



ORIGINAL

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

Counsel For The State Bar Timothy G. Byer, DTC 1149 So. Hill St. Los Angeles, CA 90015 Bar # 172472	Case Number (s) 09-O-13110, 09-O-13232, 09-O-13341, 09-O-16497, 09-O-17608, 09-O-17860, 10-O-05893	(for Court's use) <div align="center"> FILED FEB 14 2011 AC STATE BAR COURT CLERK'S OFFICE LOS ANGELES </div>
Counsel For Respondent Richard C. Gilbert 950 W. 17th Street, Stes. D & E Santa Ana, CA 92706 Bar # 85912	<div align="center"> PUBLIC MATTER </div>	
In the Matter Of: Nicholas Chavarela Bar # 251632 A Member of the State Bar of California (Respondent)	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	

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

A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted December 3, 2007.
- (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 14 pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."

- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- ☐ until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 284, Rules of Procedure.
 - ☒ costs to be paid in equal amounts prior to February 1 for the following membership years: 2012, 2013 (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.
- (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 "Aggravating Circumstances," Attachment, page 10
- (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. See "Mitigating Circumstances," Attachment, page 10
- (4) ☐ **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5) ☐ **Restitution:** Respondent paid \$ on in restitution to without the threat or force of disciplinary, civil or criminal proceedings.
- (6) ☐ **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) ☐ **Good Faith:** Respondent acted in good faith.
- (8) ☐ **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) ☐ **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10) ☐ **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11) ☐ **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.
- (12) ☐ **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) ☐ **No mitigating circumstances** are involved.

Additional mitigating circumstances

Respondent was unable to provide refunds to any of the individuals who employed him, after the federal court ordered a Reciever to assert control over Respondent's bank accounts.

(1) ☒ **Stayed Suspension:**

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

(2) ☒ **Probation:**

Respondent must be placed on probation for a period of 2 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 90 days.
- i. ☐ and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
 - ii. ☐ and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
 - iii. ☐ and until Respondent does the following:

E. Additional Conditions of Probation:

- (1) ☐ If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in 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 checked="" 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:
- (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

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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 language begins here (if any):

ATTACHMENT TO STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: NICHOLAS CHAVARELA

FACTS AND CONCLUSIONS OF LAW:

Respondent admits that the following facts are true and that he is culpable of violation of the specified Rule of Professional Conduct.

WAIVER OF RIGHT TO FILING OF NOTICE OF DISCIPLINARY CHARGES:

The parties 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:

Case No.: 09-O-13110

1. New York Judiciary Law Section 478, entitled "Practicing or appearing as attorney-at-law without being admitted and registered," provides, in pertinent part, that "it shall be unlawful for any natural person to practice or appear as an attorney-at-law or as an attorney and counselor-at-law for a person other than himself in a court of record in this state, or to furnish attorneys or counsel or an attorney and counsel to render legal services, or to hold himself out to the public as being entitled to practice law ... without having first been duly and regularly licensed and admitted to practice law in the courts of record of this state[.]"
2. Respondent is not presently, and never has been, admitted to practice law in the state of New York.
3. On May 12, 2009, Respondent held himself out as licensed to practice law in New York, and accepted the representation of New York resident Netty Velez to negotiate and obtain for her a home mortgage loan modification for Velez's New York residence. Velez paid Respondent an advanced fee of \$2,000.

Case No.: 09-O-13232

4. Rule 5.5 of the Rules of Professional Conduct for the Commonwealth of Virginia states, in pertinent part, that "a Foreign Lawyer shall not ... hold out to the public or otherwise represent that the Foreign Lawyer is admitted to practice law in Virginia." Rule 5.5 defines a "Foreign Lawyer" as "a person authorized to practice law by the duly constituted and authorized governmental body of any State or Territory of the United States or the District of Columbia, or a foreign nation, but is neither licensed by the Supreme Court of Virginia or authorized under its rules to practice law generally in the Commonwealth of Virginia, nor disbarred or suspended from practice in any jurisdiction."

5. Respondent is not presently, and never has been, admitted to practice law in Virginia, and has not been licensed by the Supreme Court of Virginia or authorized under its rules to practice law generally in the Commonwealth of Virginia.

6. On May 22, 2009, Respondent held himself out as licensed to practice law in Virginia, and accepted the representation of Virginia residents Alex and Ana Galeano to negotiate and obtain for them a home mortgage loan modification for their Virginia residence. The Galeanos paid Respondent an advanced fee of \$1,166.67.

Case No.: 09-O-13341

7. Hawaii Revised Statutes §605-14 (HRS §605-14) ("Unauthorized Practice of Law Prohibited") provides, in pertinent part, that "it shall be unlawful for any person, firm, association, or corporation to engage in or attempt to engage in or to offer to engage in the practice of law, or to do or attempt to do or offer to do any act constituting the practice of law, except and to the extent that the person, firm, or association is licensed or authorized so to do by an appropriate court, agency, or office or by a statute of the State or of the United States."

8. Respondent is not presently, and never has been, admitted to practice law in Hawaii, and has not been licensed or authorized to do so by any court, agency, office, or statute of the state of Hawaii or of the United States.

9. On May 15, 2009, Respondent held himself out as licensed to practice law in Hawaii, and accepted the representation of Kenny Flinn to negotiate and obtain for him a home mortgage loan modification for his Hawaii residence. Flinn paid Respondent an advanced fee of \$3,500.

Case No.: 09-O-16497

10. Washington Rules of Professional Conduct, rule 5.5(b)(2) states, in pertinent part, that: "A lawyer who is not admitted to practice in this jurisdiction shall not: ... [r]epresent or hold out to the public that the lawyer is admitted to practice law in this jurisdiction."

11. Respondent is not presently, and never has been, admitted to practice law in Washington.

12. On May 4, 2009, Respondent held himself out as licensed to practice law in Washington, and accepted the representation of Diana Goratuyk to negotiate and obtain for her a home mortgage loan modification for her Washington residence. Goratuyk paid Respondent an advanced fee of \$3,250.

Case No.: 09-O-17608

13. On May 28, 2009, Respondent held himself out as licensed to practice law in Virginia, and accepted the representation of Jeff Jaeger to negotiate and obtain for him a home mortgage loan modification for his Virginia residence. Jaeger paid Respondent an advanced fee of \$1,750.

Case No.: 09-O-17860

14. Maryland Rules of Professional Conduct, rule 5.5(b) states, in relevant part, that "a lawyer who is not admitted to practice law in this jurisdiction shall not ... hold out to the public or otherwise represent that the lawyer is admitted to practice law in this jurisdiction."

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

16. On April 22, 2009, Respondent held himself out as licensed to practice law in Maryland, and accepted the representation of Jana Perez to negotiate and obtain for her a home mortgage loan modification for her Maryland residence. Perez paid Respondent an advanced fee of \$1,500.

Case No.: 10-O-05893

17. Missouri Rules of Professional Conduct, Rule 5.5(b), states, in pertinent part, that "a lawyer who is not admitted to practice in this jurisdiction shall not ... hold out to the public or otherwise represent that the lawyer is admitted to practice law in this jurisdiction."

18. Respondent is not presently, and never has been, admitted to practice law in Missouri.

19. On May 12, 2009, Respondent held himself out as licensed to practice law in Missouri, and accepted the representation of Paul Ashton to negotiate and obtain for him a home mortgage loan modification for his Missouri residence. Ashton paid Respondent an advanced fee of \$1,836.

Legal Conclusions

20. By holding himself out as licensed to practice law in New York when he was not so licensed, and accepting Velez as a client, Respondent willfully violated the regulations of the profession in New York, in willful violation of Rules of Professional Conduct, rule 1-300(B).

21. By entering into an agreement for, charging, and collecting fees from Velez, when he was not licensed to practice law in New York, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Velez, in willful violation of Rules of Professional Conduct, rule 4-200(A).

22. By holding himself out as licensed to practice law in Virginia when he was not so licensed, and accepting the Galeanos as clients, and accepting Jaeger as a client, Respondent willfully violated the regulations of the profession in Virginia, in willful violation of Rules of Professional Conduct, rule 1-300(B).

23. By entering into an agreement for, charging, and collecting fees from the Galeanos, when he was not licensed to practice law in Virginia, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from the Galeanos, in willful violation of Rules of Professional Conduct, rule 4-200(A).

24. By holding himself out as licensed to practice law in Hawaii when he was not so licensed, and accepting Flinn as a client, Respondent willfully violated the regulations of the profession in Hawaii, in willful violation of Rules of Professional Conduct, rule 1-300(B).

25. By entering into an agreement for, charging, and collecting fees from Flinn, when he was not licensed to practice law in Hawaii, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Flinn, in willful violation of Rules of Professional Conduct, rule 4-200(A).
26. By holding himself out as licensed to practice law in Washington when he was not so licensed, and accepting Goratuyk as a client, Respondent willfully violated the regulations of the profession in Washington, in willful violation of Rules of Professional Conduct, rule 1-300(B).
27. By entering into an agreement for, charging, and collecting fees from Goratuyk, when he was not licensed to practice law in Washington, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Goratuyk, in willful violation of Rules of Professional Conduct, rule 4-200(A).
28. By entering into an agreement for, charging, and collecting fees from Jaeger, when he was not licensed to practice law in Virginia, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Jaeger, in willful violation of Rules of Professional Conduct, rule 4-200(A).
29. By holding himself out as licensed to practice law in Maryland when he was not so licensed, and accepting Perez as a client, Respondent willfully violated the regulations of the profession in Maryland, in willful violation of Rules of Professional Conduct, rule 1-300(B).
30. By entering into an agreement for, charging, and collecting fees from Perez, when he was not licensed to practice law in Maryland, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Perez, in willful violation of Rules of Professional Conduct, rule 4-200(A).
31. By holding himself out as licensed to practice law in Missouri when he was not so licensed, and accepting Ashton as a client, Respondent willfully violated the regulations of the profession in Missouri, in willful violation of Rules of Professional Conduct, rule 1-300(B).
32. By entering into an agreement for, charging, and collecting fees from Ashton, when he was not licensed to practice law in Missouri, Respondent willfully entered into an agreement for, charged, and collected an illegal fee from Ashton, in willful violation of Rules of Professional Conduct, rule 4-200(A).

AGGRAVATING CIRCUMSTANCES

Respondent's current misconduct evidences multiple acts of wrongdoing and demonstrates a pattern of misconduct.

MITIGATING CIRCUMSTANCES

Respondent paid a refund to one of his clients out of his own personal funds (in the sum of \$1,800), after the seizure of his law firm's bank accounts prevented him from accessing those funds.

LEGAL AUTHORITY

Standard 2.10 provides that "culpability of a member of a violation of any provision of the Business and Professions Code not specified in these standards or of a wilful violation of any Rule of Professional

Conduct not specified in these standards shall result in reproof or suspension or disbarment according to the gravity of the offense or harm, if any, to the victim, with due regard to the purposes of imposing discipline set forth in standard 1.3."

Standard 1.3 provides that those purposes are "the protection of the public, the courts and the legal profession; the maintenance of high professional standards by attorneys and the preservation of public confidence in the legal profession."

COSTS:

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that, as of December 27, 2010, the costs in this matter are \$5,697. 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.

Costs are to be paid in equal amounts prior to February 1 for the following two billing cycles following the effective date of the Supreme Court order.

In the Matter of
Nicholas Chavarela

A Member of the State Bar

Case number(s):
09-O-13110, 09-O-13232, 09-O-13341, 09-O-16497,
09-O-17608, 09-O-17860, 10-O-05893

Financial Conditions

a. Restitution

- ☒ Respondent must pay restitution (including the principal amount, plus interest of 10% per annum) to the payee(s) listed below. If the Client Security Fund ("CSF") has reimbursed one or more of the payee(s) for all or any portion of the principal amount(s) listed below, Respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

Payee	Principal Amount	Interest Accrues From
Netty Velez	\$2,000	5/12/2009
Alex and Ana Galeano	\$1,166.67	5/22/2009
Kenny Flinn	\$3,500	5/15/2009
Diana Goratuyk	\$3,250	5/4/2009
Jeff Jaeger	\$1,750	5/28/2009
Jana Perez	\$1,500	4/22/2009
Paul Ashton	\$1,836	5/12/2009

- ☒ Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than **February 1 of the second billing cycle following the effective date of the Supreme Court order.**

b. Installment Restitution Payments

- ☐ Respondent must pay the above-referenced restitution on the payment schedule set forth below. Respondent must provide satisfactory proof of payment to the Office of Probation with each quarterly probation report, or as otherwise directed by the Office of Probation. No later than 30 days prior to the expiration of the period of probation (or period of reprobation), Respondent must make any necessary final payment(s) in order to complete the payment of restitution, including interest, in full.

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency

c. Client Funds Certificate

- ☐ 1. If Respondent possesses client funds at any time during the period covered by a required quarterly report, Respondent must file with each required report a certificate from Respondent and/or a certified public accountant or other financial professional approved by the Office of Probation, certifying that:

- a. Respondent has maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of

b. Respondent has kept and maintained the following:

- i. A written ledger for each client on whose behalf funds are held that sets forth:
 1. the name of such client;
 2. the date, amount and source of all funds received on behalf of such client;
 3. the date, amount, payee and purpose of each disbursement made on behalf of such client; and,
 4. the current balance for such client.
- ii. a written journal for each client trust fund account that sets forth:
 1. the name of such account;
 2. the date, amount and client affected by each debit and credit; and,
 3. the current balance in such account.
- iii. all bank statements and cancelled checks for each client trust account; and,
- iv. each monthly reconciliation (balancing) of (i), (ii), and (iii), above, and if there are any differences between the monthly total balances reflected in (i), (ii), and (iii), above, the reasons for the differences.

c. Respondent has maintained a written journal of securities or other properties held for clients that specifies:

- i. each item of security and property held;
- ii. the person on whose behalf the security or property is held;
- iii. the date of receipt of the security or property;
- iv. the date of distribution of the security or property; and,
- v. the person to whom the security or property was distributed.

2. If Respondent does not possess any client funds, property or securities during the entire period covered by a report, Respondent must so state under penalty of perjury in the report filed with the Office of Probation for that reporting period. In this circumstance, Respondent need not file the accountant's certificate described above.

3. The requirements of this condition are in addition to those set forth in rule 4-100, Rules of Professional Conduct.

d. Client Trust Accounting School

- ☐ Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School, within the same period of time, and passage of the test given at the end of that session.

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In the Matter of NICHOLAS CHAVARELA	Case number(s): 09-O-13110, 09-O-13232, 09-O-13341, 09-O-16497, 09-O-17608, 09-O-17860, 10-O-05893
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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.

01/21/2011
Date

1-21-2011
Date

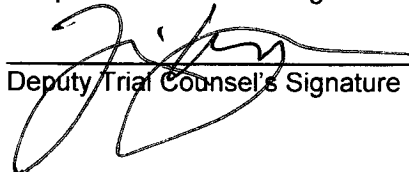
1-25-2011
Date


Respondent's Signature

NICHOLAS CHAVARELA
Print Name


Respondent's Counsel Signature

RICHARD C. GILBERT
Print Name


Deputy Trial Counsel's Signature

TIMOTHY G. BYER
Print Name

(Do not write above this line.)

In the Matter Of Nicholas Chavarela	Case Number(s): 09-O-13110, 09-O-13232, 09-O-13341, 09-O-16497, 09-O-17608, 09-O-17860, 10-O-05893
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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.

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.)**

Date

02-11-11

Judge of the State Bar Court

RICHARD A. PLATEL

CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on February 14, 2011, I deposited a true copy of the following document(s):

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

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

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

RICHARD C GILBERT
RICHARD GILBERT & ASSOCIATES
950 W 17TH ST STE C D & E
SANTA ANA CA 92706

☐ by certified mail, No. , with return receipt requested, through the United States Postal Service at , California, addressed as follows:

☐ by overnight mail at , California, addressed as follows:


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

☐ By personal service by leaving the documents in a sealed envelope or package clearly labeled to identify the attorney being served with a receptionist or a person having charge of the attorney's office, addressed as follows:

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

SUZAN ANDERSON, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on February 14, 2011.



Angela Carpenter
Case Administrator
State Bar Court