

FILED
105
JUN - 9 2011

STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

STATE BAR COURT OF CALIFORNIA

REVIEW DEPARTMENT

IN BANK

In the Matter of)	Case No. 09-C-10998.
)	
BRUCE E. KARATZ,)	RECOMMENDATION OF SUMMARY
)	DISBARMENT
A Member of the State Bar, No. 48088.)	
_____)	

On February 25, 2011 the State Bar filed a request for recommendation of summary disbarment based on Bruce E. Karatz's felony mail fraud conviction.¹ On May 11, 2011, Karatz filed a response. We grant the State Bar's request and recommend that Karatz be summarily disbarred.

On April 21, 2010, a jury found Karatz guilty of felony violations of title 18 United States Code sections 1341 and 2 (mail fraud and causing an act to be done), title 15 United States Code sections 78m(a)(2) and 78ff(a) (false statements in a quarterly report filed with the SEC), and title 15 United States Code sections 78m(b)(2)(B) and 78ff(a) (false statements to accountant of a publicly traded company).² As a result of his felony conviction, we issued an order placing Karatz on interim suspension effective August 15, 2010. On February 25, 2011, the State Bar

¹ On April 4, 2011, the parties filed a stipulation to disbarment based on Karatz's conviction, which included several pages of mitigating circumstances. We rejected the stipulation as inconsistent with the mandatory summary disbarment statute. We also note that Karatz filed a resignation with charges pending on December 22, 2010, which is still pending and will be transmitted to the Supreme Court.


² Our summary disbarment recommendation is based only on Karatz's mail fraud violation.

transmitted evidence that Karatz's conviction is final, and requested that we recommend his summary disbarment.

After the judgment of conviction becomes final, "the Supreme Court shall summarily disbar the attorney if the offense is a felony . . . and an element of the offense is the specific intent to deceive, defraud, steal, or make or suborn a false statement, or involved moral turpitude." (Bus. & Prof. Code, § 6102, subd. (c).) The record of conviction establishes that Karatz's mail fraud violation meets the criteria for summary disbarment under Business and Professions Code section 6102, subdivision (c).

First, the offense is a felony. (Bus. & Prof. Code, § 6102, subd. (b).) Second, mail fraud in violation of title 18 United States Code section 1341 necessarily involves moral turpitude in every case because an essential element of the offense is the specific intent to defraud. (*In re Utz* (1989) 48 Cal.3d 468, 482.) When an attorney's conviction meets the requirements of Business and Professions Code section 6102, subdivision (c), "the attorney is not entitled to a State Bar Court hearing to determine whether lesser discipline is called for." (*In re Paguirigan* (2001) 25 Cal.4th 1, 7.) Disbarment is mandatory. (*Id.* at p. 9.)

We therefore recommend that Bruce E. Karatz, State Bar number 48088, be disbarred from the practice of law in this state. We also recommend that Karatz be ordered to comply with rule 9.20 of the California Rules of Court and to perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 days, respectively, after the effective date of the Supreme Court's order. Finally, we recommend that the costs be awarded to the State Bar in accordance with section 6086.10 of the Business and Professions Code and that such costs be enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment.


Presiding Judge

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 June 9, 2011, I deposited a true copy of the following document(s):

ORDER FILED JUNE 9, 2011

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 MARTIN ROSENFELD
BRYAN CAVE LLP
120 BROADWAY
SANTA MONICA, CA 90401 - 2386

ELLEN ANNE PANSKY
PANSKY MARKLE HAM LLP
1010 SYCAMORE AVE UNIT 308
SOUTH PASADENA, CA 91030

- ☐ 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:

Murray B. Greenberg, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on June 9, 2011.


Milagro del R. Salmeron
Case Administrator
State Bar Court