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

PUBLIC MATTER

<p>Counsel For The State Bar Dane C. Dauphine Supervising Trial Counsel 1149 South Hill St. Los Angeles, CA 90015-2299 (213) 765-1293 Bar # 121606</p>	<p>Case Number(s): 09-O-10562, 10-O-05170, 10-O-07675, 10-O-10792</p>	<p>For Court use only FILED APR 13 2011 STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent Arthur L. Margolis Margolis & Margolis 2000 Riverside Dr. Los Angeles, CA 90039-3758 (323) 953-8996 Bar # 57703</p>	<p>Submitted to: Assigned Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter of: RAYMOND GERARD HELLWIG Bar # 100897 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 December 1, 1981.
- (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.



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- (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: 2012 and 2013. (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
 - (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.

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- (4) **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. There was harm to clients Martin Kim and Cassandra Nishida whose funds were not properly handled and disbursed.
- (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. The misconduct involved two separate client matters.
- (8) **No aggravating circumstances** are involved.

Additional aggravating circumstances:

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

- (1) **No Prior Discipline:** Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.
- (2) **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3) **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings. Respondent has been cooperative with the State Bar in stipulating to this disposition.
- (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 has no prior record of discipline.

D. Discipline:

- (1) **Stayed Suspension:**
- (a) Respondent must be suspended from the practice of law 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:
- (b) The above-referenced suspension is stayed.

(2) **Probation:**

Respondent must be placed on probation for a period of three (3) 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 nine (9) months.
- 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:
 - Substance Abuse Conditions
 - Medical Conditions
 - Law Office Management Conditions
 - Financial Conditions

F. Other Conditions Negotiated by the Parties:

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

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In the Matter of: Raymond Gerard Hellwig, no. 100897	Case Number(s): 09-O-10562, 10-O-05170, 10-O-07675, 10-O-10792
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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
Martin Kim	\$38,977	11/01/08
Jin H. Kim	\$10,500	10/01/10

- 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 reprobation), Respondent must make any necessary final payment(s) in order to complete the payment of restitution, including interest, in full.

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency
Martin Kim	\$2,500	each calendar quarter
Jin H. Kim	\$2,500	each calendar quarter

- 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.

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.

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: RAYMOND GERARD HELLWIG

CASE NUMBER(S): 09-O-10562, 10-O-05170, 10-O-07675, 10-O-10792

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. 09-O-10562 (Complainant: Martin Kim)

FACTS:

1. In June 2002, Respondent opened a law office at an address on Wilshire Boulevard in Los Angeles ("Los Angeles office") and employed John Kim as the office administrator. Respondent was the sole attorney providing the legal services to clients. John Kim provided Respondent with administrative and paralegal services through his own independent contractor business known as Worldwide Immigration Services. In August 2003, Respondent opened a second law office in Alhambra. In February 2004, Respondent opened a third office in Diamond Bar.

2. In September 2007, Martin Kim ("Martin") visited the Los Angeles office and met with John Kim. At that meeting, Martin sought legal advice and representation regarding the sale of Martin's personal business to another company, Eunice Fashion, Inc., for the sum of \$75,227. Martin wanted to be paid in cash, but Eunice Fashion only agreed to pay by check. John Kim informed Martin that Respondent could arrange to pay Martin cash in exchange for a 1.5% fee. Martin then agreed to employ Respondent for this purpose.

3. John Kim did not inform Respondent that Martin had employed him. John Kim contacted representatives of Eunice Fashion and instructed them to prepare nine checks, three payable to the Law Offices of Raymond G. Hellwig and six payable to Hellwig personally. Eunice Fashion complied with this request and submitted the nine checks to Respondent's office, three checks payable to Law Offices of Raymond G. Hellwig and totaling \$48,227 and six checks payable to Respondent and totaling \$27,000. All nine checks totaling \$75,227 were funds received on behalf of a client.

4. On September 13, 2007, John Kim deposited the three checks from Eunice Fashions, made payable to Law Offices of Raymond G. Hellwig and totaling \$48,227, in Respondent's trust account at California Bank & Trust, account number XXXXX-0396 ("Respondent's CTA").¹

5. In September 2007, John Kim deposited the remaining six checks totaling \$27,000 in a different checking account controlled by Kim, which was not a trust account. Respondent's name was endorsed on those six checks.

¹ The complete account number has been omitted due to privacy concerns.

6. Respondent did not adequately supervise the Los Angeles office and did not learn of John Kim's receipt of the funds from Eunice Fashion and the deposit of the funds in two accounts. Respondent did not reconcile Respondent's CTA on a monthly basis and did not become aware of the deposit on behalf of Martin. Respondent allowed John Kim to deposit and disburse funds from Respondent's CTA and did not supervise John Kim's handling of Respondent's CTA.

7. In or about April 2008, John Kim paid \$10,000 to Martin. In November 2008, John Kim paid another \$10,000 to Martin. On or about October 17, 2008, the balance in Respondent's CTA was approximately \$420. On or about December 4, 2008, the balance in Respondent's CTA was approximately \$142. Respondent failed to deposit and maintain \$55,277 in trust on behalf of Martin and to pay out that sum to Martin.

8. During the period from in or about April 2008 to November 2010, John Kim made additional payments to Martin of \$14,800 for the funds due to him. At present, the balance due to Martin is \$40,477.

CONCLUSIONS OF LAW:

9. By not depositing all nine checks in Respondent's CTA, Respondent failed to deposit the balance of funds received for the benefit of a client in a bank account labeled "Trust Account," "Client's Funds Account" or words of similar import in willful violation of Rules of Professional Conduct, rule 4-100(A).

10. By not maintaining in trust the \$48,227 received from Eunice Fashion on behalf of Martin and deposited in Respondent's CTA, Respondent failed to maintain the balance of funds received for the benefit of a client and deposited in a bank account labeled "Trust Account," "Client's Funds Account" or words of similar import in willful violation of Rules of Professional Conduct, rule 4-100(A).

11. By failing to supervise his office and oversee Respondent's CTA so as to allow the misappropriation of approximately \$55,277 received on behalf of Martin by Respondent's staff at the Los Angeles office, Respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

Case No. 10-O-05170 (Complainant: Kassandra Nishida)

FACTS:

12. On or about December 30, 2008, Kassandra L. Nishida ("Nishida") employed Respondent to represent her in personal injury and property damage claims arising from an automobile accident on a contingency fee basis. Nishida's case was handled in Respondent's law office on Wilshire Boulevard in Los Angeles where Respondent employed John Kim as his office administrator. John Kim provided Respondent with administrative and paralegal services through his own independent contractor business known as Worldwide Immigration Services or WWIS, Inc. Respondent also had offices in Alhambra and Diamond Bar.

13. On or about February 5, 2009, Respondent's Los Angeles office negotiated a settlement of Nishida's property damage claim with an insurer. Thereafter, Respondent's Los Angeles office received a check from the insurer payable to Nishida in the sum of \$1,730.42.

14. On or about February 10, 2009, Respondent's staff endorsed Nishida's name on the check without her knowledge or consent and cashed or deposited the check in a non-trust account at Hanmi Bank maintained by WWIS, Inc.

15. On or about April 22, 2009, and July 2, 2009, Nishida sent email to Respondent's office inquiring about the status of her property damage recovery because she had been notified by the insurer that they had paid the claim. John Kim informed Nishida that he would review her file and advise her of the status of her case. Thereafter, John Kim did not contact Nishida to inform her regarding the disbursement of her funds.

16. In or about November 2009, Respondent's Los Angeles office negotiated a settlement of Nishida's personal injury claim with the insurer. Thereafter, Respondent's office received a check from the insurer payable to Nishida and Respondent in the sum of \$3,650.

17. On or about November 17, 2009, Respondent's staff endorsed Nishida's name on the check without Nishida's knowledge or consent and cashed or deposited the check in a non-trust account at Hanmi Bank maintained by WWIS, Inc.

18. Respondent did not adequately supervise the Los Angeles office to ensure that the settlement funds totaling \$5,380.42 which were received on behalf of Nishida by the Los Angeles office were deposited in a trust account and properly disbursed.

19. In or about November 2009, John Kim and/or the insurer informed Nishida that Respondent's office had settled Nishida's personal injury claim. Thereafter, Nishida exchanged email with John Kim inquiring as to when she would receive her funds. At one point, John Kim informed Nishida that the check had been mailed. Thereafter, Nishida did not receive a check in the mail from Respondent's Los Angeles office.

20. On November 3, 2010, John Kim paid Chong Chiropractic Clinic in satisfaction of its lien on Nishida's settlement the sum of \$602 by check drawn upon an account maintained by WWIS, Inc. At that time, John Kim asked Dr. Ilene Chong to sign a disbursement summary indicating that Chong Chiropractic Clinic had reduced its lien to \$1,204.50 and that she had received that amount. Dr. Chong did not sign the disbursement summary since she had not received that amount.

21. On November 26, 2010, a relative of John Kim delivered two checks to Nishida drawn upon the bank account of WWIS, Inc., and payable to Nishida in the sums of \$1,240 as her personal injury recovery and \$1,730.42 as her property damage recovery. At that time, Nishida received a disbursement summary which indicated that Respondent's fees were \$1,204.50 and that Chong Chiropractic Clinic would receive the same amount. Thereafter, Kim paid Chong Chiropractic Clinic the remaining \$602.50 of Nishida's settlement funds.

CONCLUSIONS OF LAW:

22. By not ensuring that Nishida's property damage recovery and personal injury recovery were deposited in a trust account, Respondent failed to deposit funds received for the benefit of a client in a bank account labeled "Trust Account," "Client's Funds Account" or words of similar import in willful violation of Rules of Professional Conduct, rule 4-100(A).

23. By not supervising the Los Angeles office so as to promptly discover the improper handling of funds totaling 5,380.42 received on behalf of Nishida in February 2009 and November 2009 was promptly detected so as to allow the misappropriation of client funds, Respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

Case No. 10-O-07675 (Complainant: Tim Yi, CT&T America, Inc.)

FACTS:

24. On November 9, 2009, Tim Yi, the Chief Executive Office of CT&T America, Inc. ("CT&T"), met with Respondent's staff member, John Kim, and employed Respondent to prepare and submit a 1-129H non-immigrant petition for Hong Suk Jun, one of the company's officers. On November 11, 2009, CT&T paid Respondent \$3,000 in advanced fees and \$2,960 in advanced costs by checks payable to Respondent. Thereafter, John Kim caused the checks to be cashed at a check cashing facility with Respondent's name endorsed on them. Respondent did not deposit the \$2,960 in advanced costs in a trust account.

25. On November 18, 2009, CT&T also employed Respondent to submit a petition for another officer, Dong Kyu Kim, and paid Respondent \$3,000 in advanced fees and \$2,960 in advanced costs by checks payable to Respondent. Thereafter, John Kim caused the checks to be cashed at a check cashing facility with Respondent's name endorsed on them. Respondent did not deposit the \$2,960 in advanced costs in a trust account.

26. In December 2009, John Kim requested additional documents from CT&T to prepare the petitions which CT&T provided. Respondent did not prepare and submit the petitions in December 2009 before the quota was filled. Consequently, one of officers had to resign from CT&T and return to Korea.

27. By letter dated February 23, 2010, Respondent informed Tim Yi and CT&T that he could not continue the processing of the H-1B petitions, stating that he had obtained labor certifications for both officers but could not continue with the petitions. He also stated his intent to return all advanced costs and a partial refund of advanced fees of \$1,500, for a total refund of \$7,420. Respondent did not promptly refund the unearned fees and advanced costs.

28. When Respondent did not refund the unearned fees and costs, an attorney for CT&T sent him an email on April 6, 2010, reminding him of his agreement to refund \$7,420. Respondent replied by email the next day, stating that his office was experiencing financial difficulty and that he would not be able to make the payment until the end of the month. Thereafter, Respondent did not make the payment, or any partial payment, by the end of the month.

29. On August 23, 2010, a civil action was commenced in the Los Angeles County Superior Court, case no. 10K15334, against Respondent seeking to collect the amount due to CT&T. On October 27, 2010, Respondent signed a stipulated judgment agreeing to pay \$7,420 in three payments by December 30, 2010. Thereafter, the payments were made by checks issued by WWIS, Inc., a company operated by John Kim, and on February 10, 2011, the civil action was dismissed.

CONCLUSIONS OF LAW:

30. By not ensuring that the advanced costs received from CT&T were deposited in a trust account, Respondent failed to deposit funds received for the benefit of a client in a bank account labeled "Trust Account," "Client's Funds Account" or words of similar import in willful violation of Rules of Professional Conduct, rule 4-100(A).

31. By not refunding unearned fees as agreed in February 2010 until December 2010 after a civil action was filed against him, Respondent failed to refund promptly any part of a fee paid in advance that has not been earned in willful violation of Rules of Professional Conduct, rule 3-700(D)(2).

Case No. 10-O-10792 (Complainant: Jin H. Kim)

FACTS:

32. On March 10, 2010, Jin H. Kim visited the Los Angeles office and met with John Kim, Respondent's office administrator. At that time, Jin H. Kim employed Respondent to prepare an E-2 Treaty Investor Visa application for himself, his wife, and his minor children and to submit it to the U.S. State Department Consular office in Seoul, Korea, and Jin H. Kim paid Respondent \$7,000 in advanced fees.

33. On March 26, 2010, Jin H. Kim again met with John Kim and further employed Respondent to prepare a petition for permanent residence for himself, his wife, and his minor children. At that time, Jin H. Kim paid Respondent \$7,500 in advanced fees for those legal services.

34. In June 2010, Jin H. Kim contacted Respondent's office to inquire into the status of his immigration matters. Jin H. Kim spoke to John Kim who told him that the visa applications had been submitted that month. In fact, the visa applications had not been submitted in June 2010. Thereafter, John Kim provided Jin H. Kim with an air bill of lading dated June 18, 2010, and a confirmation number from the U.S. Embassy in Seoul. John Kim later informed Jin H. Kim that his interview was scheduled at the consular office on September 3, 2010. In fact, the consular office had not scheduled an interview for Jin H. Kim for any date.

35. On September 3, 2010, Jin H. Kim and his family went to the U.S. Embassy in Seoul and learned that the confirmation number was for some other application and that no interview was scheduled for them. Jin H. Kim immediately contacted Respondent's office by telephone, and John Kim told him that the embassy had made a mistake and that he would see that it was rescheduled. In fact, the application was not submitted until after September 3, 2010.

36. On September 15, 2010, Jin H. Kim received by mail a copy of a visa application on his behalf, and when he reviewed it, he discovered that some of the information was incorrect and that his name and that of his business partner had been signed to several documents without his knowledge.

37. Jin H. Kim then employed attorney Joshua M. Ko to take over his representation in the immigration matters. On September 17, 2010, Joshua M. Ko sent Respondent a letter terminating his employment by Jin H. Kim and requesting his client file and a refund of fees. Although the letter was received by Respondent's office, Respondent did not respond to the letter or to telephone calls from

the Mr. Ko. On September 30, 2010, Mr. Ko sent another letter to Respondent requesting the client file and refund of fees. Respondent did not respond to the letter.

38. In October 2010, Mr. Ko submitted a new visa application for Jin H. Kim and his family. By letter dated October 25, 2010, to the U.S. Embassy in Seoul, he asked that the competing application submitted by Respondent not be processed since it was inaccurate.

39. On November 23, 2010, Respondent released the client file to Mr. Ko with a cover letter dated November 23, 2010. In his letter, Respondent stated that he would refund the \$7,500 received for the application for permanent residence but not the \$7,000 received for the visa application.

40. Since the visa application submitted by Respondent was inaccurate and contained unauthorized signatures, Respondent did not earn the \$7,000. To date, Respondent has refunded \$4,000 to Jin H. Kim.

CONCLUSIONS OF LAW:

41. By not supervising his staff to ensure that Jin H. Kim's visa application was correctly prepared and timely submitted and that the client was correctly informed of the status of the matter, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rules of Professional Conduct, rule 3-110(A).

42. By not refunding unearned fees of \$14,500 to Jin H. Kim, Respondent failed to refund promptly any part of a fee paid in advance that has not been earned in willful violation of Rules of Professional Conduct, rule 3-700(D)(2).

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was March 25, 2011.

AUTHORITIES SUPPORTING DISCIPLINE.

Standard 1.6(a) provides that where two or more acts of professional misconduct are found or acknowledged in a single disciplinary proceeding, and different sanctions are prescribed by these standards for said acts, the sanctions imposed shall be the more or most severe of the different applicable sanctions.

According to the Standard 2.2, of the Standards for Attorney Sanctions for Professional Misconduct, the appropriate sanction for willful misappropriation is disbarment or, if the amount of funds is insignificantly small or if the most compelling mitigating circumstances clearly predominate, an actual suspension of not less than one year. It also provides for a minimum actual suspension of three months irrespective of mitigating circumstances for a trust account violation which does not result in the willful misappropriation of entrusted funds or property.

Case law has imposed discipline less than one year of actual suspension for willful misappropriation depending on the circumstances. "As the term is used in attorney discipline cases, 'willful misappropriation' covers a broad range of conduct varying significantly in the degree of culpability. An attorney who deliberately takes a client's funds, intending to keep them permanently, and answers the client's inquiries with lies and evasions, is deserving of more severe discipline than an attorney who has

acted negligently, without intent to deprive and without acts of deception. Although lack of evil intent does not immunize an attorney's conduct from discipline [citation omitted], the attorney's good faith is an important consideration in determining the degree of discipline to be imposed. Disbarment would rarely, if ever, be an appropriate discipline for an attorney whose only misconduct was a single act of negligent misappropriation, unaccompanied by acts of deceit or other aggravating factors. Thus, we have ordered discipline as light as 30 days of actual suspension when the misappropriation resulted from negligence and other mitigating factors were present." (*Edwards v. State Bar* (1990) 52 Cal.3d 28 [imposing a one-year actual suspension for willful misappropriation of \$3,000 where restitution was made promptly and there were no acts of deceit].)

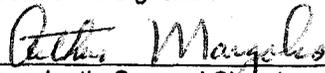
Here, Respondent's culpability for willful misappropriation is due to his failure to provide adequate supervision of his staff to prevent and detect improper handling of client funds. An actual suspension of 9 months is sufficient to recognize the serious nature of the misconduct while reflecting that Respondent did not intentionally take client funds for his own use.

(Do not write above this line.)

In the Matter of: Raymond Gerard Hellwig, no. 100897	Case number(s): 09-O-10562, 10-O-05170, 10-O-07675, 10-O-10792
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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>3/25/2011</u> Date	<u></u> Respondent's Signature	<u>Raymond G. Hellwig</u> Print Name
<u>3/25/11</u> Date	<u></u> Respondent's Counsel Signature	<u>Arthur L. Margolis</u> Print Name
<u>March 28, 2011</u> Date	<u></u> Deputy Trial Counsel's Signature	<u>Dane C. Dauphine</u> Print Name

(Do not write above this line.)

In the Matter of: Raymond Gerard Hellwig, no. 100897	Case Number(s): 09-O-10562, 10-O-05170, 10-O-07675, 10-O-10792
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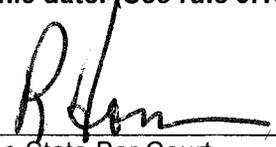
ACTUAL SUSPENSION ORDER

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.)**

4/12/11
Date


Judge of the State Bar Court

RICHARD A. ECKERT

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 April 13, 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:

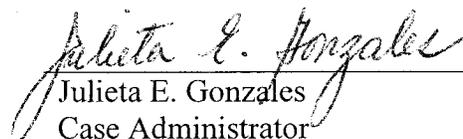
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

ARTHUR L MARGOLIS ESQ
MARGOLIS & MARGOLIS LLP
2000 RIVERSIDE DR
LOS ANGELES, CA 90039

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

Dane C. Dauphine, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on April 13, 2011.



Julieta E. Gonzales
Case Administrator
State Bar Court