after the age discrimination matter had settled, respondent committed an act or acts involving moral turpitude, dishonesty or corruption, in willful violation of section 6106 of the Business and Professions Code.
3. By failing to inform Sherwood at the mediation that he would charge her fees based on an hourly billing rate instead of on a contingency basis and by failing to inform Sherwood prior to June 6, 2008, that he would charge her fees based on an hourly billing rate, respondent failed to inform the client of significant developments in willful violation of section 6068(m) of the Business and Professions Code.

PENDING PROCEEDINGS

The disclosure date referred to on page two, paragraph A (7) was August 24, 2010.

STATE BAR ETHICS SCHOOL AND CLIENT TRUST ACCOUNTING SCHOOL

Because respondent has agreed to attend State Bar Ethics School and 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 Client Trust Accounting School.

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FACTS SUPPORTING AGGRAVATING AND MITIGATING CIRCUMSTANCES

AGGRAVATING CIRCUMSTANCES

Standard 1.2(b)(ii). Respondent's 26 counts of misconduct reflect multiple acts of wrongdoing.

Standard 1.2(b)(iii). Respondent's misconduct was surrounded by overreaching.

Standard 1.2(b)(iv). Respondent's misconduct caused significant harm to his clients.

MITIGATING CIRCUMSTANCES

Standard 1.2(e)(vii). Respondent displayed remorse for his misconduct.

SUPPORTING AUTHORITY

Standards:

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

Standard 2.3 requires an actual suspension or disbarment for a respondent that has committed an act of moral turpitude.

Standard 2.6(a) requires that a violation of Business and Professions Code sections 6068 and 6103 shall result in disbarment or suspension depending on the gravity of the offense or harm, if any, to the victim, with due regard to the purpose of imposing discipline set forth in standard 1.3

Standard 2.7 requires at least a six-month actual suspension, irrespective of mitigating circumstances, for entering into an agreement for charging or collection an unconscionable fee in willful violation of rule 4-200 of the Rules of Professional Conduct.

Standard 2.10 requires that a violation of any provision of the Business and Professions Code not specified in the standards (e.g., section 6090.5) shall result in reproof or suspension according to the gravity of the offense or harm, if any, to the victim, with due regard to the purpose of imposing discipline set forth in standard 1.3.

Case Law:

The gravamen of respondent's misconduct is the charging and collecting of unconscionable fees. There are simply no cases that mirror respondent's overreaching in collecting unconscionable fees from multiple clients.

Discipline for charging unconscionable fees ranges from actual suspension to disbarment. (See *In the Matter of Van Sickle* (Review Dept. 2006) 4 Cal. State Bar Ct. Rptr. 980 [90-day actual suspension for charging an unconscionable fee in one client matter; no prior record of discipline]; *In the Matter of Wells*

(Stipulation form approved by SBC Executive Committee 7/16/00, Revised 12/16/2004.)

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(Review Dept. 2006) 4 Cal. State Bar Ct. Rptr. 896 [six months' actual suspension for charging an unconscionable fee in two client matters; prior record of discipline]; *In the Matter of Yagman* (Review Dept. 1997) 3 Cal. State Bar Ct. Rptr. 788 [one year actual suspension for charging an unconscionable fee in one client matter; prior record of discipline]; *Barnum v. State Bar* (1990) 52 Cal.3d 104 [disbarment for collecting an unconscionable fee in one client matter in addition to other misconduct; prior record of discipline.]

Charging an unconscionable fee should result in at least a six-month actual suspension. (See *Barnum v. State Bar, supra*, 52 Cal.3d 104, 113; *In the Matter of Wells, supra*, 4 Cal. State Bar Ct. Rptr. 896.)

Based on respondent's misconduct and the aggravation in this matter, disbarment would be proper. However, in light of respondent's youth and inexperience (see *Recht v. State Bar* (1933) 218 Cal. 352, 355), an actual suspension of two years with a requirement that he prove rehabilitation and fitness to practice law before being relieved from actual suspension is appropriate to protect the public.

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 June 7, 2010, 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 a formal hearing on any charge not included in the pending Notice of Disciplinary Charges.

ESTIMATE OF COSTS OF DISCIPLINARY PROCEEDINGS

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of August 24, 2010, the estimated prosecution costs in this matter are approximately \$7,187.36. Respondent acknowledges that this figure is an estimate only. 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.

In the Matter of Nathaniel D. Potratz (AKA Nathaniel Starling)	Case number(s): 07-O-12713 [07-O-13734; 07-O-14355; 08-O-11680; 08-O-11933; 08-O-12534; 08-O-12920; 09-O-19140]
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 approval), 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.

In the Matter of
Nathaniel D. Potratz (AKA Nathaniel Sterling)

Case number(s):
07-O-12713 [07-O-13734; 07-O-14355; 08-O-11680;
08-O-11933; 08-O-12534; 08-O-12920; 09-O-19140]

A Member of the State Bar

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 9-8-10

Signature 

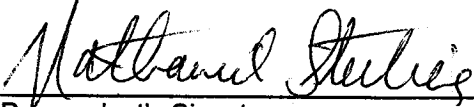
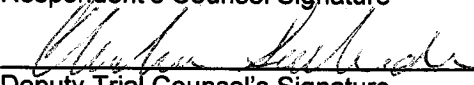
Print Name Nathaniel Sterling

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In the Matter of Nathaniel D. Potratz (AKA Nathaniel Sterling)	Case number(s): 07-O-12713 [07-O-13734; 07-O-14355; 08-O-11680; 08-O-11933; 08-O-12534; 08-O-12920; 09-O-19140]
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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>9-18-10</u> Date	<u></u> Respondent's Signature	<u>Nathaniel Sterling</u> Print Name
<u>9/22/10</u> Date	<u></u> Deputy Trial Counsel's Signature	<u>Christine Sohrada</u> Print Name

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 September 27, 2010, 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:

NATHANIEL D. E. STERLING
LAW OFFICES OF NATHANIEL STERLING
4790 DEWEY DR STE A
FAIR OAKS, CA 95628

- by certified mail, No. , with return receipt requested, through the United States Postal Service at , California, addressed as follows:

- by overnight mail at , California, addressed as follows:


- by fax transmission, at fax number . No error was reported by the fax machine that I used.

- By personal service by leaving the documents in a sealed envelope or package clearly labeled to identify the attorney being served with a receptionist or a person having charge of the attorney's office, addressed as follows:

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

Christine Souhrada, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on September 27, 2010.


George Hue
Case Administrator
State Bar Court