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

<p>Counsel For The State Bar</p> <p>Brandon K. Tady State Bar of California Deputy Trial Counsel 1149 South Hill Street Los Angeles, California 90015</p> <p>Bar # 83045</p>	<p>Case Number (s) 07-O-12983</p> <p style="text-align: center; font-size: 1.5em;">PUBLIC MATTER</p>	<p>(for Court's use)</p> <p style="text-align: center; font-size: 1.5em;">FILED</p> <p style="text-align: center;">JAN 20 2010 </p> <p style="text-align: center;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent</p> <p>Edward O. Lear Century Law Group LLP 5200 W. Century Blvd., #345 Los Angeles, California 90045</p> <p>Bar # 132699</p>	<p>Submitted to: Assigned 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: Richard J. Stinstrom</p> <p>Bar # 140675</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 6, 1989.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of 16 pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".

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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 on this matter.
(hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
 - costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
 - costs entirely waived

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

- (1) **Prior record of discipline** [see standard 1.2(f)]
- (a) State Bar Court case # of prior case
 - (b) Date prior discipline effective
 - (c) Rules of Professional Conduct/ State Bar Act violations:
 - (d) Degree of prior discipline
 - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (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. Respondent is the son of John Duane Stinstrom ("John, Sr.") and Margaret Emma Stinstrom ("Margaret Emma"). John, Sr. and Margaret Emma executed their Irrevocable Living Trust ("Stinstrom Trust"). After Margaret Emma's death, John, Sr. executed an amendment to the Stinstrom Trust providing that, upon his death, Respondent would act as the first successor trustee. On December 8, 1997, John, Sr. died and Respondent assumed the duties as trustee of the Stinstrom Trust. Respondent was not hired by the Stinstrom Trust as its attorney and he did not represent the Stinstrom Trust as a client. During his tenure as the trustee of the Stinstrom Trust, Respondent was grossly negligent in the performance of his trustee's duties. Respondent's gross negligence caused him to be unable to account to the Stinstrom Trust and to its beneficiaries for t

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\$61,269.83; although, Respondent claims that approximately \$28,000 of trust assets are not accounted for. Respondent also failed, in his capacity as trustee, to file with the Probate Court an accounting of the Stinstrom Trust's assets, expenses, and disbursements. Ultimately, Respondent did not oppose the Probate Court's Order removing him as trustee and appointing Margaret Lisa Stinstrom ("Lisa"), Respondent's sister, as trustee of the Stinstrom Trust.

- (5) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6) **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (7) **Multiple/~~PATERNAL~~ Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing ~~or demonstrates a pattern of misconduct~~. Respondent was grossly negligent in the performance of his duties as trustee of the Stinstrom Trust causing him to be unable to account for \$61,269.83. Respondent breached his fiduciary duty as successor trustee of the Stinstrom Trust by failing to file with the Probate Court an accounting of the Stinstrom Trust's assets, expenses and disbursements. Respondent also failed to cooperate with the State Bar in its investigation of Lisa's State Bar complaint.
- (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. Respondent was admitted to practice law on June 6, 1989 and he does not have a prior record of discipline. Respondent's misconduct is serious; but, the State Bar acknowledges that in the Matter of Stamper (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 96, 106, the Review Department held that Standard 1.2 (e) has been repeatedly applied by the Supreme Court in cases involving serious misconduct.
- (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. Respondent expressed his remorse to the beneficiaries of the Stinstrom Trust for his negligent performance of his duties as Trustee. Even after his removal as Trustee of the Stinstrom Trust, Respondent continued his efforts to locate documents to substantiate trust expenses and to provide these documents to the Stinstrom Trust beneficiaries.
- (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.

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- (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. Respondent's wife's parents were in failing health, including her father being in an extended coma, and Respondent and his wife were responsible for caring for them during a portion of the time that Respondent was acting as Trustee. Respondent contends that his grossly negligent performance of his duties as Trustee was caused by emotional difficulties, ignorance or inexperience in acting as a Trustee.
- (11) **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.
- (12) **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) **No mitigating circumstances** are involved.

Additional mitigating circumstances

D. Discipline:

- (1) **Stayed Suspension:**
- (a) Respondent must be suspended from the practice of law for a period of 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.
- (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.

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- (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:** See Financial Conditions attached to this Stipulation

to assist him. Because Respondent did not make an accounting or keep records of trust expenses, he is not able to account for at least \$61,269.83 of the Stinstrom Trust's assets. Respondent claims that the amount of trust assets that are unaccounted for is approximately \$28,000. However, Respondent produced an accounting at his deposition on September 16, 2009 that appears to show that the amount of unaccounted for trust assets is \$61,269.83.

10. Respondent also claimed expenses for the Stinstrom Trust that should have been discussed with other Stinstrom Trust beneficiaries. These claimed expenses are Respondent's payments to his wife for supervising the remodeling of John, Sr.'s home and the amount of Respondent's trustee's fee for serving as trustee of the Stinstrom Trust. Respondent did not discuss these claimed expenses with the other Stinstrom Trust beneficiaries before he incurred them. The other Stinstrom Trust beneficiaries dispute these expenses.

11. From in or about December 1997 through in or about late 2001, Lisa requested that Respondent provide her with an accounting of the Stinstrom Trust's assets, expenses, and disbursements. On December 28, 1998 Respondent gave Lisa and the other Stinstrom Trust beneficiaries a one page document that included categories listing totals for the approximate assets of the Stinstrom Trust, Respondent's payments of trust expenses, and disbursements to beneficiaries. The one page document did not include details for many of the categories and it did not include any supporting receipts or other documents.

12. Other than the one page document Respondent gave to Lisa and the other Stinstrom Trust beneficiaries on December 28, 1998, he did not provide a formal written accounting to the Stinstrom Trust beneficiaries. However, Respondent had conversations with the Stinstrom Trust beneficiaries concerning trust expenses. As the trustee of the Stinstrom Trust, Respondent had a fiduciary duty to provide the beneficiaries of the Stinstrom Trust with an accounting of assets, expenses, and disbursements in response to Lisa's requests.

13. In March, 1999, Respondent, acting as the trustee of the Stinstrom Trust, wrote a check to the Internal Revenue Service ("IRS") in the amount of \$112,345.00 for estate taxes owing on John, Sr.'s Estate ("IRS Check"). The IRS check was returned for insufficient funds. Respondent is not able to explain why there were not sufficient assets in the Stinstrom Trust to guarantee payment of the IRS check.

14. In or about 2001, Lisa learned the IRS check was returned for non-sufficient funds. In early January 2002, Lisa filed a Petition to Compel an Accounting from Respondent and to remove him as Trustee of the Amended Trust ("Petition") entitled *In the Matter of the John D. Stinstrom and Margaret E. Stinstrom Living Trust UTD 10/4/83*, Los Angeles Superior Court Case No. BP071079. Respondent was served with the Petition and he received it. Respondent did not file a response to the Petition.

15. On January 3, 2002, the Probate Court granted Lisa's Petition to remove Respondent as trustee of the Stinstrom Trust. Respondent did not appear at the hearing and the Probate Court ordered him removed as trustee. Lisa was appointed temporary successor trustee of the Stinstrom Trust. Respondent was served with the Probate Court's Order removing him as trustee and he received it. Respondent did not object to the Order.

16. On March 6, 2002 and June 12, 2002, the Probate Court ordered Respondent to file an accounting of the Stinstrom Trust's assets, expenses, and disbursements. Respondent was served with the Probate Court's Orders and received them. Respondent failed to comply with the Probate Court's Orders and he did not file an accounting.

17. On August 13, 2002, Lisa filed a First and Final Account of Former Trustee Richard J. Stinstrom prepared by Successor Trustee Margaret E. Stinstrom, Petition for its Settlement and Approval, and Request for Surcharge ("First and Final Account"). The First and Final Account listed the Amended Trust's assets as of January 3, 2002, as \$1,115,701.46. Following proper disbursements, distributions, losses on sales, and assets that remained part of the Amended Trust, the First and Final Account accounted for \$593,997.26. The First and Final Account listed unaccounted for assets of \$521,704.20

during Respondent's service as trustee of the Stinstrom Trust. This amount includes, as unaccounted for funds, \$90,000 that Respondent was entitled to receive as his first distribution and \$30,000 that Respondent's daughter was entitled to receive as her first distribution.

18. Respondent was served with a copy of the First and Final Account and he received it. Respondent did not file an objection or other response to the First and Final Account.

19. On November 4, 2002, the Probate Court held a hearing on the First and Final Account. Respondent did not attend the hearing.

20. On December 9, 2002, the Probate Court issued its Order approving the First and Final Account and for Surcharge. Respondent was served with, and received, a copy of the Order.

21. On September 16, 2009, the State Bar took Respondent's deposition as a part of the present disciplinary proceeding. For the first time, Respondent produced an accounting stating, among other things, that he is not able to account for at least \$61,269.83 of the Stinstrom Trust's assets. Respondent also testified in detail about other expenses he incurred, as trustee, on behalf of the Stinstrom Trust for which he did not have receipts.

22. Shortly after Respondent's deposition in the present disciplinary proceeding, Respondent produced for the first time approximately 200 receipts that he claims are for remodeling John, Sr.'s home and for other trust expenses. Respondent claims these receipts reduce the amount of trust assets unaccounted for to approximately \$28,000. However, Respondent's accounting produced on September 16, 2009 appears to show that Respondent is not able to account for \$61,269.83 of trust assets. The State Bar and Respondent disagree about the amount of trust assets that are unaccounted for.

23. On or about November 1, 2006, the State Bar opened investigation number 07-O-12983 pursuant to a complaint made by Lisa Stinstrom ("Lisa's Complaint").

24. On or about September 24, 2007, a State Bar investigator wrote to Respondent regarding Lisa's Complaint. The investigator's letter requested that Respondent respond in writing to specified allegations of misconduct regarding Respondent's service as trustee of the Stinstrom Trust that were being investigated by the State Bar concerning Lisa's Complaint. The investigator's letter was placed in a sealed envelope correctly addressed to Respondent at his then State Bar of California membership address. The letter was properly mailed by United States Postal Service first class mail. The United States Postal Service did not return the investigator's letter as undeliverable or for any other reason.

25. Respondent did not respond to the State Bar's September 24, 2007 letter regarding Lisa's Complaint, or otherwise communicate with the State Bar investigator.

26. On or about December 20, 2007 and January 15, 2008, a State Bar investigator wrote to Respondent regarding Lisa's complaint. The investigator's letters requested that Respondent respond in writing to specified allegations of misconduct regarding Respondent's service as trustee of the Stinstrom Trust that were being investigated by the State Bar concerning Lisa's Complaint. The investigator's letters were placed in a sealed envelope correctly addressed to Respondent at his then current place of employment. The letters were properly mailed by United States Postal Service first class mail. Respondent received the December 20, 2007 and January 15, 2008 letters; but, he did not respond to them.

27. Respondent did not respond to the State Bar's December 20, 2007 and January 15, 2008 letters regarding the Stinstrom complaint, or otherwise communicate with the State Bar investigator.

CONCLUSIONS OF LAW

28. By failing to keep an accounting and maintain proper records of the Stinstrom Trust's assets, expenses and disbursements and by failing to discuss with the other Stinstrom Trust beneficiaries

Respondent's payments to his wife and the amount of his trustee's fee, Respondent was grossly negligent in the performance of his duties as trustee. Respondent's gross negligence caused him to be unable to account for at least \$61,269.83 of the Stinstrom's Trust's assets; although Respondent claims that the amount unaccounted for is approximately \$28,000. By his grossly negligent performance of his duties as trustee of the Stinstrom Trust, Respondent violated California Business and Professions Code, section 6106 pursuant to *In the Matter of Conner* (Review Dept. 2008) 5 Cal. State Bar Ct. Rptr 93. (There is no finding of dishonesty or corruption.)

29. By failing to comply with Lisa's requests for an accounting of the Stinstrom Trust's assets, expenses, and disbursements, and by failing to comply with the Probate Court's Orders requiring him to file an accounting, Respondent breached his fiduciary duties as trustee. By breaching his fiduciary duties as trustee of the Stinstrom Trust, Respondent violated California Business and Professions Code, section 6106 pursuant to *In the Matter of Conner* (Review Dept. 2008) 5 Cal. State Bar Ct. Rptr 93. (There is no finding of dishonesty or corruption).

30. By failing to file a written response to the State Bar's letters of September 24, 2007, December 20, 2007, and January 15, 2008 concerning Lisa's State Bar complaint, Respondent failed to cooperate in a disciplinary investigation in wilful violation of California Business and Professions Code, section 6068 (i).

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

The parties waive any variance in the Notice of Disciplinary Charges filed on June 26, 2008 and the facts contained in the 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 Notice of Disciplinary Charges. The parties also acknowledge the Court granted the State Bar's Motion to Amend the Notice of Disciplinary Charges; but, this matter was resolved before the Amended Notice of Disciplinary Charges was filed.

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(6), was October 21, 2009.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of October 29, 2009, the prosecution costs in this matter are \$5387.55. 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.

AUTHORITIES SUPPORTING DISCIPLINE.

Standard 2.3 provides that culpability of a member of an act of moral turpitude, fraud, or intentional dishonesty toward a court, client, or another person shall result in actual suspension or disbarment depending on the extent to which the victim of the misconduct is harmed or misled and depending on the magnitude of the act of misconduct and the degree to which it relates to the member's acts within the practice of law.

In the present disciplinary proceeding, Respondent admits that he was grossly negligent in the performance of his duties as trustee of the Stinstrom Trust and he breached his fiduciary duties to provide an accounting to Lisa and to the Probate Court. Respondent also admits he failed to cooperate with the State Bar in its investigation of Lisa's State Bar complaint. The stipulated discipline of two (2) years actual suspension with the requirement of a Standard 1.4 (c) (ii) hearing, four (4) years stayed suspension, and five (5) years probation is consistent with Standard 2.3.

STATE BAR ETHICS SCHOOL.

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

OTHER CONDITIONS NEGOTIATED BY THE PARTIES.

Respondent agrees not to oppose a claim by the Stinstrom Trust with the State Bar's Client Security Fund ("CSF") for reimbursement.

FINANCIAL CONDITIONS, RESTITUTION.

See attached Financial Conditions Form.

In the Matter of
Richard J. Stinstrom

Case number(s):
07-O-12983

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
The John D. Stinstrom and Margaret E. Stinstrom Living Trust UTD 10/4/83	\$61,269.83	Respondent is required to begin making minimum monthly payments of \$250 beginning the first month immediately following Respondent's completion of his two (2) years actual suspension. If Respondent timely makes each \$250 monthly payment and he pays the principal amount of \$61,269.83 not later than 30 days prior to the expiration of the period of probation, then Respondent is not required to pay interest on the principal amount of \$61,269.83. If Respondent fails to make any of his minimum monthly payments of \$250 or he is late making any of his minimum monthly payments of \$250, then interest at the legal rate of 10% per annum on the entire principal amount of \$61,269.83 shall accrue from January 3, 2002.

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

b. Installment Restitution Payments

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

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency
John D. Stinstrom and Margaret E. Stinstrom Living Trust UTD 10/4/83	\$250 per month.	Respondent is required to make a minimum payment each month of \$250. Respondent's first minimum monthly payment of \$250 is due by the end of the first month immediately following Respondent's completion of his two years actual suspension. Respondent is not precluded from making minimum monthly payments during the period of his two (2) years actual suspension. Respondent is required to pay the full amount of \$61,269.83 not later than 30 days prior to the expiration of the period of probation.

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

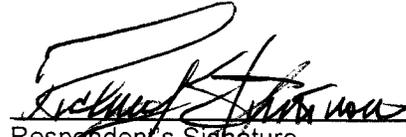
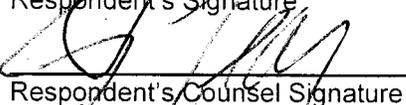
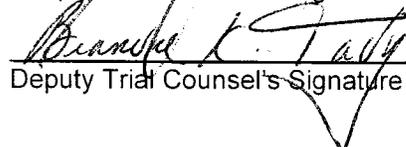
- Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School, within the same period of time, and passage of the test given at the end of that session.

(Do not write above this line.)

In the Matter of Richard J. Stinstrom	Case number(s): 07-O-12983
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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>12-23-2009</u> Date	 Respondent's Signature	Richard J. Stinstrom Print Name
<u>12/23/09</u> Date	 Respondent's Counsel Signature	Edward O. Lear Print Name
<u>12/23/09</u> Date	 Deputy Trial Counsel's Signature	Brandon K. Tady Print Name

(Do not write above this line.)

In the Matter Of Richard J. Stinstrom	Case Number(s): 07-O-12983
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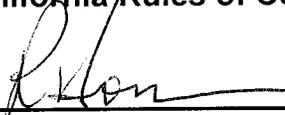
ORDER

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

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

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 135(b), Rules of Procedure.) **The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after file date. (See rule 9.18(a), California Rules of Court.)**

1-20-10
Date


Judge of the State Bar Court

CERTIFICATE OF SERVICE

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on January 20, 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 Los Angeles, California, addressed as follows:

EDWARD O. LEAR
CENTURY LAW GROUP LLP
5200 W CENTURY BLVD #345
LOS ANGELES, CA 90045

- 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:

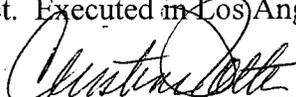
- by fax transmission, at fax number . No error was reported by the fax machine that I used.

- 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:

Brandon Keith Tady, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 20, 2010.



Cristina Potter
Case Administrator
State Bar Court