

FILED

APR 02 2013

**STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES**

STATE BAR OF CALIFORNIA
OFFICE OF THE CHIEF TRIAL COUNSEL
JAYNE KIM, No. 174614
CHIEF TRIAL COUNSEL
JOSEPH R. CARLUCCI, No. 172309
DEPUTY CHIEF TRIAL COUNSEL
ALAN B. GORDON, No. 125642
ASSISTANT CHIEF TRIAL COUNSEL
ERIN McKEOWN JOYCE, No. 149946
SEAN BECKLEY, No. 260003
DEPUTY TRIAL COUNSEL
1149 South Hill Street
Los Angeles, California 90015-2299
Telephone: (213) 765-1226



STATE BAR COURT

HEARING DEPARTMENT - LOS ANGELES

In the Matter of:

) Case Nos. 10-O-5509
) 10-O-6222
) 11-O-11993
) 11-O-18827
) 12-O-10074
) 12-O-10539
) 12-O-10634
) 12-O-10940
) 12-O-11881
) 12-O-12061
) 12-O-12422
) 12-O-13166
) 12-O-13268

CHANCE EDWARD GORDON,
No. 198512,

A Member of the State Bar

) **FIRST AMENDED NOTICE OF
DISCIPLINARY CHARGES**

NOTICE - FAILURE TO RESPOND!

**IF YOU FAIL TO FILE A WRITTEN ANSWER TO THIS NOTICE
WITHIN 20 DAYS AFTER SERVICE, OR IF YOU FAIL TO APPEAR
AT THE STATE BAR COURT TRIAL:**

- (1) YOUR DEFAULT WILL BE ENTERED;**
- (2) YOUR STATUS WILL BE CHANGED TO INACTIVE AND YOU
WILL NOT BE PERMITTED TO PRACTICE LAW;**
- (3) YOU WILL NOT BE PERMITTED TO PARTICIPATE FURTHER
IN THESE PROCEEDINGS UNLESS YOU MAKE A TIMELY
MOTION AND THE DEFAULT IS SET ASIDE, AND;**
- (4) YOU SHALL BE SUBJECT TO ADDITIONAL DISCIPLINE.
SPECIFICALLY, IF YOU FAIL TO TIMELY MOVE TO SET
ASIDE OR VACATE YOUR DEFAULT, THIS COURT WILL**

1 **ENTER AN ORDER RECOMMENDING YOUR DISBARMENT**
2 **WITHOUT FURTHER HEARING OR PROCEEDING. SEE RULE**
3 **5.80 ET SEQ., RULES OF PROCEDURE OF THE STATE BAR OF**
4 **CALIFORNIA.**

5 The State Bar of California alleges:

6 **JURISDICTION**

7 1. Respondent Chance Edward Gordon was admitted to the practice of law in the
8 State of California on December 7, 1998, was a member at all times pertinent to these
9 charges, and is currently a member of the State Bar of California.

10 **COUNT ONE**

11 **Case No. 10-O-5509**
12 **Business and Professions Code section 6106**
13 **[Moral Turpitude – Misappropriation]**

14 2. Respondent wilfully violated Business and Professions Code section 6106, by
15 committing an act involving moral turpitude, dishonesty or corruption, as follows:

16 3. At all times relevant in this Notice of Disciplinary Charges, Respondent
17 maintained a client trust account Bank of America, Account Number 16649-61XXX¹
18 ("Respondent's Bank of America client trust account").

19 4. On April 20, 2009, check no. 1088 from Respondent's Bank of America client
20 trust account in the amount of \$1,100 was presented for payment. Check no. 1088 was
21 returned as written against insufficient funds and Respondent's Bank of America client trust
22 account was assessed an overdraft fee of \$35. The balance in Respondent's account at the
23 time check no. 1088 was presented the first time was \$730.36.

24 5. On April 21, 2009, check no. 1088 was presented for payment a second time.
25 Check no. 1088 was again returned as written against insufficient funds and Respondent's
26 Bank of America client trust account was assessed an overdraft fee of \$35. The balance in
27 Respondent's account the second time check no. 1088 was presented for payment was
28 \$695.36.

¹ The last three digits of the account number of Respondent's client trust account have been redacted for
privacy considerations.

12. Between March 1, 2009 and March 1, 2010, Respondent repeatedly wrote checks on his Bank of America client trust account to pay for Respondent's personal or business expenses, including checks to grocery stores and employees for wages.

13. Respondent maintained earned fees and personal funds in his client trust account to issue checks to pay for his personal and business expenses during the time period March 1, 2009 through March 1, 2010.

14. By depositing and maintaining personal funds in his Bank of America client trust account and issuing payment of personal and business debts from his Bank of America client trust account, Respondent deposited or commingled funds belonging to Respondent in a client trust account.

COUNT THREE

Case No. 10-O-5509

Business and Professions Code section 6106
[Moral Turpitude – Misrepresentation to the State Bar]

15. Respondent wilfully violated Business and Professions Code section 6106, by committing an act involving moral turpitude, dishonesty or corruption, as follows:

16. The State Bar incorporates the allegations of Counts One and Two as though fully set forth at length.

17. On April 23, 2009, in response to a notice of insufficient funds Respondent received on his Bank of America client trust account, Respondent provided a written explanation to the State Bar concerning check no. 1088. In his letter, Respondent represented to the State Bar that check no. 1088 was cashed at the counter by his employee and the bank improperly reported the check as returned as written against insufficient funds.

18. Check no. 1088 never cleared Respondent's Bank of America client trust account.

19. At the time Respondent sent his April 23, 2009 letter to the State Bar, he knew, or in the absence of gross negligence would have known, that check no. 1088 had never been cashed, and instead was returned twice as written against insufficient funds.

1 20. By making the misrepresentations concerning check no. 1088 to the State Bar
2 investigator in his April 23, 2009 letter, Respondent committed an act involving moral
3 turpitude, dishonesty or corruption.

4 **COUNT FOUR**

5 **Case No. 10-O-6222**
6 **Rule of Professional Conduct 3-110(A)**
7 **[Failure to Perform with Competence]**

8 21. Respondent wilfully violated Rule of Professional Conduct 3-110(A), by
9 intentionally, recklessly, or repeatedly failing to perform legal services with competence, as
10 follows:

11 22. On May 19, 2009, Anna Maria Aguilar and Esaul Villa hired Respondent for a
12 lawsuit against their lender (the "Aguilar legal matter"). Aguilar and Villa paid Respondent
13 over \$7,000 in advanced attorney fees for the Aguilar legal matter.

14 23. On July 27, 2009, Respondent filed a lawsuit on behalf of Aguilar, Villa and
15 several other unrelated clients against a series of lenders, including Aguilar and Villa's lender
16 (the "Martinez federal action").

17 24. On August 10, 2009, Respondent attempted to file a first amended complaint
18 in the Martinez federal action with the court, but it was rejected due to his failure to comply
19 with Local Rules.

20 25. On August 13, 2009, the court in the Martinez federal action issued a notice re
21 deficiencies in the original complaint. Respondent was served with the notice.

22 26. On August 13, 2009, Respondent filed the first amended complaint in the
23 Martinez federal action.

24 27. On August 31, 2009, Respondent filed the proof of service of the first
25 amended complaint reflecting service on Washington Mutual, Aguilar and Villa's lender.

26 28. On September 16, 2009, one set of lenders not related to Aguilar and Villa
27 filed a motion to dismiss, which was set for hearing on October 19, 2009.

29. Later in September 2009, during an in chambers hearing, the court in the Martinez federal action dismissed all plaintiffs, including Aguilar and Villa, except the first named plaintiff, Maria Martinez. The order specified that the other named plaintiffs, including Aguilar and Villa, could file their own separate lawsuits. The court specifically found that Respondent misjoined the parties in the first amended complaint he filed in the Martinez federal action by combining Aguilar and Villa's claims with those of other unrelated borrowers against a series of unrelated lenders.

30. After Aguilar and Villa were dismissed from the Martinez federal action, Respondent did not file any other action on behalf of Aguilar and Villa. In fact, Respondent undertook no additional legal services in the Aguilar legal matter.

31. By failing to file a separate lawsuit for Aguilar and Villa after they were dismissed as plaintiffs in the Martinez federal action and failing to undertake any additional legal services for Aguilar and Villa in the Aguilar legal matter after they were dismissed as plaintiffs in the Martinez federal action, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence.

COUNT FIVE

Case No. 10-O-6222

Business and Professions Code section 6068(m)
[Failure to Inform Client of Significant Development]

32. Respondent wilfully violated Business and Professions Code section 6068(m), by failing to keep a client reasonably informed of significant developments in a matter in which Respondent had agreed to provide legal services, as follows:

33. The State Bar incorporates the allegations of Count Four as though fully set forth at length.

34. Respondent failed to inform Aguilar and Villa that they had been dismissed from the Martinez federal action.

35. Respondent failed to inform Aguilar and Villa that they could file their own separate lawsuit against their lender in the Aguilar legal matter.

36. By failing to inform Aguilar and Villa that they had been dismissed from the Martinez federal action and failing to inform Aguilar and Villa that they could file their own separate lawsuit against their lender in the Aguilar legal matter, Respondent failed to keep his clients reasonably informed of significant developments in a matter in which Respondent had agreed to provide legal services.

COUNT SIX

Case No. 10-O-6222
Rule of Professional Conduct 3-110(A)
[Failure to Perform with Competence]

37. Respondent wilfully violated Rule of Professional Conduct 3-110(A), by intentionally, recklessly, or repeatedly failing to perform legal services with competence, as follows:

38. The State Bar incorporates the allegations of Count Four as though fully set forth at length.

39. On October 9, 2009, Respondent was served with a motion to dismiss in the Martinez federal action. Respondent received notice of the motion to dismiss.

40. Despite receiving notice of the motion to dismiss in the Martinez federal action, Respondent failed to file any opposition.

41. On November 11, 2009, the court granted the motion to dismiss in the Martinez federal action “because the claims appear to lack merit as framed, and not just because of Plaintiff’s non-opposition.” The court granted Respondent up to November 23, 2009 to file a second amended complaint on behalf of Martinez.

42. Respondent received notice of the November 11, 2009 order granting the motion to dismiss.

43. Despite receiving notice of the November 11, 2009 order, Respondent never filed a second amended complaint on behalf of Martinez. Accordingly, on November 25, 2009, the court dismissed the Martinez federal action with prejudice.

44. By failing to comply with Local Rules in the Martinez federal action, engaging in misjoinder of parties in the Martinez federal action, failing to oppose the motion to dismiss filed October 19, 2009, and failing to file a second amended complaint, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence.

COUNT SEVEN

Case No. 11-O-11993
Rule of Professional Conduct 3-110(A)
[Failure to Perform with Competence]

45. Respondent wilfully violated Rule of Professional Conduct 3-110(A), by intentionally, recklessly, or repeatedly failing to perform legal services with competence, as follows:

46. On April 21, 2010, Wayne Pinoli hired Respondent for a lawsuit on a property he owned at 190 Washington Court (the “190 Washington Court matter”). Pinoli paid Respondent \$8,000 in advanced attorney fees for the 190 Washington Court matter.

47. In August 2010, Respondent prepared a draft mass joinder lawsuit in the 190 Washington Court matter, naming Pinoli and many other clients against a series of unrelated lenders, including Pinoli's lender on the 190 Washington Court property.

48. Respondent provided the draft mass joinder lawsuit to Pinoli. Respondent never provided a filed complaint in the mass joinder lawsuit to Pinoli or litigated any lawsuit involving the 190 Court property.

49. On October 13, 2010, Pinoli hired Respondent for legal services related to another property he owned at 170 Washington Court (the “170 Washington Court matter”). Pinoli paid Respondent \$3,500 in advanced attorney fees.

50. On December 13, 2010, Respondent filed a complaint and temporary restraining order (“TRO”) in state court alleging wrongful foreclosure of the 170 Washington Court property in the 170 Washington Court matter. The TRO was granted and an order to show cause re preliminary injunction was set for January 7, 2011.

51. On January 7, 2011, Respondent failed to appear at the hearing on the order to show cause re preliminary injunction in the 170 Washington Court matter. At the hearing on the order to show cause re preliminary injunction, the court issued an order that the 170 Washington Court matter would be dismissed within two weeks if no further action was taken. Respondent received notice of the January 7, 2011 order.

52. Despite receiving notice of the January 7, 2011 order, Respondent took no further action in the 170 Washington Court matter.

53. On February 9, 2011, the court dismissed the complaint in the 170 Washington Court matter.

54. By failing to provide a file complaint to Pinoli for the 190 Washington Court matter after drafting the mass joinder lawsuit, failing to litigate any lawsuit involving the 190 Washington Court property, failing to appear at the hearing on the order to show cause re preliminary injunction in the 170 Washington Court matter, and failing to take any further action thereafter in the 170 Washington Court matter, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence.

COUNT EIGHT

Case No. 11-O-18827
Rule of Professional Conduct 3-110(A)
[Failure to Perform with Competence]

55. Respondent wilfully violated Rule of Professional Conduct 3-110(A), by intentionally, recklessly, or repeatedly failing to perform legal services with competence, as follows:

56. On August 6, 2010, Vincent and Jennyfer Valdepena hired Respondent for foreclosure relief litigation and to defend an unlawful detainer action (the “Valdepena legal matter”).

Unlawful Detainer Action

57. Two days before they hired Respondent, on August 4, 2010, the Valdepenas had been served with a three day Notice to Vacate dated August 2, 2010.

1 58. On August 26, 2010, the new owner of the Valdepenas' home filed an
2 unlawful detainer action against the Valdepenas. The Valdepenas provided the unlawful
3 detainer complaint to Respondent to file an answer on their behalf.

4 59. The time period to file an answer was only five days in the unlawful detainer
5 action.

6 60. Respondent failed to file an answer in the unlawful detainer action.

7 61. The plaintiff in the unlawful detainer action was able to proceed by default.

8 62. Despite receiving notice of the default in the unlawful detainer action from the
9 Valdepenas, Respondent did nothing to set aside the default or file a late answer before the
10 judgment was entered against the Valdepenas.

11 63. The court entered judgment against the Valdepenas in the unlawful detainer
12 action on October 18, 2010. The court issued a lock out order in the first part of November
13 2010.

14 64. On November 23, 2010, Respondent filed an *ex parte* application to vacate the
15 default judgment, claiming excusable neglect. The court denied Respondent's *ex parte*
16 application in the unlawful detainer action.

17 **District Court Action**

18 65. On August 23, 2010, Respondent filed a District Court complaint naming the
19 Valdepenas and several other unrelated plaintiffs in a lawsuit against Chase and unrelated
20 lenders (the "District Court action"). At the time Respondent filed the complaint, he received
21 the court's scheduling order.

22 66. On October 18, 2010 the court issued a notice re Respondent's failure to e-file
23 the complaint in the District Court action pursuant to court rules.

24 67. On February 9, 2011, Respondent filed a motion to appear at the case
25 management conference by phone in the District Court action, which was granted.

26 68. The court's scheduling order required Respondent to file a joint case
27 management statement ten days before the case management conference in the District Court
28

1 action. Respondent failed to comply with the court's scheduling order by failing to file a
2 joint case management statement.

3 69. At the March 2, 2011 case management conference in the District Court
4 action, Respondent was ordered to serve all the defendants within forty-five days and to file a
5 joint case management statement ten days before the next case management conference set
6 for May 25, 2011. Respondent received notice of the March 2, 2011 order.

7 70. Respondent failed to file a joint case management statement in advance of the
8 May 25, 2011 case management conference in the District Court action. The court continued
9 the case management conference to July 7, 2011 and specifically ordered Respondent to meet
10 and confer re the preparation of a joint case management statement and to certify that he had
11 served the defendants. Respondent received notice of the May 25, 2011 order.

12 71. In advance of the July 7, 2011 case management conference, Respondent
13 failed to comply with the order to file a joint case management statement and certify that he
14 had served the defendants. Accordingly, on June 30, 2011, the court dismissed the District
15 Court action.

16 72. Respondent received notice of the order dismissing the District Court action.
17 Respondent took no steps to reinstate the District Court action.

18 **State Court Action**

19 73. On January 27, 2011, Respondent filed a six page verified complaint against
20 the Federal National Mortgage Insurance Association (Fannie Mae) in state court on behalf
21 of the Valdepenas (the "state court action").

22 74. On June 7, 2011, at the case management conference in the state court action,
23 Respondent told the court that a lawsuit filed in federal court in Northern California was
24 related to the state court action, and that he would be consolidating the state court action with
25 the related lawsuit in federal court in Northern California. The court continued the case
26 management conference to August 10, 2011 and set that date for a hearing on an order to
27 show cause re service/answer/default.

1 75. At the August 10, 2011 order to show cause hearing, Respondent represented
2 to the court that the summons and complaint were out for service on Fannie Mae. The court
3 continued the hearing to September 29, 2011, along with the order to show cause.

4 76. At the September 29, 2011 order to show cause hearing, Respondent appeared
5 and told the court he was having trouble determining the agent for process for Fannie Mae.
6 The court continued the hearing and order to show cause to November 4, 2011.

7 77. At the November 4, 2011 order to show cause hearing, Respondent failed to
8 appear.

9 78. The court set a hearing on an order to show cause re dismissal for December
10 21, 2011. Respondent received notice of the November 4, 2011 order.

11 79. At the December 21, 2011 hearing, Respondent appeared and told the court he
12 was filing a motion to be relieved as counsel. At that point, Respondent had not notified the
13 Valdepenas he would be seeking to be relieved as their attorney.

14 80. On March 8, 2012, Respondent filed a motion to be relieved as the
15 Valdepenas' counsel. At the hearing on April 6, 2012, the court denied Respondent's motion
16 to be relieved as counsel. Up to that point, Respondent had still not effected service of the
17 complaint on Fannie Mae.

18 81. By failing to file an answer in the unlawful detainer action and allowing the
19 plaintiff to proceed in default, by failing to e-file the complaint in District Court, by failing to
20 obey a court order to file a joint case management statement and certify that he had served
21 the defendants, leading to dismissal of the District Court action, and by failing to serve the
22 complaint against Fannie Mae in the state court action, Respondent intentionally, recklessly,
23 or repeatedly failed to perform legal services with competence.

24 ///

25 ///

26 ///

27 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT NINE

**Case No. 11-O-18827
Rule of Professional Conduct 3-700(A)(2)
[Improper Withdrawal from Employment]**

82. Respondent wilfully violated Rule of Professional Conduct 3-700(A)(2), by failing, upon attempted termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client, as follows:

83. The State Bar incorporates the allegations of Count Eight as though fully set forth at length.

84. By filing the motion to be relieved as counsel before serving Fannie Mae, and failing to take any steps to prosecute the state court action prior to filing the motion to be relieved as counsel, Respondent failed, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client.

COUNT TEN

**Case No. 11-O-18827
Business and Professions Code section 6068(m)
[Failure to Respond to Client Inquiries]**

85. Respondent wilfully violated Business and Professions Code section 6068(m), by failing to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services, as follows:

86. The State Bar incorporates the allegations of Counts Eight and Nine as though fully set forth at length.

87. During the time the Valdepenas employed Respondent, from later summer 2010 until early 2012, when they received notice of Respondent's motion to be relieved as counsel, the Valdepenas repeatedly called Respondent and left detailed messages requesting a status report on their legal matter.

88. During the same time period, the Valdepenas sent multiple emails requesting a status report on their legal matter.

89. Despite his receipt of the numerous requests for a status report from the Valdepenas, Respondent failed to respond to the Valdepenas, or to otherwise communicate with the Valdepenas concerning their legal matter.

90. By failing to respond to the numerous phone messages and emails from the Valdepenas seeking a status report on their legal matter, Respondent failed to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services.

COUNT ELEVEN

Case No. 12-O-10074

Rule of Professional Conduct 1-300(B)

[Unauthorized Practice of Law in Another Jurisdiction]

91. Respondent wilfully violated Rule of Professional Conduct 1-300(B), by practicing law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction, as follows:

92. In September 2010, David Burchert hired Respondent for loan modification services on his primary residence and an income property, both located in Rolling Meadows, Illinois. Burchert paid Respondent \$1,000 and \$2,500 for the two properties.

93. Illinois Rules of Professional Conduct, rule 5.5 states that “(a) A lawyer shall not practice law in a jurisdiction in violation of the regulation of the legal profession in that jurisdiction, or assist another in doing so. (b) A lawyer who is not admitted to practice in this jurisdiction shall not: (1) except as authorized by these Rules or other law, establish an office or other systematic and continuous presence in this jurisdiction for the practice of law; or (2) hold out to the public or otherwise represent that the lawyer is admitted to practice law in this jurisdiction. (c) A lawyer admitted in another United States jurisdiction, and not disbarred or suspended from practice in any jurisdiction, may provide legal services on a temporary basis in this jurisdiction that: (1) are undertaken in association with a lawyer who is admitted to practice in this jurisdiction and who actively participates in the matter; (2) are in or reasonably related to a pending or potential proceeding before a tribunal in this or

1 another jurisdiction, if the lawyer, or a person the lawyer is assisting, is authorized by law or
2 order to appear in such proceeding or reasonably expects to be so authorized; (3) are in or
3 reasonably related to a pending or potential arbitration, mediation, or other alternative dispute
4 resolution proceeding in this or another jurisdiction, if the services arise out of or are
5 reasonably related to the lawyer's practice in a jurisdiction in which the lawyer is admitted to
6 practice and are not services for which the forum requires pro hac vice admission; or (4) are
7 not within paragraphs (c)(2) or (c)(3) and arise out of or are reasonably related to the lawyer's
8 practice in a jurisdiction in which the lawyer is admitted to practice. (d) A lawyer admitted
9 in another United States jurisdiction, and not disbarred or suspended from practice in any
10 jurisdiction, may provide legal services in this jurisdiction that: (1) are provided to the
11 lawyer's employer or its organizational affiliates and are not services for which the forum
12 requires pro hac vice admission; or (2) are services that the lawyer is authorized to provide
13 by federal law or other law of this jurisdiction."

14 94. Respondent is not now, nor has ever been, licensed to practice law in the State
15 of Illinois.

16 95. Respondent continued to represent Burchert throughout 2010 and 2011.

17 96. While representing Burchert to secure the loan modifications on his behalf,
18 Respondent prepared two draft civil complaints to be filed on Burchert's behalf in Cook
19 County Superior Court against Burchert's lenders.

20 97. The preparation of the draft civil complaints constitutes the practice of law in
21 the State of Illinois.

22 98. By preparing the two draft civil complaints to be filed in Cook County
23 Superior Court, Respondent practiced law in a jurisdiction where practicing is in violation of
24 the regulations of the profession in that jurisdiction.

25 ///

26 ///

27 ///

1 **COUNT TWELVE**

2 **Case No. 12-O-10074**
3 **Rule of Professional Conduct 4-200(A)**
4 **[Illegal Fee]**

5 99. Respondent wilfully violated Rule of Professional Conduct 4-200(A), by entering
6 into an agreement for, charging, or collecting an illegal fee, as follows:

7 100. The State Bar incorporates the allegations of Count Eleven as though fully set
8 forth at length.

9 101. Respondent was not authorized to charge or collect legal fees for preparing the
10 draft civil complaints to be filed in Cook County Superior Court.

11 102. By charging and collecting an illegal fee from Burchert, Respondent entered
12 into an agreement for, charged, or collected an illegal fee.

13 **COUNT THIRTEEN**

14 **Case No. 12-O-10539**
15 **Rule of Professional Conduct 1-300(B)**
16 **[Unauthorized Practice of Law in Another Jurisdiction]**

17 103. Respondent wilfully violated Rule of Professional Conduct 1-300(B), by
18 practicing law in a jurisdiction where practicing is in violation of the regulations of the
19 profession in that jurisdiction, as follows:

20 104. In June 2010, James Wall retained Respondent for loan modification services.
21 Wall paid Respondent \$2,500 for loan modification services.

22 105. Wall is a resident of North Carolina and his residence, which is the subject
23 property, is located in High Point, North Carolina.

24 106. North Carolina State Bar Rules, Ch. 2, rule 5.5, states that "(a) A lawyer shall
25 not practice law in a jurisdiction where doing so violates the regulation of the legal
26 profession in that jurisdiction. (b) A lawyer who is not admitted to practice in this
27 jurisdiction shall not: (1) except as authorized by these Rules or other law, establish an
28 office or other systematic and continuous presence in this jurisdiction for the practice of law;
or (2) hold out to the public or otherwise represent that the lawyer is admitted to practice law

1 in this jurisdiction. (c) A lawyer admitted to practice in another jurisdiction, but not in this
2 jurisdiction, does not engage in the unauthorized practice of law in this jurisdiction if the
3 lawyer's conduct is in accordance with these Rules and: (1) the lawyer is authorized by law
4 or order to appear before a tribunal or administrative agency in this jurisdiction or is
5 preparing for a potential proceeding or hearing in which the lawyer reasonably expects to be
6 so authorized; or (2) other than engaging in conduct governed by paragraph (1); (A) the
7 lawyer provides legal services to the lawyer's employer or its organizational affiliates and the
8 services are not services for which pro hac vice admission is required; a lawyer acting
9 pursuant to this paragraph is not subject to the prohibition in Paragraph (b)(1); (B) the
10 lawyer acts with respect to a matter that arises out of or is otherwise reasonably related to the
11 lawyer's representation of a client in a jurisdiction in which the lawyer is admitted to
12 practice; (C) the lawyer acts with respect to a matter that is in or is reasonably related to a
13 pending or potential arbitration, mediation, or other alternative dispute resolution proceeding
14 in this or another jurisdiction, if the services arise out of or are reasonably related to the
15 lawyer's representation of a client in a jurisdiction in which the lawyer is admitted to practice
16 and are not services for which pro hac vice admission is required; (D) the lawyer is
17 associated in the matter with a lawyer admitted to practice in this jurisdiction who actively
18 participates in the representation; or (E) the lawyer is providing services limited to federal
19 law, international law, the law of a foreign jurisdiction or the law of the jurisdiction in which
20 the lawyer is admitted to practice. (F) the lawyer is the subject of a pending application for
21 admission to the North Carolina State Bar by comity, having never previously been denied
22 admission to the North Carolina State Bar for any reason, and (i) is licensed to practice law
23 in a state with which North Carolina has comity in regard to admission to practice law; (ii)
24 is a member in good standing in every jurisdiction in which the lawyer is licensed to practice
25 law; (iii) has satisfied the educational and experiential requirements prerequisite to comity
26 admission to the North Carolina State Bar; (iv) is domiciled in North Carolina; (v) has
27 established a professional relationship with a North Carolina law firm and is actively
28

1 supervised by at least one licensed North Carolina attorney affiliated with that law firm; and
2 (vi) gives written notice to the secretary of the North Carolina State Bar that the lawyer
3 intends to begin the practice of law pursuant to this provision, provides the secretary with a
4 copy of the lawyer's application for admission to the State Bar, and agrees that the lawyer is
5 subject to these rules and the disciplinary jurisdiction of the North Carolina State Bar. A
6 lawyer acting pursuant to this provision is not subject to the prohibition in Paragraph (b) (1),
7 may not provide services for which *pro hac vice* admission is required, and shall be ineligible
8 to practice law in this jurisdiction immediately upon being advised that the lawyer's
9 application for comity admission has been denied. (d) A lawyer shall not assist a another
10 person in the unauthorized practice of law. (e) A lawyer or law firm shall not employ a
11 disbarred or suspended lawyer as a law clerk or legal assistant if that individual was
12 associated with such lawyer or law firm at any time on or after the date of the acts which
13 resulted in disbarment or suspension through and including the effective date of disbarment
14 or suspension. (f) A lawyer or law firm employing a disbarred or suspended lawyer as a law
15 clerk or legal assistant shall not represent any client represented by the disbarred or
16 suspended lawyer or by any lawyer with whom the disbarred or suspended lawyer practiced
17 during the period on or after the date of the acts which resulted in disbarment or suspension
18 through and including the effective date of disbarment or suspension.”

19 107. Respondent is not now, nor has ever he been, admitted to practice law in the
20 State of North Carolina.

21 108. Respondent violated North Carolina law by providing a legal analysis of
22 Wall's mortgage loan.

23 109. By providing a legal analysis regarding Wall's mortgage loan, Respondent
24 practiced law in a jurisdiction where practicing is in violation of the regulations of the
25 profession in that jurisdiction.

26 ///

27 ///

1 118. One set of defendants in the matter filed a demurrer to be heard on February
2 10, 2010. Respondent received the demurrer which was properly served by the defendants
3 who filed it.

4 119. Respondent secured a stipulation to continue the previously scheduled case
5 management conference to May 27, 2010 in the state court action.

6 120. One set of defendants filed a motion for judgment on the pleadings on May
7 14, 2010. Respondent received the motion for judgment on the pleadings, which was
8 properly served by the defendants who filed it.

9 121. On May 27, 2010, the court held the case management conference and the
10 hearing on the demurrer and motion for judgment on the pleadings. That day, Respondent
11 filed a first amended complaint. The case management conference was continued to October
12 4, 2010. Respondent was present and received actual notice of the October 4, 2010 hearing
13 date.

14 122. On June 2, 2010, Respondent filed another *ex parte* application for a
15 temporary restraining order staying execution of a writ of possession. The *ex parte*
16 application was denied.

17 123. On June 9, 2010, one set of defendants led by Premier Escrow, filed motions
18 to compel production of documents, form interrogatory responses, special interrogatory
19 responses, and to establish admissions. The defendants had previously served Respondent
20 with the discovery, but despite his receipt of the discovery, Respondent failed to timely
21 respond to the discovery.

22 124. On June 25, 2010, another defendant, Rodeo Realty, filed a series of similar
23 motions to compel discovery. Respondent had received the discovery served by Rodeo
24 Realty, but failed to timely provide responses to the discovery.

25 125. Contemporaneously, the defendants filed motions to strike, a motion for
26 judgment on the pleadings and demurrers to the first amended complaint, which were
27

1 properly served on Respondent. Respondent received the motions to strike and the
2 demurrers.

3 126. On July 15, 2010, the various discovery motions of the set of defendants led
4 by Premier Escrow came on for hearing. Respondent filed no oppositions to any of the
5 discovery motions. Respondent failed to provide belated discovery responses to the
6 defendants. The court granted the motion deeming the admissions admitted and imposed
7 sanctions in the amount of \$1,000 against the Gonzalezes.

8 127. On August 12, 2010, at the hearing on the motion of one set of the defendants
9 for judgment on the pleadings, the court granted the motion. Respondent failed to file any
10 opposition to the motion, despite his receipt of the motion.

11 128. On August 25, 2010, the court entered an order dismissing the entire matter as
12 to defendant One West Bank.

13 129. On August 30, 2010, Rodeo Realty's discovery motions came on for hearing.
14 Respondent filed no oppositions. The court imposed sanctions against the Gonzalezes in the
15 amount of \$1,500.

16 130. On October 1, 2010, Respondent filed an *ex parte* application for an order
17 continuing the demurrer hearings. The application was denied.

18 131. On October 4, 2010, Respondent failed to appear at the hearing on the
19 demurrers, despite having received notice of the hearing. The court granted the demurrers to
20 all counts but one count, involving one defendant. That day, the state court issued an order to
21 show cause re sanctions and dismissal for failure to comply with court orders regarding
22 discovery. Respondent received the order to show cause.

23 132. On October 5, 2010, Rodeo Realty filed a motion to dismiss for disobedience
24 of a court order or in the alternative, for sanctions of \$1,426. Respondent received the
25 motion to dismiss, but failed to file any opposition.

26 133. The defendants filed a series of requests for dismissal which Respondent did
27 not oppose.

1 134. On October 29, 2010, Respondent filed a request to dismiss the entire action
2 without prejudice.

3 135. The filing of the request for dismissal by Respondent did not prevent the state
4 court from entering judgment against the Gonzalezes for the amount of sanctions imposed
5 against them.

6 136. On January 3, 2011, the court entered judgment against the Gonzalezes for the
7 amount of sanctions imposed against them.

8 **District Court Action**

9 137. On March 2, 2011, Respondent filed a lawsuit on behalf of the Gonzalezes
10 against their lenders in U.S District Court (the "District Court action"). In the complaint,
11 Respondent alleged Racketeer Influenced and Corrupt Organizations Act ("RICO")
12 violations. Respondent did not e-file the complaint as required by court rules.

13 138. On March 3, 2011, the District Court issued a standing order which was
14 properly served on Respondent. Respondent received the standing order, which provided
15 rules for Respondent to follow in prosecuting the District Court action.

16 139. On March 10, 2011, the District Court issued an order requiring Respondent
17 to file a RICO statement by March 17, 2011. Respondent received the March 10, 2011 order.

18 140. On both March 10, 2011 and March 16, 2011, the District Court issued orders
19 reminding Respondent that all documents had to be e-filed pursuant to court rules.
20 Respondent received the orders dated March 10, 2011 and March 16, 2011.

21 141. On March 17, 2011, Respondent filed a RICO statement, but failed to e-file
22 the statement as required by court rules.

23 142. On May 9, 2011, the District Court issued an order to show cause regarding
24 Respondent's failure to comply with the March 3, 2011 standing order and the orders to file
25 documents by e-filing. Respondent was ordered to appear in person on May 23, 2011
26 regarding why sanctions should not be imposed against him for failing to comply with court
27 rules and orders. Respondent was ordered to file a written response to the order to show
28

1 cause by May 16, 2011. Respondent received the May 9, 2011 order and responded to the
2 order to show cause.

3 143. On August 16, 2011, the District Court discharged the order to show cause
4 and vacated the order to show cause hearing.

5 144. On September 23, 2011, the District Court issued an order to show cause re
6 dismissal for lack of prosecution. Respondent was ordered to show cause in writing by
7 September 29, 2011 as to why the matter should not be dismissed. Respondent was directed
8 to serve the proof of service of the summons and complaint by September 29, 2011.
9 Respondent received the September 23, 2011 order.

10 145. On September 29, 2011, Respondent filed a declaration in response to the
11 order to show cause, requesting more time to file the proof of service. The request for an
12 extension of time to file the proof of service was granted. Respondent still failed to file the
13 proof of service by the extended deadline.

14 146. On November 14, 2011, the District Court dismissed the case in its entirety
15 since Respondent failed to file the proof of service even after obtaining an extension of time.
16 Respondent received the November 14, 2011 dismissal order.

17 147. Despite his receipt of the November 14, 2011 dismissal order, Respondent
18 failed to take any steps to reinstate the District Court action on behalf of the Gonzalezes.

19 148. By failing in the Gonzalez legal matters to file any oppositions to the various
20 demurrers, motions to strike, motions for judgment on the pleadings and discovery motions
21 filed and properly served by the defendants in the state court action, by failing to respond to
22 the discovery properly served on Respondent in the state court action, failing to comply with
23 the court's orders in the District Court action, failing to serve the District Court action and
24 failing to take steps to reinstate the District Court action after the dismissal, Respondent
25 intentionally, recklessly, or repeatedly failed to perform legal services with competence.

26 ///

27 ///

COUNT SIXTEEN

**Case No. 12-O-10634
Rule of Professional Conduct 3-700(A)(2)
[Improper Withdrawal from Employment]**

149. Respondent wilfully violated Rule of Professional Conduct 3-700(A)(2), by failing, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client, as follows:

150. The State Bar incorporates the allegations of Count Fifteen as though fully set forth at length.

151. By failing to file the proof of service leading to the dismissal of the District Court action and failing to take any further action to reinstate the District Court action after the dismissal, Respondent failed, upon termination of employment, to take reasonable steps to avoid reasonably foreseeable prejudice to his client.

COUNT SEVENTEEN

**Case No. 12-O-10634
Business and Professions Code section 6068(m)
[Failure to Respond to Client Inquiries]**

152. Respondent wilfully violated Business and Professions Code section 6068(m), by failing to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services, as follows:

153. The State Bar incorporates the allegations of Counts Fifteen and Sixteen as though fully set forth at length.

154. During Respondent's representation of the Gonzalezes in their legal matters, the Gonzalezes made multiple phone calls to Respondent's office, and left detailed messages requesting a status report on their legal matters.

155. Despite his receipt of the messages from the Gonzalezes, Respondent did not respond to the Gonzalezes or otherwise communicate with the clients concerning the status of their legal matter.

156. By failing to respond to the multiple phone calls from the Gonzalezes requesting a status report on their legal matter, Respondent failed to respond promptly to

1 reasonable status inquiries of a client in a matter in which Respondent had agreed to provide
2 legal services.

3 **COUNT EIGHTEEN**

4 **Case No. 12-O-10940**
5 **Rule of Professional Conduct 1-300(B)**
6 **[Unauthorized Practice of Law in Another Jurisdiction]**

7 157. Respondent wilfully violated Rule of Professional Conduct 1-300(B), by
8 practicing law in a jurisdiction where practicing is in violation of the regulations of the
9 profession in that jurisdiction, as follows:

10 158. In October 2011, Vilaine Senat received a post card solicitation for mortgage
11 relief services. Senat hired Respondent for loan modification services. Senat paid \$3,000 in
12 advanced attorney fees to Respondent.

13 159. Senat is a resident of Florida and her primary residence is in Florida. Her
14 primary residence was the subject of the loan modification for which she hired Respondent.

15 160. Florida Statutes Title XXII, Chapter 454.23 (Penalties), provides that "Any
16 person not licensed or otherwise authorized to practice law in this state who practices law in
17 this state or holds himself or herself out to the public as qualified to practice law in this state,
18 or who willfully pretends to be, or willfully takes or uses any name, title, addition, or
19 description implying that he or she is qualified, or recognized by law as qualified, to practice
20 law in this state, commits a felony of the third degree[.]"

21 161. Florida law holds that "giving legal advice and performing services which
22 require legal skill and a knowledge of the law greater than that possessed by the average
23 citizen is the practice of law." *State ex rel. The Florida Bar v. Sperry*, 140 So. 2d 587, 591
(Fla. 1962), overruled on other grounds, *Sperry v. Florida*, 373 U.S. 379 (1963).

24 162. Under Florida law, the following are considered the "practice of law:" "using
25 a title such as 'lawyer,' 'attorney,' 'attorney at law,' 'esquire,' 'counselor,' or 'counsel[.]"

26
27 *Florida Bar v. Gordon*, 661 So.2d 295, 296 (Fla. 1995), and "sending correspondence as the
28

1 representative of a client regarding legal matters,” *Id.* at 296.

2 163. Respondent is not, and never has been, admitted in the State of Florida.

3 164. By representing Senat, a Florida resident, in a matter involving loan
4 modification services for a Florida property, Respondent practiced law in a jurisdiction
5 where practicing is in violation of the regulations of the profession in that jurisdiction.

6 **COUNT NINETEEN**

7 **Case No. 12-O-10940**
8 **Rule of Professional Conduct 4-200(A)**
[Illegal Fee]

9 165. Respondent wilfully violated Rule of Professional Conduct 4-200(A), by
10 entering into an agreement for, charging, or collecting an illegal fee, as follows:

11 166. The State Bar incorporates the allegations of Count Eighteen as though fully
12 set forth at length.

13 167. Respondent was not authorized to charge or collect legal fees for the loan
14 modification work he performed for Senat in Florida.

15 168. By charging and collecting an illegal fee from Senat, Respondent entered into
16 an agreement for, charged, or collected an illegal fee.

17 **COUNT TWENTY**

18 **Case No. 12-O-11881**
19 **Rule of Professional Conduct 1-400(D)(2)**
[False Advertising]

20 169. Respondent wilfully violated Rule of Professional Conduct 1-400(D)(2), by
21 sending a communication or solicitation that contains matter which is false, deceptive, or
22 which tends to confuse, deceive, or mislead the public, as follows:

23 170. At all times relevant herein, until at least May 2012, when the website was
24 disabled, Respondent operated a website located on the internet at
25 <http://resourcelawcenter.com> (the “website”).

26 171. Respondent is the owner of the website’s domain name.
27
28

1 172. The website claims on its home page that Resource Law Center is California
2 SB94 and M.A.R.S. Rule compliant. This claim is false. Resource Law Center is not
3 compliant with either Business and Professions Code section 6106.3 (SB 94) or the M.A.R.S.
4 Rule.

5 173. The website further claims that Resource Law Center provides nationwide real
6 estate legal services, when Respondent is only admitted in California, and many jurisdictions
7 require individuals providing loan modification services to be admitted in their state.

8 174. The website identifies 42 lenders on its client results page from which
9 Respondent claims Resource Law Center successfully obtained loan modifications.
10 Respondent's claim to have successfully negotiated loan modifications with all 42 lenders is
11 false.

12 175. By operating the website which contains multiple materially false
13 representations, Respondent sent a communication or solicitation which contains matter
14 which is false, deceptive, or which tends to confuse, deceive, or mislead the public.

15 **COUNT TWENTY ONE**

16 **Case No. 12-O-11881**
17 **Rule of Professional Conduct 1-400(D)(3)**
18 **[False Advertising – Failure to State Name**
19 **of Member Responsible for Communication]**

20 176. Respondent wilfully violated Rule of Professional Conduct 1-400(D)(3), by
21 sending a communication or solicitation which omits to state any fact necessary to make the
22 statements made, in the light of circumstances under which they are made, not misleading to
23 the public, as follows:

24 177. The State Bar incorporates the allegations of Count Twenty as though fully set
25 forth at length.

26 178. The website does not identify the member responsible for the website.
27 Respondent is the member responsible for the website.

28 179. By failing to state that Respondent is the member responsible for the website,
Respondent sent a communication or solicitation which omits to state a fact necessary to

1 make the statements made, in light of circumstances under which they are made, not
2 misleading to the public.

3 **COUNT TWENTY TWO**

4 **Case No. 12-O-12061**
5 **Rule of Professional Conduct 1-400(D)(2)**
6 **[False Advertising]**

7 180. Respondent wilfully violated Rule of Professional Conduct 1-400(D)(2), by
8 sending a communication or solicitation that contains matter which is false, deceptive, or
9 which tends to confuse, deceive, or mislead the public, as follows:

10 181. In July 2011, Baudelia Gonzalez received a post card from Respondent
11 identified as a Notice of HUD Rights, which used the official logo of HUD, the United States
12 Department of Housing and Urban Development. The post card provided an address in
13 Washington D.C. as a return address.

14 182. The post card implied that the mailing disseminated from HUD, was at
15 minimum approved by HUD, or that there was a relationship between Respondent and HUD.

16 183. HUD did not approve of Respondent's mailing the post card solicitation to
17 prospective clients, like Gonzalez. There was never any relationship between Respondent
18 and HUD.

19 184. By sending the post card to Gonzalez which contains materially false
20 representations and implies that HUD approves of the solicitation, or that there was a
21 relationship between Respondent and HUD, Respondent sent a communication or solicitation
22 which contains matter which is false, deceptive, or which tends to confuse, deceive, or
23 mislead the public.

24 **COUNT TWENTY THREE**

25 **Case No. 12-O-12061**
26 **Rule of Professional Conduct 3-700(D)(2)**
27 **[Failure to Refund Unearned Fees]**

28 185. Respondent wilfully violated Rule of Professional Conduct 3-700(D)(2), by
failing to refund promptly any part of a fee paid in advance that has not been earned, as
follows:

1 186. The State Bar incorporates the allegations of Count Twenty Two as though
2 fully set forth at length.

3 187. Gonzalez responded to the post card solicitation and telephoned the number
4 listed on the post card to seek assistance for mortgage relief services.

5 188. The telephone number was answered by Respondent's Los Angeles law
6 office.

7 189. In July 2011, Gonzalez hired Respondent and paid \$1,100 in advanced
8 attorney fees.

9 190. Gonzalez terminated Respondent in August 2011. At the time she terminated
10 Respondent, Gonzalez requested her file and a refund.

11 191. Respondent received Gonzalez' request for her file and for a full refund.

12 192. On August 24, 2011, Gonzalez went to a legal aid attorney who made
13 repeated requests on behalf of Gonzalez to Respondent for the return of Gonzalez' file, an
14 itemization of Respondent's time spent on the case, and a refund of any unearned fees.

15 193. Respondent received the additional requests for a refund and return of the file
16 from the legal aid attorney made on Gonzalez' behalf.

17 194. Respondent provided no legal services of value to Gonzalez.

18 195. To date, Gonzalez has not received a refund of unearned advanced attorney
19 fees from Respondent.

20 196. By failing to provide a refund of unearned advanced fees to Gonzalez after
21 receiving repeated requests, Respondent failed to refund promptly any part of a fee paid in
22 advance that has not been earned.

23 **COUNT TWENTY FOUR**

24 **Case No. 12-O-12061**
25 **Rule of Professional Conduct 4-100(B)(3)**
26 **[Failure to Render Accounts of Client Funds]**

27 197. Respondent wilfully violated Rule of Professional Conduct 4-100(B)(3), by
28 failing to render appropriate accounts to a client regarding all funds coming into
Respondent's possession, as follows:

1 198. The State Bar incorporates the allegations of Counts Twenty Two and Twenty
2 Three as though fully set forth at length.

3 199. Despite his receipt of the requests for an accounting from the legal aid
4 attorney on behalf of Gonzalez, Respondent has not provided any accounting to Gonzalez to
5 date.

6 200. By failing to provide an accounting for work performed for Gonzalez after
7 receiving multiple requests, Respondent failed to render appropriate accounts to a client
8 regarding all funds coming into Respondent's possession.

9 **COUNT TWENTY FIVE**

10 **Case No. 12-O-12061**
11 **Rule of Professional Conduct 3-700(D)(1)**
12 **[Failure to Release File]**

13 201. Respondent wilfully violated Rule of Professional Conduct 3-700(D)(1), by
14 failing to release promptly, upon termination of employment, to the client, at the request of
15 the client, all the client papers and property, as follows:

16 202. The State Bar incorporates the allegations of Counts Twenty Two, Twenty
17 Three and Twenty Four as though fully set forth at length.

18 203. Despite his receipt of the requests for return of Gonzalez' file from the legal
19 aid attorney on behalf of Gonzalez, Respondent has not returned the file to Gonzalez to date.

20 204. By failing to return Gonzalez's file after repeated requests, Respondent failed
21 to release promptly, upon termination of employment, to the client, at the request of the
22 client, all the client papers and property.

23 **COUNT TWENTY SIX**

24 **Case No. 12-O-12422**
25 **Rule of Professional Conduct 3-110(A)**
26 **[Failure to Perform with Competence]**

27 205. Respondent wilfully violated Rule of Professional Conduct 3-110(A), by
28 intentionally, recklessly, or repeatedly failing to perform legal services with competence, as
follows:

1 206. In February 2010, Salvatore J. Arena hired Respondent for mortgage relief
2 services and paid \$3,000 in advanced attorney fees.

3 207. Arena was instructed to cease communicating with his lender, IndyMac, since
4 Respondent's office would be handling all aspects of the loan modification process.

5 208. Beginning in March 2010 and continuing through June 2011, Arena was in
6 constant email contact with representatives of Respondent's office. Respondent's office
7 repeatedly requested that Arena provide documentation that he had previously provided to
8 Respondent.

9 209. In May 2011, Respondent's staff contacted Arena explaining that Arena
10 needed to show an increase in Arena's monthly income by \$1,400 a month in order to qualify
11 for a modification. Respondent's office staff suggested that Arena take on a tenant to
12 increase Arena's income. Arena did not take on a tenant in response to this suggestion.

13 210. On June 1, 2011, Arena contacted Respondent's office because he was
14 receiving inquiries from IndyMac about his mortgage and Arena was concerned his matter
15 was not being handled properly. Arena was instructed not to communicate directly with
16 IndyMac and that all communications with his lender should be made through Respondent
17 only.

18 211. On June 9, 2011, Arena attended a NACA convention being held in Los
19 Angeles and met with representatives of IndyMac to discuss his pending loan modification
20 application.

21 212. At the conference, Arena learned that Respondent submitted a false room
22 rental agreement on Arena's behalf in support of Arena's application. The agreement
23 detailed a \$700 a month room rental agreement from tenant Donald Green. At the time,
24 Arena did not have a tenant and was not receiving \$700 a month in rent. Arena did not know
25 any Donald Green. The agreement submitted by Respondent to IndyMac appeared to have
26 Arena's signature, but Arena never signed the agreement submitted by Respondent to his
27 lender.

213. On June 9, 2011, Arena terminated Respondent's legal representation and requested a refund.

214. By submitting a falsified room rental agreement on the behalf of Arena with a loan modification package, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence.

COUNT TWENTY SEVEN

Case No. 12-O-12422
Business and Professions Code section 6106
[Moral Turpitude]

215. Respondent wilfully violated Business and Professions Code section 6106, by committing an act involving moral turpitude, dishonesty or corruption, as follows:

216. The State Bar incorporates the allegations in Count Twenty Six as though fully set forth at length.

217. At the time the falsified room rental agreement was submitted with Arena's loan modification package, Respondent knew, or in the absence of gross negligence would have known, that the room rental agreement had been falsified.

218. By submitting a falsified room rental agreement to IndyMac on behalf of Arena with a loan modification package, Respondent committed an act involving moral turpitude, dishonesty or corruption.

COUNT TWENTY EIGHT

Case No. 12-O-13166
Rule of Professional Conduct 3-110(A)
[Failure to Perform with Competence]

219. Respondent wilfully violated Rule of Professional Conduct 3-110(A), by intentionally, recklessly, or repeatedly failing to perform legal services with competence, as follows:

220. On February 2, 2011, Diane Robinson hired Respondent for mortgage relief services. Robinson paid Respondent \$8,566 in advanced attorney fees.

221. Robinson provided all the requested documentation to Respondent's office.

1 222. On July 30, 2011, Respondent sent Robinson a letter informing her that he
2 negotiated a successful workout agreement with Robinson's lender which would require a
3 new monthly payment of \$11,738.55 (up from the former monthly payments of \$4,214.25)
4 with a down payment of \$12,000 due by August 9, 2011 from Robinson to start a trial loan
5 modification period.

6 223. At the time Respondent negotiated the workout agreement, he did not secure
7 Robinson's consent to the terms.

8 224. Robinson did not agree to the workout agreement, as the payments more than
9 doubled, and she was unable to pay the down payment for the trial loan modification.
10 Moreover, Respondent's workout agreement did not secure any reduction in the interest rate
11 on Robinson's mortgage loan.

12 225. Robinson contacted Respondent's office after receiving the workout
13 agreement, and told the office that she did not agree to the workout agreement.

14 226. Respondent prepared a draft civil complaint on behalf of Robinson, which was
15 not filed in any court.

16 227. On September 1, 2011, Robinson received a foreclosure notice from her
17 lender. She repeatedly emailed Respondent's office for a status report on her legal matter.

18 228. Robinson made multiple telephone calls and sent multiple emails requesting a
19 status report on her legal matter.

20 229. Despite his receipt of the multiple messages from Robinson, Respondent did
21 not respond to Robinson or otherwise communicate with Robinson to provide her with a
22 status report on her legal matter.

23 230. By failing to obtain Robinson's consent to the workout agreement before
24 negotiating the agreement with her lender, and by preparing the draft civil complaint, but
25 then undertaking no further action on Robinson's legal matter, Respondent intentionally,
26 recklessly, or repeatedly failed to perform legal services with competence.

1 **COUNT TWENTY NINE**

2 **Case No. 12-O-13166**
3 **Business and Professions Code section 6068(m)**
4 **[Failure to Respond to Client Inquiries]**

5 231. Respondent wilfully violated Business and Professions Code section 6068(m),
6 by failing to respond promptly to reasonable status inquiries of a client in a matter in which
7 Respondent had agreed to provide legal services, as follows:

8 232. The State Bar incorporates the allegations of Count Twenty Eight as though
9 fully set forth at length.

10 233. Respondent failed to respond to the multiple requests from Robinson for a
11 status report on her legal matter.

12 234. By failing to respond to the numerous phone messages and emails from
13 Robinson seeking a status report on her legal matter, Respondent failed to respond promptly
14 to reasonable status inquiries of a client in a matter in which Respondent had agreed to
15 provide legal services.

16 **COUNT THIRTY**

17 **Case No. 12-O-13268**
18 **Rule of Professional Conduct 1-320(B)**
19 **[Compensating Person for Employment Referral]**

20 235. Respondent willfully violated Rule of Professional Conduct 1-320(B), by
21 compensating, giving, or promising something of value to a person or entity for the purpose
22 of recommending or securing employment of Respondent or Respondent's law firm by a
23 client or as a reward for having made a recommendation resulting in such employment, as
24 follows:

25 236. The State Bar incorporates the allegations of Count Twenty Six as though
26 fully set forth at length.

27 237. On February 18, 2010, Arena received a welcome package email from
28 Respondent detailing the services that Respondent would provide.

1 238. The February 18, 2010 welcome package email from Respondent also
2 included an offer of a \$100 reward for each new client that Arena referred to Respondent.
3 Respondent referred to the \$100 referral reward as the Helping Hands Referral Program.

4 239. Respondent's February 18, 2010 Helping Hands Referral Program flyer
5 constituted a promise to Arena to provide compensation to Arena for Arena referring clients
6 to Respondent.

7 240. By sending to Arena the February 18, 2010 Helping Hands Referral Program
8 flyer, Respondent promised something of value to a person or entity for the purpose of
9 recommending or securing employment of Respondent by a client or as a reward for having
10 made a recommendation resulting in such employment.

11 **COUNT THIRTY ONE**

12 **Case Nos. 10-O-5509, 10-O-6222, 11-O-11993, 11-O-18827, 12-O-10074,**
13 **12-O-10539, 12-O-10634, 12-O-10940, 12-O-11881, 12-O-12061, 12-O-12422,**
14 **12-O-13166, 12-O-13268**

15 **Business and Professions Code section 6103**
16 **[Failure to Obey a Court Order]**

17 241. Respondent wilfully violated Business and Professions Code, section 6103, by
18 wilfully disobeying or violating an order of the court requiring him to do or forbear an act
19 connected with or in the course of Respondent's profession which he ought in good faith to
20 do or forbear, as follows:

21 242. On November 16, 2012, the State Bar Court issued its Decision and Order of
22 Inactive Enrollment pursuant to Business and Professions Code section 6007(c) in case no.
23 12-TE-15580 (the "Order").

24 243. On November 16, 2012, the Case Administrator of the State Bar Court
25 properly served upon Respondent a copy of the Order.

26 244. Respondent received the Order.

27 245. Pursuant to the Order, Respondent was ordered, among other things:

- 28 1. Within 30 days after the effective date of the involuntary inactive
 enrollment:

- 1 (a) Notify all clients being represented in pending matters and any co-
2 counsel of his involuntary inactive enrollment and his consequent
3 immediate disqualification to act as an attorney and, in the absence
4 of co-counsel, notify the clients to seek legal advice elsewhere,
5 calling attention to the urgency in seeking the substitution of
6 another attorney or attorneys in his place;
- 7 (b) Deliver to all clients being represented in pending matters any
8 papers or other property to which the clients are entitled, or notify
9 the clients and any co-counsel of a suitable time and place where
10 the papers and other property may be obtained, calling attention to
11 the urgency of obtaining the papers or other property;
- 12 (c) Provide to each client an accounting of all funds received and fees
13 or costs paid and refund any advance payments that have not been
14 either earned as fees or expended for appropriate costs; and
- 15 (d) Notify opposing counsel in pending matters or, in the absence of
16 counsel, the adverse parties of his involuntary inactive enrollment
17 and file a copy of the notice with the court, agency, or tribunal
18 before which the matter is pending for inclusion in the respective
19 file or files;

- 20 2. All notices required to be given by paragraph 1 must be given by
21 registered or certified mail, return receipt requested and must contain
22 respondent's current State Bar membership records address where
23 communications may thereafter be directed to him;
- 24 3. Within 40 days after the effective date of the involuntary inactive
25 enrollment, respondent must file with the Clerk of the State Bar Court: (1)
26 an affidavit (containing respondent's current State Bar membership
27 records address where communications may thereafter be directed to him)
- 28

1 stating that he has fully complied with the provisions of paragraphs 1 and
2 2 of this order; and (2) copies of all documents sent to clients pursuant to
3 paragraph 1(c) of this order; and

- 4 4. Respondent must keep and maintain records of the various steps taken by
5 him in compliance with this order so that, upon any petition for
6 termination of inactive enrollment, proof of compliance with this order
7 will be available for receipt into evidence. Respondent is cautioned that
8 failure to comply with the provisions of paragraphs 1-4 of this order may
9 constitute a ground for denying his petition for termination of inactive
10 enrollment or reinstatement, or for imposing sanctions.

11 246. The Order became effective on November 19, 2012, three days after the Order
12 was filed. Respondent was ordered to comply with the provisions of paragraphs 1 and 2 of
13 the Order no later than December 19, 2012, and was ordered to comply with paragraph 3 of
14 the Order no later than December 29, 2012.

15 247. On or about December 27, 2012, more than thirty days after the effective date
16 of the Order, Respondent sent a letter by regular United States Mail dated December 27,
17 2012 to his client, Roland Njeck ("Njeck"), informing him of his involuntary inactive status.

18 248. The letter to Njeck failed to comply with the Order because it was not sent
19 within thirty days of the effective date of the Order, was not sent via certified or registered
20 mail, and failed to comply with all provisions of paragraphs 1 and 2 of the Order.

21 249. To date, Respondent has not filed the affidavit due on or before December 29,
22 2012 in case no. 12-TE-15580.

23 250. On January 9, 2013, in State Bar case no. 10-O-5509, et al., Respondent filed
24 a "Compliance Declaration of Chance E. Gordon and Request for Recusual (sic) of Judge
25 Richard Platel" (the "Declaration") with the State Bar Court.

26 251. The Declaration was signed by Respondent under the penalty of perjury and
27 stated that Respondent had sent notification of his involuntary inactive status to clients by
28

1 regular United States Mail on December 19, 2012 and attached a copy of the letter as an
2 exhibit to the Declaration.

3 252. The letter attached as an exhibit by Respondent was identical in content to the
4 letter received by Njeck, except it was dated December 19, 2012 and printed in a larger font.

5 253. The Declaration also stated that Respondent had failed to notify all of his
6 remaining litigation clients.

7 254. By failing to comply with the court's Order in case no. 12-TE-15580,
8 Respondent wilfully disobeyed or violated an order of the court requiring him to do or
9 forbear an act connected with or in the course of Respondent's profession which he ought in
10 good faith to do or forbear.

11 **COUNT THIRTY TWO**

12 **Case Nos. 10-O-5509, 10-O-6222, 11-O-11993, 11-O-18827, 12-O-10074,**
13 **12-O-10539, 12-O-10634, 12-O-10940, 12-O-11881, 12-O-12061, 12-O-12422,**
14 **12-O-13166, 12-O-13268**

15 **Business and Professions Code section 6068(d)**
16 **[Seeking to Mislead a Judge]**

17 255. Respondent wilfully violated Business and Professions Code, section 6068(d),
18 by seeking to mislead the judge or judicial officer by an artifice or false statement of fact or
19 law, as follows:

20 256. The State Bar incorporates the allegations in Count Thirty One as though fully
21 set forth at length.

22 257. At the time Respondent filed his Declaration, Respondent knew, or in the
23 absence of gross negligence would have known, that he had not notified all of his clients by
24 registered or certified mail by December 19, 2012 as required by the Order.

25 258. By submitting a declaration stating that he mailed the required notice to his
26 clients by letter dated December 19, 2012, when he in fact sent at least Njeck a letter dated
27 December 27, 2012, Respondent sought to mislead the judge or judicial officer by an artifice
28 or false statement of fact or law.

COUNT THIRTY THREE

Case Nos. 10-O-5509, 10-O-6222, 11-O-11993, 11-O-18827, 12-O-10074,
12-O-10539, 12-O-10634, 12-O-10940, 12-O-11881, 12-O-12061, 12-O-12422,
12-O-13166, 12-O-13268

**Business and Professions Code section 6106
[Moral Turpitude]**

259. Respondent wilfully violated Business and Professions Code, section 6106, by committing an act involving moral turpitude, dishonesty or corruption, as follows:

260. The State Bar incorporates the allegations in Counts Thirty One and Thirty Two as though fully set forth at length.

261. By submitting a Declaration signed under penalty of perjury stating that he mailed the required notice to his clients by December 19, 2012, when he sent at least Njeck a letter dated December 27, 2012, Respondent committed an act involving moral turpitude, dishonesty or corruption.

NOTICE - INACTIVE ENROLLMENT!

YOU ARE HEREBY FURTHER NOTIFIED THAT IF THE STATE BAR COURT FINDS, PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 6007(c), THAT YOUR CONDUCT POSES A SUBSTANTIAL THREAT OF HARM TO THE INTERESTS OF YOUR CLIENTS OR TO THE PUBLIC, YOU MAY BE INVOLUNTARILY ENROLLED AS AN INACTIVE MEMBER OF THE STATE BAR. YOUR INACTIVE ENROLLMENT WOULD BE IN ADDITION TO ANY DISCIPLINE RECOMMENDED BY THE COURT.

NOTICE - COST ASSESSMENT!

IN THE EVENT THESE PROCEDURES RESULT IN PUBLIC DISCIPLINE, YOU MAY BE SUBJECT TO THE PAYMENT OF COSTS INCURRED BY THE STATE BAR IN THE INVESTIGATION, HEARING AND REVIEW OF THIS MATTER PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 6086.10.

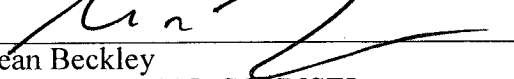
Respectfully submitted,

THE STATE BAR OF CALIFORNIA
OFFICE OF THE CHIEF TRIAL COUNSEL

DATED: April 2, 2013

By: 
Erin McKeeown Joyce
DEPUTY TRIAL COUNSEL

DATED: April 2, 2013

By: 
Sean Beckley
DEPUTY TRIAL COUNSEL

DECLARATION OF SERVICE

by

U.S. FIRST-CLASS MAIL / U.S. CERTIFIED MAIL / OVERNIGHT DELIVERY / FACSIMILE-ELECTRONIC TRANSMISSION

CASE NUMBER(s): 10-O-05509, et al.

I, the undersigned, am over the age of eighteen (18) years and not a party to the within action, whose business address and place of employment is the State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, declare that:

- on the date shown below, I caused to be served a true copy of the within document described as follows:

FIRST AMENDED NOTICE OF DISCIPLINARY CHARGES

- ☐ By U.S. First-Class Mail: (CCP §§ 1013 and 1013(a))
- in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County of Los Angeles.
- ☒ By U.S. Certified Mail: (CCP §§ 1013 and 1013(a))
- I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for overnight delivery by the United Parcel Service ('UPS').
- ☐ By Overnight Delivery: (CCP §§ 1013(c) and 1013(d))
- I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for overnight delivery by the United Parcel Service ('UPS').
- ☐ By Fax Transmission: (CCP §§ 1013(e) and 1013(f))
Based on a court order or an agreement of the parties to accept service by fax transmission, I faxed the documents to the persons at the fax numbers listed herein below. No error was reported by the fax machine that I used. The original record of the fax transmission is retained on file and available upon request.
- ☐ By Electronic Service: (CCP § 1010.6)
Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the person(s) at the electronic addresses listed herein below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

- ☐ (for U.S. First-Class Mail) in a sealed envelope placed for collection and mailing at Los Angeles, addressed to: (see below)
- ☒ (for Certified Mail) in a sealed envelope placed for collection and mailing as certified mail, return receipt requested,
Article No.: 71969008911164112747 at Los Angeles, addressed to: (see below)
- ☐ (for Overnight Delivery) together with a copy of this declaration, in an envelope, or package designated by UPS,
Tracking No.: addressed to: (see below)

Person Served	Business-Residential Address	Fax Number	Courtesy Copy to:
CHANCE GORDON	121 W Lexington Dr Suite 214 Glendale, CA 91203	Electronic Address	Bydand71@gmail.com

☐ via inter-office mail regularly processed and maintained by the State Bar of California addressed to:

N/A

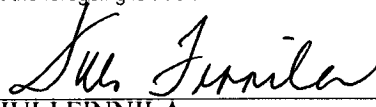
I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for mailing with the United States Postal Service, and overnight delivery by the United Parcel Service ('UPS'). In the ordinary course of the State Bar of California's practice, correspondence collected and processed by the State Bar of California would be deposited with the United States Postal Service that same day, and for overnight delivery, deposited with delivery fees paid or provided for, with UPS that same day.

I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date on the envelope or package is more than one day after date of deposit for mailing contained in the affidavit.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed at Los Angeles, California, on the date shown below.

DATED: April 2, 2013

SIGNED:


JULI FINNILA
Declarant