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State Bar Court of California
Hearing Department
Los Angeles

PUBLIC MATTER

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| <p>Counsel For The State Bar Suzan J. Anderson Supervising Trial Counsel 1149 S. Hill Street Los Angeles, California 90015 (213) 765-1209</p> <p>Bar # 160559</p> | <p>Case Number (s) 09-O-11599, 09-O-12808, 09-O-13803, 09-O-13900</p> | <p>(for Court's use)</p> <p style="text-align: center; font-size: 24pt; font-weight: bold;">FILED</p> <p style="text-align: center; font-size: 18pt;">JUL 28 2010</p> <p style="text-align: center;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p> |
| <p>In Pro Per Respondent</p> <p>Eric Douglas Johnson 3717 S. La Brea Avenue, #668 Los Angeles, California 90016 (818) 234-9088</p> <p>Bar # 224065</p> | <p>Submitted to: Assigned Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT</p> <p>DISBARMENT</p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p> | |
| <p>In the Matter of: ERIC DOUGLAS JOHNSON</p> <p>Bar # 224065</p> <p>A Member of the State Bar of California (Respondent)</p> | | |

Note: All information required by this form and any additional information which cannot be provided in the space provided, must be set forth in an attachment to this stipulation under specific headings, e.g., "Facts," "Dismissals," "Conclusions of Law," "Supporting Authority," etc.

A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted **January 5, 2003**.
- (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 resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of (21) pages, not including the order.
- (4) A statement of acts or omissions acknowledged by respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."



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- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- Costs to be awarded to the State Bar
 - Costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
 - Costs entirely waived
- (9) **ORDER OF INACTIVE ENROLLMENT:**
The parties are aware that if this stipulation is approved, the judge will issue an order of inactive enrollment under Business and Professions Code section 6007, subdivision (c)(4), and Rules of Procedure of the State Bar, rule 220(c).

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**
- (a) State Bar Court case # of prior case **04-O-13602**
 - (b) Date prior discipline effective **April 14, 2005**
 - (c) Rules of Professional Conduct/ State Bar Act violations: **6068(b), 6103**
 - (d) Degree of prior discipline **Private Reproval, Public Disclosure**
 - (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 misconduct severely harmed his clients**
- (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. **After Respondent withdrew his resignation with charges pending, he did not cooperate further with the State Bar.**

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- (7) **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct. **As demonstrated in the Attachment, Respondent's misconduct involved multiple acts of wrongdoing.**
- (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.
- (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:

D. Discipline: Disbarment.

E. Additional Requirements:

- (1) **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.

- (2) **Restitution:** Respondent must make restitution to _____ in the amount of \$ _____ plus 10 percent interest per year from _____. If the Client Security Fund has reimbursed _____ for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than _____ days from the effective date of the Supreme Court order in this case.

- (3) **Client Security Fund Reimbursement:** Respondent must also reimburse the Client Security Fund to the extent that the misconduct in this matter results in the payment of funds and such payment obligation is enforceable as provided under Business and Professions Code section 6140.5.

- (4) **Other: Restitution, please see attachment, page 20.**

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Attachment language begins here (if any)
Please see Attachment, pages 6 through 20.

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: ERIC DOUGLAS JOHNSON
CASE NUMBER(S): ET AL. 09-O-11599, 09-O-12808, 09-O-13803, 09-O-13900

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.

FACTS AND CONCLUSIONS OF LAW.

CASE NUMBER 09-O-11599

COUNT ONE

FACTS

1. In April 2008, Respondent entered into an agreement with Bancarrota.com, a non-attorney owned operation offering bankruptcy filing and assistance. Under the agreement, Respondent was to provide legal services to Bancarrota.com's clients with respect to bankruptcy matters. Under the agreement, Respondent was to receive \$300 of the \$1700 fee paid by Bancarrota.com's clients.
2. Between April 2008 and July 2008, Respondent handled thirty to forty Bancarrota.com's clients' bankruptcy matters. Bancarrota.com paid Respondent \$300 for each client's matter he handled.

CONCLUSIONS OF LAW

By entering into an agreement, accepting clients of Bancarrota.com and handling those clients bankruptcy matters, Respondent formed a partnership with a person who is not a lawyer where the activities consisted of the practice of law in willful violation of Rule 1-310 of the Rules of Professional Conduct.

COUNT TWO

FACTS

3. Count one is incorporated by reference.

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CONCLUSIONS OF LAW

By accepting payment from Bancarrota.com from fees paid by clients to Bancarrota.com for Respondent's legal services, Respondent willfully shared legal fees with a person who is not a lawyer in willful violation of Rule 1-320(A) of the Rules of Professional Conduct

COUNT THREE

FACTS

4. Counts one and two are incorporated by reference.

5. Bancarrota.com solicited the clients for Respondent, retained the vast majority of the fees paid by the clients and effectively controlled the relationship with the client, without Respondent's supervision or oversight.

CONCLUSIONS OF LAW

By allowing the non-attorney staff of Bancarrota.com to solicit clients, retain the majority of the fees paid by clients and effectively control the relationship with the client without Respondent's supervision or oversight, Respondent aided and abetted a person or entity in the unauthorized practice of law in willful violation of Rule 1-300(A) of the Rules of Professional Conduct

COUNT FOUR

FACTS

6. Counts one and two are incorporated by reference.

7. In December 2008, Respondent met with Jose Castro Meza and Elsa Castro (the "Castros"), clients of Bancarrota.com, and had them sign their bankruptcy petitions that Respondent had prepared. Shortly thereafter, Respondent filed the Castros' bankruptcy petition.

8. The Castros paid Bancarrota.com fees of \$1,700 of which Respondent received \$300, pursuant to his agreement with Bancarrota.com.

9. Attached to the Castros filed bankruptcy petition were two forms also prepared by Respondent, the Disclosure of Compensation of Attorney for Debtor (the "Disclosure") and the Declaration re: Limited Scope of Appearance Pursuant to Local Bankruptcy Rule 2090-1 (the "Declaration"). In both the Disclosure and the Declaration, Respondent stated under penalty of perjury

that he had received \$1701 from the Castros to, *inter alia*, prepare and file their bankruptcy petition and represent them at the 341(a) hearing.

10. Respondent knew at the time he prepared and filed the Castros' bankruptcy petition that these statements regarding the fees he received were false.

CONCLUSIONS OF LAW

By making these misrepresentations to the bankruptcy court, Respondent willfully committed an act or acts of moral turpitude, corruption and/or dishonesty in willful violation of Section 6106 of the Business and Professions Code.

COUNT FIVE

FACTS

11. Counts one, two and four are incorporated by reference.

12. Subsequent to filing the Castros' bankruptcy petition, Respondent was given notice that the 341(a) hearing was scheduled for January 9, 2009. Respondent failed to appear for the Castros' 341(a) hearing.

CONCLUSIONS OF LAW

By failing to appear at the 341(a) hearing, Respondent intentionally, recklessly or repeatedly failed to perform legal services with competence in willful violation of Rule 3-110(A) of the Rules of Professional Conduct.

COUNT SIX

FACTS

13. Counts one and two are incorporated by reference.

14. In October 2008, Respondent met with Lorenzo and Maria Pelagio (the "Pelagios"), clients of Bancarrota.com, and had them sign their bankruptcy petitions that Respondent had prepared. Shortly thereafter, Respondent filed the Pelagios' bankruptcy petition.

15. The Pelagios paid Bancarrota.com fees of \$1,700 of which Respondent received \$300, pursuant to his agreement with Bancarrota.com.

16. Attached to the Pelagios' filed bankruptcy petition were two forms also prepared by Respondent, the Disclosure of Compensation of Attorney for Debtor (the "Disclosure") and the Declaration re: Limited Scope of Appearance Pursuant to Local Bankruptcy Rule 2090-1 (the

"Declaration"). In both the Disclosure and Declaration, Respondent stated under penalty of perjury that he had received \$1701 from the Peligios to, inter alia, prepare and file their bankruptcy petition and represent them at the 341(a) hearing.

17. Respondent knew at the time he prepared and filed the Peligios' bankruptcy petition that these statements regarding the fees he received were false.

CONCLUSIONS OF LAW

By making these misrepresentations to the bankruptcy court, Respondent willfully committed an act or acts of moral turpitude, corruption and/or dishonesty in willful violation of Section 6106 of the Business and Professions Code.

COUNT SEVEN

FACTS

18. Counts one, two and six are incorporated by reference.

19. Subsequent to filing the Peligios' bankruptcy petition, Respondent was given notice that the 341(a) hearing was scheduled for November 20, 2008. Respondent failed to appear for the Peligios' 341(a) hearing.

CONCLUSIONS OF LAW

By failing to appear at the 341(a) hearing, Respondent intentionally, recklessly or repeatedly failed to perform legal services with competence in willful violation of Rule 3-110(A) of the Rules of Professional Conduct.

COUNT EIGHT

FACTS

20. Counts one and two are incorporated by reference.

21. In October 2008, Respondent met with Elias and Juana Morales (the "Morales"), clients of Bancarrota.com, and had them sign their bankruptcy petitions that Respondent had prepared. Shortly thereafter, Respondent filed the Morales' bankruptcy petition.

22. The Morales paid Bancarrota.com fees of \$1,700 of which Respondent received \$300, pursuant to his agreement with Bancarrota.com.

23. Attached to the Morales filed bankruptcy petition were two forms also prepared by Respondent, the Disclosure of Compensation of Attorney for Debtor (the "Disclosure") and the

Declaration re: Limited Scope of Appearance Pursuant to Local Bankruptcy Rule 2090-1 (the "Declaration"). In both the Disclosure and Declaration, Respondent stated under penalty of perjury that he had received \$1701 from the Morales to, inter alia, prepare and file their bankruptcy petition and represent them at the 341(a) hearing.

24. Respondent knew at the time he prepared and filed the Morales' bankruptcy petition that these statements regarding the fees he received were false.

CONCLUSIONS OF LAW

By making these misrepresentations to the bankruptcy court, Respondent willfully committed an act or acts of moral turpitude, corruption and/or dishonesty in willful violation of Section 6106 of the Business and Professions Code.

COUNT NINE

FACTS

25. Counts one, two and eight are incorporated by reference.

26. Subsequent to filing the Morales' bankruptcy petition, Respondent was given notice that the 341(a) hearing was scheduled for November 20, 2008. Respondent failed to appear for the Morales' 341(a) hearing.

CONCLUSIONS OF LAW

By failing to appear at the 341(a) hearing, Respondent intentionally, recklessly or repeatedly failed to perform legal services with competence in willful violation of Rule 3-110(A) of the Rules of Professional Conduct.

COUNT TEN

FACTS

27. In November 2008, Respondent entered into an agreement with Avantgarde Group ("Avantgarde"), a non-attorney owned and operated business offering forensic loan audits. Under the agreement, Respondent would create the Johnson Law Group to assist in Avantgarde's obtaining loan documents from lenders. Additionally under the agreement, Respondent would provide legal services to Avantgarde's clients with respect to loan modification or predatory lending subsequent to Avantgarde's completion of the forensic audit.

28. In December 2008, Johnson created Johnson Law Group solely for Avantgarde's use in gathering loan documents and authorized Avantgarde staff members to utilize Johnson Law Group stationary to facilitate the gathering of loan documents from lenders.

29. Between December 2008 and April 2009, Respondent filed complaints regarding predatory lending for approximately 30 of Avantgarde's clients.

CONCLUSIONS OF LAW

By entering into an agreement, creating Johnson Law Group solely for the use of Avantgarde staff members, accepting clients of Avantgarde and handling those clients predatory lending issues, Respondent formed a partnership with a person who is not a lawyer where the activities consisted of the practice of law in willful violation of Rule 1-310 of the Rules of Professional Conduct

COUNT ELEVEN

FACTS

30. Count ten is incorporated by reference.

31. Avantgarde solicited the clients for Respondent and accepted the fees from the clients. Respondent authorized Avantgarde staff members to utilize Johnson Law Group stationary to correspond with lenders to facilitate obtaining the clients loan documents, without Respondent's supervision or oversight. The letters to the lenders, sent by non-attorneys and non-employees of Respondent, were on Johnson Law Group stationary, stated that Johnson Law Group represented the client, cited legal authorities in making the request for documents, stated conclusions of facts and law, made demands for settlement based upon conclusions of fact and law, and contained Respondent's signature.

CONCLUSIONS OF LAW

By allowing non-attorney staff of Avantgarde to solicit clients, accept the fees paid by the clients and authorizing the staff of Avantgarde to utilize Johnson Law Group stationary, make legal representations without Respondent's supervision or oversight, and utilize Respondent's signature, Respondent aided and abetted a person or entity in the unauthorized practice of law in willful violation of Rule 1-300(A) of the Rules of Professional Conduct.

COUNT TWELVE

FACTS

32. Counts ten and eleven are incorporated by reference.

33. Between December 2008 and April 2009, Avantgarde non-attorney staff mailed a substantial number of letters to lenders and clients on Johnson Law Group stationary with Respondent's authorization. One type of letter mailed by Avantgarde non-attorney staff was entitled Qualified Written Request, which was sent to lenders and cc'd to the clients. This letter stated, *inter alia*, that the Johnson Law Group had been retained by the borrower/client to represent them and modify their residential mortgage loan with the specific lending institution, that after careful preliminary loan audit of the loan documents, they had reason to believe that the loan terms misrepresented to their client at the time of application and further obscured and/or modified prior to signing, that they believed their client's income was inflated on the application, that certain documents were not presented at all, and that the terms of the loan fall within predatory lending. The letter went on to state that it was Johnson Law Group's understanding that the lender had been accused in one or more predatory lending and servicing schemes. The letters contained Respondent's signature.

34. Respondent was aware of the substance of the Qualified Written Request and knew the above passages were false. The Qualified Written Request was sent to the lender in order to obtain the client's loan documents. At the time the letter was sent, the client had not furnished the documents, had not retained Respondent or Johnson Law Group, no actual loan audit had been performed, there was no reasonable cause to believe that the lender engaged in predatory lending and no evidence that the lender had been accused of any predatory lending scheme.

CONCLUSIONS OF LAW

By authorizing the non-attorney staff members of Avantgarde to send the Qualified Written Request containing these misrepresentations to lenders and cc the clients, Respondent willfully committed an act or acts of moral turpitude, corruption and/or dishonesty in willful violation of Section 6106 of the Business and Professions Code.

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COUNT THIRTEEN

FACTS

35. In April 2009, Respondent entered into an agreement with Soluciones Dinamicas, Inc. ("Soluciones"), a non-attorney owned operation offering loan modification services. Soluciones had come to the attention of the Federal Trade Commission and needed an attorney on site to continue with their loan modification services. Under the agreement, Respondent was to provide legal services to Soluciones clients with respect to their loan modification matters, including bankruptcy services where necessary. Soluciones agreed to pay Respondent's rent and his payroll.

36. Between in or about April 2009 and August 2009, Respondent accepted more than 200 clients from Soluciones for loan modification services.

CONCLUSIONS OF LAW

By entering into this agreement, accepting clients of Soluciones, handling their loan modification matters, and providing bankruptcy services, Respondent formed a partnership with a person who is not a lawyer where the activities consisted of the practice of law in willful violation of Rule 1-310 of the Rules of Professional Conduct

COUNT FOURTEEN

FACTS

37. Count thirteen is incorporated by reference.

38. Soluciones non-attorney staff continued to solicit loan modification clients, accept fees from the clients and work on their clients' loan modifications, without Respondent's supervision or oversight.

CONCLUSIONS OF LAW

By allowing the non-attorney staff of Soluciones to solicit clients, accept fees paid by the clients and effectively control the relationship with the client without Respondent's supervision or oversight, Respondent aided and abetted a person or entity in the unauthorized practice of law in willful violation of Rule 1-300(A) of the Rules of Professional Conduct.

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COUNT FIFTEEN

FACTS

39. In 2009, Respondent became affiliated with another non-attorney managed loan modification business, Noble House Solutions, Inc. ("Noble House"). Noble House was managed by non-attorney, Arely Avila ("Avila"). Avila was obtaining clients by making the representation that Respondent would work on the loan modification. Respondent was aware the Avila was making this representation to clients of Noble House.

40. In 2009, Avila obtained 10 loan modification clients by making the representation that Respondent would be working on their loan modifications. Avila was collecting the fees from the clients and handling the loan modifications herself.

41. Respondent did not supervise Avila, and she would only seek his assistance if a bankruptcy or lawsuit needed to be filed.

CONCLUSIONS OF LAW

By allowing non-attorney Avila to obtain clients, collect client fees, and handle the loan modification matters without his supervision or oversight, Respondent aided and abetted a person or entity in the unauthorized practice of law in willful violation of Rule 1-300(A) of the Rules of Professional Conduct.

COUNT SIXTEEN

FACTS

42. Count fifteen is incorporated by reference.

CONCLUSIONS OF LAW

By allowing Avila to make the misrepresentation that Respondent would be working on clients' loan modification matters in order to obtain loan modification clients, Respondent committed an act or acts of moral turpitude, corruption and/or dishonesty in willful violation of Section 6106 of the Business and Professions Code.

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COUNT SEVENTEEN

FACTS

43. Between July 1, 2009 and July 23, 2009, Respondent was not authorized to practice law.

44. Respondent was not authorized to practice law because Respondent was involuntarily enrolled as an inactive member of the State Bar due to his failure to pay his membership dues and comply with the MCLE requirement. Respondent paid his dues and complied with the MCLE requirement and was therefore restored to active status on July 24, 2009.

45. At all times pertinent hereto, Respondent knew that he was not authorized to practice law.

46. While Respondent was not authorized to practice law, he filed seven bankruptcy matters as attorney of record on behalf of his clients Ignacio and Soledad Munguia, Cornelius Montgomery, Adrian Ochoa, Patricia Lemus, Marco and Claudia Hirguera, Timothy A. Gault, and Saul A. Salas.

CONCLUSIONS OF LAW

By filing seven bankruptcy matters as attorney of record while he was not authorized to practice law, Respondent held himself out as practicing or entitled to practice law and practiced and/or attempted to practice law when he was not an active member of the State Bar in willful violation of Business and Professions Code sections 6125 and 6126 and thereby failed to support the laws of the State of California in willful violation of Business and Professions Code section 6068(a).

COUNT EIGHTEEN

FACTS

47. Count seventeen is incorporated by reference.

48. On July 15, 2009, while he was not authorized to practice law, Respondent charged and collected legal fees of \$1,000 from Ignacio and Soledad Munguia.

CONCLUSIONS OF LAW

By charging and collecting fees for legal services, when he was not authorized to practice law, Respondent willfully charged and collected an illegal fee in willful violation of Rule 4-200(A) of the Rules of Professional Conduct.

COUNT NINETEEN

FACTS

49. On February 7, 2009, Micaela Gonzalez ("Gonzalez") employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Gonzalez's home mortgage loan. That same date, Gonzalez entered into an attorney agreement for legal services with Respondent. Gonzalez paid a total of \$3,700 in fees for the loan modification.

50. Respondent did not obtain a loan modification for Gonzalez and he provided no other legal services of any value for Gonzalez in connection with negotiating and obtaining a home mortgage loan modification.

CONCLUSIONS OF LAW

By not performing any legal services of value to Gonzalez, including but not limited to, negotiating and obtaining a home mortgage loan modification, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rule 3-110(A) of the Rules of Professional Conduct.

COUNT TWENTY

FACTS

51. Count nineteen is incorporated by reference.

52. Respondent did not earn any of the advanced fees paid by Gonzalez.

53. On May 8, 2009, after learning that she lost her property to foreclosure, Gonzalez sent a letter to Respondent terminating Respondent's employment and demanding a full refund of her unearned advanced fee of \$3,700. Although Respondent received the letter, to date, Respondent has not provided Gonzalez with a refund of her unearned advanced fee.

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CONCLUSIONS OF LAW

By failing to refund to Gonzalez any portion of the \$3,700 unearned advanced fee upon her demand, which he had not earned, Respondent willfully failed to refund unearned fees in willful violation of rule 3-700(D)(2).

CASE NUMBER 09-O-13803

COUNT TWENTY-ONE

FACTS

54. In October 2008, Edgar Vasquez ("Vasquez") employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Vasquez's home mortgage loan. Vasquez paid a total of \$16,000 in fees for the loan modification.

55. Respondent did not obtain a loan modification for Vasquez and he provided no other legal services of any value for Vasquez in connection with negotiating and obtaining a home mortgage loan modification.

CONCLUSIONS OF LAW

By not performing any legal services of value to Vasquez, including but not limited to, negotiating and obtaining a home mortgage loan modification, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rule 3-110(A) of the Rules of Professional Conduct.

COUNT TWENTY-TWO

FACTS

56. Count twenty-one is incorporated by reference.

57. Respondent did not earn any of the advanced fees paid by Vasquez.

58. On July 28, 2009, Vasquez, through his newly employed attorney, sent a letter to Respondent terminating Respondent's employment and demanding a full refund of his unearned

advanced fee of \$16,000. Although Respondent received the letter, to date, Respondent has not provided Vasquez with a refund of his unearned advanced fee.

CONCLUSIONS OF LAW

By failing to refund to Vasquez any portion of the \$16,000 unearned advanced fee upon his demand, which he had not earned, Respondent willfully failed to refund unearned fees in willful violation of rule 3-700(D)(2).

CASE NUMBER 09-O-13900

COUNT TWENTY-THREE

FACTS

59. On October 28, 2008, Juan and Maria Hernandez (the "Hernandezes") employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Hernandezes' home mortgage loan. That same date, the Hernandezes entered into an attorney agreement for legal services with Respondent. The Hernandezes paid a total of \$15,000 in fees for the loan modification.

60. Respondent did not obtain a loan modification for the Hernandezes and he provided no other legal services of any value for the Hernandezes in connection with negotiating and obtaining a home mortgage loan modification.

CONCLUSIONS OF LAW

By not performing any legal services of value to the Hernandezes, including but not limited to, negotiating and obtaining a home mortgage loan modification, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rule 3-110(A) of the Rules of Professional Conduct.

COUNT TWENTY-FOUR

FACTS

61. Count twenty-three is incorporated by reference.

62. Respondent did not earn any of the advanced fees paid by the Hernandezes.

63. On September 12, 2009, the Hernandezes sent a letter to Respondent terminating Respondent's employment and demanding a full refund of their unearned advanced fee of \$15,000. Although Respondent received the letter, to date, Respondent has not provided the Hernandezes with a refund of their unearned advanced fee.

CONCLUSIONS OF LAW

By failing to refund to the Hernandezes any portion of the \$15,000 unearned advanced fee upon her demand, which he had not earned, Respondent willfully failed to refund unearned fees in willful violation of rule 3-700(D)(2).

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(6), was June 25, 2010.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of June 25, 2010, the rough estimate of disciplinary costs to be assessed in this matter is \$2,000. 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.

DISCUSSION RE STIPULATED DISCIPLINE

Standard 1.3 of the *Standards For Attorney Sanctions For Professional Misconduct* provides that the primary purpose of discipline is the protection of the public, the courts and legal profession; maintenance of high professional standards; and the preservation of public confidence in the legal profession.

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

Standard 2.3 states that actual suspension or disbarment is the appropriate discipline for culpability of an act of moral turpitude, fraud, intentional dishonesty or concealment of a material fact toward a court, client or another person depending on 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 2.4(a) states that disbarment is the appropriate discipline for culpability of a pattern of willfully failing to perform services demonstrating the member's abandonment of the causes in which he was retained.

Standard 2.6 states that disbarment or suspension is the appropriate discipline for violations of 6068(a), 6125 and 6126, depending on the gravity of the offense or the harm, if any, to the victim, with due regard to the purposes of imposing discipline set forth in standard 1.3.

The parties submit that the stipulated discipline in this matter complies with the Standards both specifically and with regard to the general purposes and goals of the disciplinary process.

FINANCIAL CONDITIONS, RESTITUTION.

Within one year from the effective date of discipline in this matter, respondent must make restitution to Micaela Gonzalez or the Client Security Fund if it has paid, in the principal amount of \$3,700 plus interest at the rate of 10% per annum from February 7, 2009.

Within one year from the effective date of discipline in this matter, respondent must make restitution to Edgar Vasquez or the Client Security Fund if it has paid, in the principal amount of \$16,000 plus interest at the rate of 10% per annum from October 2008.

Within one year from the effective date of discipline in this matter, respondent must make restitution to Juan and Maria Hernandez or the Client Security Fund if it has paid, in the principal amount of \$15,000 plus interest at the rate of 10% per annum from October 2008.

Within one year from the effective date of discipline in this matter, respondent must make restitution to Ignacio and Soledad Munguia or the Client Security Fund if it has paid, in the principal amount of \$1,000 plus interest at the rate of 10% per annum from July 15, 2009.

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(6), was June 29, 2010.

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| In the Matter of ERIC DOUGLAS JOHNSON, #224065 | Case Number(s): 09-O-11599, 09-O-12808, 09-O-13803, 09-O-13900 |
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ORDER

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

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

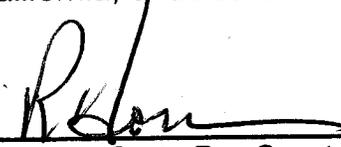
See attached Modifications to Stipulation.

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

Respondent Johnson is ordered transferred to involuntary inactive status pursuant to Business and Professions Code section 6007, subdivision (c)(4). Respondent's inactive enrollment will be effective three (3) calendar days after this order is served by mail and will terminate upon the effective date of the Supreme Court's order imposing discipline herein, or as provided for by rule 490(b) of the Rules of Procedure of the State Bar of California, or as otherwise ordered by the Supreme Court pursuant to its plenary jurisdiction.

7/28/10

Date



Judge of the State Bar Court
RICHARD A. HONN

MODIFICATIONS TO STIPULATION

1. On page 19 of the stipulation, the cost estimate is increased to \$3,840.00.
2. On page 20 of the stipulation, the text in the subdivision titled "FINANCIAL CONDITIONS, RESTITUTION" (four paragraphs) is deleted, and the following text (five paragraphs) is substituted in its place:

Within one year after the effective date of the Supreme Court order imposing discipline in this proceeding, respondent must make restitution to Micaela Gonzalez in the amount of \$3,700 plus 10 percent interest per annum from February 7, 2009 (or to the Client Security Fund to the extent of any payment from the fund to Gonzalez together with interest and costs in accordance with Business and Professions Code section 6140.5).

Within one year after the effective date of the Supreme Court order imposing discipline in this proceeding, respondent must make restitution to Edgar Vasquez in the amount of \$16,000 plus 10 percent interest per annum from October 31, 2008 (or to the Client Security Fund to the extent of any payment from the fund to Vasquez together with interest and costs in accordance with Business and Professions Code section 6140.5).

Within one year after the effective date of the Supreme Court order imposing discipline in this proceeding, respondent must make restitution to Juan and Maria Hernandez in the amount of \$15,000 plus 10 percent interest per annum from October 31, 2008 (or to the Client Security Fund to the extent of any payment from the fund to Juan Hernandez or Maria Hernandez, or both, together with interest and costs in accordance with Business and Professions Code section 6140.5).

Within one year after the effective date of the Supreme Court order imposing discipline in this proceeding, respondent must make restitution to Ignacio and Soledad Munguia in the amount of \$1,000 plus 10 percent interest per annum from July 15, 2009 (or to the Client Security Fund to the extent of any payment from the fund to Ignacio Munguia or Soledad Munguia, or both, together with interest and costs in accordance with Business and Professions Code section 6140.5).

Any restitution or payment obligation to the Client Security Fund is enforceable as provided in Business and Professions Code section 6140.5, subdivisions (c) and (d).

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 July 28, 2010, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND
ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

in a sealed envelope for collection and mailing on that date as follows:

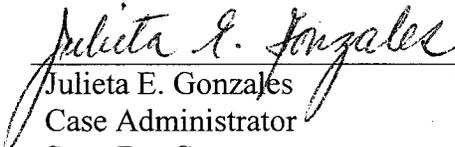
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

ERIC D JOHNSON ESQ
LAW OFFICES OF ERIC-DOUGLAS JOHNSON
3717 S LA BREA AVE #668
LOS ANGELES, CA 90016

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

Suzan J. Anderson, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on July 28, 2010.



Julieta E. Gonzales
Case Administrator
State Bar Court