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State Bar Court of California Hearing Department Los Angeles ACTUAL SUSPENSION		kwiktag® 018 038 625 
Counsel For The State Bar Susan J. Jackson Deputy Trial Counsel 1149 South Hill Street Los Angeles, CA 90015 (213) 765-1000 Bar # 125042	Case Number(s): 07-O-14729 08-O-10695 08-O-12678 08-O-13462 09-O-16495	For Court use only <div style="text-align: center;"> FILED JAN 31 2011  STATE BAR COURT CLERK'S OFFICE LOS ANGELES </div>
In Pro Per Respondent Dennis M. Sacks Michael Sacks 3890 Orange St PO Box 1474 Riverside, CA 92502 (909) 856-6886 Bar # 86377	PUBLIC MATTER	
In the Matter of: Dennis Michael Sacks Bar # 86377 A Member of the State Bar of California (Respondent)	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	

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 May 31, 1979.
- (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.

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- (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 **20** pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
 - Until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 5.130, Rules of Procedure.
 - Costs are to be paid in equal amounts prior to February 1 for the following membership years: (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.
 - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
 - Costs are entirely waived.

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

- (1) **Prior record of discipline** [see standard 1.2(f)]
 - (a) State Bar Court case # of prior case 94-O-18585
 - (b) Date prior discipline effective May 31, 1996
 - (c) Rules of Professional Conduct/ State Bar Act violations: Rule of Professional Conduct 3-700(D)(2)
 - (d) Degree of prior discipline Private Reprimand
 - (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's clients Coney, Huff, Bradley, Sevilla, and Lozano were all significantly harmed by his misconduct.
- (5) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6) **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (7) **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct. Respondent engaged in multiple acts of misconduct.
- (8) **No aggravating circumstances** are involved.

Additional aggravating circumstances:

C. Mitigating Circumstances [see standard 1.2(e)]. Facts supporting mitigating circumstances are required.

- (1) **No Prior Discipline:** Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.
- (2) **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3) **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
- (4) **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5) **Restitution:** Respondent paid \$ _____ on _____ in restitution to _____ without the threat or force of disciplinary, civil or criminal proceedings.
- (6) **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) **Good Faith:** Respondent acted in good faith.
- (8) **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.

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- (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:

Respondent cooperated with the State Bar in entering into this Stipulation.

D. Discipline:

- (1) **Stayed Suspension:**
 - (a) Respondent must be suspended from the practice of law for a period of two years.
 - i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.
 - ii. and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
 - iii. and until Respondent does the following:
 - (b) The above-referenced suspension is stayed.
- (2) **Probation:**

Respondent must be placed on probation for a period of two 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 one year.
 - 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 the general law, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.
- (2) During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (3) Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4) Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
- (5) Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

- (6) Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (7) Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.
- (8) Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.

No Ethics School recommended. Reason: .

- (9) Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.

- (10) The following conditions are attached hereto and incorporated:

- | | |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions | <input 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 5.162(A) & (E), Rules of Procedure.**

 No MPRE recommended. Reason:
- (2) **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (3) **Conditional Rule 9.20, California Rules of Court:** If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (4) **Credit for Interim Suspension [conviction referral cases only]:** Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension:
- (5) **Other Conditions:**

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: Dennis Michael Sacks

CASE NUMBER(S): 07-O-14729, 08-O-10695, 08-O-12678, 08-O-13462,
09-O-16495

FACTS AND CONCLUSIONS OF LAW.

Respondent admits that the following facts are true and that he is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

CASE NO. 07-O-14729 (COMPLAINANT: ALBERT CONEY, JR.)

FACTS:

1. On May 16, 2007, Albert Coney, Jr. ("Coney") hired Respondent to file a bankruptcy petition on his behalf, in part to protect Coney's home from foreclosure. By June 1, 2007, Coney had paid Respondent \$3,500 in advanced fees and \$274 in advanced costs for filing fees.
2. On June 1, 2007, Respondent filed a bankruptcy petition on behalf of Coney, in *In Re Albert Coney, Jr., Debtor*, United States Bankruptcy Court ("USBC"), Central District of California, Case No. 6:07-bk-13072-PC (the "First Coney matter").
3. On July 18, 2007, the First Coney matter was dismissed by the bankruptcy court for failure to timely file certain required documents, including a copy of Coney's 2006 tax return.
4. On July 20, 2007, Respondent agreed to refile Coney's bankruptcy petition if Coney paid the filing fee. On July 20, 2007, Coney paid the new filing fee in the amount of \$274 to Respondent. Respondent knew or should have known that Coney's house was scheduled to be foreclosed upon on August 6, 2007.
5. On August 6, 2007, Coney's home was foreclosed upon. Respondent did not inform Coney that Respondent would not be filing the Second Coney matter prior to the date on which Coney's house was scheduled to be foreclosed upon.
6. On August 8, 2007, Respondent filed a new bankruptcy petition on behalf of Coney, *In Re Albert Coney, Jr., Debtor*, USBC, C.D. Cal., Case No. 6:07-bk-14650-PC (the "Second Coney matter"). On September 12, 2007, the court confirmed Coney's Chapter 13 plan as submitted in the Second Coney matter.
7. On January 30, 2008, Coney wrote to Respondent to request an accounting, a full refund of attorneys' fees paid to respondent, and a full refund of the filing fees paid to respondent for the First Coney matter.

8. Respondent failed to provide an accounting to Coney.

9. On March 27, 2008, prior to completion of the Second Coney matter, Coney substituted Respondent out of the case and new counsel substituted into the case.

10. Respondent did not fully earn the fees paid to him by Covey during his representation. However, Respondent did not refund any fees or costs to Coney.

CONCLUSIONS OF LAW:

11. By failing to file required documents in the First Coney matter and by failing to file promptly the Second Coney matter until after the foreclosure of Coney's home, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

12. By not informing Coney that Respondent would not be filing the Second Coney matter prior to the date on which the foreclosure of Coney's house was scheduled, 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 Business and Professions Code, section 6068(m).

13. By not providing an accounting to Covey, Respondent failed to render appropriate accounts to a client regarding all funds coming into Respondent's possession, in willful violation of Rules of Professional Conduct, rule 4-100(B)(3).

14. By not returning unearned fees to Coney, Respondent failed to refund promptly any part of a fee paid in advance that had not been earned, in willful violation of Rules of Professional Conduct, rule 3-700(D)(2).

CASE NO. 08-O-10695 (COMPLAINANT: MELVA HUFF)

FACTS:

15. On September 17, 2007, Melva Del Huff ("Huff") hired Respondent to file a bankruptcy petition on her behalf, in part to protect Huff's home from foreclosure. On September 17, 2007, Huff signed a retainer agreement agreeing to pay Respondent \$20,000 in advanced attorneys' fees and \$1,130 in advanced costs, including filing fees. Respondent promised to file the bankruptcy petition by October 1, 2007.

16. On September 17, 2007, Huff paid \$18,000 in advanced fees and approximately \$1,130 in advanced costs to Respondent.

17. On October 2, 2007, Respondent filed a Chapter 11 bankruptcy petition on behalf of Huff, entitled *In Re Melva Del Huff, Debtor*, USBC, C.D. Cal., Case No. 6:07-bk-16082-DN ("the Huff matter").

18. On October 17, 2007, Respondent filed additional documents with the court in the Huff matter, including a Statement of Financial Affairs and a Disclosure of Compensation of Attorney for Debtor.

19. In the Statement of Financial Affairs filed on October 17, 2007, Respondent misrepresented to the court that no payments had been made within one year immediately preceding the commencement of the Huff matter by Huff to any persons (including Respondent) for consultation concerning debt consolidation, relief under the bankruptcy law, or preparation of a petition in bankruptcy.

20. In the Disclosure of Compensation filed on October 17, 2007, Respondent misrepresented to the court that within one year immediately preceding the commencement of the Huff matter, he had not entered into any agreement for the payment of fees for legal service in the Huff matter and that he had not been paid any amount in the Huff matter prior to the filing of the Disclosure of Compensation.

21. When Respondent filed the Statement of Financial Affairs and the Disclosure of Compensation of Attorney for Debtor on October 17, 2007, Respondent knew or was grossly negligent in not knowing that, on September 17, 2007, he had entered into a retainer agreement with Huff for the payment of attorney's fees and costs for his representation in the bankruptcy matter and that he had received approximately \$18,000 in advanced fees from Huff.

22. On November 15, 2007, Respondent filed amended documents with the court in the Huff matter, including an Amended Statement of Financial Affairs and a First Amended Disclosure of Compensation of Attorney for Debtor ("First Amended Disclosure of Compensation").

23. In the First Amended Statement of Financial Affairs filed on November 15, 2007, Respondent first disclosed to the court that he received \$18,000 from Huff on September 17, 2007 as payment for consultation concerning debt consolidation, relief under the bankruptcy law, and/or preparation of the petition in bankruptcy in the Huff matter.

24. In the First Amended Disclosure of Compensation filed on November 15, 2007, Respondent first disclosed to the court that within one year immediately preceding the commencement of the Huff matter, he had entered into an agreement for the payment of \$20,000 for legal services in the Huff matter, that he was paid \$18,000 prior to the filing of the First Amended Disclosure of Compensation, and that the balance still due to him from Huff was \$2,000.

25. Prior to November 15, 2007, Respondent did not properly and timely complete and file certain documents and otherwise perform certain acts, as required by the United States Trustee ("UST") and/or the law in the Huff matter, including filing a schedule of assets and liabilities, presenting sufficient evidence of insurance coverage, presenting evidence of closing prepetition bank accounts, presenting evidence of opening and maintenance of debtor in possession bank accounts, filing a projected operating statement for the first 60 days of operation under Chapter 11, filing a statement of major issues and timetable report, filing real property questionnaires, providing conformed copies of recorded petitions for each county in which real property is owned, and filing monthly operating reports since date of filing of the petition.

26. On November 16, 2007, the UST's Motion to Dismiss or Convert under 11 Section 1112(b) and to Fix Administrative Expenses ("Motion to Dismiss"), was filed with the court and served on Respondent. In the Motion to Dismiss, the UST alleged in part that Respondent failed to file timely and properly certain documents and failed to perform certain acts required by the UST and/or the law. On November 29, 2007, Respondent filed a response to the Motion to Dismiss.

27. On December 27, 2007, the court granted the UST's Motion to Dismiss and ordered the Huff matter to be converted from a Chapter 11 to a Chapter 7 matter.

28. On April 10, 2008, the court issued an order requiring Respondent to disgorge \$18,000 in attorneys' fees paid to him by Huff, payable within 30 days to Huff. On May 7, 2008, Respondent filed a motion for reconsideration of the court's order to disgorge. On June 10, 2008, during a hearing which Respondent attended, the court denied Respondent's motion for reconsideration.

29. Respondent did not fully refund the \$18,000 to Huff within 30 days of the June 10, 2008 hearing. Respondent timely refunded \$14,000 to Huff, but did not refund the remaining \$4,000 until September 2008, after receiving correspondence from the State Bar requesting his response to the allegation that he failed to fully refund the \$18,000 ordered by the court.

CONCLUSIONS OF LAW:

30. By not filing Huff's bankruptcy petition by the date promised, by not properly and timely filing certain required documents and performing certain required acts, and by causing and/or allowing Huff's Chapter 11 bankruptcy case to be converted by the court to a Chapter 7 case, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

31. By making false and misleading representations to the court in the Statement of Financial Affairs and in the Disclosure of Compensation filed on October 17, 2007, Respondent employed, for the purposes of maintaining the causes confided in him, means which were inconsistent with truth, and sought to mislead the judge or judicial officer by an artifice or false statement of fact, in willful violation of Business and Professions Code, section 6068(d).

32. By not refunding \$18,000 to Huff within 30 days of the court's order denying Respondent's motion for reconsideration, Respondent failed to obey a court order, in willful violation of Business and Professions Code, section 6103.

CASE NO. 08-O-12678 (COMPLAINANT: ALMER BRADLEY)

FACTS:

33. In or about January 2006, a notice of default was recorded against property owned by Ms. Almer Bradley ("Bradley") located at 18330 Pacific St., Hesperia, CA (the "Hesperia Property"), which was in default as a result of Bradley's failure to make mortgage payments.

34. On January 25, 2006, Premier Construction ("Premier") recorded a mechanic's lien on the Hesperia Property.

35. In April 2006, Bradley received a letter from Respondent, stating in part that the notice of default filed against Bradley's property was the first step in the foreclosure process, that the property would be sold at public auction unless Bradley took appropriate action, and that Respondent wanted to provide legal assistance to Bradley to avoid foreclosure. The letter further offered Bradley a free legal consultation to analyze her situation and discuss all available solutions. Bradley subsequently contacted Respondent's office and scheduled a consultation on April 14, 2006.

36. On April 14, 2006, Bradley consulted with Respondent who provided her with legal advice regarding the default filed against the Hesperia Property, thereby creating an attorney-client relationship. On April 14, 2006, Bradley then entered into an agreement (the "Agreement") with the Dennis Michael Sacks Trust (of which Respondent is a trustee) (the "DMS Trust") and Sam Ansari ("Ansari") (collectively, the "Equity Purchasers") regarding the Hesperia Property. The Agreement consisted of multiple documents, including the documents entitled Contract, Acknowledgment, Disclosure, and Notice of Cancellation.

37. The Agreement provided in part that the Equity Purchasers would cure the default in the amount of approximately \$23,000 and assist Bradley in avoiding foreclosure, and, in exchange, obtain an equity interest in the Hesperia Property, not to exceed \$50,000; that Bradley must sign a second deed of trust and a promissory note to secure the interests of the Equity Purchasers; that Bradley must sign a grant deed conveying a full interest in the property to the Equity Purchasers; that the grant deed would be recorded in order to secure the interest of the Equity Purchasers if Bradley failed to comply with the terms of the Agreement; and that Bradley must fully cooperate to obtain refinancing of the Hesperia Property within 180 days of entering into the Agreement.

38. The terms of the Agreement were not fair or reasonable to Bradley because the Equity Purchasers intended to obtain full title to the Hesperia Property without purchasing it and without giving fair compensation to Bradley.

39. The terms of the Agreement were not fully disclosed and transmitted in writing to Bradley in a manner which should reasonably have been understood by her.

40. On April 21, 2006, Bradley signed a letter of authorization, which stated in part that she retained Respondent's law office and authorized Respondent and anyone from his law office to receive any requested information or records regarding Bradley.

41. On April 24, 2006, Respondent presented a grant deed to Bradley and demanded that she sign it pursuant to the Agreement. On April 24, 2006, Bradley signed the grant deed which conveyed the Hesperia Property to the Equity Purchasers (the "April 24, 2006 grant deed"). Respondent misled Bradley to believe that he would not record the grant deed signed by Bradley for at least 180 days (six months) after she signed the Agreement. On May 25, 2006, only approximately 41 days after Bradley entered into the Agreement, Respondent recorded the April 24, 2006 grant deed, which resulting in title to the property being conveyed from Bradley to the Equity Purchasers.

42. On October 26, 2006, Respondent presented a "corrected" grant deed to Bradley and demanded that she sign it pursuant to the Agreement. On October 26, 2006, Bradley signed the "corrected" grant deed, conveying the Hesperia Property to Respondent and his son, Robert M. Sacks (as co-trustees of the DMS Trust), and Ansari. On October 26, 2006, the "corrected" grant deed was recorded.

43. On April 25, 2006, Premier filed a civil action against Bradley in *Douglas Finch, an individual dba Premier Construction v. Almer Bradley, et al.*, San Bernardino County Superior Court, Case No. VCIVS041532 (the "Premier matter"), alleging in part breach of contract regarding work allegedly performed for Bradley on the Hesperia Property. In April 2006, Respondent commenced representation of Bradley in the Premier matter and continued to represent Bradley in that matter until June 23, 2008.

44. On June 30, 2006, Respondent filed a motion to expunge Premier's mechanic's lien and attached a supporting declaration that was purportedly signed by Bradley on June 28, 2006. On August 9, 2006, the court granted the motion to expunge.

45. Respondent accepted representation of Bradley in the Premier matter with knowledge that he had a legal, business and financial interest in the Hesperia Property, which was the subject of the litigation in the Premier matter. Despite that knowledge, Respondent failed to inform Bradley in writing of the relevant circumstances and of the actual and reasonably foreseeable adverse consequences to her of such representation.

46. On June 14, 2007, Ansari filed an unlawful detainer action against Bradley seeking to evict Bradley from the Hesperia property, in *Sam Ansari v. Almer Bradley*, San Bernardino County Superior Court, Case No. UDVS700476 (the "UD Action"). Respondent represented Ansari in the UD Action.

47. As a result of his representation of Bradley in the Premier matter, Respondent obtained confidential information material to his employment by Ansari in the UD Action, including information pertaining to Bradley's personal finances. Respondent failed to obtain Bradley's informed written consent prior to commencing representation of Ansari in the UD Action.

48. On January 22, 2008, Respondent personally appeared on behalf of Bradley at a status conference in the Premier matter. Bradley also appeared and a dispute arose between her and Respondent that was communicated to the court. The court ordered Respondent to file a motion to be relieved as counsel for Bradley, to be heard on March 24, 2008. Respondent did not file a motion to be relieved as counsel.

49. On March 24, 2008, the court held a status conference in the Premier matter, at which Respondent appeared by telephone. The court continued the status conference to May 8, 2008.

50. On May 8, 2008, the court held a status conference and OSC hearing in the Premier matter. Respondent did not appear at the status conference or send other counsel to appear on behalf of Bradley. The court set an OSC for June 23, 2008, and ordered Respondent to appear by personal appearance and show cause why sanctions should not be imposed for failure to appear and failure to file required documents. Plaintiff was ordered to give notice and served notice to Respondent on May 14, 2008. Respondent received the notice.

51. On June 23, 2008, the court held a status conference and OSC hearing in the Premier matter. Respondent did not appear at the status conference or send other counsel to appear on behalf of Bradley. The court ordered sanctions against Respondent in the amount of \$500, payable by August 22, 2008. The court also ordered Respondent to be relieved as counsel for Bradley.

CONCLUSIONS OF LAW:

52. By not providing written disclosure to Bradley of the relevant circumstances and of the actual and reasonably foreseeable adverse consequences to Bradley of Respondent's representation of her in the Premier matter, Respondent accepted and continued the representation of a client without providing written disclosure to the client that Respondent has or had a legal, business, and financial interest in the subject matter of the representation, in willful violation of Rules of Professional Conduct, rule 3-310(B)(4).

53. By entering into the Agreement, which required Bradley to sign a grant deed conveying full title to the Hesperia Property, Respondent acquired an ownership interest adverse to his client without complying with the requirements that the transaction or acquisition and its terms were fair and reasonable to the client and were fully disclosed and transmitted in writing to the client in a manner which should reasonably have been understood by the client, in willful violation of Rules of Professional Conduct, rule 3-300.

54. By failing to comply with the court's orders to file a motion to be relieved as counsel in the Premier matter and failing to appear at the OSC on June 23, 2008 by personal appearance, Respondent disobeyed or violated 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 Business and Professions Code, section 6103.

55. By misrepresenting to Bradley that he would wait at least six months before recording the grant deed, Respondent committed an act involving moral turpitude, dishonesty or corruption, in willful violation of Business and Professions Code, section 6106.

56. By failing to obtain Bradley's informed written consent prior to commencing representation of Ansari in the UD Action, Respondent accepted or continued employment adverse to a client or former client where, by reason of the representation of the client or former client, Respondent had obtained confidential information material to the employment, without the informed written consent of the client or former client, in willful violation of Rules of Professional Conduct, rule 3-310(E).

CASE NO. 08-O-13462 (COMPLAINANT: MARIA SEVILLA)

FACTS:

57. On June 25, 2005, Carlos Garcia Fernandez (the "decedent") died intestate, leaving a surviving spouse, Guadalupe Miranda Garcia ("Garcia"), and eight children, including five children with Garcia and three children from other relationships.

58. In August 2005, Maria Garcia Sevilla (a child of the decedent and Garcia), hired attorney Gregory Chilton to represent her in the decedent's probate matter. On February 21, 2006, a petition for letters of administration was filed with the court, in *Estate of Carlos Garcia Fernandez*, Riverside County Superior Court, Case No. INP020479 ("Case No. INP020479"). On March 17, 2006, Sevilla filed a request for dismissal of Case No. INP020479 and the matter was dismissed on March 17, 2006.

59. On June 29, 2006, Quality Loan Service Corp. ("Quality") conducted a trustee's sale of the decedent's property, located at 82165 Ocotillo Avenue, Indio, CA 92201-2222, which resulted in a surplus in the amount of approximately \$81,389.

60. In July 2006, Angel Garcia ("Angel"), a child of the decedent but not of Garcia, contacted Respondent regarding the surplus from the decedent's estate and discussed the matter with him. As a result of that discussion, Respondent subsequently contacted Sevilla and Garcia regarding the decedent's estate.

61. On August 8, 2006, Sevilla and Garcia (collectively, the "Clients") hired Respondent to represent them to probate the decedent's estate and/or recover estate assets, and the Clients signed

Respondent's retainer agreement ("Retainer Agreement"). On August 8, 2006, Sevilla signed a Substitution of Attorney form, to substitute Respondent into Case No. INP020479 in place of Chilton.

62. Respondent also required Sevilla to sign a general power of attorney form. On August 8, 2006, Sevilla signed that form, which granted Respondent the power to make legal decisions on behalf of Sevilla.

63. Since both Sevilla and Garcia were heirs of the decedent, who were possibly entitled to a share of the decedent's estate, their interests potentially or actually conflicted.

64. Prior to accepting employment with Sevilla, Respondent did not provide written disclosure to Sevilla of the relevant circumstances and of the actual or reasonably foreseeable adverse consequences to Sevilla of Respondent's representation of both Sevilla and Garcia or obtain Sevilla's informed written consent to such representation.

65. Prior to accepting employment with Garcia, Respondent did not provide written disclosure to Garcia of the relevant circumstances and of the actual and reasonably foreseeable adverse consequences to Garcia of Respondent's representation of both Sevilla and Garcia or obtain Garcia's informed written consent to such representation.

66. On April 23, 2007, Quality filed a Petition and Declaration Regarding Unsolved Claims and Deposit of Undistributed Surplus Proceeds of Trustee's Sale ("Petition Regarding Unresolved Claims") with the court in *Quality Loan Service Corp. v. All Claimants to Surplus Funds After Trustee's Sale of Real Property located at 82165 Ocotillo, Ave., Indio, CA 92201-2222*, Riverside County Superior Court, Case # INC066681 ("*Quality v. Claimants*"). In the Petition Regarding Unresolved Claims, Quality stated in part that there were surplus proceeds from the trustee's sale available to potential claimants in the total amount of \$81,389.46; that Quality received three written claims from potential claimants, consisting of two recorded abstracts of judgment and/or junior lien holders, as well as a claim on behalf of Angel Rojas Garcia from Respondent; that the encumbrances related to the two abstracts of judgment were satisfied; that the remaining issue to be determined is whether the decedent or his heirs would be entitled to any remaining funds; that there is a conflict between potential claimants to the surplus proceeds; and that since Quality cannot determine how the surplus funds should be distributed, it desires to deposit the remaining surplus funds with the clerk of the court.

67. On June 20, 2007, the court issued an order allowing Quality to deposit the surplus funds with the County Treasurer.

68. On August 31, 2007, Respondent filed an answer and claim in response to Quality's notice of deposit of surplus funds in *Quality v. Claimants* (the "Answer"). In the Answer, Respondent represented that he was the attorney for all claimants which consisted of the Clients and the decedent's other seven children including Angel. The decedent's other seven children will be referred to collectively as the "Seven Children."

69. By reason of the representation of the Clients, Respondent obtained confidential information material to the employment of Respondent by the Seven Children.

70. Since the Clients and the Seven Children (collectively, the "Heirs") consisted of heirs of the decedent, who were possibly entitled to a share of the decedent's estate, their interests potentially or actually conflicted.

71. Prior to accepting employment with the Seven Children, Respondent did not provide written disclosure to the Clients of the relevant circumstances and of the actual or reasonably foreseeable adverse consequences to the Clients of Respondent's representation of the Heirs or obtain the Clients' informed written consent to such representation.

72. On August 31, 2007, the court awarded the surplus funds to the Heirs and ordered that approximately \$81,389.46 be paid to Respondent, who was charged with distributing that amount to the Heirs as set forth in the Answer. The Answer provided that Garcia would receive one-third of the surplus and the remaining surplus was to be divided equally among the eight children.

73. On October 16, 2007, Respondent received a check in the amount of \$82,566.48 for the surplus funds plus accrued interest.

74. On November 7, 2007, Respondent sent to the Heirs a document entitled Release, Discharge, and Indemnity Agreement (the "First Release"), which provided in part the proposed distribution of the surplus funds received, as follows: \$12,720 to Respondent for attorney's fees and reimbursement of the \$335 filing fee, \$23,282.16 to Garcia, \$5,820.54 to Sevilla, and \$5,820.54 to each of the Seven Children.

75. The First Release stated that it is an agreement between Respondent and the Heirs, and provided in part that upon distribution of surplus funds to the Heirs, Respondent would be released and discharged from any rights, claims, or actions which the Heirs had or might acquire regarding such distribution and Respondent would be indemnified from all liability and damages that might be incurred as a result of any adverse claims to the surplus funds. The First Release further provided that it shall represent a final compromise of the parties' interests in the surplus funds and shall resolve any outstanding lawsuits, administrative action, state or local bar proceedings, that any party has made or may make against any other party signing the First Release. The Parties listed on the signature page of the First Release were the Heirs and Respondent.

76. Respondent asked each Heir to sign the First Release and return it to him. On November 7, 2007, Sevilla and Garcia signed the First Release and returned it to Respondent.

77. On November 9, 2007, Respondent issued a check in the amount of \$23,282.16 to Garcia, who successfully negotiated that check.

78. On November 9, 2007, Respondent issued check number 3712 in the amount of \$5,820.54 to Sevilla.

79. Subsequently, in November 2007, Angel contended that, in addition to the share of the surplus to which he was entitled as a child of the decedent, he should also be reimbursed \$5,000 in funeral expenses.

80. As a result of Angel's claim and without consulting the other Heirs, Respondent drafted a revised Release, Discharge, and Indemnity Agreement (the "Revised Release"). The Revised Release

provided that Angel would be reimbursed for funeral expenses in the amount of \$5,000, which would be deducted on a prorata basis from the shares of the other Heirs. Respondent sent a Revised Release (dated November 7, 2007 but prepared at a later date) to the Heirs. Respondent also stopped payment on check number 3712 to Sevilla.

81. On November 15, 2007, check number 3712 to Sevilla was returned unpaid due to the stop payment.

82. Respondent asked the Heirs to sign the Revised Release. Sevilla declined to do so and disputed Angel's entitlement to the additional funds.

83. Respondent then continued to represent the Heirs including Sevilla, without providing written disclosure to Sevilla of the relevant circumstances and of the actual or reasonably foreseeable adverse consequences to Sevilla of Respondent's continued representation of the Heirs and without obtaining Sevilla's informed written consent to such representation.

84. Sevilla did not receive her share of the surplus until April 2008 and only after she hired and paid other counsel to assist her in obtaining those funds.

CONCLUSIONS OF LAW:

85. By not providing written disclosure to Sevilla and Garcia of the relevant circumstances and of the actual or reasonably foreseeable adverse consequences to Sevilla and Garcia of Respondent's representation of both Sevilla and Garcia and by not obtaining Sevilla and Garcia's informed written consent to such representation, Respondent accepted representation of more than one client in a matter in which the interests of the clients potentially conflicted without providing written disclosure to each client and obtaining the informed written consent of each client, in willful violation of Rules of Professional Conduct, rule 3-310(C)(1).

86. By not providing written disclosure to the Clients of the relevant circumstances and of the actual or reasonably foreseeable adverse consequences to the Clients of Respondent's representation of the Heirs and by not obtaining the Clients' informed written consent to such representation, Respondent accepted representation of more than one client in a matter in which the interests of the clients potentially conflicted without providing written disclosure to each client and obtaining the informed written consent of each client, in willful violation of Rules of Professional Conduct, rule 3-310(C)(1).

87. By entering into an agreement with Sevilla and Garcia that released, discharged, and indemnified Respondent from any rights, claims, actions, liabilities and damages, Respondent settled a claim or potential claim for Respondent's liability to the client for Respondent's professional malpractice, without informing the client in writing that the client may seek the advice of an independent lawyer of the client's choice regarding the settlement and giving the client a reasonable opportunity to seek that advice, in willful violation of Rules of Professional Conduct, rule 3-400(B).

88. By not providing written disclosure to the Clients of the relevant circumstances and of the actual or reasonably foreseeable adverse consequences to the Clients of Respondent's representation of the Heirs and by not obtaining the Clients' informed written consent to such representation, Respondent accepted representation of more than one client in a matter in which the interests of the clients actually

conflicted without providing written disclosure to each client and obtaining the informed written consent of each client, in willful violation of Rules of Professional Conduct, rule 3-310(C)(2)

CASE NO. 09-O-16495 (COMPLAINANT: RITZ LOZANO)

FACTS:

89. In October 2007, Rita Hernandez Lozano ("Lozano") received a letter from Respondent, stating in part that the notice of default filed against her property was the first step in the foreclosure process, that her property would be sold at public auction unless she took appropriate action, and that Respondent wanted to provide her with legal assistance to avoid foreclosure. The letter further offered Lozano a free legal consultation to analyze her situation and discuss all available solutions.

90. On October 30, 2007, Lozano hired Respondent and paid him advanced fees to file a Chapter 13 bankruptcy petition on her behalf.

91. Respondent did not provide Lozano with a retainer agreement memorializing the terms of his representation.

92. On October 31, 2007, as a condition of accepting employment, Respondent required Lozano and her husband, Gilbert Lozano ("Gilbert"), to sign a Deed of Trust for the purpose of securing Respondent's attorney's fees and costs in Lozano's matter. On October 31, 2007, Lozano and Gilbert signed the Deed of Trust. Respondent caused it to be recorded that same day.

93. Lozano was not provided with a written explanation of the security interest being provided to Respondent by the Deed of Trust, which by itself did not fully disclose the terms of the transaction and contained language that Lozano reasonably did not understand. Lozano was not advised in writing that she may seek the advice of an independent lawyer of her choice and was not given a reasonable opportunity to seek that advice. Lozano did not consent in writing to the terms of the transaction or acquisition, other than to sign the Deed of Trust.

94. On October 31, 2007, Respondent filed a Chapter 13 bankruptcy petition on behalf of Lozano, in *In re Rita Hernandez Lozano, Debtor*, USBC, C.D. Cal., Case No. 6:07-bk-16958-MJ (the "Lozano petition").

95. On October 31, 2007, the court served a Case Commencement Deficiency Notice ("CCDN") on Respondent and Lozano. The CCDN stated in part that the Lozano petition would be dismissed unless the described deficiencies were cured within 15 days of the filing date of the petition. Respondent received the CCDN, but did not cure the deficiencies.

96. On November 2, 2007, the court served on Respondent and Lozano an Order to Show Cause Re: Dismissal ("OSC"), ordering Lozano to file each of the required documents within 15 days from the filing of the Petition or appear at a hearing on November 26, 2007 and show cause why the case should not be dismissed and why the court should not prohibit Lozano from filing a new bankruptcy case within 180 days.

97. Respondent received the OSC but did not cure the deficiencies, respond to the OSC, or appear at the hearing re the OSC. As a result, the court dismissed the Lozano petition on November 26, 2007.

98. Respondent did not inform Lozano that her petition had been dismissed. Lozano learned of the dismissal from a court clerk.

CONCLUSIONS OF LAW:

99. By requiring Lozano to sign the Deed of Trust, Respondent acquired a security interest adverse to his client without complying with the requirements that the transaction or acquisition and its terms were fully disclosed and transmitted in writing to the client in a manner which should reasonably have been understood by the client; the client was advised in writing that the client may seek the advice of an independent lawyer of the client's choice; the client was given a reasonable opportunity to seek that advice; and the client thereafter consented in writing to the terms of the transaction or acquisition, in willful violation of Rules of Professional Conduct, rule 3-300.

100. By filing an incomplete bankruptcy petition on behalf of Lozano, failing to timely file additional required documents, and failing to timely cure other deficiencies in the Lozano petition as ordered by the court, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

101. By failing to inform Lozano that her bankruptcy petition had been dismissed by the court, 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 Business and Professions Code, section 6068(m).

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was January 10, 2011.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of January 10, 2011, the prosecution costs in this matter are \$ 5,632. 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.

Based on the Standards and case law, a substantial period of actual suspension is appropriate.

Standards for Attorney Sanctions for Professional Misconduct (the "Standards").

Standard 2.8 provides for suspension for a violation of Rules of Professional Conduct ("RPC"), rule 3-300, unless the extent of the misconduct and the harm to the client are minimal, in which case, the degree of discipline shall be reproof.

Standard 2.6 provides in part for actual suspension or disbarment for violations of Business and Professions Code ("B&P), sections 6068(d) or 6103, depending on the gravity of the offense or the harm, if any, to the victim, with due regard to the purposes of imposing discipline.

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

Standard 1.6 (a) provides that if different sanctions are prescribed for two or more acts of professional misconduct, the sanction imposed shall be the more or most severe of the different applicable sanctions.

Standard 1.2 (b) defines "aggravating circumstance" as an event or factor demonstrating that a greater degree of sanction than set forth in the Standards is needed to adequately protect the public, courts and legal profession.

Based on the Standards, a substantial period of actual suspension is appropriate. Respondent engaged in multiple acts of misconduct, including violations of RPC, rules 3-110(A); 3-300; 3-310(B)(4), (C)(1), (C)(2), and (E); 3-400(B); 3-700(D)(2); and 4-100(B)(3); and B&P, sections 6068(d), 6068(m), 6103 and 6106; in five client matters. All five clients were significantly harmed as a result of Respondent's misconduct. In the Bradley matter, Respondent's misconduct caused Ms. Bradley to lose her home *to Respondent*. In the Coney, Huff, and Lozano matters, Respondent's misconduct resulted from his representation of clients in bankruptcy matters, including failing to competently perform and properly communicate. Respondent's prior discipline also resulted from his misconduct in a bankruptcy matter (for failing to refund unearned fees), in which Respondent was paid advanced fees to file an amended plan, but failed to do so, resulting in the court's dismissal of the bankruptcy proceeding.

Case Law.

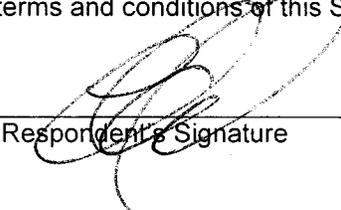
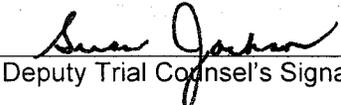
Based on case law, a substantial period of actual suspension is also appropriate. (*In the Matter of Kittrell* (Review Dept. 2003) 4 Cal. State Bar Ct. Rptr. 615, 620 [three years actual suspension for failure to comply with RPC, rules 3-300(A) and (B), by entering into a business transaction with client which was not fair and reasonable and was not fully disclosed to client, and by failing to advise client in writing that she could consult independent counsel of her choice; and for engaging in acts of moral turpitude in violation of B&P, section 6106, by concealing the risks of the client's investment, in respondent's self-dealing with that investment, and in failing to repay client within the agreed-upon time period.])

(Do not write above this line.)

In the Matter of: Dennis Michael Sacks	Case number(s): 07-O-14729, 08-O-10695, 08-O-12678, 08-O-13462, 09-O-16495
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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 Facts, Conclusions of Law, and Disposition.

<u>1-18-2011</u> Date	 Respondent's Signature	<u>Dennis Michael Sacks</u> Print Name
<u>1/18/11</u> Date	 Deputy Trial Counsel's Signature	<u>Susan J. Jackson</u> Print Name

(Do not write above this line.)

In the Matter of: Dennis Michael Sacks	Case Number(s): 07-O-14729, 08-O-10695, 08-O-12678, 08-O-13462, 09-O-16495
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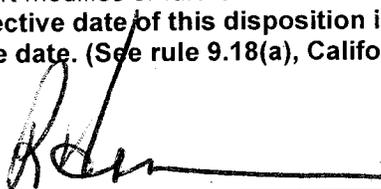
ACTUAL SUSPENSION ORDER

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 5.58(E) & (F), 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.)**

Date 1/27/11



Judge of the State Bar Court

RICHARD A. EONE

CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); 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 31, 2011, 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:

DENNIS MICHAEL SACKS
MICHAEL SACKS
3890 ORANGE ST
PO BOX 1474
RIVERSIDE, CA 92502

- 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:

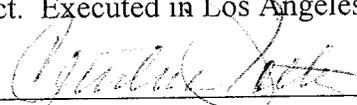
- by fax transmission, at fax number . No error was reported by the fax machine that I used.

- 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:

Susan J. Jackson, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 31, 2011.



Cristina Potter
Case Administrator
State Bar Court