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		<p align="center">State Bar Court of California Hearing Department Los Angeles</p> <p align="right">PUBLIC MATTER</p>	
<p>Counsel For The State Bar</p> <p>Kimberly G. Anderson Supervising Trial Counsel 1149 S. Hill Street Los Angeles, CA 90015 (213)756-1083</p>		<p>Case Number (s) 09-O-12160 et. al.</p> <p>See Attachment page 7 for a complete list of cases included.</p>	<p>(for Court's use)</p> <p align="center">FILED NOV 09 2010 STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Bar # 150359</p> <p>Counsel For Respondent</p> <p>Michael D. Michaels 1900 Quail Street Newport Beach, CA 92660 (949)777-8877</p>		<p>Submitted to: Settlement Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p>	
<p>Bar # 97288</p> <p>In the Matter Of: DAVID K. ARASE</p>		<p>ACTUAL SUSPENSION</p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>Bar # 233705</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 December 1, 2004.
- (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 47 pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".

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- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 284, Rules of Procedure.
 - costs to be paid in equal amounts prior to February 1 for the following membership years:
(hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
 - costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
 - costs entirely waived

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

- (1) **Prior record of discipline** [see standard 1.2(f)]
- (a) State Bar Court case # of prior case
 - (b) Date prior discipline effective
 - (c) Rules of Professional Conduct/ State Bar Act violations:
 - (d) Degree of prior discipline
 - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (2) **Dishonesty:** Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3) **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (4) **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. See, Stipulation Attachment, pages 44-45.
- (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. See, Stipulation Attachment, pages 44-45.

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- (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. See Additional Mitigating Circumstances.

Additional mitigating circumstances

See, Stipulation Attachment, page 45.

D. Discipline:

(1) **Stayed Suspension:**

- (a) Respondent must be suspended from the practice of law for a period of three (3) 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 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: pays restitution as set forth in the Financial Conditions--Restitution portion of the Stipulation Attachment at pages 45-46.

E. Additional Conditions of Probation:

- (1) If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in general law, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.
- (2) During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (3) Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4) Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and

conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.

- (5) Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

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

- (6) Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (7) Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.
- (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 321(a)(1) & (c), Rules of Procedure.**
- No MPRE recommended. Reason:

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- (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: DAVID K. ARASE

THE FOLLOWING CASES ARE INCLUDED IN AND INTENDED TO BE RESOLVED BY THIS STIPULATION:

CASE NUMBER(S): 09-O-12160, 09-O-12424, 09-O-12439, 09-O-12657, 09-O-13077, 09-O-13107, 09-O-13340, 09-O-13471, 09-O-14005, 09-O-14345, 09-O-14414, 09-O-15415, 09-O-16341, 09-O-16464, 09-O-16718, 09-O-16829, 09-O-17013, 09-O-17408, 09-O-17602, 09-O-17702, 09-O-17707, 09-O-17892, 09-O-18023, 09-O-18048, 09-O-18054, 09-O-18056, 09-O-18110, 09-O-18175, 09-O-18625, 09-O-18634, 09-O-18691, 09-O-19397, 09-O-19401, 09-O-19402, 10-O-00004, 10-O-04064, 10-O-01123, 10-O-01327, 10-O-01910, 10-O-04057, 10-O-04060, 10-O-04061, 10-O-04062, 10-O-04063, 10-O-05655, 10-O-05545, 10-O-05656, 10-O-05130, 10-O-05633, 10-O-05992, 10-O-06963, 10-O-08696, 10-O-08327 and 10-O-09136

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

The parties waive any variance between the Notice of Disciplinary Charges filed on April 27, 2010 and the facts and/or conclusions of law contained in this stipulation. Additionally, the parties waive the issuance of an amended Notice of Disciplinary Charges. The parties further waive the right to the filing of a Notice of Disciplinary Charges and to a formal hearing on any charge not included in the pending Notice of Disciplinary Charges.

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-12160:

Facts:

1. On August 5, 2008, Respondent entered into a "Legal Services Plan Agreement" ("Agreement"), with Home Advantage Funding Group, Inc., a mortgage company owned and operated by non-attorneys ("HAFG"), to represent clients who were referred to Respondent by HAFG. Under the Agreement, Respondent was to provide legal services to HAFG's clients with respect to home mortgage loan modifications. Under the Agreement, Respondent was to receive \$1,000 for each client referred by HAFG, payable by HAFG.
2. Between August 5, 2008 and October 29, 2008, HAFG referred nine clients to Respondent for legal services with respect to home mortgage loan modification. HAFG paid Respondent \$1,000 for the first five clients. HAFG did not pay Arase for the remaining four clients.

Legal Conclusions:

3. By entering into the Agreement and accepting clients referred by HAFG, Respondent willfully formed a partnership with a person who is not a lawyer where the activities consisted of the practice of law in violation of Rule 1-310 of the Rules of Professional Conduct.
4. By accepting payment from HAFG from fees paid by clients to HAFG for Respondent's legal services, Respondent willfully shared legal fees with a person who is not a lawyer in violation of Rule 1-320(A) of the Rules of Professional Conduct.

CASE NO. 09-O-12424:

Facts:

5. On December 24, 2008, Frank and Brenda Noble (the "Nobles"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Nobles' home mortgage loan. On or about December 24, 2008, the Nobles entered into an agreement for legal services with Respondent. On or about December 31, 2008, the Nobles paid Respondent an advanced fee in the sum of \$2,495.
6. The agreement for legal services that the Nobles signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Nobles' behalf with the Nobles' lender, Respondent would refund the advanced fee to the Nobles.
7. Respondent did not earn any of the advanced fees paid by the Nobles because he did not obtain a mortgage relief plan acceptable to the Nobles.
8. On March 26, 2009, the Nobles terminated Respondent's employment, in writing, and demanded a full refund of their unearned advanced fee of \$2,495. Although Respondent received the demand, to date, Respondent has not provided the Nobles with a refund of their unearned advanced fee.

Legal Conclusions:

9. By failing to refund to the Nobles any portion of the \$2,495 unearned advanced fee between March 26, 2009 and the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-12439:

Facts:

10. On August 13, 2008, Thurman and Dolores Colbert (the "Colberts"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Colberts' home mortgage loan. That same date, the Colberts signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,000.

11. The agreement for legal services that the Colberts signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Colberts' behalf with the Colberts' lender, Respondent would refund the advanced fee to the Colberts.
12. Respondent did not earn any of the advanced fees paid by the Colberts because he did not obtain a mortgage relief plan acceptable to the Colberts.
13. On February 3, 2009, the Colberts forwarded a written termination of Respondent's services and demanded a full refund of their unearned advanced fee to Respondent. Although Respondent had refunded \$896.75 of the \$3000 the Colberts paid in advanced fees that had not been earned prior to the State Bar's filing of the Notice of Disciplinary Charges in this matter. On May 19, 2010, Respondent refunded the remaining \$2,103.25 in advanced fees that had not been earned to the Colberts.

Legal Conclusions:

14. By failing to refund to the Colberts their entire unearned advanced fee between February 3, 2009 and May 19, 2010, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-12657:

Facts:

15. Respondent is not presently, and never has been, admitted to practice law in the state of Florida.
16. Rule 4-5.5 of the Florida Rules of Professional Conduct provides that it is prohibited conduct for a lawyer who is not admitted to practice law in Florida to hold out to the public or otherwise represent that the lawyer is admitted to practice law in Florida. The Supreme Court of Florida has determined that it constitutes the unlicensed practice of law for a lawyer admitted to practice law in a jurisdiction other than Florida to advertise to provide legal services in Florida which the lawyer is not authorized to provide [Amendments to Rules Regulating the Florida Bar (Fla. 2002) 820 So.2d 210; Amendments to Rules Regulating the Florida Bar (Fla. 1999) 762 So.2d 392, 294].
17. In August 2008, Respondent accepted the representation of Daniel and Julie Pettit (the "Pettits"), residents of Florida, held himself out as entitled to practice law in Florida, represented to the Pettits that he was entitled to practice law in Florida, and accepted the Pettits as clients, in order to negotiate and obtain for the Pettits a home mortgage loan modification for the Pettits' property in Florida. Respondent was grossly negligent and reckless in not knowing that he was not entitled to hold himself out or practice law in Florida when he accepted the representation of the Pettits.
18. On August 21, 2008, the Pettits signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,000.
19. By October 26, 2009, Respondent had refunded the \$3,000 in advanced fees he illegally charged the Pettits.

Legal Conclusions:

20. By accepting the Pettits' representation and holding himself out as entitled to practice law in Florida when he was not so entitled, and accepting the Pettits as clients, Respondent willfully violated of Rule 1-300(B) of the Rules of Professional Conduct by violating the regulations of the legal profession in Florida.
21. By entering into an agreement for, charging, and collecting fees for legal services from the Pettits, when he was not licensed to practice law in Florida, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Pettits in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-13077:

Facts:

22. On December 17, 2008, Edward Torres ("Torres"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Torres's home mortgage loan. On or about that same date, Torres entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$2,850.
23. The agreement for legal services that Torres signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Torres' behalf with Torres' lender, Respondent would refund the advanced fee to Torres.
24. Respondent did not earn any of the advanced fees paid by Torres because he did not obtain a mortgage relief plan acceptable to the Torres.
25. On June 24, 2009, Torres terminated Respondent's employment, orally, and demanded a full refund of his unearned advanced fee. Although Respondent received the demand, Respondent did not refund Torres' unearned advanced fee, until August 2, 2010, when he refunded \$2,850, plus an additional \$50.

Legal Conclusions:

26. By failing to refund to Torres any portion of the \$2,850 unearned advanced fees between June 24, 2009 and August 2, 2010, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-13107:

Facts:

27. Respondent is not presently, and never has been, admitted to practice law in the state of Washington.
28. Rule 5.5(b) of the Washington Rules of Professional Conduct prohibits a lawyer who is not admitted in Washington from holding out to the public or otherwise representing that he is

admitted to practice law in Washington and from establishing a law office or other systematic continuous presence in Washington. Washington RCW 2.48.180 also provides that a non-lawyer (defined to include someone not licensed to practice law in the state of Washington) commits the unauthorized practice of law by holding himself out as entitled to practice law in Washington.

29. On February 22, 2009, Respondent accepted the representation of Spas Spasov ("Spasov"), a resident of Washington, held himself out as entitled to practice law in Washington, represented to Spasov that he was entitled to practice law in Washington, and accepted Spasov as a client, in order to negotiate and obtain for Spasov a home mortgage loan modification for Spasov's Washington property. Respondent was grossly negligent and reckless in not knowing that he was not entitled to hold himself out or practice law in Washington when he accepted the representation of Spasov.
30. On February 22, 2009, Spasov signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,500.
31. On June 29, 2009, after Spasov filed a State Bar complaint against Respondent, Respondent refunded the \$3,500 to Spasov

Legal Conclusions:

32. By accepting Spasov's representation and holding himself out as entitled to practice law in Washington when he was not so entitled, Respondent willfully violated Rule 1-300(B) of the Rules of Professional Conduct by violating the regulations of the legal profession in Washington.
33. By entering into an agreement for, charging, and collecting fees for legal services from Spasov, when he was not licensed to practice law in Washington, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Spasov in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-13340:

Facts:

34. Respondent is not presently, and never has been, admitted to practice law in the state of Nevada.
35. Rule 5.5 of the Nevada Rules of Professional Conduct provides that a lawyer who is not admitted to practice law in Nevada shall not solicit clients in Nevada and/or represent or hold out to the public that the lawyer is admitted to practice law in Nevada.
36. On January 5, 2009, Respondent accepted the representation of Matt and Kelly Mitchell (the "Mitchells"), residents of Nevada, held himself out as entitled to practice law in Nevada, represented to the Mitchells that he was entitled to practice law in Nevada, and accepted the Mitchells as clients, in order to negotiate and obtain for the Mitchells a home mortgage loan modification for the Mitchells' Nevada property. Respondent was grossly negligent and reckless in not knowing that he was not entitled to hold himself out or practice law in Nevada when he accepted the representation of the Mitchells.

37. On January 5, 2009, the Mitchells signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$2,995.
38. On July 21, 2010, Respondent refunded the Mitchell's \$2,995 and paid them an additional \$299.25, totaling \$3,294.50.

Legal Conclusions:

39. By accepting the Mitchells' representation and holding himself out as entitled to practice law in Nevada when he was not so entitled, Respondent willfully violated Rule 1-300(B) of the Rules of Professional Conduct by violating the regulations of the legal profession in Nevada.
40. By entering into an agreement for, charging, and collecting fees for legal services from the Mitchells, when he was not licensed to practice law in Nevada, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Mitchells in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-13471:

Facts:

41. Respondent is not presently, and never has been, admitted to practice law in the state of Arizona.
42. Arizona Supreme Court Rule 31 defines "practice of law" as "providing legal advice or services to or for another by: (1) preparing any document in any medium intended to affect or secure legal rights for a specific person or entity; (2) preparing or expressing legal opinions; . . . (5) negotiating legal rights or responsibilities for a specific person or entity." Rule 31 also defines engaging in the "unauthorized practice of law, in pertinent part, as follows: ". . . using the designations "lawyer," "attorney at law," "counselor at law," "law," "law office," "J.D.," "Esq.," or other equivalent words by any person or entity who is not licensed to practice law in this state . . .". Additionally, Arizona Rules of Professional Conduct prohibit a lawyer who is not admitted in Arizona from holding out to the public or otherwise representing that the lawyer is admitted to practice law in Arizona.
43. On December 3, 2008, Respondent accepted the representation of Anthony Mancuso ("Anthony") through his mother Ellen Mancuso ("Ellen"), a resident of Arizona, held himself out as entitled to practice law in Arizona, represented to Anthony and Ellen that he was entitled to practice law in Arizona, and accepted Anthony as a client, in order to negotiate and obtain for Anthony a home mortgage loan modification for Anthony's Arizona property. Respondent was grossly negligent and reckless in not knowing that he was not entitled to hold himself out or practice law in Arizona when he accepted the representation of the Mancusos.
44. On December 3, 2008, Anthony signed an agreement for legal services with Respondent and Ellen paid Respondent an advanced fee in the sum of \$2,500.
45. On October 23, 2010 Respondent refunded \$2,000 to the Mancusos and on October 26, 2009 Respondent refunded \$300 to the Mancusos, but he still owes the Mancusos the \$200.00 balance. (See Restitution order, below.)

Legal Conclusions:

46. By accepting Anthony's representation and holding himself out as entitled to practice law in Arizona when he was not so entitled, Respondent willfully violated the regulations of the profession in Arizona and thereby violated Rule 1-300(B) of the Rules of Professional Conduct.
47. By entering into an agreement for, charging, and collecting fees for legal services from the Mancusos, when he was not licensed to practice law in Arizona, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Mancusos in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-14005:

Facts:

48. On January 8, 2009, Michael and Mary Jines (the "Jines"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Jines' home mortgage loan. On or about that same date, the Jines entered into an agreement for legal services with Respondent. On February 26, 2009, the Jines paid Respondent an advanced fee in the sum of \$1,950.
49. The agreement for legal services that the Jines signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Jines' behalf with the Jines' lender, Respondent would refund the advanced fee to the Jines.
50. Respondent did not earn any of the advanced fees paid by the Jines because he did not obtain a mortgage relief plan acceptable to the Jines.
51. On June 12, 2009, the Jines wrote to Respondent terminating his representation and demanding a full refund of their unearned advanced fee. Although Respondent received the demand, to date, Respondent has not provided the Jines with a refund of their unearned advanced fee.
52. On July 13, 2009, the State Bar opened an investigation, case number 09-O-14005, pursuant to a complaint filed by the Jines ("the Jines matter").
53. On August 4, 2009, a State Bar Investigator wrote to Respondent regarding the Jines matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Jines matter by August 18, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator by August 18, 2009.
54. On January 4, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned two page summary responding to the allegations in the Jines matter.

Legal Conclusions:

55. By not refunding to the Jines any portion of their unearned advanced fee from June 12, 2009 to the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
56. By not providing a written response to the allegations in the Jines matter or otherwise cooperating in the investigation of the Jines matter as of August 18, 2009, Respondent willfully failed to cooperate in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-14345:

Facts:

57. On December 29, 2008, Matthew Berto ("Berto"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Berto's home mortgage loan. On or about that same date, Berto entered into an agreement for legal services with Respondent. In January 2009, Berto paid Respondent an advanced fee of \$2,995.
58. The agreement for legal services that Berto signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Berto's behalf with Berto's lender, Respondent would refund the advanced fee to Berto.
59. Respondent did not earn any of the advanced fee paid by Berto because he did not obtain a mortgage relief plan acceptable to Berto.
60. On June 5, 2009, Berto wrote to Respondent terminating his services and demanding a full refund of his unearned advanced fee. Although Respondent received the demand, he did not promptly refund the unearned advanced fees.
61. On July 29, 2009, the State Bar opened an investigation, case number 09-O-14345, pursuant to a complaint filed by Berto ("the Berto matter").
62. On August 25, 2009, a State Bar Investigator wrote to Respondent regarding the Berto matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Berto matter by September 14, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
63. On January 8, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned three page summary responding to the allegations in the Berto matter.
64. On April 7, 2010, Respondent refunded to Berto the \$2,995 in unearned advanced fees.

Legal Conclusions:

65. By not refunding to Berto any portion of his unearned advanced fee between June 5, 2009 and April 7, 2010, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
66. By not providing a written response to the allegations in the Berto matter or otherwise cooperating in the investigation of the Berto matter as of September 14, 2009, Respondent willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-14414:

Facts:

67. On December 16, 2008, Raleigh and Shirley Stanley (the "Stanleys"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Stanleys home mortgage loan. On or about that same date, the Stanleys entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,495.
68. The agreement for legal services that the Stanleys signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Stanleys' behalf with the Stanleys' lender, Respondent would refund the advanced fee to the Stanleys.
69. Respondent did not earn any of the advanced fee paid by the Stanleys because he did not obtain a mortgage relief plan acceptable to the Stanleys.
70. On July 21, 2009, the Stanleys terminated Respondent's representation and demanded, in writing, a full refund of their unearned advanced fee of \$3,495. Although Respondent received the demand, he did not promptly refund the unearned advanced fees.
71. On July 28, 2009, the State Bar opened an investigation, case number 09-O-14414, pursuant to a complaint filed by the Stanleys ("the Stanley matter").
72. On August 25, 2009, a State Bar Investigator wrote to Respondent regarding the Stanley matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Stanley matter by September 14, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
73. On October 26, 2009, Respondent did refund the \$3,495 in unearned advanced fees to the Stanleys.
74. On January 8, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned three page summary responding to the allegations in the Stanley matter.

Legal Conclusions:

75. By not refunding to the Stanleys any portion of their unearned advanced fee between July 21, 2009 and October 26, 2009, Respondent willfully failed to refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
76. By not providing a written response to the allegations in the Stanley matter or otherwise cooperating in the investigation of the Stanley matter as of September 14, 2009, Respondent willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-15415:

Facts:

77. On February 18, 2009, Joel and Joanna Alvarado (the "Alvarados"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Alvarados' home mortgage loan. On or about that same date, the Alvarados entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$7,000.
78. The agreement for legal services that the Alvarados signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Alvarados' behalf with the Alvarados' lender, Respondent would refund the advanced fee to the Alvarados.
79. Respondent did not earn any of the advanced fee paid by the Alvarados because he did not obtain a mortgage relief plan acceptable to the Alvarados.
80. On August 11, 2009, the Alvarados terminated Respondent's representation and demanded, in writing, a full refund of their unearned advanced fee of \$7,000. Although Respondent received the demand, to date, Respondent has not provided the Alvarados a refund of their unearned advanced fee.
81. On August 27, 2009, the State Bar opened an investigation, case number 09-O-15415, pursuant to a complaint filed by the Alvarados ("the Alvarado matter").
82. On September 2, 2009, Respondent refunded ^{\$ 6,250 KA} ~~\$6,187~~ of the \$7,000 in unearned fees to the Alvarados, but Respondent has not refunded the ~~\$813~~ ^{\$ 750 KA} balance to date.
83. On September 21, 2009, a State Bar Investigator wrote to Respondent regarding the Alvarado matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Alvarado matter by October 5, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
84. On January 4, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned three page summary responding to the allegations in the Alavarado matter.

Legal Conclusions:

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85. By failing to refund to the Alvarados \$813 of their unearned advanced fees between August 11, 2009 and the present, which he had not earned, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
 86. By not providing a written response to the allegations in the Alvarado matter or otherwise cooperating in the investigation of the Alvarado matter as of October 5, 2009, Respondent willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-16341:

Facts:

87. On January 9, 2009, Francisco and Cecilia Sosa (the "Sosas"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage loan lender for a modification of the Sosas' home mortgage loan. On or about that same date, the Sosas entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,000.
88. The agreement for legal services that the Sosas signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Sosas' behalf with the Sosas' lender, Respondent would refund the advanced fee to the Sosas.
89. Respondent did not earn any of the advanced fee paid by the Sosas because he did not obtain a mortgage relief plan acceptable to the Sosas.
90. On April 1, 2009, the Sosas terminated Respondent's representation and demanded a full refund of their unearned advanced fee of \$3,000. Although Respondent received the demand, to date, Respondent has not provided the Sosas with a refund of their unearned advanced fee.
91. On September 24, 2009, the State Bar opened an investigation, case number 09-O-16341, pursuant to a complaint filed by the Sosas ("the Sosa matter").
92. On October 20, 2009, a State Bar Investigator wrote to Respondent regarding the Sosa matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Sosa matter by November 3, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.

Legal Conclusions:

93. By not refunding to the Sosas any portion of their unearned advanced fee from April 1, 2009 to the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
94. By not providing a written response to the allegations in the Sosa matter or otherwise cooperating in the investigation of the Sosa matter as of November 3, 2009, Respondent willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-16464:

Facts:

95. On January 5, 2009, Stephen and Kenneth Kirby (the "Kirbys"), California residents, employed Respondent to represent them in order to negotiate with their home lender and obtain a modification of the Kirbys' home mortgage loan. On or about that same date, the Kirbys entered into an agreement for legal services with Respondent and Kenneth paid Respondent an advanced fee in the sum of \$4,995.
96. The agreement for legal services that the Kirbys signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Kirbys' behalf with the Kirbys' lender, Respondent would refund the advanced fee to the Kirbys.
97. Respondent did not earn any of the advanced fee paid by Kenneth because he did not obtain a mortgage relief plan acceptable to the Kirbys.
98. On August 4, 2009, Kenneth wrote to Respondent terminating his representation and demanded a full refund of their unearned advanced fee in the sum of \$4,995. Although Respondent received the demand, to date, Respondent has not provided Kenneth with a refund of their unearned advanced fee.
99. On September 25, 2009, the State Bar opened an investigation, case number 09-O-16464, pursuant to a complaint filed by the Kirbys ("the Kirby matter").
100. On October 21, 2009, a State Bar Investigator wrote to Respondent regarding the Kirby matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Kirby matter by November 4, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
101. On January 4, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned two page summary responding to the allegations in the Kirby matter.

Legal Conclusions:

102. By not refunding to Kenneth any portion of his unearned advanced fee between August 4, 2009 and the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
103. By not providing a written response to the allegations in the Kirby matter or otherwise cooperating in the investigation of the Kirby matter as of November 4, 2009, Respondent

willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-16718:

Facts:

104. In November, 2008, Cynthia Reed ("Reed"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Reed's home mortgage loan. In or about November 2008, Reed entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$2,495.
105. The agreement for legal services that Reed signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Reed's behalf with her lender, Respondent would refund the advanced fee to Reed.
106. Respondent did not earn any of the advanced fee paid by Reed because he did not obtain a mortgage relief plan acceptable to Reed.
107. In September 2009, Reed wrote to Respondent terminating his services and demanded a full refund of her unearned advanced fee. Although Respondent received the demand, to date, Respondent has not provided Reed with a refund of her unearned advanced fee.
108. On October 1, 2009, the State Bar opened an investigation, case number 09-O-16718, pursuant to a complaint filed by Reed ("the Reed matter").
109. On November 3, 2009, a State Bar Investigator wrote to Respondent regarding the Reed matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Reed matter by November 17, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
110. On January 4, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned two page summary responding to the allegations in the Reed matter.

Legal Conclusions:

111. By not refunding to Reed any portion of her unearned advanced fee between September 2009 and the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
112. By not providing a written response to the allegations in the Reed matter or otherwise cooperating in the investigation of the Reed matter as of November 17, 2009, Respondent willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-16829:

Facts:

113. Respondent is not presently, and never has been, admitted to practice law in the state of Nevada.
114. Rule 5.5 of the Nevada Rules of Professional Conduct provides that a lawyer who is not admitted to law in Nevada shall not solicit clients in Nevada and/or represent or hold out to the public that the lawyer is admitted to practice law in Nevada.
115. In January 2009, Respondent accepted the representation of Steven and Kelly Miller (the "Millers"), residents of Nevada, held himself out as entitled to practice law in Nevada, represented to the Millers that he was entitled to practice law in Nevada, and accepted the Millers as clients, in order to negotiate and obtain for the Millers a home mortgage loan modification for the Millers' Nevada property. Respondent was reckless and grossly negligent in not knowing that he could not hold himself out or practice law in Nevada at the time he accepted the Millers as clients.
116. In January 2009, the Millers signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,499.
117. On October 8, 2009, the State Bar opened an investigation, case number 09-O-16829, pursuant to a complaint filed by the Millers ("the Miller matter").
118. On November 3, 2009, a State Bar Investigator wrote to Respondent regarding the Miller matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Miller matter by November 17, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
119. On January 14, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned two page summary responding to the allegations in the Miller matter.
120. On May 10, 2010, Respondent refunded \$1,749.50 of the \$3,499.00 in advanced fees he illegally charged the Millers, but Respondent still owes the Millers the \$1,749.50 balance of those fees he charged. (See Restitution Conditions, below.)

refunded \$1,749.50.

On October 26, 2009, Respondent

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Legal Conclusions:

121. By accepting the Millers' representation and holding himself out as entitled to practice law in Nevada when he was not so licensed, Respondent willfully violated the regulations of the profession in Nevada and thereby violated Rule 1-300(B) of the Rules of Professional Conduct.
122. By entering into an agreement for, charging, and collecting fees for legal services from the Millers, when he was not licensed to practice law in Nevada, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Millers in violation of Rule 4-200(A) of the Rules of Professional Conduct.
123. By not providing a written response to the allegations in the Miller matter or otherwise cooperating in the investigation of the Miller matter as of November 17, 2009, Respondent

willfully failed to cooperate and participate timely in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-17013:

Facts:

124. On October 20, 2008, Ardys Sandell ("Sandell"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender for a modification of Sandell's home mortgage loan. On or about that same date, Sandell entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,495.
125. The agreement for legal services that Sandell signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Sandell's behalf with her lender, Respondent would refund the advanced fee to Sandell.
126. Respondent did not earn any of the advanced fee paid by Sandell because he did not obtain a mortgage relief plan acceptable to Sandell.
127. On August 18, 2009, Sandell wrote to Respondent terminating his services and demanding a full refund of his unearned advanced fee. Although Respondent received the demand, to date, he has not provided Sandell a refund of his unearned advanced fee.
128. On October 5, 2009, the State Bar opened an investigation, case number 09-O-17013, pursuant to a complaint filed by Sandell ("the Sandell matter").
129. On November 3, 2009, a State Bar Investigator wrote to Respondent regarding the Sandell matter. The investigator's letter requested that Respondent respond in writing to specific allegations of misconduct being investigated by the State Bar in the Sandell matter by November 17, 2009. Respondent received the letter, but Respondent did not respond to the investigator's letter in writing or otherwise communicate with the investigator.
130. On January 4, 2010, following a twenty-day meeting with the assigned trial counsel, Respondent emailed an undated and unsigned two page summary responding to the allegations in the Sandell matter.

Legal Conclusions:

131. By not refunding to Sandell his unearned advanced fee between August 18, 2009 and the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.
132. By not providing a written response to the allegations in the Sandell matter or otherwise cooperating in the investigation of the Sandell matter as of November 17, 2009, Respondent willfully failed to cooperate and timely participate in a disciplinary investigation in violation of Business and Professions Code, section 6068(i).

CASE NO. 09-O-17408:

Facts:

133. On October 7, 2008, Eliseo Nuestro ("Nuestro"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Nuestro's home mortgage loan. On October 7, 2008, Nuestro entered into an agreement for legal services with Respondent. Between October 7, 2008 and February 11, 2009, Nuestro paid Respondent an advanced fee in the sum of \$5,787.50.
134. The agreement for legal services that Nuestro signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Nuestro's behalf with his lender, Respondent would refund the advanced fee to Nuestro.
135. Respondent did not earn any of the advanced fee paid by Nuestro because he did not obtain a mortgage relief plan acceptable to Nuestro.
136. Respondent effectively terminated his representation of Nuestro when he stopped returning phone calls on or about September 29, 2009, resulting in Nuestro's filing of a State Bar complaint against Respondent. Although Respondent terminated his representation of Nuestro and had the refund clause in the agreement for legal services, at no time did Respondent provide Nuestro with a refund of his unearned advanced fee.

Legal Conclusions:

137. By not refunding to Nuestro his unearned advanced fee between September 29, 2009 and the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-17602:

Facts:

138. On October 7, 2008, Keith Ring ("Ring"), a California resident, employed Respondent to represent him in order to negotiate with his mortgage lender and obtain a modification of Ring's home mortgage loans on four separate properties. On or about that same date, Ring entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$5000.
139. The agreement for legal services that Ring signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Ring's behalf with his lenders, Respondent would refund the advanced fee to Ring.
140. Respondent did not earn any of the advanced fees because he did not obtain a mortgage relief plan acceptable to Ring.
141. On August 6, 2009, Ring wrote to Respondent terminating his services and demanding a full refund of his unearned advanced fee. Although Respondent received the demand, to date, Respondent has not provided Ring a refund of his unearned advanced fee.

142. Although Respondent terminated his representation of Ring and had the refund clause in the agreement for legal services, at no time did Respondent provide Ring with a refund of his unearned advanced fee.

Legal Conclusions:

143. By not refunding to Ring his unearned advanced fee between August 6, 2009 and the present, Respondent willfully failed to promptly refund unearned fees in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-17702:

Facts:

144. Respondent is not presently, and never has been, admitted to practice law in the state of Alabama.
145. Section 34-3-1 of the Alabama Professions and Businesses Code provides that if any person shall, without having become duly licensed to practice law, practice law or assume to act or hold himself out to the public as a person qualified to practice law or carry on the calling of a lawyer, he shall be guilty of a misdemeanor and fined not to exceed \$500, or be imprisoned for a period not to exceed six months, or both. Section 34-3-6 provides that only such persons as are regularly licensed in Alabama have authority to practice law in Alabama. Rule 5.5 of the Alabama Rules of Professional conduct provides that a lawyer who is not admitted to law in Alabama shall not represent or hold out to the public that the lawyer is admitted to practice law in Alabama.
146. In January 2009, Respondent accepted the representation of Alfred and Dorothy Vickers (the "Vickers"), residents of Alabama, held himself out as entitled to practice law in Alabama, represented to the Vickers that he was entitled to practice law in Alabama, and accepted the Vickers as clients, in order to negotiate and obtain for the Vickers a home mortgage loan modification for the Vickers' Alabama property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Alabama when he accepted the Vickers as clients.
147. In January 2009, the Vickers signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$2,499.
148. On October 22, 2009, Respondent refunded the \$2,499 in illegally charged fees to the Vickers.

Legal Conclusions:

149. By accepting the Vickers' representation and holding himself out as entitled to practice law in Alabama when he was not so entitled, Respondent willfully practiced law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction in violation of Rule 1-300(b) of the Rules of Professional Conduct.
150. By entering into an agreement for, charging, and collecting fees for legal services from the Vickers, when he was not licensed to practice law in Alabama, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Vickers in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-17707:

Facts:

151. On December 10, 2008, Marcus and Catrina Clark (the "Clarks"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Clarks' home mortgage loan. On or about that same date, the Clarks entered into an agreement for legal services with Respondent. Between December 10, 2008 and March 16, 2009, the Clarks paid Respondent an advanced fee in the sum of \$3,300.
152. The agreement for legal services that the Clarks signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Clarks' behalf with the Clarks' lender, Respondent would refund the advanced fee to the Clarks.
153. Respondent did not earn any of the advanced fee paid by the Clarks because he did not obtain a mortgage relief plan acceptable to the Clarks.
154. On October 20, 2009, the Clarks terminated Respondent's employment by telephone and demanded a full refund of their unearned advanced fee. Although Respondent received the demand, to date he has not provided the Clarks with a refund of their unearned advanced fee.

Legal Conclusions:

155. By not refunding to the Clarks their unearned advanced fees between October 20, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct..

CASE NO. 09-O-17892:

Facts:

156. Respondent is not presently, and never has been, admitted to practice law in the state of Nevada.
157. Rule 5.5 of the Nevada Rules of Professional Conduct provides that a lawyer who is not admitted to practice law in Nevada shall not solicit clients in Nevada and/or represent or hold out to the public that the lawyer is admitted to practice law in Nevada.
158. In January 2009, Respondent accepted the representation of Jose Zavala ("Zavala"), a resident of Nevada, held himself out as entitled to practice law in Nevada, represented to Zavala that he was entitled to practice law in Nevada, and accepted Zavala as a client, in order to negotiate and obtain for Zavala a home mortgage loan modification for Zavala's Nevada property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Nevada when he accepted Zavala as a client.
159. On or about February 11, 2009, Zavala signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$1,750.

Legal Conclusions:

160. By accepting Zavala's representation and holding himself out as entitled to practice law in Nevada when he was not so entitled, Respondent willfully practiced law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction in violation of Rule 1-300(b) of the Rules of Professional Conduct.
161. By entering into an agreement for, charging, and collecting fees for legal services from Zavala, when he was not licensed to practice law in Nevada, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Zavala in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-18023:

Facts:

162. In October, 2008, Betty Collins ("Collins"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Collins's home mortgage loan. In October 2008, Collins entered into an agreement for legal services with Respondent. On November 10, 2008, Collins paid Respondent an advanced fee in the sum of \$3,000.
163. The agreement for legal services that Collins signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Collins' behalf with Collins' lender, Respondent would refund the advanced fee to Collins.
164. Respondent did not earn any of the advanced fee paid by Collins because he did not obtain a mortgage relief plan acceptable to the Collins.
165. On September 25, 2009, Collins terminated Respondent's employment by telephone and demanded a full refund of her unearned advanced fee. Although Respondent received the demand, to date Respondent has not provided Collins with a refund of her unearned advanced fee.

Legal Conclusions:

166. By not refunding to Collins her unearned advanced fee between September 25, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-18048:

Facts:

167. On April 14, 2009, Thelbert and Brenda Wilkinson (the "Wilkinsons"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Wilkinsons' home mortgage loan. On or about that same date, the Wilkinsons entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,000.

168. The agreement for legal services that the Wilkinsons signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Wilkinsons' behalf with the Wilkinsons' lender, Respondent would refund the advanced fee to the Wilkinsons.
169. Respondent did not earn any of the advanced fee paid by the Wilkinsons because he did not obtain a mortgage relief plan acceptable to the Wilkinsons.
170. On September 15, 2009, the Wilkinsons terminated Respondent's employment in writing and demanded a full refund of their unearned advanced fee. Although Respondent received the demand, to date, he has not provided the Wilkinsons with a refund of their unearned advanced fee.
171. On May 17, 2010, Respondent refunded \$1,700 to the Wilkinsons, but he still has not refunded the \$1,300 balance of unearned fees. *on December 15, 2009, Respondent refunded \$500 to the Wilkinsons. KAT*

Legal Conclusions:

172. By not refunding to the Wilkinsons \$1,700 of their unearned advanced fees between September 15, 2009 and May 17, 2010, and by not refunding the \$1,300 balance of their unearned fees from September 15, 2009 to the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-18054:

Facts:

173. Respondent is not presently, and never has been, admitted to practice law in the state of Nevada.
174. Rule 5.5 of the Nevada Rules of Professional Conduct provides that a lawyer who is not admitted to practice law in Nevada shall not solicit clients in Nevada and/or represent or hold out to the public that the lawyer is admitted to practice law in Nevada.
175. On January 6, 2009, Respondent accepted the representation of Roger and Shirley Tromerhauser (the "Tromerhausers"), residents of Nevada, held himself out as entitled to practice law in Nevada, represented to the Tromerhausers that he was entitled to practice law in Nevada, and accepted the Tromerhausers as clients, in order to negotiate and obtain for the Tromerhausers a home mortgage loan modification for the Tromerhausers' Nevada property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Nevada when he accepted the Tromerhausers as clients.
176. On January 6, 2009, the Tromerhausers signed an agreement for legal services with Respondent and in or about January and February 2009, the Tromerhausers paid Respondent an advanced fee in the sum of \$3,490.

Legal Conclusions:

177. By accepting the Tromerhausers' representation and holding himself out as entitled to practice law in Nevada when he was not so licensed, Respondent practiced law in a jurisdiction where

practicing is in violation of the regulations of the profession in that jurisdiction in violation of Rule 1-300(b) of the Rules of Professional Conduct.

178. By entering into an agreement for, charging, and collecting fees for legal services from the Tromerhausers, when he was not licensed to practice law in Nevada, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Tromerhausers in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-18056:

Facts:

179. Respondent is not presently, and never has been, admitted to practice law in the state of Washington.
180. Rule 5.5(b) of the Washington Rules of Professional Conduct prohibits a lawyer who is not admitted in Washington from holding out to the public or otherwise representing that he is admitted to practice law in Washington and from establishing a law office or other systematic continuous presence in Washington absent certain exceptions not applicable here. Washington RCA 2.48.180 also provides that a non-lawyer (defined to include someone not licensed to practice law in the state of Washington) commits the unauthorized practice of law by holding himself out as entitled to practice law.
181. On January 30, 2009, Respondent accepted the representation of Gerardo Alaniz ("Alaniz"), a resident of Washington, held himself out as entitled to practice law in Washington, represented to Alaniz that he was entitled to practice law in Washington, and accepted Alaniz as a client, in order to negotiate and obtain for Alaniz a home mortgage loan modification for Alaniz's Washington property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Washington when he accepted the Alaniz as a client.
182. On January 30, 2009, Alaniz signed an agreement for legal services with Respondent and in January and February, 2009, Alaniz paid Respondent an advanced fee in the sum of \$3,000.
183. On July 27, 2010, Respondent refunded the \$3,000 to Alaniz.

Legal Conclusions:

184. By accepting Alaniz's representation and holding himself out as entitled to practice law in Washington when he was not so licensed, Respondent practiced law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction in violation of the regulations of the profession in that jurisdiction in violation of Rule 1-300(b) of the Rules of Professional Conduct.
185. By entering into an agreement for, charging, and collecting fees for legal services from Alaniz, when he was not licensed to practice law in Washington, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Alaniz in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-18110:

Facts:

186. On August 25, 2008, Ivania Hernandez ("Hernandez"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of the Hernandez's home mortgage loan. On or about that same date, Hernandez entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$2,995.
187. Respondent did not earn any of the advanced fees paid by Hernandez because he did not obtain a mortgage relief plan acceptable to Hernandez.
188. The agreement for legal services that Hernandez signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Hernandez's behalf with her lender, Respondent would refund the advanced fee to Hernandez.
189. In November 2009, Hernandez terminated Arase's services and demanded a refund of the unearned advanced fees. Respondent received notice of the demand for refund. At no time did Respondent provide Hernandez with a refund of her advanced fee.

Legal Conclusions:

190. By not refunding to Hernandez her unearned advanced fee between November 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-18175:

Facts:

191. On January 16, 2009, Saleta Darnell ("Darnell"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Darnell's home mortgage loan. On or about that same date, Darnell entered into an agreement for legal services with Respondent. On January 20, 2009, Darnell paid Respondent an advanced fee in the sum of \$3,690.
192. The agreement for legal services that Darnell signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Darnell's behalf with Darnell's lender, Respondent would refund the advanced fee to Darnell.
193. Respondent did not earn any of the advanced fees paid by Darnell because he did not obtain a mortgage relief plan acceptable to Darnell.
194. On April 3, 2009, Darnell terminated Respondent's employment by letter and demanded a full refund of her unearned advanced fee. Although Respondent received the demand, to date, Respondent has not provided Darnell with a refund of her unearned advanced fee.

Legal Conclusions:

195. By not refunding to Darnell her unearned advanced fees between April 3, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-18625:

Facts:

196. On December 5, 2009, Raymond and Pamela Moreno (the "Morenos"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Morenos' home mortgage loan. On or about that same date, the Morenos entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,000.
197. Respondent did not earn any of the advanced fees paid by the Morenos because he did not obtain a mortgage relief plan acceptable to the Morenos.
198. The agreement for legal services that the Morenos signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Morenos' behalf with their lender, Respondent would refund the advanced fee to the Morenos.
199. In April 2009, the Morenos terminated Respondent's services and demanded a refund of any unearned fees. Although Respondent received the demand from the Morenos, at no time did Respondent provide the Morenos with a refund of their advanced fee.

Legal Conclusions:

200. By not refunding to the Morenos their unearned advanced fee between April 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-18634:

Facts:

201. On December 11, 2008, Sukhjinder Kaur ("Kaur"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Kaur's home mortgage loan. On December 11, 2008, Kaur entered into an agreement for legal services with Respondent and in December 2008, Kaur paid Respondent an advanced fee in the sum of \$3,300.
202. The agreement for legal services that Kaur signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Kaur's behalf with Kaur's lender, Respondent would refund the advanced fee to Kaur.
203. Respondent did not earn any of the fees advanced by Kaur because he did not obtain a mortgage relief plan acceptable to Kaur.

204. On November 12, 2009, Kaur terminated Respondent's employment and demanded a full refund of her unearned advanced fee in writing. Although Respondent received the demand, to date, he has not provided Kaur with a refund of his unearned advanced fee.

Legal Conclusions:

205. By not refunding to Kaur his unearned advanced fee between November 12, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-18691:

Facts:

206. On March 10, 2009, Derrin Jenkins ("Jenkins"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Jenkins' home mortgage loan. On or about that same date, Jenkins entered into an agreement for legal services with Respondent and between March 12, 2009, and May 18, 2009, Jenkins paid Respondent an advanced fee in the sum of \$3,995.

207. The agreement for legal services that Jenkins signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Jenkins' behalf with Jenkins' lender, Respondent would refund the advanced fee to Jenkins.

208. Respondent did not earn any of the advanced fee paid by Jenkins because he did not obtain a mortgage relief plan acceptable to Jenkins.

209. On October 19, 2009, Jenkins orally terminated Respondent's employment and demanded a full refund of his unearned advanced fee at a meeting with Respondent. Although Respondent promised to return the unearned advanced fee, Respondent did not promptly refund the unearned advanced fee.

210. Respondent refunded \$500 to Jenkins in December 2009 and refunded \$3,495 to Jenkins by check issued April 7, 2010.

Legal Conclusions:

211. By not refunding to Jenkins all of his unearned advanced fees between October 19, 2009 and April 7, 2010, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-19397:

Facts:

212. On January 18, 2009, James Sena and Brenda Solano (the "Solanos"), California residents, employed Respondent to represent them in order to negotiate with their home mortgage lender and obtain a modification of the Solanos' home mortgage loan. On or about that same date, the Solanos entered into an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,800.

213. The agreement for legal services that the Solanos signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on the Solanos' behalf with the Solanos' lender, Respondent would refund the advanced fee to the Solanos.
214. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to the Solanos.
215. In July 2009, the Solanos terminated Respondent's employment and demanded a full refund of their unearned advanced fee by telephone. Although Respondent received the demand, to date, Respondent has not provided the Solanos with a refund of their unearned advanced fee.

Legal Conclusions:

216. By not refunding to the Solanos their unearned advanced fees between July 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 09-O-19401:

Facts:

217. Respondent is not presently, and never has been, admitted to practice law in the state of Arizona.
218. Arizona Supreme Court Rule 31 defines "practice of law" as "providing legal advice or services to or for another by: (1) preparing any document in any medium intended to affect or secure legal rights for a specific person or entity; (2) preparing or expressing legal opinions; . . . (5) negotiating legal rights or responsibilities for a specific person or entity." Rule 31 also defines engaging in the "unauthorized practice of law, in pertinent part, as follows: ". . . using the designations "lawyer," "attorney at law," "counselor at law," "law," "law office," "J.D.," "Esq.," or other equivalent words by any person or entity who is not licensed to practice law in this state . . .".
219. On March 30, 2009, Respondent accepted the representation of Paul and Sherre Lee (the "Lees"), residents of Arizona, held himself out as entitled to practice law in Arizona, represented to the Lees that he was entitled to practice law in Arizona, and accepted the Lees as clients, in order to negotiate and obtain for the Lees a home mortgage loan modification for the Lees' Arizona property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Arizona when he accepted the Lees as clients.
220. On March 30, 2009, the Lees signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$3,500.
221. On July 30, 2010, Respondent refunded the \$3,500 to the Lees and also paid the Lees an additional \$350 for a total payment to the Lees of \$3,850.

Legal Conclusions:

222. By accepting the Lees' representation and holding himself out as entitled to practice law in Arizona when he was not so entitled, Respondent practiced law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction in violation of Rule 1-300(b) of the Rules of Professional Conduct.
223. By entering into an agreement for, charging, and collecting fees for legal services from the Lees, when he was not licensed to practice law in Arizona, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Lees in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 09-O-19402:

Facts:

224. Respondent is not presently, and never has been, admitted to practice law in the state of Nevada.
225. Rule 5.5 of the Nevada Rules of Professional Conduct, provides that a lawyer who is not admitted to practice law in Nevada shall not solicit clients in Nevada and/or represent or hold out to the public that the lawyer is admitted to practice law in Nevada.
226. In September 2008, Respondent accepted the representation of Rito Lopez ("Lopez"), a resident of Nevada, held himself out as entitled to practice law in Nevada, represented to Lopez that he was entitled to practice law in Nevada, and accepted Lopez as a client, in order to negotiate and obtain for Lopez a home mortgage loan modification for Lopez's Nevada property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Nevada when he accepted Lopez as a client.
227. In September 2008, Lopez signed an agreement for legal services with Respondent and paid him an advanced fee in the sum of \$2,200.

Legal Conclusions:

228. By accepting Lopez's representation and holding himself out as entitled to practice law in Nevada when he was not so licensed, Respondent practiced law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction in violation of Rule 1-300(b) of the Rules of Professional Conduct.
229. By entering into an agreement for, charging, and collecting fees for legal services from Lopez, when he was not licensed to practice law in Nevada, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Lopez in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 10-O-00004:

Facts:

230. In December 2008, Bobby Lawson ("Lawson"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Lawson's home mortgage loan. In December 2008, Lawson entered into an agreement for legal

services with Respondent and in January 2009, Lawson paid Respondent an advanced fee in the sum of \$2,995.

231. The agreement for legal services that Lawson signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Lawson's behalf with Lawson's lender, Respondent would refund the advanced fee to the Lawson.
232. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Lawson.
233. In July 2009, Lawson terminated Respondent's employment and demanded a full refund of his unearned advanced fee. Although Respondent received the demand, to date, has not provided Lawson with a refund of his unearned advanced fee.

Legal Conclusions:

234. By not refunding to Lawson his unearned advanced fees between July 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-04064 (An Unfiled Matter):

Facts:

235. In December 2008, Robert Glorae ("Glorae"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Glorae's home mortgage loan. In December 2008, Glorae entered into an agreement for legal services and paid Respondent an advanced fee in the sum of \$2,990.
236. The agreement for legal services that Glorae signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Glorae's behalf with Glorae's lender, Respondent would refund the advanced fee to the Glorae.
237. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Glorae.
238. On December 29, 2009, Glorae met with Respondent at his office and demanded a refund. To date Respondent has not refunded any portion of the \$2990 in advanced fees.

Legal Conclusions:

239. By not refunding to Glorae his unearned advanced fees between December 29, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-01123 (An Unfiled Matter):

Facts:

240. On July 21, 2008, Victor Mendoza ("Mendoza"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Mendoza's home mortgage loan. On July 21, 2008, Mendoza entered into an agreement for legal services and paid Respondent an advanced fee in the sum of \$2,995.
241. The agreement for legal services that Mendoza signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Mendoza's behalf with Mendoza's lender, Respondent would refund the advanced fee to the Mendoza.
242. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Mendoza.
243. On December 8, 2009, Mendoza complained to the State Bar that Respondent was unable to obtain a loan modification for him, and that Respondent had not refunded any portion of the \$2995 in advanced fees. Respondent effectively terminated his employment by failing to respond to Mendoza's telephone calls after December 8, 2010, but Respondent did not promptly refund unearned fees.

Legal Conclusions:

244. By not refunding to Mendoza his unearned advanced fees between December 8, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-01910 (An Unfiled Matter):

Facts:

245. Respondent is not presently, and never has been, admitted to practice law in the state of Washington.
246. Rule 5.5(b) of the Washington Rules of Professional Conduct prohibits a lawyer who is not admitted in Washington from holding out to the public or otherwise representing that he is admitted to practice law in Washington and from establishing a law office or other systematic continuous presence in Washington absent certain exceptions not applicable here. Washington RCA 2.48.180 also provides that a non-lawyer (defined to include someone not licensed to practice law in the state of Washington) commits the unauthorized practice of law by holding himself out as entitled to practice law.
247. In November 2009, Respondent accepted the representation of Milton Kemp ("Kemp"), a resident of Washington, held himself out as entitled to practice law in Washington, represented to Kemp that he was entitled to practice law in Washington, and accepted Kemp as a client, in order to negotiate and obtain for Kemp a home mortgage loan modification for Kemp's Washington property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Washington when he accepted Kemp as a client.
248. In November 2009, Kemp paid Respondent an advanced fee in the sum of \$2,495 to perform legal services.

Legal Conclusions:

249. By entering into an agreement for, charging, and collecting fees for legal services from Kemp, when he was not licensed to practice law in Washington, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Kemp in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 10-O-04057 (An Unfiled Matter):

Facts:

250. Respondent is not presently, and never has been, admitted to practice law in the state of Utah.
251. Rule 5.5(b) of the Utah Rules of Professional Conduct prohibits a lawyer who is not admitted in Utah from holding out to the public or otherwise representing that he is admitted to practice law in Utah and from establishing a law office or other systematic continuous presence in Utah absent certain exceptions not applicable here.
252. On February 24, 2009, Respondent accepted the representation of Howard Mason ("Mason"), a resident of Utah, held himself out as entitled to practice law in Utah, represented to Mason that he was entitled to practice law in Utah, and accepted Mason as a client, in order to negotiate and obtain for Mason a home mortgage loan modification for Mason's Utah property. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Utah when he accepted Mason as a client.
253. In February 24, 2009, Mason paid Respondent an advanced fee in the sum of \$2,400 to perform legal services.

Legal Conclusions:

254. By entering into an agreement for, charging, and collecting fees for legal services from Mason, when he was not licensed to practice law in Utah, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Mason in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 10-O-04060 (An Unfiled Matter):

Facts:

255. On December 3, 2008, Bryan Cottriel ("Cottriel"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Cottriel's home mortgage loan. On December 3, 2008, Cottriel entered into an agreement for legal services and paid Respondent an advanced fee in the sum of \$3,500.
256. The agreement for legal services that Cottriel signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Cottriel's behalf with Cottriel's lender, Respondent would refund the advanced fee to Cottriel.

257. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Cottriel.
258. On or about October 2, 2009, Cottriel sent Respondent a letter demanding a refund. Respondent received the letter, but to date, Respondent has not refunded any portion of the \$3,500 in advanced fees.

Legal Conclusions:

259. By not refunding to Cottriel his unearned advanced fees between October 2, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-04061 (An Unfiled Matter):

Facts:

260. On October 28, 2008, Sandra Arevalo ("Arevalo"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Arevalo's home mortgage loan. On October 28, 2008, Arevalo entered into an agreement for legal services and paid Respondent an advanced fee in the sum of \$3,507.99.
261. The agreement for legal services that Arevalo signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Arevalo's behalf with Arevalo's lender, Respondent would refund the advanced fee to Arevalo.
262. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to the Arevalo. Respondent terminated his services by moving his office without telling Arevalo. Respondent did not refund the advanced fees to Arevalo after moving his office.
263. On March 1, 2010, Arevalo submitted a State Bar complaint against Respondent demanding a refund. To date, Respondent has not refunded any portion of the \$3,507.99 in advanced fees.

Legal Conclusions:

264. By not refunding to Arevalo the unearned advanced fees between March 1, 2010 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-04062 (An Unfiled Matter):

Facts:

265. On April 29, 2009, John Eftimou ("Eftimou"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Eftimou's home mortgage loan. On April 29, 2009, Eftimou entered into an agreement for legal services and paid Respondent an advanced fee in the sum of \$3,500.

266. The agreement for legal services that Eftimou signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Eftimou's behalf with Eftimou's lender, Respondent would refund the advanced fee to Eftimou.
267. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Eftimou.
268. On November 13, 2009, Eftimou terminated Respondent's services and demanded a refund of unearned fees. Respondent received the demand. To date, Respondent has not refunded any portion of the \$3,500 in advanced fees.

Legal Conclusions:

269. By not refunding to Eftimou the unearned advanced fees between November 13, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-05655 (An Unfiled Matter):

Facts:

270. On March 20, 2008, Hieu Ton ("Ton"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Ton's home mortgage loan. On March 20, 2008, Ton entered into an agreement for legal services and paid Respondent advanced fees in the sum of \$2,995.
271. The agreement for legal services that Ton signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Ton's behalf with Ton's lender, Respondent would refund the advanced fee to Ton.
272. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Ton.
273. On September 25, 2009, Ton terminated Respondent's services and demanded a refund of unearned fees. Respondent received the demand. To date, Respondent has not refunded any portion of the \$2,995 in advanced fees.

Legal Conclusions:

274. By not refunding to Ton the unearned advanced fees between September 25, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-04063 (An Unfiled Matter):

Facts:

275. On April 9, 2009, Corey Hicks ("Hicks"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of

Hicks' home mortgage loan. On April 9, 2009, Hicks entered into an agreement for legal services. Between April 9, 2009 and September 12, 2009, Hicks paid Respondent advanced fees in the sum of \$2,000.

276. The agreement for legal services that Hicks signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Hicks' behalf with Hicks' lender, Respondent would refund the advanced fee to Hicks.
277. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to the Hicks.
278. Respondent effectively terminated his services by failing to return telephone messages from Hicks, which he received, between February and March 2010, but he did not refund the \$2,000 to Hicks. On March 2, 2010, when he was not able to speak to Respondent, Hicks submitted a complaint to the State Bar demanding a refund of unearned fees. To date, Respondent has not refunded any portion of the \$3,500 in advanced fees.

Legal Conclusions:

279. By not refunding to Hicks the unearned advanced fees between March 2, 2010 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-05545 (An Unfiled Matter):

Facts:

280. In May 2009, Trinidad Juarez ("Juarez"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Ton's home mortgage loan. In May 2009, Ton entered into an agreement for legal services. On May 23, 2009, Juarez paid Respondent advanced fees in the sum of \$2,500.
281. The agreement for legal services that Juarez signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Juarez's behalf with Juarez's lender, Respondent would refund the advanced fee to Juarez.
282. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Juarez.
283. On October 7, 2009, Juarez terminated Respondent's services and demanded a refund of unearned fees. Respondent received the demand. To date, Respondent has not refunded any portion of the \$2,500 in advanced fees.

Legal Conclusions:

284. By not refunding to Juarez the unearned advanced fees between October 7, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-05656 (An Unfiled Matter):

Facts:

285. On January 25, 2009, Jose Diaz ("Diaz"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Diaz's home mortgage loan. On January 25, 2009, Diaz entered into an agreement for legal services. Between January 25, 2009 and December 31, 2009 Diaz paid Respondent advanced fees in the sum of \$4,000.
286. The agreement for legal services that Diaz signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Diaz's behalf with Diaz's lender, Respondent would refund the advanced fee to Diaz.
287. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Diaz.
288. On December 31, 2009, Diaz terminated Respondent's services and demanded a refund of unearned fees. Respondent received the demand. To date, Respondent has not refunded any portion of the \$4,000 in advanced fees.

Legal Conclusions:

289. By not refunding to Diaz the unearned advanced fees between December 31, 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-05130 (An Unfiled Matter):

Facts:

290. Respondent is not presently, and never has been, admitted to practice law in the state of Florida.
291. Rule 4-5.5 of the Florida Rules of Professional Conduct provides that it is prohibited conduct for a lawyer who is not admitted to practice law in Florida to hold out to the public or otherwise represent that the lawyer is admitted to practice law in Florida. The Supreme Court of Florida has determined that it constitutes the unlicensed practice of law for a lawyer admitted to practice law in a jurisdiction other than Florida to advertise to provide legal services in Florida which the lawyer is not authorized to provide [Amendments to Rules Regulating the Florida Bar (Fla. 2002) 820 So.2d 210; Amendments to Rules Regulating the Florida Bar (Fla. 1999) 762 So.2d 392, 294].
292. On June 22, 2009, Respondent accepted the representation of Marcia Bryan ("Bryan"), a Florida resident, held himself out as entitled to practice law in Florida, represented to Bryan that he was entitled to practice law in Florida, and accepted Bryan as a client, in order to negotiate and obtain for Bryan a home mortgage loan modification for Bryan's property in Florida. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Florida when he accepted Bryan as a client.

293. On June 22, 2009, Bryan signed an agreement for legal services with Respondent and paid him advanced fees in the sum of \$3949.

Legal Conclusions:

294. By entering into an agreement for, charging, and collecting fees for legal services from Bryan when he was not licensed to practice law in Florida, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Bryan in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 10-O-05633 (An Unfiled Matter):

Facts:

295. On November 26, 2008, Irma Martinez ("Martinez"), a California resident, employed Respondent to represent her in order to negotiate with her home mortgage lender and obtain a modification of Martinez's home mortgage loan. On November 26, 2008, Martinez entered into an agreement for legal services. On November 26, 2008 Martinez paid Respondent advanced fees in the sum of \$6,700.

296. The agreement for legal services that Martinez signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Martinez's behalf with Martinez's lender, Respondent would refund the advanced fee to the Martinez.

297. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Martinez.

298. Prior to May 24, 2010, Martinez terminated Respondent's services and demanded a refund of unearned fees. Respondent received the demand. To date, Respondent has not refunded any portion of the \$6,700 in advanced fees.

Legal Conclusions:

299. By not refunding to Martinez the unearned advanced fees between May 24, 2010 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-05992 (An Unfiled Matter):

Facts:

300. Respondent is not presently, and never has been, admitted to practice law in the state of Louisiana.

301. Rule 5.5 of the Louisiana Rules of Professional Conduct provides that it is prohibited conduct for a lawyer who is not admitted to practice law in Louisiana to hold out to the public or otherwise represent that the lawyer is admitted to practice law in Louisiana.

302. On May 6, 2009, Respondent accepted the representation of Severia Baunchand ("Baunchand"), a Louisiana resident, held himself out as entitled to practice law in Louisiana, represented to Baunchand that he was entitled to practice law in Louisiana, and accepted Baunchand as a client, in order to negotiate and obtain for Baunchand a home mortgage loan modification for Baunchand's property in Louisiana. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Louisiana when he accepted Baunchand as a client.
303. On May 6, 2009, Baunchand signed an agreement for legal services with Respondent and paid him advanced fees in the sum of \$2,250.

Legal Conclusions:

304. By entering into an agreement for, charging, and collecting fees for legal services from Baunchand when he was not licensed to practice law in Louisiana, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Baunchand in violation of Rule 4-200(A) of the Rules of Professional Conduct.

CASE NO. 10-O-06963 (An Unfiled Matter):

Facts:

305. On December 23, 2008, Dennis Chambers ("Chambers"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Chambers' home mortgage loan. On December 23, 2008, Chambers entered into an agreement for legal services. On December 23, 2008, Chambers paid Respondent advanced fees in the sum of \$2,995.
306. The agreement for legal services that Chambers signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Chambers' behalf with Chambers' lender, Respondent would refund the advanced fee to the Chambers.
307. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to the Chambers.
308. Respondent effectively terminated his services by failing to return telephone messages from Chambers, which he received, between August 2009 and June 24, 2010. To date, Respondent has not refunded any portion of the \$2995 in advanced fees to Chambers.

Legal Conclusions:

309. By not refunding to Chambers the unearned advanced fees between June 24, 2010 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-08696 (An Unfiled Matter):

Facts:

310. In March 2009, Birna Bjornsdottir ("Bjornsdottir"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Bjornsdottir's home mortgage loan. In March 2009, Bjornsdottir entered into an agreement for legal services. On March 13, 2009, Bjornsdottir paid Respondent advanced fees in the sum of \$3,000.
311. The agreement for legal services that Bjornsdottir signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Bjornsdottir's behalf with Bjornsdottir's lender, Respondent would refund the advanced fee to Bjornsdottir.
312. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Bjornsdottir.
313. Respondent effectively terminated his services by failing to return telephone messages from Bjornsdottir, which he received in March 2010. To date, Respondent has not refunded any portion of the \$3,000 in advanced fees to Bjornsdottir.

Legal Conclusions:

314. By not refunding to Bjornsdottir the unearned advanced fees between March 30, 2010 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-08327 (An Unfiled Matter):

Facts:

315. On August 8, 2009, Jerry Shuman ("Shuman"), a California resident, employed Respondent to represent him in order to negotiate with his home mortgage lender and obtain a modification of Shuman's home mortgage loan. On August 8, 2009, Shuman entered into an agreement for legal services. On August 8, 2009, Shuman paid Respondent advanced fees in the sum of \$3,000.
316. The agreement for legal services that Shuman signed with Respondent included a clause which provided that if Respondent was unable to negotiate a plan on Shuman's behalf with Shuman's lender, Respondent would refund the advanced fee to Shuman.
317. Respondent did not earn any portion of the advanced fees because he did not obtain a mortgage relief plan acceptable to Shuman.
318. In early December 2009, Shuman requested a refund. To date, Respondent has not refunded any portion of the \$3,000 in advanced fees to Shuman.

Legal Conclusions:

319. By not refunding to Shuman the unearned advanced fees between December 2009 and the present, Respondent willfully failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rule 3-700(D)(2) of the Rules of Professional Conduct.

CASE NO. 10-O-09136 (An Unfiled Matter):

Facts:

- 320. Respondent is not presently, and never has been, admitted to practice law in the state of Washington.
- 321. Rule 5.5(b) of the Washington Rules of Professional Conduct prohibits a lawyer who is not admitted in Washington from holding out to the public or otherwise representing that he is admitted to practice law in Washington and from establishing a law office or other systematic continuous presence in Washington absent certain exceptions not applicable here. Washington RCA 2.48.180 also provides that a non-lawyer (defined to include someone not licensed to practice law in the state of Washington) commits the unauthorized practice of law by holding himself out as entitled to practice law.
- 322. On May 20, 2009, Respondent accepted the representation of Lisa Marie Giovannone (“Giovannone”) and Rosemarie Wackerly (“Wackerly”), Washington residents, held himself out as entitled to practice law in Washington, represented to Giovannone and Wackerly that he was entitled to practice law in Washington, and accepted Giovannone and Wackerly as clients, in order to negotiate and obtain for them a home mortgage loan modification for their property in Washington. Respondent was grossly negligent and reckless in not knowing that he could not hold himself out or practice law in Washington when he accepted Giovannone and Wackerly as clients.
- 323. On May 20, 2009, Giovannone and Wackerly signed an agreement for legal services with Respondent and paid him advanced fees in the sum of \$2,495.

Legal Conclusions:

- 324. By entering into an agreement for, charging, and collecting fees for legal services from Giovannone and Wackerly when he was not licensed to practice law in Washington, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Giovannone and Wackerly in violation of Rule 4-200(A) of the Rules of Professional Conduct.

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was October 22, 2010.

DISMISSALS.

The parties respectfully request the Court to dismiss the following alleged violations in the interest of justice:

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
09-O-12424	Three	Rule 3-110(A) of the Rules of Professional Conduct
09-O-12439	Five	Rule 3-110(A) of the Rules of Professional Conduct
09-O-13077	Nine	Rule 3-110(A) of the Rules of Professional Conduct

09-O-14005	Seventeen	Rule 3-110(A) of the Rules of Professional Conduct
09-O-14345	Twenty	Rule 3-110(A) of the Rules of Professional Conduct
09-O-14414	Twenty-Three	Rule 3-110(A) of the Rules of Professional Conduct
09-O-15415	Twenty-Six	Rule 3-110(A) of the Rules of Professional Conduct
09-O-16341	Twenty-Nine	Rule 3-110(A) of the Rules of Professional Conduct
09-O-16464	Thirty-Two	Rule 3-110(A) of the Rules of Professional Conduct
09-O-16718	Thirty-Five	Rule 3-110(A) of the Rules of Professional Conduct
09-O-17013	Forty-One	Rule 3-110(A) of the Rules of Professional Conduct
09-O-17408	Forty-Four	Rule 3-110(A) of the Rules of Professional Conduct
09-O-17602	Forty-Six	Rule 3-110(A) of the Rules of Professional Conduct
09-O-17707	Fifty	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18023	Fifty-Four	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18048	Fifty-Six	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18054	Sixty-Two	Business and Professions Code, section 6106
09-O-18110	Sixty-Three	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18175	Sixty-Five	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18625	Sixty-Seven	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18634	Sixty-Nine	Rule 3-110(A) of the Rules of Professional Conduct
09-O-18634	Seventy-One	Business and Professions Code, section 6106
09-O-18691	Seventy-Two	Rule 3-110(A) of the Rules of Professional Conduct
09-O-19397	Seventy-Four	Rule 3-110(A) of the Rules of Professional Conduct
10-O-00004	Eighty	Rule 3-110(A) of the Rules of Professional Conduct
Multiple Cases	Eighty-Two	Business and Professions Code, section 6106
Multiple Cases	Eighty-Three	Business and Professions Code, section 6106

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of October 22, 2010, the prosecution costs in this matter are approximately \$33,326.50. 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.

In the Matter of Jones (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 411 (attorney was given a two-year actual suspension, three years' probation and three years' stayed suspension after being found culpable at trial of misconduct arising from the abdication of responsibility over his personal injury law practice for a period of two years to a non-attorney). *See also, In Re Arnoff* (1979) 22 Cal.3d 740 (attorney convicted of conspiring to commit capping received two year actual suspension where the facts and circumstances showed he received approximately 500 illegally referred cases during a two year period, engaged in fee splitting with a non-attorney, participated in a scheme using runners and cappers, abdicated control of his law practice to a non-attorney, and made use of fraudulent medical reports under circumstances inferring at least grossly negligent). *See also, Standards 1.2, 1.3, 1.6, 2.6, 2.7 and 2.10 of the Standards for Attorney Sanctions for Professional Misconduct.*

AGGRAVATING CIRCUMSTANCES.

Harm (Std. 1.2(b)(iv)): Respondent's failure to promptly refund unearned fees to distressed homeowners when he was not successful in negotiating a plan acceptable to those homeowners caused

harm to the homeowners by delaying the refund of funds Respondent had promised. Respondent harmed the homeowners in other states who hired him because he was not entitled to charge them attorney's fees in the first instance.

Multiple Acts and Pattern of Misconduct (Std. 1.2(b)(ii)): Respondent exhibited a pattern of accepting fees from homeowners in all of the cases listed in this stipulation exchange for a promise to provide them with a refund if he did not negotiate a plan acceptable to those homeowners. Respondent then failed to promptly refund monies to those clients.

MITIGATING CIRCUMSTANCES.

There are no traditional mitigating factors based upon the language contained in Standard 1.2(e) of the Standards for Attorney Sanctions for Professional Misconduct. However, there are "Additional Mitigating Circumstances" discussed below.

Respondent had been practicing law less than four years at the time the misconduct began. (*See, Lawhorn v. State Bar* (1987) 43 Cal.3d 1357, 1666 recognizing attorney's relative inexperience at the time of the offense, coupled with other mitigation warranted consideration.)

Although Respondent was not initially candid and cooperative, as is evidenced by the fact that he did not initially respond to some of the State Bar's investigations in a timely fashion, did not initially exhibit remorse, and did not make restitution before becoming aware of the disciplinary investigations to warrant mitigation pursuant to Standards 1.2(e)(v) and (e)(vii), once he did meet with the State Bar prosecutor, he took objective steps demonstrating remorse and recognition of wrongdoing, and he began making substantial restitution payments to former clients. Between October 22, 2009, and July 30, 2010, he refunded in excess of \$40,000 to 14 of the victims as is set forth in this factual stipulation. Respondent closed his loan modification practice and did not accept any new loan modification cases after June 27, 2009, although he did continue to try to assist some clients with their matters until August 4, 2010.

FINANCIAL CONDITIONS—RESTITUTION

Respondent must pay restitution (including the principle amount, plus interest of 10 percent 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 principle amount(s) listed below, Respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

Payee	Principle Amount	Interest Accrues From
Frank and Brenda Noble	\$3,000.00	March 26, 2009
Michael and Mary Jines	\$1,950.00	June 12, 2009
Joel and Joanna Alvarado	\$813.00 \$ 750.00 ^{KA}	August 11, 2009
Francisco and Cecilia Sosa	\$3,000.00	April 1, 2009
Kenneth and Stephen Kirby	\$4,995.00	August 4, 2009
Cynthia Reed	\$2,495.00	September 30, 2009
Kelly and Steven Miller	\$1,749.50	January 29, 2009
Ardys Sandell	\$3,495.00	August 18, 2009
Eliseo Nuestro	\$5,787.50	September 29, 2009
Keith Ring	\$5,000.00	August 6, 2009
Marcus and Catrina Clark	\$3,300.00	October 20, 2009

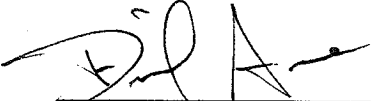
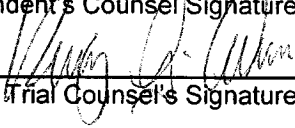
Jose Zavala	\$1,750.00	February 11, 2009
Betty Collins	\$3,000.00	September 25, 2009
Thelbert and Brenda Wilkinson	\$1,300.00 #800.00 10/17/09	September 15, 2009
Roger and Shirley Tromerhauser	\$3,490.00	January 6, 2009
Ivania Hernandez	\$2,995.00	November 30, 2009
Saleta Darnell	\$3,690.00	April 3, 2009
Raymond and Pamela Moreno	\$3,000.00	April 30, 2009
Sukhjinder Kaur	\$3,300.00	November 12, 2009
James Sena and Brenda Solano	\$3,800.00	July 31, 2009
Rito Lopez	\$2,200.00	September 30, 2009
Bobby Lawson	\$2,995.00	July 31, 2009
Robert Glorae	\$2,900.00	December 29, 2009
Victor Mendoza	\$2,995.00	December 8, 2009
Milton Kemp	\$2,495.00	November 30, 2009
Howard Mason	\$2,400.00	February 24, 2009
Bryan Cottriel	\$3,500.00	December 3, 2008
Sandra Arevalo	\$3,507.99	March 1, 2010
John Eftimou	\$3,500.00	November 13, 2009
Hieu Ton	\$2,995.00	September 25, 2009
Corey Hicks	\$3,500.00	March 2, 2010
Trinidad Juarez	\$2,500.00	October 7, 2009
Jose Diaz	\$4,000.00	December 31, 2009
Marcia Bryan	\$3,949.00	June 22, 2009
Irma Martinez	\$6,700.00	May 24, 2010
Severia Baunchand	\$2,250.00	May 6, 2009
Dennis Chambers	\$2,995.00	June 24, 2010
Ellen and Anthony Mancuso	\$200.00	December 3, 2008
Birna Bjornsdottir	\$3,000.00	March 30, 2010
Jerry Shuman	\$3,000.00	December 31, 2009
Lisa Marie Giovannone	\$2,495.00	May 20, 2009

(Do not write above this line.)

In the Matter of David K. Arase	Case number(s): 09-O-12160 et. al.
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SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Fact, Conclusions of Law and Disposition.

<u>October 25, 2010</u> Date	 Respondent's Signature	<u>David K. Arase</u> Print Name
<u>October 25, 2010</u> Date	<u>Michael D. Michaels</u> Respondent's Counsel Signature	<u>Michael D. Michaels</u> Print Name
<u>October 25, 2010</u> Date	 Deputy Trial Counsel's Signature	<u>Kimberly G. Anderson</u> Print Name

(Do not write above this line.)

In the Matter Of David K. Arase	Case Number(s): 09-O-12160 et al.
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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.

- 1) Page 4 – D. (1)(a)(i) – Uncheck Box.
- 2) The following restitution provisions set forth in the parties' stipulation at pages 45 and 46 are modified to reflect the facts regarding each matter:
 - a. Frank and Brenda Noble, \$2,495 principal amount;
 - b. Rito Lopez, interest accrual date is September 30, 2008;
 - c. Robert Glorae, \$2,990 principal amount;
 - d. Corey Hicks, \$2,000 principal amount;
 - e. Rosemarie Wackerly is added as a payee to the restitution provision regarding Lisa Marie Giovannone.

(Do not write above this line.)

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.)**

11-09-10

Date



Richard A. Platel
Judge of the State Bar Court

CERTIFICATE OF SERVICE

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on November 9, 2010, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

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

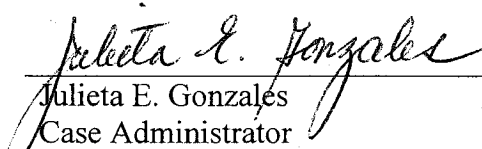
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

MICHAEL D MICHAELS ESQ
LAW OFFICES OF MICHAEL D MICHAELS
1900 QUAIL STREET
NEWPORT BEACH, CA 92660

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

Kimberly G. Anderson, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on November 9, 2010.



Julieta E. Gonzales
Case Administrator
State Bar Court