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<b>State Bar Court of California</b> <b>Hearing Department</b>  <b>ACTUAL SUSPENSION</b>		
Counsel For The State Bar  <b>BRANDON K. TADY</b> Deputy Trial Counsel 1149 South Hill Street Los Angeles, California 90015  Bar # 83045	Case Number(s): 10-C-03089	For Court use only   <div style="text-align: center;"> <b>FILED</b>   <b>MAY 23 2011</b>   <b>STATE BAR COURT</b>  <b>CLERK'S OFFICE</b>  <b>LOS ANGELES</b> </div>
In Pro Per Respondent  <b>PETER H. NORELL, JR.</b> 901 West Civic Center Drive, 3rd. Floor Santa Ana, California 92703  Bar # 169521	Submitted to: <b>Settlement Judge</b>  STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING  <b>ACTUAL SUSPENSION</b>  <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
In the Matter of: <b>PETER H. NORELL, JR.</b>  Bar # 169521  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 2, 1993.
- (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 10 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."



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- (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 5.130, Rules of Procedure.
  - Costs are to be paid in equal amounts prior to February 1 for the following membership years: (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.
  - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
  - Costs are 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 the Section "Aggravating Circumstances" in the Stipulation of Facts and Conclusions of Law attached hereto.
- (5)  **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.

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- (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 the Section "Aggravating Circumstances" in the Stipulation of Facts and Conclusions of Law attached hereto.
- (8)  **No aggravating circumstances** are involved.

**Additional aggravating circumstances:**

None.

**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. See Stipulation of Facts and Conclusions of Law.
- (2)  **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3)  **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
- (4)  **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5)  **Restitution:** Respondent paid \$ \_\_\_\_\_ on \_\_\_\_\_ in restitution to \_\_\_\_\_ without the threat or force of disciplinary, civil or criminal proceedings.
- (6)  **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7)  **Good Faith:** Respondent acted in good faith.
- (8)  **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9)  **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10)  **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11)  **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct. See the Section "Mitigating Circumstances" in the Stipulation of Facts and Conclusions of Law attached hereto.

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- (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:**

See Stipulation of Facts and Conclusions of Law..

**D. Discipline:**

(1)  **Stayed Suspension:**

(a)  Respondent must be suspended from the practice of law for a period of two (2) years.

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

(b)  The above-referenced suspension is stayed.

(2)  **Probation:**

Respondent must be placed on probation for a period of two (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 one (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:

**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 the 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.

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- (3)  Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4)  Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
- (5)  Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

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

- (6)  Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (7)  Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.
- (8)  Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.
- No Ethics School recommended. Reason: \_\_\_\_\_
- (9)  Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.
- (10)  The following conditions are attached hereto and incorporated:
- |   |   |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions         | <input type="checkbox"/> Financial Conditions             |

#### F. Other Conditions Negotiated by the Parties:

- (1)  **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. **Failure to pass the MPRE results in actual suspension without**

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**further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 5.162(A) & (E), 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:**

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:                            PETER HOUGH NORELL, JR.

CASE NUMBER(S):                            10-C-03089

**FACTS AND CONCLUSIONS OF LAW.**

Respondent admits that the following facts are true and that he is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

Case No. 10-C-03089 (Conviction Proceedings)

PROCEDURAL BACKGROUND IN CONVICTION PROCEEDING:

1. This is a proceeding pursuant to sections 6101 and 6102 of the Business and Professions Code and rule 9.10 of the California Rules of Court.
2. On March 26, 2010, Respondent was convicted of violating Title 18, United States Code, Section 1030 (a) (2) (B), a misdemeanor.
3. On November 1, 2010, the Review Department of the State Bar Court issued an order referring the matter to the Hearing Department on the following issues: for a hearing and decision recommending the discipline to be imposed in the event that the hearing department finds that the facts and circumstances surrounding the violation of which Respondent was convicted involved moral turpitude or other misconduct warranting discipline.

FACTS:

4. Respondent admits he was admitted to the practice of law in the State of California on December 2, 1993, was a member at all times pertinent to these charges, and is currently a member of the State Bar of California.
5. Throughout 2005, Peter H. Norell, Jr. was a Special Agent (“SA”) with the Federal Bureau of Investigation (“FBI”) in Santa Ana, California within the Central District of California. The FBI is an agency of the United States. On August 23, August 29, and September 2, 2005, Norell intentionally used an FBI computer in his office to access FBI data bases to search for information about an individual referred to herein as T.S. Norell thereby obtained information from the FBI about T.S. as a result of his intentional access of the FBI computer on those dates. Norell obtained the information related to T.S. to assist a personal acquaintance’s efforts to collect a debt owed by T.S. to Norell’s personal acquaintance and, according to Norell’s understanding, other investors. The amount of the debt was in dispute between T.S. and Norell’s personal acquaintance. Although Norell never intended to and never did initiate a legitimate FBI investigation into T.S., Norell threatened to initiate and FBI investigation into T.S. if T.S. did not repay the debt. Norell communicated his threats to initiate an FBI investigation to T.S. in multiple phone calls, as well as in person when Norell went to T.S.’s home at 6:45 am on September 6, 2005. Norell was informed that T.S. thereafter paid a portion of the debt to Norell’s

personal acquaintance. Norell knew that he was not authorized to obtain information from the FBI computer for the purpose of assisting his personal acquaintance in obtaining payment of the debt.

#### CONCLUSIONS OF LAW:

6. Norell's access of the FBI computer on the above-mentioned dates to obtained information about T.S. therefore exceeded his authorization in violation of 18 U.S.C. section 1030 (a) (2) (B), a misdemeanor.

7. The facts and circumstances surrounding the above-described violation(s) did not involve moral turpitude but did involve other misconduct warranting discipline.

#### AGGRAVATING CIRCUMSTANCES:

8. Respondent's current misconduct evidences multiple acts of wrongdoing (Standard 1.2 (b) (ii)). Respondent had multiple improper contacts with T.S. Respondent's misconduct does not demonstrate a pattern of misconduct.

9. Respondent's misconduct toward T.S., in his capacity as an FBI Agent, significantly harmed T.S. and the administration of justice (Standard 1.2 (b) (iv)). Respondent's threats caused T.S. to feel fearful and emotionally upset. Respondent's misconduct significantly harmed the administration of justice because he misused his authority as a Special Agent and as a representative of the United States government.

#### MITIGATING CIRCUMSTANCES:

10. Respondent has been a member of the State Bar of California since December 2, 1993 and he does not have a record of prior State Bar discipline.

11. As part of the criminal proceeding in Case number SA CR 10-0046 AG, Respondent provided the Court with numerous good character letters from attorneys and former Special Agents with whom he worked at the FBI. These letters are an extraordinary demonstration of good character attested to by a wide range of references in the legal and general communities and who are aware of the full extent of Respondent's misconduct.

#### ADDITIONAL MITIGATING CIRCUMSTANCES:

12. In his capacity as a Special Agent with the FBI, Respondent assisted in the investigation of one or more attorneys engaged in real estate loan modifications. Respondent cooperated with the State Bar by sharing information about his investigations with the State Bar.

#### PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was April 21, 2011.



## **AUTHORITIES SUPPORTING DISCIPLINE.**

### RULE 5-100(A)

Rule 5-100(a) provides that a member shall not threaten to present criminal, administrative, or disciplinary charges to obtain an advantage in a civil dispute.

### STANDARD 1.3

Standard 1.3 provides that the primary purposes of disciplinary proceedings conducted by the State Bar of California and of sanctions imposed upon a finding or acknowledgement of a member's professional misconduct are the protections 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.

### STANDARD 2.10

Standard 2.10 provides that culpability of a member of a violation of any provision of the Business and Professions Code not specified in the standards shall result in reproof or suspension according to the gravity of the offense or the harm, if any, to the victim, with due regard to the purposes of imposing discipline set forth in standard 1.3.

The appropriate level of discipline in this case is one (1) year actual suspension. Respondent illegally used his FBI computer to obtain confidential information about T.S., and threatened T.S. with a criminal investigation to gain an advantage for Respondent's personal acquaintance and according to Respondent's understanding, other investors. Both of these acts involve the abuse of authority—both his authority as an attorney and his authority as an F.B.I. agent. The range of discipline in Standard 2.10 is from reproof through suspension. Applying Standard 2.10, one year actual suspension is within the range of discipline of this Standard and is an appropriate level of discipline. A review of reported decisions did not produce any cases sufficiently similar to the present proceeding to reach a different conclusion.

## **COSTS OF DISCIPLINARY PROCEEDINGS.**


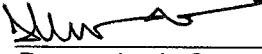
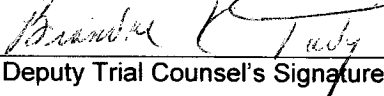
Respondent acknowledges that the Office of Chief Trial Counsel has informed Respondent that as of April 5, 2011, the prosecution costs in this matter are \$4953.50. Respondent further acknowledges that should this stipulation be rejected or should relief from this stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

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In the Matter of: PETER HOUGH NORELL, JR.	Case number(s): 10-C-03089
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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 Facts, Conclusions of Law, and Disposition.

<u>04/27/2011</u> Date	 Respondent's Signature	<u>PETER H. NORELL</u> Print Name
<u>4/27/2011</u> Date	 Respondent's Counsel Signature	<u>HEMANT H. (SHASHI) KEWALRAMANI</u> Print Name
<u>5/2/11</u> Date	 Deputy Trial Counsel's Signature	<u>BRANDON K. TADY</u> Print Name

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In the Matter of: PETER HOUGH NORREL, JR.	Case Number(s): 10-C-03089
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### ACTUAL SUSPENSION 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.

*PAGE 4. SECTION - D.(1)(a)(i) - DELETE CHECK IN BOX.*  
*PAGE 4. SECTION - E.(1) - DELETE CHECK IN BOX.*

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 5.58(E) & (F), 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.)**

05-23-11  
Date

  
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 May 23, 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:

PETER H. NORELL JR, ESQ.  
901 W CIVIC CENTER DR 3RD FL  
SANTA ANA, CA 92703

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

BRANDON TADY, ESQ., Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on May 23, 2011.



Rose Luthi  
Case Administrator  
State Bar Court