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

Counsel For The State Bar Melanie J. Lawrence 1149 South Hill Street Los Angeles, CA 90015 (213)765-1066 Bar # 230102	Case Number (s) 09-O-13589 09-O-13845 09-O-17413 09-O-18914 09-O-19279 09-O-19316 10-O-01289 10-O-03162 10-O-03507 10-O-03674 10-O-03809 + Unfiled matters (see stipulation attachment)	(for Court's use) <div align="center"> FILED JAN 12 2011 <i>AC</i> STATE BAR COURT CLERK'S OFFICE LOS ANGELES </div> <div align="center"> PUBLIC MATTER </div>
In Pro Per Respondent Zachary Gonzalez P.O. Box 1487 Guasti, CA 91743 Bar # 259663	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
In the Matter Of: Zachary Gonzalez P.O. Box 1487 Guasti, CA 91743 Bar # 259663 A Member of the State Bar of California (Respondent)		

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 8, 2008.
- (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 15 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: 3 billing cycles following the effective date of the Supreme Court order.
(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 attachment
- (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 attachment

- (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 attachment.
- (4) ☐ **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5) ☐ **Restitution:** Respondent paid \$ _____ on _____ in restitution to _____ without the threat or force of disciplinary, civil or criminal proceedings.
- (6) ☐ **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) ☐ **Good Faith:** Respondent acted in good faith.
- (8) ☐ **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) ☐ **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10) ☐ **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11) ☐ **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.
- (12) ☐ **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) ☐ **No mitigating circumstances** are involved.

Additional mitigating circumstances

D. Discipline:

(1) ☒ **Stayed Suspension:**

(a) ☒ Respondent must be suspended from the practice of law for a period of 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 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 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: Meets all of the conditions of fee arbitration as set forth in the stipulation attachment.

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 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:** Respondent has not been entitled to practice law since August 16, 2010, when he was ordered inactive in 10-TE-02282. The parties have agreed that Respondent will receive credit for the time he has been not entitled to practice toward the stipulated period of actual suspension.

In the Matter of
Zachary Ian Gonzalez

Case number(s):
09-O-13589 et.al.

A Member of the State Bar

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
Kenneth Lamers	\$2,594.40	April 2, 2010
Eva Torres	\$2,700	June 5, 2009

- ☒ Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than **one year after the effective date of the discipline**.

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:
- Respondent has maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of California, and that such account is designated as a "Trust Account" or "Clients' Funds Account";

b. Respondent has kept and maintained the following:

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

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

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

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

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

d. Client Trust Accounting School

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

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: ZACHARY IAN GONZALEZ

CASE NUMBER(S): 09-O-13589, 09-O-13845, 09-O-17413
 09-O-18914, 09-O-19279, 09-O-19316
 10-O-01289, 10-O-03162, 10-O-03507
 10-O-03674, 10-O-03809

Unfiled matters:

 10-O-10409, 09-O-16360, 10-O-6923
 10-O-6922, 10-O-4918, 10-O-3043
 10-O-9295, 10-O-9298, 10-O-9566
 10-O-8301, 10-O-11102, 10-O-6527

**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 September 29, 2010, and the facts and/or conclusions of law contained in this stipulation and waive the issuance of an Amended Notice of Disciplinary Charges. The parties further waive the right to the filing of an Amended 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.

STATEMENT OF FACTS:

1. After having been newly admitted to practice law, in around March 2009, Respondent went to work with Pacific Loan Solutions ("PLS"), a loan modification company owned by a non-attorney and staffed by non-attorneys. Initially he was "corporate counsel" to PLS but a month after going to work there, he began engaging in his own loan modification practice.
2. In pursuit of his practice, Respondent entered into an agreement with PLS, in which he effectively partnered with PLS to perform much of the loan modification work for which clients had hired him. Respondent collected legal fees from his clients and PLS invoiced him monthly for their work. Respondent paid PLS from a portion of the fees he collected. The agreement, which Respondent drafted, did not include that work done by PLS was subject to Respondent's supervision or control. Thereafter, Respondent failed to adequately supervise work performed by PLS non-attorneys.

3. Respondent or employees of PLS, under his supervision, solicited clients for loan modifications who Respondent did not have a family or prior professional relationship with, by mail and telephone. The mail solicitations were misleading in that they appeared to come from banks or other lending institutions, rather than from Respondent's law office, and were not identified as an advertisement or solicitation.
4. Respondent did not personally meet with the clients in these matters when they initially signed the retainer agreement. Rather, employees of PLS met with the clients. Some clients Respondent never met or spoke with – others he met with or spoke to once complaints arose.
5. By the terms of Respondent's own retainer agreement a portion of the fees was refundable depending on what stage the modification process had advanced. For example, it indicates that 70% of the fee is refundable after completion of the loan modification application but only 10% is refundable after negotiation of the modification with specified successful terms.
6. The following clients terminated Respondent before full completion of the modification. However, Respondent did not return any of the advanced fees that had not been earned and did not provide any of the clients with an accounting of the fees:

Case Number	Client	Date of Hire	Total Fees Paid
09-O-19316	Martin Duarte	September 12, 2009	\$1,400
10-O-01289	Klara Melman	September 16, 2009	\$2,619
10-O-03162	Enrique Saavedra	September 5, 2009	\$7,724
10-O-03507	Jennie Castillo	June 12, 2009	\$6,506
10-O-03674	Gary Johnson	September 4, 2009	\$3,070
10-O-03809	Leticia Perez	June 9, 2009	\$8,355
10-O-10409	Cesar Altamirano	June 30, 2009	\$2,500
09-O-16360	Carolyn Husband	May 8, 2009	\$6,129
10-O-6923	Onofre Ramos	May 23, 2009	\$3,345
10-O-6922	Francisco Moreno	August 1, 2009	\$4,918
10-O-4918	Marciela Hernandez	May 22, 2009	\$6,035
10-O-9293	Jose Soto	July 25, 2009	\$3,592
10-O-9295	Jose Flores	May 15, 2009	\$2,500
10-O-9566	Walter Molina	August 26, 2009	\$1,708
10-O-9298	Paul Lee	August 10, 2009	\$3,170
10-O-8301	Jose Gomez	August 11, 2009	\$2,944.23
10-O-11102	Jose Romo	September 22, 2009	\$5,400
10-O-6527	Kristen Chamberlain	June 2, 2009	\$3873

7. On June 4, 2009, Eva Torres employed Respondent to negotiate a loan modification and paid an advanced fee of \$2,700, as an initial installment on a total advanced fee of \$5,400.
8. On June 5, 2009, Torres faxed a letter to Respondent's office, which he received, terminating his employment and requesting a refund of her \$2,700. Respondent had performed no work on her behalf yet he did not return any of the \$2,700 or provide Torres with an accounting.

9. On May 2, 2009, Kenneth Lamers employed Respondent to negotiate a loan modification and paid him an advanced fee of \$4,324.
10. In October 2009, Lamers sent a letter to Respondent, which he received, terminating his employment and requesting a refund of his \$4,324. On December 10, 2009, Respondent sent a partial refund to Lamers in the amount of \$1,729.60. Respondent has never provided Lamers with an accounting.
11. Lamers commenced fee arbitration against Respondent and on April 2, 2010, the Riverside County Bar Association Fee Arbitration Program awarded Lamers a complete refund in the sum of \$2,594.40 (the balance of the \$4,324 less the partial refund, plus the arbitration fee). Respondent did not appear for the arbitration but he was served a copy of the Findings and Award. He has not paid the award.
12. Many of the above listed clients repeatedly attempted to communicate with Respondent regarding the status of their modifications or refunds, without success.
13. In some instances, in order to sell Respondent's services, PLS employees overstated Respondent's ability to obtain a mortgage modification for them and told clients they could not change their mind about employing Respondent after signing the employment agreement.
14. On a few occasions, including in the cases of Martin Duarte and Klara Melman, PLS employees threatened that they would call the police if clients did not leave the premises, or otherwise demanded they leave the premises, when they were there requesting a refund.
15. In about October 2009, Respondent discontinued his association with PLS.

CONCLUSIONS OF LAW

By entering into an agreement with PLS to perform much of the loan modification work for which clients had hired him, Respondent formed a partnership where some of the activities of the partnership consisted of the practice of law, with a person who is not a lawyer, in willful violation of Rule 1-310.

By paying PLS from a portion of the legal fees he collected from each of the clients, Respondent shared legal fees with a person who is not a lawyer, in willful violation of Rule 1-320(A).

By entering into an agreement with PLS that did not include that work done by PLS was subject to Respondent's supervision or control and then, through gross negligence, failing to adequately supervise PLS work, leading to misrepresentations to Respondent's clients regarding his ability to obtain mortgage modifications for them, the clients ability to terminate Respondent, and threats to some clients seeking a refund, Respondent willfully violated B&PC § 6106, moral turpitude.

By soliciting prospective clients with whom Respondent had no family or professional relationship with by telephone, Respondent willfully violated Rule 1-400(C).

By soliciting prospective clients by mail that falsely purported to have been sent from banks or financial institutions, and not from Respondent's law office, Respondent willfully violated B&PC § 6106, moral turpitude.

By failing to refund promptly any part of the advanced fees each of the above listed clients paid, but which had not been earned, Respondent willfully violated Rule 3-700(D)(2).

By failing to respond to his clients' repeated inquiries regarding the status of their cases or for a refund, Respondent failed to promptly respond to reasonable status inquiries of clients, in willful violation of B&PC § 6068(m).

By failing to provide each of the clients listed in the chart at paragraph 6 above, as well as Kenneth Lamers and Eva Torres, with an accounting of advanced fees they paid, Respondent failed to render appropriate accounts to his clients in willful violation of Rule 4-100(B)(3).

AGGRAVATING CIRCUMSTANCES.

Respondent's clients were seriously harmed by the above described misconduct. Most, if not all, of the clients who hired Respondent did so because they were financially distressed. Thus, the loss of the use of the money they paid for services that were not performed caused significant harm to Respondent's clients.

Respondent's misconduct involves multiple client matters constituting multiple acts of misconduct.

MITIGATING CIRCUMSTANCES.

Respondent has fully cooperated with the State Bar in providing requested information and in resolving this matter without trial.

AUTHORITIES SUPPORTING DISCIPLINE.

Standards:

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

Standard 1.6(a) states that where two or more acts of professional misconduct are charged and different sanctions are prescribed by the standards for the acts, the sanction imposed shall be the more or most severe of the different applicable sanctions.

Standard 2.2(b) applies to the Rule 4-100(B)(3) violations. It requires 3 months actual suspension.

Standard 2.3 applies to offenses involving moral turpitude. It requires actual suspension or disbarment depending upon the extent to which the client was harmed or misled and upon the magnitude of the act of misconduct and the degree to which it relates to the member's acts within the practice of law.

Standard 2.6(a) applies to violations of B&PC §6068. It requires disbarment or suspension depending on the gravity of the offense or harm, if any, to the victim.

Standard 2.10 applies to the remaining charges. It requires reproof or suspension according to the gravity of the offense or harm to the victim, and with due regard for the purposes of imposing discipline.

Case Law:

In *Matter of Jones, III* (1993) 2 Cal. State Bar Ct. Rptr. 411, the respondent had been in practice less than three years when he allowed a non-lawyer to operate a large scale personal injury practice involving capping, forgery and other illegal and fraudulent practices. Respondent had delegated to a non-attorney, without proper supervision, all aspects of the practice for a two year period. That delegation resulted in the non-attorney engaging in UPL and collecting \$600,000 in attorney fees without an attorney performing any service.

The Court found Jones culpable of dividing fees with a non-lawyer and forming a partnership with a non-lawyer, failing to supervise the non-lawyer's activities and committing moral turpitude. The Court recommended respondent be actually suspended for two years.

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-17413	5-11	Rules 3-110(A), 4-200(A), 3-700(D)(2), 4-100(B)(3), B&PC § 6106, B&PC § 6106, Rule 1-400(C)
09-O-18914	12-13, 17	Rules 3-110(A), 4-200(A), B&PC § 6106
09-O-19279	20, 25	Rule 4-200(A), B&PC § 6106
09-O-19316	27, 31	Rule 4-200(A), B&PC § 6106
10-O-01289	33, 37	Rules 4-200(A), 3-400(A)
10-O-03162	38-40, 45	Rules 3-110(A), 3-110(A), 4-200(A), 3-400(A)
10-O-03507	46-47, 50-51, 53	Rules 3-110(A), 4-200(A), B&PC §6106, B&PC § 6106, Rule 3-400(A)
10-O-03674	54-55, 60	Rules 3-110(A), 4-200(A), 3-400(A)
10-O-03809	61-62, 66, 68, 69	Rules 3-110(A), 4-200(A), B&PC § 6106, Rule 3-400(A), B&PC § 6106
09-O-13589 et.al.	70	B&PC section 6106

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of December 9, 2010, the prosecution costs in this matter are estimated at \$ 16,167. 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.

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was December 9, 2010.

FEE ARBITRATION CONDITIONS:

Within 30 days from the effective date of discipline, Respondent shall send notice to each of the clients listed in the chart at paragraph 6, of their right to initiate and participate in binding fee arbitration. Respondent shall send such notices via U.S. certified mail and provide copies of such notices, certified mail receipts, and return receipts, to the Office of probation within the 30-day period.

Within three months of any request for fee arbitration, Respondent shall participate in the fee arbitration proceedings and provide satisfactory proof that he did so to the Office of Probation with each quarterly report.

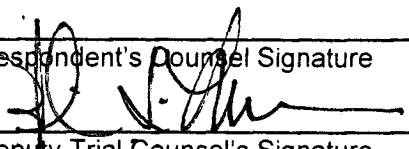
Respondent shall comply with any award, decision or final determination by the fee arbitrator. Within 30 days after the fee arbitrator's issuance of an award, decision, or final determination, Respondent shall provide a copy of the award, decision, or final determination to the Office of Probation. If the award, decision, or final determination is in the client's favor, Respondent shall provide proof of his compliance with or satisfaction thereof.

(Do not write above this line.)

In the Matter of Zachary Ian Gonzalez	Case number(s): 09-O-13589 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.

Date	Respondent's Signature	Print Name
Date	Respondent's Counsel Signature	Print Name
12/22/10		Melanie J. Lawrence
Date	Deputy Trial Counsel's Signature	Print Name

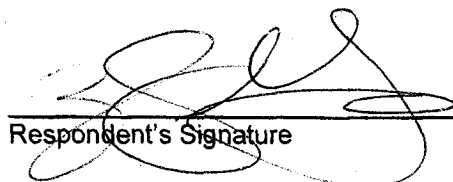
(Do not write above this line.)

In the Matter of Zachary Ian Gonzalez	Case number(s): 09-O-13589 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.

12/10/10
Date


Respondent's Signature

Zachary Gonzalez
Print Name

Date

Respondent's Counsel Signature

Print Name

Date

Deputy Trial Counsel's Signature

Print Name

(Do not write above this line.)

In the Matter Of
Zachary Ian Gonzalez

Case Number(s):
09-O-13589 et.al.

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

1/6/11


Judge of the State Bar Court

DONALD F. MILES

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 January 12, 2011, I deposited a true copy of the following document(s):

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

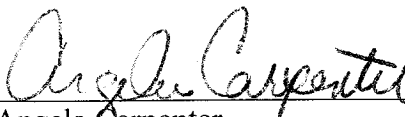
in a sealed envelope for collection and mailing on that date as follows:

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

ZACHARY I GONZALEZ
P O BOX 1487
GUAUSTI CA 91743
- ☐ 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:

MELANIE LAWRENCE, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 12, 2011.



Angela Carpenter
Case Administrator
State Bar Court