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**ORIGINAL**

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

<p>Counsel For The State Bar  Eli D. Morgenstern Deputy Trial Counsel Office of the Chief Trial Counsel The State Bar of California 1149 S Hill St Los Angeles, CA 90015 (213) 765-1334  Bar.# 190560</p>	<p>Case Number(s): 10-O-03831;10-O-05188 10-O-05544;10-O-05546 10-O-06489;10-O-06491 10-O-06533;10-O-07584 10-O-08061;10-O-08124 10-O-08758;10-O-08911 10-O-09100;10-O-10275 10-O-10712;10-O-11028 10-O-11030;11-O-10868</p>	<p>For Court use only  <b>PUBLIC MATTER</b>  <b>FILED</b> ✓ APR 27 2012  STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO</p>
<p>In Pro Per Respondent  Robert Joseph Buscho 831 N Anaheim Blvd Anaheim, CA 92805 (714) 563-0443  Bar # 122556</p>	<p>Submitted to: <b>Settlement Judge</b>  STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT  <b>DISBARMENT</b>  <input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter of: Robert Joseph Buscho  Bar # 122556  A Member of the State Bar of California (Respondent)</p>		

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

**A. Parties' Acknowledgments:**

- (1) Respondent is a member of the State Bar of California, admitted February 11, 1986.
- (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 resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of (31) 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):
- Costs to be awarded to the State Bar.
  - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
  - Costs are entirely waived.
- (9) ORDER OF INACTIVE ENROLLMENT:  
The parties are aware that if this stipulation is approved, the judge will issue an order of inactive enrollment under Business and Professions Code section 6007, subdivision (c)(4), and Rules of Procedure of the State Bar, rule 5.111(D)(1).

**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**
- (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:  
  
See page 27 for further discussion regarding prior record of discipline.
- (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 pages 27 and 28 for further discussion regarding harm.
- (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 page 27 for further discussion regarding 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. See page 28 for further discussion regarding candor/cooperation.
- (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. See page 28 for further discussion regarding remorse.
- (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.

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(13)  **No mitigating circumstances** are involved.

**Additional mitigating circumstances:**

**D. Discipline:        Disbarment.**

**E. Additional Requirements:**

- (1) **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.
  
- (2)  **Restitution:** Respondent must make restitution to \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ plus 10 percent interest per year from \_\_\_\_\_. If the Client Security Fund has reimbursed \_\_\_\_\_ for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. ~~Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than \_\_\_\_\_ days from the effective date of the Supreme Court order in this case.~~ See page 26 for further discussion regarding restitution.
  
- (3)  **Other:**



Bar of California who worked for ULG. Respondent employed 35 to 40 staff members who worked for him at ULG.

Between January 2010 and March 2010, ULG employees, without the knowledge, authorization, or consent of Respondent, contracted on behalf of ULG with the complainants herein. ULG employees obtained the complainants' authorization to withdraw funds electronically from their respective bank accounts. Thereafter, ULG's marketing director converted the funds. After January 2010, Respondent did not draw a salary from ULG because he had been told by ULG's in-house accountant that ULG's revenue had fallen significantly.

Due to his failure to supervise adequately, Respondent, with a few exceptions which are noted in this stipulation, never knew that ULG had contracted to perform legal services with the complainants herein. Thereafter, Respondent's continued failure to supervise adequately permitted ULG's employees to neglect the complainants' legal matters.

On June 30, 2010, Respondent filed a petition for Chapter 11 Bankruptcy on behalf of ULG in the United States Bankruptcy Court, Central District of California, case number 8:10-bk-18945-RK. In September 2010, Respondent converted ULG's Chapter 11 Bankruptcy to a Chapter 7 Bankruptcy. And, on September 16, 2010, the Bankruptcy Trustee assumed control over ULG's practice.

Case No. 10-O-03831

Facts

1. The stipulated General Background Facts are incorporated by reference.
2. In or about December 2008, before Respondent purchased ULG, Reid and Susan Elam (collectively, the "Elams"), Nevada residents, employed the United Law Group ("ULG") to assist them with the modification of their home mortgage, as well as the mortgage that they maintained for another property in the state of Nevada. At the time that the Elams employed ULG to assist them with the loan modifications, ULG had affiliated Nevada counsel.
3. The Elams paid ULG a total of \$5,500 for the loan modifications.
4. ULG did not perform any services of value on behalf of the Elams, including, but not limited to, negotiating and obtaining loan modifications for either of the two properties. No portion of the \$5,500 in advanced attorney fees that the Elams paid to ULG for the loan modifications was earned.
5. To date, Respondent has not refunded any portion of the \$5,500 in advanced fees that ULG received from the Elams in connection with the loan modifications.
6. In February 2010, the Elams telephoned their lender and were told that in August 2009 the lender offered ULG a loan modification proposal for the Elamses' primary residence. At no time did anyone from ULG inform the Elams of the proposal. The lender also stated that the Elamses' primary residence was in foreclosure.
7. On February 26, 2010, an employee of ULG advised the Elams to file for Chapter 13 bankruptcy.

8. On or about March 4, 2010, the Elams employed ULG to represent them in a Chapter 13 bankruptcy proceeding. On or about the same date, ULG withdrew \$2,000 from the Elams' bank account.

9. On March 5, 2010, the Elams decided against filing for bankruptcy and terminated ULG's employment and requested a refund of the \$2,000 that had been withdrawn from their checking account. No portion of the \$2,000 in advanced attorney fees that the Elams paid to ULG for the bankruptcy was earned.

10. To date, Respondent has not refunded any portion of the \$2,000 that ULG withdrew from the Elamses' bank account.

Conclusions of Law

By failing to perform any services of value on behalf of the Elams in connection with the loan modifications, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund the unearned \$5,500 advanced fee that ULG received from the Elams in connection with the loan modifications, and by failing to return the \$2,000 unearned, advanced fee that ULG withdrew from the Elamses' bank account in connection with the bankruptcy, Respondent, as the owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Case No. 10-O-05188

Facts

11. The stipulated General Background Facts are incorporated by reference.

12. In November 2009, Dan and Robin Cunningham (collectively the "Cunninghams") employed ULG to assist them with the modification of their first and second home mortgages. ULG debited a total of \$3,200 from the Cunninghams' bank account in the following installments:

<u>DATE</u>	<u>AMOUNT</u>
11/30/09	\$1,000
12/04/09	\$500
01/04/10	\$500
01/26/10	\$700
02/26/10	\$500

13. ULG did not perform each and every service it had contracted to perform or represented that it would perform for the Cunninghams, prior to demanding, charging, collecting, and receiving the advanced fees.

14. ULG did not perform any services of value on behalf of the Cunninghams, including, but not limited to, negotiating and obtaining a loan modification. No portion of the \$3,200 in advanced attorney fees that the Cunninghams paid to ULG was earned.



15. On or about February 26, 2010, the Cunninghams terminated ULG and demanded a refund.

16. To date, Respondent has not refunded any portion of the unearned, advanced fees that ULG received from the Cunninghams.

### Conclusions of Law

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting, and receiving fees from the Cunninghams prior to fully performing each and every service ULG had contracted to perform or represented that it would perform, in violation of Section 2944.7(a) of the Civil Code, Respondent, as owner of ULG willfully violated Business and Professions Code section 6106.3.

By failing to perform any legal services of value on behalf of the Cunninghams, including, but not limited to, negotiating and obtaining a loan modification, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund to Cunningham any portion of the unearned, advanced fee that ULG received from Cunningham, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

### Case No. 10-O-05544

### Facts

17. The stipulated General Background Facts are incorporated by reference.

18. In January 2010, James E.B. Stewart ("Stewart"), a Florida resident, was solicited by telephone by an employee of United Law Group ("ULG") to represent him in a bankruptcy case.

19. On February 3, 2010, before Stewart had signed a retainer agreement with ULG, ULG debited \$1,800 from Stewart's banking account.

20. Throughout the next month, Stewart attempted unsuccessfully to contact ULG by telephone, facsimile, and e-mail. During this period, Stewart also consulted with another lawyer. The lawyer advised Stewart against filing for bankruptcy.

21. ULG did not perform any services of value on behalf of Stewart, including, but not limited to, filing a petition for bankruptcy on his behalf. No portion of the \$1,800 in advanced attorney fees that Stewart paid to ULG was earned.

22. On March 5, 2010, and April 6, 2010, Stewart mailed letters via certified mail to ULG demanding a refund of the fees that ULG withdrew from his checking account. Although Respondent's employee at ULG received Stewart's letter, the employee did not inform Respondent of the letters. Neither Respondent nor Respondent's employee responded to the letters.

23. To date, Respondent has not refunded any portion of the unearned, advanced fees that ULG

### Conclusions of Law

By failing to refund to Stewart any portion of the unearned, advanced fee that ULG received from Stewart, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

### Case No. 10-O-05546

### Facts

24. The stipulated General Background Facts are incorporated by reference.

25. In November 2009, Darlene Gould ("Gould"), a Nevada resident, employed the United Law Group ("ULG") to assist her with a modification of her home loan. At that time, Gould was delinquent with her mortgage payments, and had been advised by her lender that her home was going to be sold at a foreclosure sale. An employee of ULG stated to Gould that ULG would prevent her home from being sold at a foreclosure sale. At the time that Gould employed ULG to assist her with the loan modification, ULG had affiliated Nevada counsel.

26. In November 2009 and December 2009, Gould paid ULG a total of \$3,500 in advanced attorney fees in connection with her home loan modification.

27. ULG did not perform each and every service it had contracted to perform or represented that it would perform for Gould, prior to demanding, charging, collecting, and receiving the advanced fees.

28. ULG did not perform any services of value on behalf of Gould, including, but not limited to, negotiating and obtaining a loan modification. No portion of the \$3,500 in advanced attorney fees that Gould paid to ULG was earned.

29. In February 2010, an employee of ULG advised Gould to file for bankruptcy. The employee stated to Gould that by filing for bankruptcy, Gould would be able to prevent her home from being sold at a foreclosure sale. In February 2010, Gould paid ULG an additional \$1,500.

30. At no time did ULG perform any services of value on behalf of Gould with respect to the bankruptcy, including but not limited to, filing a petition for bankruptcy. No portion of the \$1,500 in advanced attorney fees that Gould paid to ULG in connection with the bankruptcy case was earned.

31. On or about March 15, 2010, Gould's home was sold at a foreclosure sale.

32. Between March 15, 2010, and April 30, 2010, Gould telephoned ULG on several occasions and left voice mail messages requesting a return call. Neither Respondent nor a representative of Respondent returned any of Gould's voice mail messages.

33. To date, Respondent has not refunded any portion of the unearned, advanced fee that Gould paid to ULG with respect to the bankruptcy case.

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### Conclusions of Law

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting, and receiving fees from Gould prior to fully performing each and every service ULG had contracted to perform or represented that it would perform, in violation of Section 2944.7(a) of the Civil Code, Respondent, as owner of ULG willfully violated Business and Professions Code section 6106.3.

By failing to perform any services of value on behalf of Gould in connection with the loan modification, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to perform any legal services on behalf of Gould in connection with the Chapter 7 Bankruptcy, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to return the illegal, advanced fee that ULG received from Gould in connection with the loan modification, and by failing to return any of the unearned, advanced fee that ULG received from Gould in connection with the Chapter 7 Bankruptcy, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Case No. 10-O-06489

### Facts

34. The stipulated General Background Facts are incorporated by reference.

35. In February 2010, Vanessa Thomas-Burgos ("Thomas-Burgos"), a Texas resident, after watching an infomercial for ULG on television, employed ULG to assist her with modifying the loans for two of her automobiles. Thomas-Burgos paid ULG \$2,505 for their legal services.

36. ULG performed no services of value on behalf of Thomas-Burgos, including, but not limited to, negotiating and obtaining a modification of Thomas-Burgos' automobile loans. No portion of the \$2,505 in advanced attorney fees that Thomas-Burgos paid to ULG was earned.

37. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from Thomas-Burgos.

### Conclusions of Law

By failing to perform any legal services of value on behalf of Thomas-Burgos in connection with the modification of her automobile loans, Respondent, as the owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund to Thomas-Burgos any portion of the unearned, advanced fee that ULG received from Thomas-Burgos, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Case No. 10-O-06491

Facts

38. The stipulated General Background Facts are incorporated by reference.

39. On December 9, 2009, Natasha Gaspard (“Gaspard”), a Texas resident, was solicited by telephone by a non-attorney employee of ULG encouraging her to employ ULG to file a bankruptcy petition on her behalf. At the time, Gaspard had received notice of an accelerated foreclosure sale of her home from her lender. The employee also asked if Gaspard would be interested in joining a class action lawsuit that ULG was forming against Gaspard’s lender. The employee quoted a fee for the bankruptcy of \$1,750. The employee did not quote a fee with respect to the purported, class action lawsuit.

40. On December 14, 2009, Gaspard employed ULG to assist her with a bankruptcy case. On or about that day, ULG withdrew \$3,500 from Gaspard’s checking account.

41. On December 16, 2009, Gaspard left a telephone message for the employee of ULG inquiring why ULG withdrew \$3,500 from her account as opposed to \$1,750 which she had agreed to pay for the bankruptcy case. On December 18, 2009, the employee returned Gaspard’s message and stated that the \$3,500 covered the fee for the bankruptcy case and the class action lawsuit. Gaspard terminated ULG during the telephone call and demanded a return of the \$3,500 that ULG had withdrawn from her banking account.

42. On December 20, 2009, an employee of ULG stated that Gaspard would receive a full refund of the \$3,500 that ULG had withdrawn from her bank account in two weeks.

43. ULG did not provide Gaspard with a refund; however, ULG did send her paperwork regarding their loan modification program. Gaspard never employed ULG to assist her with a loan modification.

44. On January 7, 2010, Gaspard mailed ULG a letter demanding a refund of the \$3,500 that ULG had withdrawn from her bank account. Although Respondent’s employee at ULG received Gaspard’s letter, the employee did not inform Respondent of the letter. Neither Respondent nor Respondent’s employee responded to the letter.

45. On January 12, 2010, an employee of ULG telephoned Gaspard and stated to her that an attorney was reviewing her request for a refund.

46. To date, Respondent has not refunded any portion of the \$3,500 that ULG withdrew from Gaspard’s bank account.

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## Conclusions of Law

By failing to refund to Gaspard any portion of the unearned, \$3,500 advanced fee that ULG received from Gaspard, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

## Case No. 10-O-06533

### Facts

47. The stipulated General Background Facts are incorporated by reference.

48. On April 2, 2009, before Respondent purchased ULG, Alfred and Maria Sanchez (collectively, the "Sanchezes"), Colorado residents, employed ULG to assist them with a modification of their home loan. The Sanchezes paid ULG a total of \$3,000 in advanced fees in two installment payments of \$1,500 each in April and July 2009. Thereafter, ULG failed to perform any services of value on behalf of the Sanchezes, including, but not limited to, negotiating and obtaining a loan modification.

49. To date, Respondent has not refunded any portion of the unearned, \$3,000 advanced fee that ULG received from the Sanchezes in connection with the loan modification.

50. In February 2010, at the recommendation of an employee of ULG, the Sanchezes employed ULG to represent them in a bankruptcy case. The Sanchezes also agreed to join a class action lawsuit which the employee claimed ULG was forming against various lenders, including the Sanchezes' lender.

51. On February 18, 2010, the Sanchezes paid ULG \$2,000 in advanced attorney fees for their representation in the bankruptcy case; and on February 26, 2010, the Sanchezes paid an additional \$2,000 in connection with the purported class action lawsuit.

52. At no time did ULG join the Sanchezes in a class action lawsuit against their lender. At no time did ULG perform any services of value on behalf of the Sanchezes with respect to the purported class action lawsuit.

53. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from the Sanchezes with respect to the class action lawsuit.

54. On April 28, 2010, the Sanchezes, acting In Pro Per, filed a petition for Chapter 7 Bankruptcy in the United States Bankruptcy Court, District of Colorado (Denver). The petition was prepared with the assistance of ULG.

55. On June 3, 2010, the Sanchezes received an e-mail from an employee of ULG stating that no attorney would be able to attend the 341(a) hearing on their behalf because of scheduling conflicts. This was the last communication that the Sanchezes would receive from ULG.

56. On June 4, 2010, the Sanchezes appeared at the 341(a) hearing; however, an attorney did not appear on their behalf as they had been promised by an employee of ULG. Subsequently, ULG hired an attorney to appear with the Sanchezes at the continued 341(a) hearing.

57. After the continued 341(a) hearing, ULG ceased all communication with the Sanchezes. By ceasing all communication with the Sanchezes after the continued 341(a) hearing, ULG constructively terminated its employment with the Sanchezes. Neither Respondent nor any other representative of ULG informed the Sanchezes of ULG's intent to withdraw from representation or take any other steps to avoid reasonably foreseeable prejudice to the Sanchezes.

### Conclusions of Law

By failing to perform any services of value on behalf of the Sanchezes with respect to the purported class action lawsuit, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund to the Sanchezes any portion of the \$3,000 unearned, advanced fee that ULG received from the Sanchezes in connection with the loan modification, and the \$2,000 unearned, advanced fee that ULG received from the Sanchezes in connection with the purported class action lawsuit, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

By ceasing all communication with the Sanchezes after the continued 341(a) hearing, Respondent, as owner of ULG, constructively terminated his employment with the Sanchezes, and failed, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client, in wilful violation of rule 3-700(A)(2).

### Case No. 10-O-07584

#### Facts

58. The stipulated General Background Facts are incorporated by reference.

59. In November 2009, Richard Morgan ("Morgan"), a Texas resident, was solicited by an employee of ULG to seek a modification of his automobile loan. At this time, Morgan was not delinquent on his automobile loan.

60. On November 24, 2009, Morgan employed ULG to assist him with a modification of his automobile loan. On or about that date, Morgan paid ULG \$1,500. At the time that Morgan employed ULG, an employee of ULG stated to Morgan that he was not obligated to make any payments to his lender, because the payments would be automatically deferred for 60 to 90 days. Morgan followed these instructions. As a result, he defaulted on his automobile loan.

61. ULG did not perform any services of value on behalf of Morgan, including, but not limited to, negotiating and obtaining a reduction of his automobile loan. No portion of the \$1,500 in advanced attorney fees that Morgan paid to ULG was earned.

62. On April 5, 2010, Morgan received an unsigned letter from ULG stating that ULG was continuing to negotiate with Morgan's automobile lender, and instructing him to remain current on his payments during the process. This was last time that Morgan received any communication from ULG.

63. By ceasing all communication with Morgan after April 5, 2010, ULG constructively terminated their employment with Morgan. Neither Respondent nor any other representative of ULG informed Morgan of ULG's intent to withdraw from representation or take any other steps to avoid reasonably foreseeable prejudice to Morgan.

64. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from Morgan.

### Conclusions of Law

By ceasing all communication with Morgan after April 5, 2010, Respondent, as owner of ULG, constructively terminated his employment with Morgan, and failed, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client, in wilful violation of rule 3-700(A)(2).

By failing to refund to Morgan any portion of the unearned, advanced fee that ULG received from Morgan, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

### Case No. 10-O-08061

### Facts

65. The stipulated General Background Facts are incorporated by reference.

66. On December 31, 2009, Mark and Terrie Carlstrom (collectively, the "Carlstroms") employed ULG to assist them with a modification of their home loan. On December 31, 2009, the Carlstroms paid ULG \$2,700 in advanced attorney fees.

67. ULG did not perform each and every service it had contracted to perform or represented that it would perform for the Carlstroms, prior to demanding, charging, collecting, and receiving the advanced fees.

68. On April 1, 2010, the Carlstroms received an unsigned letter on ULG letterhead stating that their lender had "declined to cooperate in the modification process." In fact, ULG did not perform any services of value on behalf of the Carlstroms, including, but not limited to, negotiating and obtaining a loan modification. ULG did not earn any portion of the \$2,700 in advanced attorney fees that ULG received from the Carlstroms in connection with the loan modification.

69. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from the Carlstroms in connection with the loan modification.

70. The April 1, 2010 letter also recommended to the Carlstroms that they file for bankruptcy and join the class action lawsuit that ULG was purportedly forming against the banks.

71. On April 9, 2010, Mark Carlstrom employed ULG to represent him in a bankruptcy case. On that date, the Carlstroms paid ULG \$2,300 in advanced attorney fees.

72. On June 3, 2010, Respondent filed a Chapter 7 Bankruptcy petition on behalf of Mark Carlstrom in the United States Bankruptcy Court, Eastern District of California, case number 10-16246-B-7 (the "bankruptcy matter").

73. On June 9, 2010, at the request of an employee of ULG, the Carlstroms issued a check made payable to ULG in the sum of \$895 for a REST report. Thereafter, ULG paid a third party \$895 to prepare a REST report on behalf of the Carlstroms. In June 2010, after the Carlstroms had paid ULG \$895, Terrie Carlstrom spoke with another employee of ULG. The employee said that for an additional \$2,000, ULG would be able to try again to negotiate a loan modification for the Carlstroms.

74. At no time did ULG or the third party provide the Carlstroms with any information or documentation with respect to the REST report.

75. On July 27, 2010, the Carlstroms received a phone call from an employee of ULG demanding an additional \$2,000 for the loan modification. This was the last contact that the Carlstroms had from any employee of ULG.

76. On August 5, 2010, a hearing in the bankruptcy matter was conducted. The Carlstroms appeared at the hearing; ULG paid for an attorney to appear with the Carlstroms at the hearing. The Carlstroms were able to avoid the foreclosure of their home at the hearing.

#### Conclusions of Law

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting, and receiving fees from the Carlstroms prior to fully performing each and every service ULG had contracted to perform or represented that it would perform, in violation of Section 2944.7(a) of the Civil Code, Respondent, as owner of ULG willfully violated Business and Professions Code section 6106.3.

By failing to perform any services of value on behalf of the Carlstroms in connection with the loan modification, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund to the Carlstroms any portion of the unearned, advanced fee that ULG received from the Carlstroms in connection with the loan modification, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Case No. 10-O-08124

#### Facts

77. The stipulated General Background Facts are incorporated by reference.



78. On November 24, 2009, Susan Rodriguez (“Rodriguez”) employed ULG to represent her in a Chapter 7 Bankruptcy. Respondent paid ULG a total of \$3,250.

79. Thereafter, ULG failed to perform any services of value on behalf of Rodriguez, including, but not limited to filing a Chapter 7 Bankruptcy petition on her behalf. No portion of the \$3,250 in advanced attorney fees that Rodriguez paid to ULG was earned.

80. ULG did not earn any of the advanced fees paid by Rodriguez. To date, Respondent has not refunded any portion of the \$3,250 that ULG received from Rodriguez.

### Conclusions of Law

By failing to perform any services of value on behalf of Rodriguez in connection with the Chapter 7 Bankruptcy, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund to Rodriguez any portion of the unearned, advanced fee that ULG received from Rodriguez, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

### Case No. 10-O-08758

### Facts

81. The stipulated General Background Facts are incorporated by reference.

82. On April 26, 2010, Robert Warren (“Warren”), a Utah resident, employed ULG to represent him in a class action law suit that ULG was purportedly forming against Wells Fargo Bank, his home mortgage lender. On that same day, Warren paid ULG \$1,500.

83. On April 26, 2010, Warren spoke with an employee of ULG and advised the employee that Warren was terminating ULG because of negative remarks he had read about ULG on the Better Business Bureau website. Respondent was informed of ULG’s termination and Warren’s request for a refund. Neither Respondent nor any employee of ULG responded to Warren’s request. Between April 26, 2010, and July 27, 2010, Warren sent approximately 100 e-mails and made several telephone calls to ULG’s accounting department demanding a refund of the \$1,500 that he had paid to ULG. However, Respondent’s employees in the accounting department did not advise Respondent of Warren’s e-mails and the telephone messages. Neither Respondent nor any employee of ULG responded to Warren’s e-mails and telephone messages.

84. No portion of the \$1,500 in advanced attorney fees that Warren paid to ULG was earned.

85. To date, Respondent has not refunded any portion of the \$1,500 that ULG received from Warren.

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Conclusions of Law

By failing to refund to Warren any portion of the unearned, advanced fee that ULG received from Warren, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Case No. 10-O-08911

Facts

86. The stipulated General Background Facts are incorporated by reference.

87. On January 11, 2010, Anthony Parker ("Parker") employed ULG to assist him with a modification of his home loan. On or about that date, Parker paid ULG \$3,200 in advanced attorney fees. Parker also paid a third-party \$895 for a REST report.

88. ULG did not perform each and every service it had contracted to perform or represented that it would perform for Parker, prior to demanding, charging, collecting, and receiving the advanced fees.

89. ULG did not perform any services of value on behalf of Parker, including, but not limited to, negotiating and obtaining a loan modification. No portion of the \$3,200 that Parker paid to ULG was earned.

90. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from Parker in connection with the loan modification.

Conclusions of Law

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting, and receiving fees from the Parker prior to fully performing each and every service ULG had contracted to perform or represented that it would perform, in violation of Section 2944.7(a) of the Civil Code, Respondent, as owner of ULG, willfully violated Business and Professions Code section 6106.3.

By failing to perform any services of value on behalf of Parker in connection with the loan modification, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund any portion of the unearned, advanced fee that ULG received from Parker in connection with the loan modification, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

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Case No. 10-O-09100

Facts

91. The stipulated General Background Facts are incorporated by reference.

92. On January 9, 2010, Marian Kencik ("Kencik"), a Florida resident, was solicited by telephone by an employee of ULG to represent him in a Chapter 7 bankruptcy case.

93. In January 2010, Kencik employed ULG to represent him in a Chapter 7 bankruptcy case, and paid ULG \$1,500 in advanced attorney fees.

94. At no time did ULG prepare and file a bankruptcy petition on behalf of Kencik, or perform any other services of value on his behalf. No portion of the \$1,500 in advanced attorney fees that Kencik paid to ULG was earned.

95. After June 2010, Kencik did not receive any further communication from ULG. After June 2010, Kencik telephoned the 800 number that he had been provided; however, his telephone calls went unanswered.

96. On or about August 19, 2010, an attorney mailed Respondent a letter on Kencik's behalf terminating ULG's employment and demanding a refund of the \$1,500 that Kencik had paid to ULG. Respondent received the letter. Respondent did not respond to it.

97. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from Kencik.

Conclusions of Law

By failing to prepare and file a bankruptcy petition on behalf of Kencik, or perform any other legal services of value on his behalf, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to refund any portion of the unearned, advanced fee that ULG received from Kencik, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Case No. 10-O-10275

Facts

98. The stipulated General Background Facts are incorporated by reference.

99. On May 3, 2010, Dannella Bonville ("Bonville") employed ULG to represent her in a Chapter 7 Bankruptcy proceeding. Bonville paid ULG a total of \$1,900 in advanced attorney fees. Bonville also paid a third party \$895 for a REST report.

100. On August 27, 2010, Respondent filed a Chapter 7 Bankruptcy petition on behalf of Bonville in the United States Bankruptcy Court, Central District of California, case number 2:10-bk-46404-AA (the "bankruptcy matter").

101. On September 15, 2010, Bonville received an unsigned letter on ULG letterhead stating that ULG had filed for Chapter 7 Bankruptcy protection and would be ceasing operations. The letter further stated that Respondent was moving to another law firm, and invited Bonville to transfer the bankruptcy matter to that firm. In fact, Respondent was not moving to the law firm identified in the September 15, 2010 letter, and had no affiliation with the firm. Respondent did not draft the letter.

102. Bonville did not receive any further communication from ULG or Respondent after September 15, 2010.

103. At no time did Bonville receive any documentation with respect to the REST report.

104. On September 18, 2010, Bonville mailed a letter to Respondent stating that she wanted to transfer the file to the law firm identified in the September 15, 2010 letter so that Respondent could continue to represent her. Respondent neither received the letter nor responded to it, because the trustee in the ULG bankruptcy had assumed control of ULG.

105. After September 18, 2010, Bonville attempted to contact Respondent by telephone, facsimile, and e-mail. Respondent neither received nor responded to Bonville's messages, because the trustee in the ULG bankruptcy had assumed control of ULG.

106. By ceasing operation of ULG, Respondent constructively terminated his employment with Bonville. Respondent did not inform Bonville of his intent to withdraw from representation or take any other steps to avoid reasonably foreseeable prejudice to Bonville.

107. To date, Respondent has not refunded any portion of the unearned, advanced fee that ULG received from Bonville. Respondent, as owner of ULG, owes Bonville a refund of at least \$1,150.

108. Bonville employed new counsel to represent her in the bankruptcy matter.

#### Conclusions of Law

By ceasing operation of ULG, Respondent, as owner of ULG, constructively terminated his employment with Bonville, and failed, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client, in wilful violation of rule 3-700(A)(2) of the Rules of Professional Conduct.

By failing to refund any portion of the unearned, \$1,900 advanced fee that ULG received from Bonville, Respondent, as owner of the ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

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Facts

109. The stipulated General Background Facts are incorporated by reference.

110. Rule 5.5(b) of the New Jersey Rules of Professional Conduct states that:

“A lawyer not admitted to the Bar of this State who is admitted to practice law before the highest court of any state, territory of the United States, Puerto Rico, or the District of Columbia (hereinafter a United States jurisdiction) may engage in the lawful practice of law in New Jersey only if:

(1) the lawyer is admitted to practice pro hac vice pursuant to R. 1:21-2 or is preparing for a proceeding in which the lawyer reasonably expects to be so admitted and is associated in that preparation with a lawyer admitted to practice in this jurisdiction; or

(2) the lawyer is an in-house counsel and complies with R. 1:27-2; or

(3) under any of the following circumstances:

(i) the lawyer engages in the negotiation of the terms of a transaction in furtherance of the lawyer’s representation on behalf of an existing client in a jurisdiction in which the lawyer is admitted to practice and the transaction originates in or is otherwise related to a jurisdiction in which the lawyer is admitted to practice;

(ii) the lawyer engages in representation of a party to a dispute by participating in arbitration, mediation or other alternate or complimentary dispute resolution program and the services arise out of or are reasonably related to the lawyer’s practice in a jurisdiction in which the lawyer is admitted to practice and are not services for which pro hac vice admission pursuant to R. 1:21-2 is required;

(iii) the lawyer investigates, engages in discovery, interviews witnesses or deposes witnesses in this jurisdiction for a Proceeding pending or anticipated to be instituted in a jurisdiction in which the lawyer is admitted to practice;

(iv) the lawyer associates in a matter with a lawyer admitted to the Bar of this State who shall be held responsible for the conduct of the out-of-State lawyer in the matter; or

(v) the lawyer practices under circumstances other than (i) through (iv) above, with respect to a matter where the practice activity arises directly out of the lawyer’s representation on behalf of an existing client in a jurisdiction in which the lawyer is admitted to practice, provided that such practice in this jurisdiction is occasional and is undertaken only when the lawyer’s disengagement would result in substantial inefficiency, impracticality or detriment to the client.”

111. At all times relevant to the stipulated facts herein, neither Respondent nor any person that he employed to work for him at ULG were admitted to practice law in the state of New Jersey.

112. On December 16, 2009, Calvin and Carmen Vega (collectively, the “Vegas”), New Jersey residents, employed the United Law Group (“ULG”) to assist them with a modification of their home loan.

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113. The Vegas paid ULG a total of \$2,000 in advanced attorney fees in the following installments:

<u>DATE</u>	<u>AMOUNT</u>
12/16/09	\$500
01/20/10	\$500
02/17/10	\$1,000

114. By accepting employment with the Vegas, New Jersey residents, in order to perform legal services in connection with the mortgage secured by their New Jersey home, Respondent, as owner of ULG, effectively held himself out as entitled to practice law in the state of New Jersey.

115. By entering into an agreement for, charging, and collecting fees from the Vegas, when neither he nor any person that he employed to work for him at ULG, were licensed to practice law in the state of New Jersey, Respondent, as owner of ULG, entered into an agreement for, charged, and collected an illegal fee from the Vegas.

116. To date, Respondent has not refunded any portion of the illegal, advanced fee that the Vegas paid to ULG.

#### Conclusions of Law

By accepting the Vegas as clients, when neither he nor any other person that he employed at ULG, were licensed to practice law in the state of New Jersey, Respondent, as owner of ULG, wilfully violated the regulations of the profession in the state of New Jersey, in wilful violation of rule 1-300(B) of the Rules of Professional Conduct.

By entering into an agreement for, charging, and collecting fees from the Vegas, when neither he nor any other person that he employed to work for him at ULG, were licensed to practice law in the state of New Jersey, Respondent, as owner of ULG, entered into an agreement for, charged, or collected an illegal fee, in wilful violation of rule 4-200(A) of the Rules of Professional Conduct.

By failing to refund any portion of the illegal, advanced fee that the Vegas paid to ULG, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

#### Case No. 10-O-11028

#### Facts

117. The stipulated General Background Facts are incorporated by reference.

118. Missouri Rules of Professional Conduct, rule 5.5(b)(2) states, in relevant part, that “a lawyer who is not admitted to practice law in this jurisdiction shall not . . . hold out to the public or otherwise represent that the lawyer is admitted to practice law in this jurisdiction.”

119. At all times relevant to the stipulated facts herein, neither Respondent nor any person that he employed to work for him at ULG were admitted to practice law in the state of Missouri.

120. On March 1, 2010, Ismael Racet ("Racet"), a Missouri resident, employed the United Law Group ("ULG") to assist him with modifying his home loan and to represent him in a Chapter 7 bankruptcy case.

121. In March 2010, Racet paid ULG \$1,500 for Respondent's services in connection with the home loan modification; Racet also paid ULG \$1,500 in advanced attorney fees for Respondent's representation in the bankruptcy case.

122. By accepting employment with Racet, a Missouri resident, in order to perform legal services in connection with the loan secured by his Missouri home, Respondent, as owner of ULG, effectively held himself out as entitled to practice law in the state of Missouri.

123. By entering into an agreement for, charging, and collecting fees from Racet, when neither he nor any other person that he employed to work for him at ULG were licensed to practice law in the state of Missouri, Respondent, as owner of ULG, entered into an agreement for, charged, and collected an illegal fee from Racet.

124. At no time did ULG prepare and file a bankruptcy petition on behalf of Racet, or perform any other services of value on his behalf with respect to the bankruptcy case.

125. On October 6, 2010, Racet mailed Respondent a letter terminating ULG's services and requesting a refund of the \$3,000 in fees that he had paid to ULG. Although Respondent's employee at ULG received Racet's letter, the employee did not inform Respondent of the letter. Neither Respondent nor Respondent's employee responded to the letter.

126. No portion of the \$3,000 in fees that Racet paid to ULG was earned.

127. To date, Respondent has not refunded any portion of the illegal, advanced fee that ULG received from Racet with respect to the loan modification case.

128. To date, Respondent has not refunded any portion of the unearned fee that ULG received from Racet with respect to the Chapter 7 bankruptcy case.

### Conclusions of Law

By accepting Racet as a client, when neither he nor any other person that he employed at ULG, were licensed to practice law in the state of Missouri, Respondent, as owner of ULG, wilfully violated the regulations of the profession in the state of Missouri, in wilful violation of rule 1-300(B) of the Rules of Professional Conduct.

By entering into an agreement for, charging, and collecting fees from Racet, when neither he nor any other person that he employed to work for him at ULG were licensed to practice law in the state of Missouri, Respondent, as owner of ULG, entered into an agreement for, charged, or collected an illegal fee, in wilful violation of rule 4-200(A) of the Rules of Professional Conduct.

By failing to perform any services of value on behalf of Racet in connection with a Chapter 7 bankruptcy case, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to return the illegal, advanced fee that ULG received from Racet in connection with the loan modification, and by failing to return the unearned, advanced fee that ULG received from Racet in connection with the Chapter 7 bankruptcy case, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of Professional Conduct.

Case No. 10-O-11030

Facts

129. The stipulated General Background Facts are incorporated by reference.

130. On February 23, 2010, Mark and Susan Lamberty (collectively, the "Lambertys"), Massachusetts residents, employed ULG to assist Susan Lamberty with obtaining a reduction of the automobile loan that she maintained with GMAC. The Lambertys also employed ULG to represent them in a class action lawsuit that ULG was purportedly forming against Bank of America, the Lambertyses' home mortgage lender. On February 23, 2010, the Lambertys paid ULG \$2,250 in advanced attorney fees.

131. On April 16, 2010, Susan Lamberty sent an e-mail to an employee of ULG requesting ULG's counsel with respect to correspondences that the Lambertys had received from Bank of America. Neither Respondent nor any ULG employee responded to the e-mail.

132. On May 13, 2010, the Lambertys telephoned an employee of ULG and left a voice mail message inquiring about the status of the loan modification and the class action lawsuit. The employee received the message. Neither Respondent nor any employee of ULG responded to the message.

133. On May 17, 2010, the Lambertys sent an e-mail to an employee of ULG inquiring about the status of her loan modification and the class action lawsuit. The employee received the e-mail. Neither Respondent nor any ULG employee responded to the e-mail.

134. Neither Respondent nor any of his employees provided any legal services of value to the Lambertys with respect to the modification of Susan Lamberty's automobile loan or the class action lawsuit. No portion of the \$2,250 in advanced attorney fees that the Lambertys paid to ULG was earned.

135. On July 8, 2010, an attorney employed by Lamberty mailed a letter to Respondent on behalf of Lamberty terminating Respondent's employment and demanding a refund of the \$2,250 that Lamberty had paid to ULG. Although Respondent's employee at ULG received the letter, the employee did not inform Respondent of the letter. Neither the employee nor Respondent responded to the letter.

136. To date, Respondent has not refunded any portion of the unearned, advanced fees that ULG received from the Lambertys.

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### Conclusions of Law

By failing to perform any services of value on behalf of the Lambertys with respect to the modification of Susan Lamberty's automobile loan and the class action lawsuit, Respondent, as owner of ULG, intentionally, recklessly, or repeatedly failed to perform legal services with competence, in wilful violation of rule 3-110(A) of the Rules of Professional Conduct.

By failing to respond to the Lambertys status inquiries, Respondent, as the owner of the ULG, failed to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services, in wilful violation of Business and Professions Code section 6068(m).

By failing to refund any portion of the unearned, advanced fees that ULG received from the Lambertys, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

### Case No. 11-O-10868

#### Facts

137. The stipulated General Background Facts are incorporated by reference.

138. In January 2010, Richard Millard ("Millard"), an Ohio resident, employed ULG to assist him with obtaining a reduction of the automobile loan that he maintained with Ford Credit. Millard paid ULG a total of \$1,000 in advanced attorney fees.

139. On April 5, 2010, Millard received an unsigned, form letter from ULG stating that ULG was continuing to negotiate with Millard's lender on his behalf. This was the last communication that Millard received from ULG.

140. By ceasing all communication with Millard after April 5, 2010, Respondent, as owner of ULG, constructively terminated his employment with Millard.

141. Neither Respondent nor any of his employees at ULG provided any legal services of value to Millard with respect to the modification of his automobile loan. No portion of the \$1,000 in advanced attorney fees that Millard paid to ULG was earned.

142. To date, Respondent has not refunded any portion of the unearned, advanced fees that ULG received from Millard.

### Conclusions of Law

By ceasing all communication with Millard after April 5, 2010, Respondent, as owner of ULG, constructively terminated his employment with Millard, and failed, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client, in wilful violation of rule 3-700(A)(2) of the Rules of Professional Conduct.

By failing to refund to Millard any portion of the unearned, advanced fee that ULG received from Millard, Respondent, as owner of ULG, failed to refund promptly any part of a fee paid in advance that has not been earned, in wilful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

## RESTITUTION.

Respondent must make restitution to the complainants identified in this paragraph in the respective amounts stated in this paragraph plus 10% interest per year from the respective dates stated in this paragraph. If the Client Security Fund has reimbursed any of the complainants for any, or all, portion of the principal amount, Respondent must pay restitution to Client Security Fund of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5.

<u>Case No.</u>	<u>Complainant</u>	<u>Principal Amount</u>	<u>Interest Accrues From</u>
10-O-03831	Reid/Susan Elam	\$5,500	12/24/08
	Reid/Susan Elam	\$2,000	03/05/10
10-O-05188	Dan/Robin Cunningham	\$3,200	02/26/10
10-O-05544	James E.B. Stewart	\$1,800	03/05/10
10-O-05546	Darlene Gould	\$3,500	12/29/09
	Darlene Gould	\$1,500	03/05/10
10-O-06489	Vanessa Thomas-Burgos	\$2,505	03/09/10
10-O-06491	Natasha Gaspard	\$3,500	12/14/09
10-O-06533	Alfred/Maria Sanchez	\$3,000	07/01/09
	Alfred/Maria Sanchez	\$2,000	02/26/10
10-O-07584	Richard Morgan	\$1,500	04/05/10
10-O-08061	Mark/Terrie Carlstrom	\$2,700	12/31/09
10-O-08124	Susan Rodriguez	\$3,250	11/24/09
10-O-08758	Robert Warren	\$1,500	04/26/10
10-O-08911	Anthony Parker	\$3,200	01/11/10
10-O-09100	Marian Kencik	\$1,500	08/19/10
10-O-10275	Danella Bonville	\$1,900	09/15/10
10-O-10712	Calvin/Carmen Vega	\$2,000	02/17/10
10-O-11028	Ismael Racet	\$3,000	10/06/10
10-O-11030	Mark/Susan Lamberty	\$2,250	07/08/10
11-O-10868	Richard Mallard	\$1,000	04/05/10

## DISMISSALS.

The parties respectfully request the Court to dismiss the following alleged violations in the Second Amended Notice of Disciplinary Charges interest of justice:

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
10-O-10275	Thirteen	Bus. & Prof. Code § 6106
10-O-08061	Twenty-five Twenty-six	rule 3-700(A)(2), Rules of Prof. Conduct Bus. & Prof. Code § 6106
10-O-05546	Thirty-eight Thirty-nine	rule 1-300(B), Rules of Prof. Conduct rule 4-200(A), Rules of Prof. Conduct

## **AGGRAVATING CIRCUMSTANCES.**

### **1. Prior Record of Discipline**

A prior record of discipline is an aggravating circumstance. (Std. 1.2(b)(i).) Respondent has been a member of the State Bar since February 11, 1986, and has been disciplined on three prior occasions.

On May 8, 1999, the California Supreme Court ordered, among other things, that he be suspended from the practice of law for 90 days, stayed, and placed on probation for 18 months. Respondent's misconduct included violating: (i) rule 3-110(A) of the Rules of Professional Conduct ("rule"), by failing to perform competently; (ii) Business and Professions Code section 6068(m) ("section"), by failing to communicate adequately with his client; (iii) rule 3-700(A)(2) of the Rules of Professional Conduct ("rule"), by improperly withdrawing from employment with a client; (iv) rule 3-700(D)(2), by failing to refund unearned fees to a client; and (v) section 6068(i), by failing to cooperate in State Bar investigation. (Supreme Court Case No. S076184; State Bar Court Case Nos. 95-O-18678, 96-O-03047.)

On November 23, 2001, the California Supreme Court ordered, among other things, that Respondent be suspended from the practice of law for one year, stayed, placed on probation for 18 months, with conditions including an actual 60-day suspension. Respondent's misconduct involved violating section 6068(k), by failing to comply with the probation conditions attached to the 1999 Supreme Court disciplinary order discussed above. (Supreme Court Case No. S099813; State Bar Court Case No. 00-O-14691.)

On April 6, 2003, the California Supreme Court ordered, among other things, that Respondent be suspended for one year, stayed, and placed on two years of probation, with conditions including a 90-day actual suspension. Respondent's misconduct involved violating rule 1-300(A), by practicing law while suspended for non-payment of bar dues. (Supreme Court Case No. S112243; State Bar Court Case Nos. 01-O-03886, 02-O-10639; 02-O-11945.)

Standard 1.7(b) of the Standards For Attorney Sanctions For Professional Misconduct ("Standards") provides that if a member has a record of two prior impositions of discipline, the degree of discipline in the current proceeding shall be disbarment unless the most compelling mitigating circumstances clearly predominate.

The State Bar submits, and Respondent acknowledges, that the mitigating circumstances discussed below are not sufficiently compelling to warrant a deviation from Standard 1.7(b).

### **2. Multiple Acts of Misconduct**

Respondent committed multiple acts of misconduct involving the eighteen complainants herein. This is an aggravating circumstance. (Std. 1.2(b)(ii).)

### **3. Harm**

The complainants herein were experiencing financial difficulties when they employed ULG. By accepting advanced fees from the complainants and thereafter neglecting their legal matters, ULG

caused further financial harm to the complainants. Respondent acknowledges that as the owner of ULG he is responsible for the harm that ULG caused to the complainants. (Std. 1.2(b)(iv).)

## **MITIGATING CIRCUMSTANCES.**

### **1. Candor and Cooperation**

At all times, Respondent was candid and cooperative with the State Bar during its investigation. (Std. 1.2(e)(v).) Respondent's stipulation to the facts, his culpability, and his disbarment is also a mitigating circumstance.

### **2. Remorse**

At all times during the State Bar's investigation, Respondent acknowledged that the complainants herein were neglected, and that as the owner of ULG, he was responsible for the harm that ULG caused them. Respondent has expressed genuine, heartfelt, and credible remorse for the harm that the complainants suffered. (Std. 1.2(e)(vii).)

## **OTHER FACTORS IN CONSIDERATION.**

### **1. Respondent's Unsuccessful Attempts to Supervise The Employees of ULG**

At the time that Respondent became owner of ULG, he was aware that ULG employees were soliciting legal employment in areas of law in which neither he nor anyone employed at ULG had any knowledge or experience. Respondent also learned that ULG employees were soliciting legal employment in jurisdictions where he was not admitted to practice and where ULG had not obtained local counsel.

In January 2010, Respondent prepared two corporate resolutions. The first corporate resolution acknowledged that ULG would not practice law in the areas of unsecured credit resolution and automobile loan modifications (except in the context of obtaining bankruptcy relief for certain clients) and directed that ULG employees cease marketing and solicitation for such employment. The second corporate resolution acknowledged that ULG would not practice law or seek to practice law in jurisdictions where ULG had not obtained affiliated, local counsel. Respondent caused both resolutions to be published to all ULG employees, including the Director of Marketing and Operations and the floor marketing managers.

Respondent attempted to follow-up on these resolutions by physically observing the marketing floors bi-weekly and on short notice, and by holding weekly marketing meetings to discuss issues that arose from marketing.

Respondent surmises that ULG employees modified their marketing procedures such that none would take place while Respondent was "on the floor" and, at the direction of ULG's Director of Operations, treated the weekly marketing meetings as theater only.

### **2. Respondent's Employees Provided False Financial Information To Him**

Respondent assigned an employee to administer ULG's business and client trust accounts. Respondent acknowledges that he was ultimately responsible for these accounts. However, the

employee prepared false statements purporting to reflect ULG business operations which were inaccurate. In reliance on the false statements, Respondent received no compensation for his legal services from January 2010 until September 2010, when Chapter 7 Bankruptcy Trustee took control of ULG's business operations.

### **3. Family Health Issues**

At all times relevant to the stipulated facts herein, Respondent's daughter was a post-cardiac transplant patient. She continues to face multiple health issues arising from the heart transplant. For instance, Respondent's daughter has been diagnosed with a form of diabetes which arose from the side effects of her medications.

At all times relevant to the stipulated facts herein, Respondent's parents have been under conservatorships and guardianships imposed by the Probate Department of the Circuit Court of Oregon for the County of Multnomah. Respondent is the oldest son. Respondent's parents both suffer from progressive dementia; Respondent's mother suffers from advanced heart disease.

### **4. Post-Bankruptcy Control of ULG By the Chapter 7 Trustee**

When the Chapter 7 Bankruptcy Trustee took control of ULG's business operations in September 2010, he terminated all operations. Respondent was denied access to all of ULG's files. Consequently, after September 2010, Respondent was unable to assist any of the complainants herein.

## **AUTHORITIES SUPPORTING DISCIPLINE.**

### **1. Standards**

Standard 1.3 of the Standards For Attorney Sanctions For Professional Misconduct ("Standards") provides that, "[T]he primary purposes of disciplinary proceedings . . . are the protection of the public, the courts[,] and the legal profession; the maintenance of high professional standards by attorneys[;] and the preservation of public confidence in the legal profession."

Standard 1.6(a) provides that if two or more acts of professional misconduct are acknowledged in a single disciplinary proceeding, and different sanctions are prescribed by the standards for the different acts, the sanction imposed shall be the most severe of the different applicable standards.

Standards 2.4(a), 2.6(a), 2.7, and 2.10 apply in this matter. The most severe sanction is found at Standard 2.4(a), which provides that culpability of a member of a pattern of wilfully failing to perform services demonstrating the member's abandonment of the causes in which he or she was retained shall result in disbarment.

Here, Respondent, as owner of ULG, abandoned the legal matters of the complainants herein. Respondent also has the prior record of discipline discussed above. The facts and circumstances surrounding Respondent's misconduct warrant his disbarment pursuant to the Standards. The Mitigating Circumstances and the Other Factors in Consideration discussed above are not sufficiently compelling to warrant a deviation from the Standards.

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## **2. Case Law**

There is no case exactly like this one. However, similar cases provide guidance as to the appropriate discipline. (*In re Morse* (1995) 11 Cal.4th 184, 207-208; *Snyder v. State Bar* (1990) 49 Cal.3d 1302, 1310-1311.)

In *Morgan v. State Bar* (1990) 51 Cal.3d 598 and *Barnum v. State Bar* (1990) 52 Cal. 3d 104, the California Supreme Court applied Standard 1.7(b) in ordering the disbarment of the respective attorneys.

In *In the Matter of Thomson* (Review Dept. 2006) 4 Cal. State Bar Ct.Rptr. 966, *In the Matter of Shalant* (2005) 4 Cal. State Bar Ct. Rptr. 829, and *In the Matter of Hunter* (Review Dept. 1994) 3 Cal. State Ct. Rptr. 63, the Review Department applied Standard 1.7(b) in recommending the disbarment of the respective attorneys.

### **PENDING PROCEEDINGS.**

The disclosure date referred to on page 2, paragraph A(7) was April 19, 2012.

### **COSTS OF DISCIPLINARY PROCEEDINGS.**

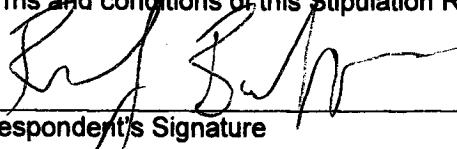
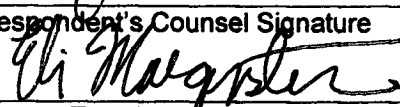
Respondent acknowledges that the Office of the Chief Trial Counsel has informed him that as of April 19, 2012, the prosecution costs in this matter are approximately \$18,433. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

(Do not write above this line.)

In the Matter of: Robert Joseph Buscho	Case number(s): 10-O-03831; 10-O-05188; 10-O-05544; 10-O-05546; 10-O-06489; 10-O-06491; 10-O-06533; 10-O-07584; 10-O-08061; 10-O-08124; 10-O-08758; 10-O-08911; 10-O-09100; 10-O-10275; 10-O-10712; 10-O-11028; 10-O-11030; 11-O-10868
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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.

Date <u>19 April 2012</u>	 Respondent's Signature	<u>Robert Joseph Buscho</u> Print Name
Date <u>4/19/12</u>	 Deputy Trial Counsel's Signature	<u>Eli D. Morgenstern</u> Print Name

(Do not write above this line.)

In the Matter of: Robert Joseph Buscho	Case Number(s): 10-O-03831;10-O-05188;10-O-05544;10-O-05546; 10-O-06489;10-O-06491;10-O-06533;10-O-07584; 10-O-08061;10-O-08124;10-O-08758;10-O-08911; 10-O-09100;10-O-10275;10-O-10712;10-O-11028; 10-O-11030;11-O-10868
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### DISBARMENT 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 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.)**

Respondent Robert Joseph Buscho is ordered transferred to involuntary inactive status pursuant to Business and Professions Code section 6007, subdivision (c)(4). Respondent's inactive enrollment will be effective three (3) calendar days after this order is served by mail and will terminate upon the effective date of the Supreme Court's order imposing discipline herein, or as provided for by rule 5.111(D)(2) of the Rules of Procedure of the State Bar of California, or as otherwise ordered by the Supreme Court pursuant to its plenary jurisdiction.

4/26/12  
Date

  
DONALD F. MILES  
Judge of the State Bar Court



**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 San Francisco, on April 27, 2012, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

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

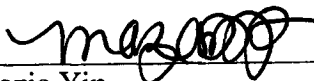
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:

ROBERT JOSEPH BUSCHO  
ROBERT J. BUSCHO, P.C.  
831 N ANAHEIM BLVD  
ANAHEIM, CA 92805

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

ELI D. MORGENSTERN, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on April 27, 2012.

  
\_\_\_\_\_  
Mazie Yip  
Case Administrator  
State Bar Court