

State Bar Court of California
Hearing Department
San Francisco



Counsel For The State Bar Treva R. Stewart 180 Howard Street San Francisco, CA 94105 Bar # 239829	Case Number (s) 09-O-14063, 09-O-14586; 10-O-02355 [CONS.]; 09-O-19151; 10-O-2479; 10-O-3273; 10-O-6329	(for Court's use) PUBLIC MATTER FILED <i>ADS</i> SEP 07 2010 STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO
In Pro Per Respondent Steven A. Royston Bar # 97862		
In the Matter Of: Steven A. Royston 7321 Stockton Blvd. Sacramento, CA 95823 Bar # 97862 A Member of the State Bar of California (Respondent)	Submitted to: Assigned 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 May 25, 1981.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of _____ 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: three 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 07-O-13669 and 07-O-14682
 - (b) ☒ Date prior discipline effective September 10, 2009
 - (c) ☒ Rules of Professional Conduct/ State Bar Act violations: rule 3-110(A), B&P 6068(m), B&P 6103, rule 3-700(D)(1)
 - (d) ☒ Degree of prior discipline one year suspension, stayed; two years probation
 - (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. As a result of Mr. Nguyen's execution of the Waiver of Lien, he has been deprived of his remedy against Mr. Andrews to recover monies owed by Mr. Andrews
- (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. Respondent is charged with multiple acts of misconduct.
- (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. Although respondent did not initially participate in these proceedings, he has demonstrated candor and cooperation to the State Bar since he began participating.
- (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. Respondent voluntarily enrolled in LAP to address his emotional difficulties.
- (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. Since losing his employment as a teacher, respondent has suffered severe financial stress. This was a contributing factor in his taking employment with the Father's Resource Center.
- (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 four 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 four 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 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:

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:** See Stipulation Attachment

(Do not write above this line.)

Attachment language begins here (if any):

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:

STEVEN ROYSTON

CASE NUMBER(S): ET AL.

09-O-14063; 09-O-14586; 10-O-2355; 09-O-19151;
10-O-2479; 10-O-3273; 10-O-6329

FACTS AND CONCLUSIONS OF LAW.

Case No. 09-O-14063

Facts

On February 2, 2007, respondent filed a Verified Complaint for Damages, Declaratory and Injunctive Relief in the matter of *Jerome J. McGee and Donna Y. McGee v Fremont Investment and Loan, Inc.*, case no. 07AS01055, filed in Superior Court, County of Sacramento. The complaint alleged that the lender on the McGee's real property did not properly credit their loan payments, resulting in a negative credit history which prevented them from refinancing. Thereafter, respondent failed to pursue the suit on behalf of the McGees, including failing to respond to the defendant, GMAC Mortgage, Inc.'s Notice of Motion and Motion to Strike and a Demurrer to the Complaint, failing to file a First Amended Complaint pursuant to the court's order sustaining the demurrer, failing to timely file a case management conference statement on September 7, 2007; failing to appear at Court ordered hearings on November 15, 2007; December 6, 2007; February 21, 2008; March 12, 2008 and May 8, 2008, and failing to pay court ordered sanctions as follows: (1) \$150.00 ordered on September 6, 2007; (2) \$150.00 ordered on November 15, 2007; (3) \$200.00 ordered on December 6, 2007; and (4) \$500.00 ordered on February 21, 2008, each of which, respondent was duly notified.

The Court dismissed the suit due to respondent's repeated failures to appear and violations of court orders. Subsequent to the dismissal, the Court notified the State Bar of respondent's conduct in the *McGee* matter. As part of its investigation of the Court's report, the State Bar wrote to respondent on August 28, 2009, and again on September 15, 2009, advising respondent of the investigation of the *McGee* matter and requested that respondent provide a written response to the investigation. Respondent received both letters, however, he failed to provide a written response or otherwise respond to the State Bar investigation of the matter.

Conclusions of Law

By failing to respond to the demurrer, by failing to file a First Amended Complaint, by failing to appear at court hearings, and by failing to abide by Court orders, resulting in the dismissal of the suit, respondent failed to perform with competence, in willful violation of Rules of Professional Conduct (hereinafter "rule"), rule 3-110(A).

By failing to appear at the OSC's and by failing to pay the Court ordered fines of September 6, 2007; November 15, 2007; December 6, 2007; and February 21, 2008; respondent failed to abide by the orders of the Court requiring him to do or forbear an act connected with or in the course of respondent's profession which he ought in good faith to do or forbear, in willful violation of Business and Professions Code (hereinafter "B&P"), section 6103.

By failing to respond to the State Bar investigation of the *McGee* matter, respondent failed to cooperate and participate in a disciplinary investigation pending against respondent, in wilful violation of B & P section 6068(i).

Case No. 09-O-14586

Facts

In April, 2006, Rodney Andrews (hereinafter, Andrews") hired Xuyen Nguyen, a.k.a. James Baker and/or James Nguyen Baker, (hereinafter, "Baker") to perform remodel work on the home of Andrews' client, Vickie Kephart (hereinafter, "Kephart"), an elderly woman. Andrews was in the business of refinancing real estate and arranging remodel work and renovations on behalf of his refinancing clients. At the time, Baker was a licensed contractor.

On November 3, 2006, Baker presented Andrews with an invoice for \$77,550.06 for the cost of the renovation of Kephart's residence. Although Andrews had received his commission from the refinancing of Kephart's residence, he failed to pay the invoice. Baker informed Andrews that he would file a mechanic's lien against Kephart's residence. Andrews told Baker that he would pay him, however, he wanted Baker to agree to not file a lien against Kephart's residence. Andrews invited Baker to come to his office on December 15, 2006, to discuss the matter.

On December 15, 2006, Baker went to Andrews' office and met with Andrews and respondent. Respondent represented Andrews during the meeting. Baker was not represented by counsel before, during or after the meeting with regard to monies owed to him by Andrews. Baker was told that if he agreed to accept a promissory note for \$80,340.00 for Andrews' outstanding debt and agreed to not file a lien against Kephart's residence, that Andrews would make payment in full on the promissory note by February 28, 2007.

Respondent prepared a promissory note in which Andrews acknowledged his existing debt of \$78,000 to Baker and promised to pay Baker the sum of \$80,340.00 (principle and interest) by February 28, 2007 and Baker agreed to waive any right to file a lien against Kephart's residence. Further, the promissory note states: "This Promissory Note is promissory Rodney Andrews' consideration to promisee James Baker in exchange for Mr. Bakers' agreement to forever waive and give up any legal right to file liens or undertake any other legal recourse in connection with the Vickie Kephart [sic], Larry Sims, and Danny Holsey construction projects in Sacramento, CA, U.S.A. In effect, the promissory note called for Baker contracting himself out of a legal recourse in exchange for Andrews' mere promise to pay Baker monies he was already legally entitled to collect from Andrews.

The promissory note was executed by Andrews and Baker.

Baker was also presented with a document entitled "Waiver of Lien(s)." Baker was told that the document was an agreement by Baker not to file a mechanic's lien against the Kephart residence. The representation made to Baker about the "Waiver of Lien(s)" document was material, false, and misleading. In fact, the "Waiver of Lien(s)" document specified that Baker had received \$80,340.00 from Andrews in payment of the contract for the construction work on the property of Vicki Kephart (sic); and that the document fully and finally resolved all claims Baker might have against the Kephart property or construction beneficiaries. Respondent was fully aware that Baker had not in fact received any payment from Andrews for his construction work on the Kephart property.

Baker executed the Waiver of Lien document. By doing so, Baker was deprived of an enforcement remedy for Andrew's debt to him.

Baker did not have the advice of counsel prior to executing either document.

Conclusion of Law

By misrepresenting to Baker the purpose and efficacy of the "Waiver of Lien(s)" document, respondent committed an act of moral turpitude, in willful violation of Business and Professions Code, section 6106.

Case No. 10-O-02355

Facts

On August 11, 2009, the California Supreme filed a disciplinary order in Supreme Court case number S173688 (State Bar Court case numbers 07-O-13669 and 07-O-14682). The order, inter alia, placed respondent on probation for two years and required him to comply with probation conditions specified in a stipulation signed by respondent on December 19, 2008. The order became effective on September 10, 2009.

Respondent's probation conditions required him to meet with the probation deputy within 30 days of the effective date of discipline and to file quarterly reports on January 10, April 10, July 10, and October 10 of the period of probation. Respondent failed to contact the office of probation and schedule a meeting within the 30 day deadline and failed to file the quarterly report by January 10, 2010.

Conclusion of Law

By failing to contact the office of probation and schedule a meeting within the 30 day deadline and failing to file the quarterly report by January 10, 2010, respondent willfully violated B & P section 6068(k), by failing to comply with all conditions attached to any disciplinary probation.

Case No. 09-O-19151

Facts

Between August 2008 and October 2009, respondent worked for the Father's Resource Center, a Sacramento-based non-profit legal assistance organization (hereinafter, "FRC") as an independent contractor. Respondent worked for a flat fee of between \$543 and \$700 per case for family law matters. Client payments were made to FRC and FRC paid respondent. During the relevant time periods, respondent was the only attorney working for FRC.

Anthony Castner (hereinafter "Castner"), through FRC, hired respondent on January 5, 2009, to represent him in a family law matter in Sacramento Family Superior Court. Castner paid FRC \$1,000 for the representation. Castner subsequently paid FRC an additional \$400 for the representation. Of the \$1400 paid by Castner to FRC, respondent received a flat fee of between \$543 and \$700 from FRC.

On August 31, 2009, respondent failed to appear at a scheduled ex parte hearing. Respondent did not notify Castner of the hearing, nor that he would not be in attendance at the hearing. Castner learned

of the missed court date from his estranged spouse. On September 1, 2009, Castner was notified by FRC that his contract had expired, that a substitution of attorneys had been filed and that he could pick up his file at the front desk. During the period of representation, Castner attempted to contact respondent on several occasions through FRC regarding the status of his case. He was assured by FRC that his matter was being handled. As a result of respondent's conduct, Mr. Castner was forced to hire new counsel on September 30, 2009 and incur additional expense to resolve his matter.

Conclusions of Law

By failing to notify Castner of the August 31, 2009 court hearing, failing to appear for the August 31, 2009 court hearing, and withdrawing from Castner's matter without notice, respondent failed to perform with competence, in willful violation of rule 3-110(A).

By accepting a flat fee from the \$1400 paid by Castner to FRC for legal services in his family law matter, respondent shared legal fees with a person who is not a lawyer in violation of rule 1-320.

Case No. 10-O-2479

Facts

On September 3, 2009, Amber Simpson (hereinafter "Simpson"), through FRC hired respondent to represent her in her family law matter. Simpson paid FRC approximately \$1700 for the representation. Of the approximately \$1400 paid by Simpson to FRC, respondent received a flat fee of between \$543 and \$700 from FRC.

Conclusion of Law

By accepting a flat fee from the approximately \$1700 paid by Simpson to FRC for legal services in her family law matter, respondent shared legal fees with a person who is not a lawyer in violation of rule 1-320.

Case No. 10-O-3273

Jeremy Marshall (hereinafter "Marshall"), through FRC, hired respondent to represent him in his family law matter. Marshall was the Respondent in his matter and had been served with a Petition for Divorce. Marshall paid FRC approximately \$4000 for the representation. Of the approximately \$4000 paid by Marshall to FRC, respondent received a flat fee of between \$543 and \$700 from FRC.

On June 10, 2009, respondent executed a substitution of attorney. Thereafter, respondent failed to act on Marshall's behalf, including filing a timely response to the petition. On September 17, 2009, a default was entered against Marshall. On October 3, 2009 respondent prepared his own declaration, in support of a motion to set aside default. In the declaration, respondent admitted neglect in failing to timely file a response on behalf of Marshall. However, the declaration nor a motion to set aside default was filed by respondent. Marshall was forced to hire new counsel to complete his family law matter.

Based upon its findings related to the entry of the default and default judgment against Marshall, on June 21, 2010, the court ordered respondent to pay attorney fees and sanctions of \$2500, forthwith, to the petitioner, in care of her attorney. To date, respondent has not paid said fees and sanctions.

Conclusions of Law

By failing to timely file a response on behalf of Marshall and failing to timely file a Motion to Set Aside Default, respondent failed to perform with competence, in willful violation of rule 3-110(A).

By accepting a flat fee from the approximately \$4000 paid by Marshall to FRC for legal services in his family law matter, respondent shared legal fees with a person who is not a lawyer in violation of rule 1-320.

10-O-6329

Facts

Rodney Andrews (hereinafter "Andrews") is the "Chief Executive Officer" of Andrews Investment Group (hereinafter "AIG")¹. Respondent is counsel to AIG.

On March 24, 2009, Rizwan Begg (hereinafter "Begg") executed a document entitled "ANDREWS INVESTMENT GROUP Representative Authorization and Confirmation Agreement by Steven A. Royston, Attorney at Law" (hereinafter "Authorization"). The Authorization authorizes Begg's lender(s) to release any and all information and/or documents pertaining to Begg's account or file to Andrews and/or his employees/agents Amanda Andrews and Tiffany Bitoy. The Authorization is signed by Begg and Andrews.

Begg hired AIG to do loan modifications on four properties, one of which involved two loans. Begg paid upfront fees of \$11,500 to AIG for the loan modifications. The upfront fees could only be charged because of respondent's involvement. Although respondent's signature on the Authorization precedes the language of the Authorization, Andrews was responsible for securing the loan modifications and was Begg's contact person. Respondent did not receive any of the fees and did not participate in attempting to secure the loan modifications.

AIG represented Begg until March 25, 2010. During the period of representation, only one (the property with two loans) of the four properties resulted in an actual modification. With regard to the other properties, Begg received foreclosure and collection notices and was informed by the lenders that the modification process had not been completed by AIG. Begg was forced to deal directly with the lenders to complete the modifications.

Begg demanded a refund of the upfront fees based on AIG's failure to complete modifications on his properties. On May 7, 2010, respondent wrote to Begg and offered to refund \$2,500 of the upfront fees

Conclusion of Law

By signing the Authorization as the attorney for AIG for the purpose of circumventing legislation precluding the taking of upfront fees by a non-attorney and with the knowledge that Andrews would perform the work for the loan modifications, respondent aided a person in the unauthorized practice of law in violation of rule 1-300.

PENDING PROCEEDINGS

¹ Andrews Investment Group is registered

None.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of August 17, 2010, the prosecution costs in this matter are approximately \$9,000. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

AUTHORITIES SUPPORTING DISCIPLINE.

Standard 2.3
Standard 2.4
Standard 2.6
Standard 2.10

Rose v. State Bar (1989) 49 Cal.3d 646.
Schullman v. State Bar (1976) 16 Cal.3d 631
Glickman v. State Bar (1973) 9 Cal.3d 179

AGGRAVATING CIRCUMSTANCES.

See Stipulation Form.

MITIGATING CIRCUMSTANCES.

See Stipulation Form.

STATE BAR ETHICS SCHOOL.

Because respondent has agreed to attend State Bar Ethics School as part of this stipulation, respondent may receive Minimum Continuing Legal Education credit upon the satisfactory completion of State Bar Ethics School.

RESTRICTIONS WHILE ON ACTUAL SUSPENSION.

During the period of actual suspension, respondent shall not:

Render legal consultation or advice to a client;

Appear on behalf of a client in any hearing or proceeding or before any judicial officer, arbitrator, mediator, court, public agency, referee, magistrate, commissioner, or hearing officer;

Appear as a representative of a client at a deposition or other discovery matter;

Negotiate or transact any matter for or on behalf of a client with third parties;

Receive, disburse, or otherwise handle a client's funds; or

Engage in activities which constitute the practice of law.

Respondent shall declare under penalty of perjury that he or she has complied with this provision in any quarterly report required to be filed with the Office of Probation, pertaining to periods in which the respondent was actually suspended from the practice of law.

SUSPENSION NOTIFICATION REQUIREMENTS.

1. Within the first thirty days following commencement of probation, respondent shall provide written notifications concerning the suspension by registered or certified mail, return receipt requested, to:

- a. all clients being represented in pending matters;
- b. any co-counsel;
- c. any opposing counsel or unrepresented opposing parties; and
- d. the court, agency or tribunal in which any active litigation is pending.

2. The notification shall state the following:

- a. that the respondent has been suspended from the practice of law;
- b. the effective date of the suspension;
- c. the length of the suspension;
- d. the respondent's consequent ineligibility to render legal services during the period of the suspension; and
- e. in notifications to clients, any urgency in seeking the substitution of other legal counsel.

3. Within the first forty days following commencement of probation, respondent shall file an affidavit (or declaration in conformity with the requirements of California Code of Civil Procedure section 2015.5) with the Office of Probation showing that respondent has fully complied with these provisions.

4. Respondent shall maintain complete records of the notifications and the certified or registered mailings and shall provide such records upon the request of the Office of the Chief Trial Counsel.

FINANCIAL CONDITIONS, RESTITUTION.

See Financial Conditions attached herein.

Respondent shall include, in each quarterly report required herein, satisfactory evidence of all restitution payments made by him during that reporting period.

In the Matter of
STEVEN A. ROYSTON

A Member of the State Bar

Case number(s):
**09-O-14063; 09-O-14586; 10-O-2355; 09-O-19151;
10-O-2479; 10-O-3273; 10-O-6329**

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
Jeremy Marshall	\$700.00	September 20, 2010
Kimberly Marshall	\$2500.00	September 20, 2010

- ☒ Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than **30 days after 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:
- 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.

(Do not write above this line.)

In the Matter of STEVEN A. ROYSTON	Case number(s): 09-O-14063; 09-O-14586; 10-O-2355; 09-O-19151; 10-O-2479; 10-O-3273; 10-O-6329
--	--

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>August 20, 2010</u> Date	<u>Steven A. Royston</u> Respondent's Signature	<u>Steven A. Royston</u> Print Name
<u>Aug. 23, 2010</u> Date	<u>[Signature]</u> Respondent's Counsel Signature	<u>N/A</u> Print Name
	<u>[Signature]</u> Deputy Trial Counsel's Signature	<u>Treva R. Stewart</u> Print Name

(Do not write above this line.)

In the Matter Of STEVEN A. ROYSTON	Case Number(s): 09-O-14063; 09-O-14586; 10-O-02355; CONS 09-O-19151; 10-O-02479; 10-O-03273; 10-O-06329
--	---

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.

On P. 1 – (1), of the stipulation, Respondent was admitted May 29, 1981; not May 25;

On P. 1 – (3) of the stipulation, number of pages was omitted – it should be “17”;

On P. 2 – (8) add the years “2012, 2013, and 2014”; and

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

Sept 7, 2010

Judge of the State Bar Court

LUCY ARMENDARIZ

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 San Francisco, on September 7, 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 San Francisco, California, addressed as follows:

STEVEN ALLEN ROYSTON
LAW OFFICE OF STEVEN A ROYSTON
7321 STOCKTON BLVD
SACRAMENTO, CA 95823

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

TREVA STEWART, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on September 7, 2010.



Laine Silber
Case Administrator
State Bar Court