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State Bar Court of California Hearing Department Los Angeles ACTUAL SUSPENSION		
<p>Counsel For The State Bar</p> <p>Rosalba L. Gutierrez Deputy Trial Counsel 1149 S. Hill Street Los Angeles, CA 90015 213-765-1671</p> <p>Bar # 270469</p>	<p>Case Number(s): Investigation Numbers:</p> <p>10-O-05781; 10-O-06909; 10-O-09787; 10-O-10211; 11-O-10459; 11-O-10585; 11-O-13786; 11-O-18213</p>	<p>For Court use only</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">PUBLIC MATTER</p> <p style="text-align: center; font-size: 1.5em; font-weight: bold;">FILED</p> <p style="text-align: center;">JAN 11 2012 </p> <p style="text-align: center; font-size: 0.8em;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent</p> <p>Arthur Margolis Margolis and Margolis LLP 2000 Riverside Drive Los Angeles, CA 90039</p> <p>Bar # 57703</p>	<p>Submitted to: Settlement Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p>	
<p>In the Matter of: David John Ruyle, Jr.</p> <p>Bar # 234569</p> <p>A Member of the State Bar of California (Respondent)</p>	<p>ACTUAL SUSPENSION</p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</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 December 9, 2004.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of 18 pages, not including the order.

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- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
 - Until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 5.130, Rules of Procedure.
 - Costs are to be paid in equal amounts prior to February 1 for the following membership years: three (3) billing cycles following the effective date of the Supreme Court Order. (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.
 - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
 - Costs are entirely waived.

B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.

- (1) **Prior record of discipline** [see standard 1.2(f)]
 - (a) State Bar Court case # of prior case
 - (b) Date prior discipline effective
 - (c) Rules of Professional Conduct/ State Bar Act violations:
 - (d) Degree of prior discipline
 - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (2) **Dishonesty:** Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3) **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (4) **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice.

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- (5) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6) **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (7) **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.
- (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. Throughout this proceeding, Respondent cooperated during the investigative process and met with the State Bar to answer questions regarding these matters. (Std. 1.2(e)(v)).
- (4) **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5) **Restitution:** Respondent paid \$ _____ on _____ in restitution to _____ without the threat or force of disciplinary, civil or criminal proceedings.
- (6) **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) **Good Faith:** Respondent acted in good faith.
- (8) **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10) **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.

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- (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. Four character references expressed their belief in Respondent's integrity and honesty even with the knowledge of the misconduct and believe that the conduct will not recur. (Std. 1.2(e)(vi)).
- (12) **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) **No mitigating circumstances** are involved.

Additional mitigating circumstances:

See page 16 of the Attachment.

D. Discipline:

- (1) **Stayed Suspension:**
- (a) Respondent must be suspended from the practice of law for a period of one (1) year.
- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.
- ii. and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. and until Respondent does the following:
- (b) The above-referenced suspension is stayed.
- (2) **Probation:**
- Respondent must be placed on probation for a period of one (1) year, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)
- (3) **Actual Suspension:**
- (a) Respondent must be actually suspended from the practice of law in the State of California for a period of sixty (60) days.
- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
- ii. and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. and until Respondent does the following:

E. Additional Conditions of Probation:

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- (1) If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in the general law, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.
- (2) During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (3) Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4) Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
- (5) Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

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

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

<input type="checkbox"/> Substance Abuse Conditions	<input type="checkbox"/> Law Office Management Conditions
<input type="checkbox"/> Medical Conditions	<input checked="" type="checkbox"/> Financial Conditions

F. Other Conditions Negotiated by the Parties:

(Effective January 1, 2011)

Actual Suspension

- (1) **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. **Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 5.162(A) & (E), Rules of Procedure.**
- No MPRE recommended. Reason:
- (2) **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (3) **Conditional Rule 9.20, California Rules of Court:** If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (4) **Credit for Interim Suspension [conviction referral cases only]:** Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension:
- (5) **Other Conditions:**

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In the Matter of: DAVID JOHN RUYLE, JR.	Case Number(s): (Inv. Nos.)10-O-05781;10-O-06909;10-O-09787; 10-O-10211; 11-O-10459;11-O-10585;11-O-13786; 11-O-18213
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Financial Conditions

a. Restitution

- Respondent must pay restitution (including the principal amount, plus interest of 10% per annum) to the payee(s) listed below. If the Client Security Fund ("CSF") has reimbursed one or more of the payee(s) for all or any portion of the principal amount(s) listed below, Respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

Payee	Principal Amount	Interest Accrues From
Judy Fair	\$3,000	April 15, 2010
Victor Zatsepin	\$1,000	March 15, 2010
Enrique Rodriguez	\$3,000	February 15, 2010
Jill Edwards	\$4,500	March 15, 2010
Carlie Cole	\$2,000	September 2010
Marsha Lamb	\$3,000	April 15, 2010
Doug Kohlhagen	\$6,000	July 15, 2009
Gina Toth-Beeker	\$3,000	February 2010

- Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than thirty (30) days from the effective date of the discipline herein.

b. Installment Restitution Payments

- Respondent must pay the above-referenced restitution on the payment schedule set forth below. Respondent must provide satisfactory proof of payment to the Office of Probation with each quarterly probation report, or as otherwise directed by the Office of Probation. No later than 30 days prior to the expiration of the period of probation (or period of reprobation), Respondent must make any necessary final payment(s) in order to complete the payment of restitution, including interest, in full.

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency

- If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.

- c. Client Funds Certificate**
1. If Respondent possesses client funds at any time during the period covered by a required quarterly report, Respondent must file with each required report a certificate from Respondent and/or certified public accountant or other financial professional approved by the Office of Probation, certifying that:

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In the Matter of: DAVID JOHN RUYLE, JR.	Case Number(s): (Inv. Nos.)10-O-05781;10-O-06909;10-O-09787; 10-O-10211; 11-O-10459;11-O-10585;11-O-13786; 11-O-18213
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a. Respondent as maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of California, and that such account is designated as a "Trust Account" or "Clients' Funds Account";

b. Respondent has kept and maintained the following:

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

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

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

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

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

d. Client Trust Accounting School

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

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: David John Ruyle, Jr. (SBN: 234569)

CASE NUMBER(S): Inv. Nos: 10-O-05781, 10-O-06909; 10-O-09787,
10-O-10211; 11-O-10459; 11-O-10585, 11-O-13786;
11-O-18213

FACTS AND CONCLUSIONS OF LAW.

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

Case No. 10-O-05781 (Judy Fair)

FACTS:

1. The laws of the State of Pennsylvania, including the Pennsylvania Rules of Professional Conduct, prohibit attorneys not licensed in Pennsylvania from practicing law in Pennsylvania subject to several limited exceptions.
2. Respondent is not presently, and never has been, admitted to practice law in the State of Pennsylvania and Respondent was not otherwise entitled to practice law in the State of Pennsylvania during the relevant time period.
3. On September 7, 2009, Respondent accepted the representation of Judy Fair ("Fair"), a resident of Pennsylvania, in order to negotiate and obtain a home mortgage loan modification for her Pennsylvania residential property.
4. Between September 7, 2009 and November 16, 2009, Fair paid Respondent advanced fees totaling \$3,000.
5. From November 2009 through April 2010, Respondent and agents acting on behalf of Respondent negotiated with Fair's mortgage lender regarding Fair's home loan mortgage modification.

CONCLUSIONS OF LAW

6. By accepting representation of Fair as a client, collecting advanced fees and negotiating with Fair's mortgage lender, Respondent engaged in the unauthorized practice of law in willful

violation of the regulations of the profession in Pennsylvania and rule 1-300(B) of the Rules of Professional Conduct.

7. By entering into an agreement for, charging, and collecting fees from Fair, when he was not licensed to practice law in Pennsylvania, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No.10-O-06909 (Victor Zatsepin)

FACTS

8. The laws of the State of Oregon, including the Oregon Rules of Professional Conduct, prohibit attorneys not licensed in Oregon from practicing law in Oregon subject to several limited exceptions.

9. Respondent is not presently, and never has been, admitted to practice law in the State of Oregon and Respondent was not otherwise entitled to practice law in the State of Oregon during the relevant time period.

10. On July 13, 2009, Respondent accepted the representation of Victor Zatsepin ("Zatsepin"), a resident of Oregon, in order to negotiate and obtain for Zatsepin a home mortgage loan modification for his Oregon residential property.

11. On July 13, 2009, Zatsepin paid Respondent advanced fees totaling \$3,500.

12. On December 29, 2010, Respondent refunded \$2,500 of the advanced fees he received from to Zatsepin.

13. From the middle of July 2009 through March 2010, Respondent and agents acting on behalf of Respondent negotiated with Zatsepin's home loan mortgage lender regarding Zatsepin's home loan mortgage modification.

CONCLUSIONS OF LAW

14. By accepting representation of Zatsepin as a client, collecting advanced fees and negotiating with Zatsepin's mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Oregon and rule 1-300(B) of the Rules of Professional Conduct.

15. By entering into an agreement for, charging, and collecting fees from Zatsepin, when he

was not licensed to practice law in Oregon, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No. 10-O-09787 (Enrique Rodriguez)

FACTS

16. The laws of the State of Washington, including the Washington Rules of Professional Conduct, prohibit attorneys not licensed in Washington from practicing law in Washington subject to several limited exceptions.

17. Respondent is not presently, and never has been, admitted to practice law in the State of Washington and Respondent was not otherwise entitled to practice law in the State of Washington during the relevant time period.

18. On January 18, 2010, Respondent accepted the representation of Enrique Rodriguez ("Rodriguez"), a resident of Washington, in order to negotiate and obtain for Rodriguez a home mortgage loan modification for his Washington residential property.

19. On February 17, 2010, Rodriguez paid Respondent advanced fees totaling \$3,000.

20. In February 2010, Respondent and agents acting on behalf of Respondent negotiated with Rodriguez's home loan mortgage lender regarding Rodriguez's home loan mortgage modification.

CONCLUSIONS OF LAW

21. By accepting representation of Rodriguez as a client, collecting advanced fees and negotiating with Rodriguez's mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Washington and rule 1-300(B) of the Rules of Professional Conduct.

22. By entering into an agreement for, charging, and collecting fees from Rodriguez, when he was not licensed to practice law in Washington, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No. 10-O-10211 (Jill Edwards)

FACTS

23. The laws of the State of Washington, including the Washington Rules of Professional

Conduct, prohibit attorneys not licensed in Washington from practicing law in Washington subject to several limited exceptions.

24. Respondent is not presently, and never has been, admitted to practice law in the State of Washington and Respondent was not otherwise entitled to practice law in the State of Washington during the relevant time period.

25. On February 18, 2009, Respondent accepted the representation of Jill Edwards (“Edwards”), a resident of Washington, in order to negotiate and obtain for Edwards a home mortgage loan modification for her Washington residential property.

26. In March 2009, Edwards paid Respondent advanced fees totaling \$4,500.

27. From March 2009 through March 2010, Respondent and agents acting on behalf of Respondent negotiated with Edwards’s home loan mortgage lender regarding Edwards’s home loan mortgage modification.

CONCLUSIONS OF LAW

28. By accepting representation of Edwards as a client, collecting advanced fees and negotiating with Edwards’s mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Washington and rule 1-300(B) of the Rules of Professional Conduct.

29. By entering into an agreement for, charging, and collecting fees from Edwards, when he was not licensed to practice law in Washington, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No. 11-O-10459 (Carlie Cole)

FACTS

30. The laws of the State of Pennsylvania, including the Pennsylvania Rules of Professional Conduct, prohibit attorneys not licensed in Pennsylvania from practicing law in Pennsylvania subject to several limited exceptions.

31. Respondent is not presently, and never has been, admitted to practice law in the State of Pennsylvania and Respondent was not otherwise entitled to practice law in the State of Pennsylvania

during the relevant time period.

32. On February 6, 2010, Respondent accepted the representation of Carlie Cole ("Cole"), a resident of Pennsylvania, in order to negotiate and obtain for Cole a home mortgage loan modification for her Pennsylvania residential property.

33. On February 12, 2010, Cole paid Respondent advanced fees totaling \$2,000.

34. From February 2010 through September 2010, Respondent and agents acting on behalf of Respondent negotiated with Cole's home loan mortgage lender regarding Cole's home loan mortgage modification.

CONCLUSIONS OF LAW

35. By accepting representation of Cole as a client, collecting advanced fees and negotiating with Cole's mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Pennsylvania and rule 1-300(B) of the Rules of Professional Conduct.

36. By entering into an agreement for, charging, and collecting fees from Cole, when he was not licensed to practice law in Pennsylvania, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No. 11-O-10585 (Marsh Lamb)

FACTS

37. The laws of the State of Nevada, including the Nevada Rules of Professional Conduct, prohibit attorneys not licensed in Nevada from practicing law in Nevada subject to several limited exceptions.

38. Respondent is not presently, and never has been, admitted to practice law in the State of Nevada and Respondent was not otherwise entitled to practice law in the State of Nevada during the relevant time period.

39. On January 30, 2009, Respondent accepted the representation of Marsha Lamb ("Lamb"), a resident of Nevada, in order to negotiate and obtain for Lamb a home mortgage loan modification.

40. On February 4, 2009, Lamb paid Respondent advanced fees totaling \$3,000.

41. From February 2009 through April 2010, Respondent and agents acting on behalf of

Respondent negotiated with Lamb's home loan mortgage lender regarding Lamb's home loan mortgage modification.

CONCLUSIONS OF LAW

42. By accepting representation of Lamb as a client, collecting advanced fees and negotiating with Lamb's mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Nevada and rule 1-300(B) of the Rules of Professional Conduct.

43. By entering into an agreement for, charging, and collecting fees from Lamb, when he was not licensed to practice law in Nevada, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No. 11-O-13786 (Doug Kohlhagen)

FACTS

44. The laws of the State of Oregon, including the Oregon Rules of Professional Conduct, prohibit attorneys not licensed in Oregon from practicing law in Oregon subject to several limited exceptions.

45. Respondent is not presently, and never has been, admitted to practice law in the State of Oregon and Respondent was not otherwise entitled to practice law in the State of Oregon during the relevant time period.

46. On May 29, 2009, Respondent accepted the representation of Doug Kohlhagen ("Kohlhagen"), a resident of Oregon, in order to negotiate and obtain for Kohlhagen two home mortgage loan modifications for his Oregon residential properties.

47. From June 2009 through July 2009, Kohlhagen paid Respondent advanced fees totaling \$6,000.

48. From November 2009 through April 2010, Respondent and agents acting on behalf of Respondent negotiated with Kohlhagen's home loan mortgage lender regarding his home loan mortgage modifications.

CONCLUSIONS OF LAW

49. By accepting representation of Kohlhagen as a client, collecting advanced fees and

negotiating with Kohlhagen's mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Oregon and rule 1-300(B) of the Rules of Professional Conduct.

50. By entering into an agreement for, charging, and collecting fees from Kohlhagen, when he was not licensed to practice law in Oregon, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

Case No. 11-O-18213 (Gina Toth-Becker)

FACTS

51. The laws of the State of Pennsylvania, including the Pennsylvania Rules of Professional Conduct, prohibit attorneys not licensed in Pennsylvania from practicing law in Pennsylvania subject to several limited exceptions.

52. Respondent is not presently, and never has been, admitted to practice law in the State of Pennsylvania and Respondent was not otherwise entitled to practice law in the State of Pennsylvania during the relevant time period.

53. On November 9, 2010, Respondent accepted the representation of Gina Toth-Becker ("Toth-Becker"), a resident of Pennsylvania, in order to negotiate and obtain for Toth-Becker a home mortgage loan modification for her Pennsylvania residential property.

54. In November 2009, Toth-Becker paid Respondent advanced fees totaling \$3,000.

55. From November 2009 through February 2010, Respondent and agents acting on behalf of Respondent negotiated with Toth-Becker's home loan mortgage lender regarding Toth-Becker's home loan mortgage modification.

CONCLUSIONS OF LAW

56. By accepting representation of Toth-Becker as a client, collecting advanced fees and negotiating with Toth-Becker's mortgage lender, Respondent engaged in the unauthorized practice of law in willful violation of the regulations of the profession in Pennsylvania and rule 1-300(B) of the Rules of Professional Conduct.

57. By entering into an agreement for, charging, and collecting fees from Toth-Becker, when

he was not licensed to practice law in Pennsylvania, Respondent entered into an agreement for, charged, and collected an illegal fee in willful violation of rule 4-200(A) of the Rules of Professional Conduct.

PENDING PROCEEDINGS.

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

ADDITIONAL FACTS IN MITIGATION

Respondent, who has no prior record of discipline in seven years of practice, cooperated with the State Bar, acknowledged his wrongdoing, and agreed to the imposition of discipline without requiring a hearing.

Respondent completed a police officer training program and became a sworn peace officer in 2010.

AUTHORITIES SUPPORTING DISCIPLINE.

The Standards for Attorney Sanctions for Professional Misconduct:

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

Standard 2.10 provides that the violation of rule 1-300(B), Rules of Professional Conduct [Unauthorized Practice of Law in Another Jurisdiction] and rule 4-200(A) [Illegal Fee] shall result in reproof or suspension, depending on the gravity of the offense or the harm to the victim.

Case Law:

In *In the Matter of Wells* (Review Dept. 2005) 2005 WL 3293313, the Review Department recommended that the respondent be suspended for two years, stayed, with six months of actual suspension. In *Wells*, the respondent was found to have engaged in the unauthorized practice of law in South Carolina on two occasions. The respondent was also found to have held herself out as entitled to practice in South Carolina when she was not. The respondent charged not only illegal fees, but her fees were found to be excessive and unconscionable. The respondent was found culpable of moral turpitude by lying to both the State Bar and the South Carolina Solicitor's Office during the course of the investigation of her conduct. In aggravation, the respondent had a prior record of discipline, was found to have engaged in multiple acts of wrongdoing, was found to have harmed the public the administration of justice and her clients, and the respondent demonstrated indifference to the consequences of her misconduct.

In *In the Matter of Harney* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 266, the Review Department placed the respondent on a six month actual suspension for concealing the statutory fee limit under the Medical Injury Compensation Reform Act ("MICRA") from both the court and his client. The respondent collected a fee that was \$266,850 in excess of the MICRA limit. The respondent was found culpable of a number of other violations, including conduct involving moral turpitude. The *Harney*

court, like the *Wells* court, acknowledged that illegal fee cases do not necessarily warrant the same discipline as an unconscionable fee matter.

In this case, Respondent did not charge or collect unconscionable fees or engage in moral turpitude. Therefore, imposition of a sixty-day actual suspension accompanied by one year stayed suspension and a one-year probationary is appropriate under the standards and case law.

COSTS OF DISCIPLINARY PROCEEDINGS.

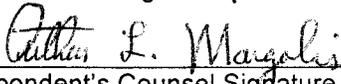
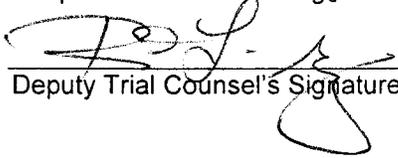
Respondent acknowledges that the Office of Chief Trial Counsel has informed Respondent that as of, December 28, 2011, the prosecution costs in this matter are approximately \$9,041. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

(Do not write above this line.)

In the Matter of: DAVID JOHN RUYLE, JR.	(Inv)	Case number(s): 10-O-05781;10-O-06909;10-O-09787;10-O-10211; 11-O-10459;11-O-10585;11-O-13786;11-O-18213-DFM
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SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Facts, Conclusions of Law, and Disposition.

<u>12/28/11</u> Date	 Respondent's Signature	<u>David John Ruyle, Jr.</u> Print Name
<u>12/28/11</u> Date	 Respondent's Counsel Signature	<u>Arthur L. Margolis</u> Print Name
<u>12/29/11</u> Date	 Deputy Trial Counsel's Signature	<u>Rosalba L. Gutierrez</u> Print Name

(Do not write above this line.)

In the Matter of: DAVID JOHN RUYLE, JR.	Case Number(s): Investigation Numbers: 10-O-05781; 10-O-06909;10-O-09787;10-O-10211; 11-O-10459;11-O-10585;11-O-13786; 11-O-18213-DFM
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ACTUAL SUSPENSION ORDER

Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.
- All Hearing dates are vacated.

On page 4 of the stipulation, an "X" is inserted in the box at paragraph D.(1)(b).

On page 7 of the stipulation, regarding restitution to Carlie Cole, "September 2010" is deleted, and in its place is inserted "September 15, 2010".

On page 7 of the stipulation, regarding restitution to Gina Toth-Becker, "February 2010" is deleted, and in its place is inserted "February 15, 2010". Also, "Gina Toth-Becker" is deleted, and in its place is inserted "Gina Toth-Becker".

On page 13 of the stipulation, the heading "Case No. 11-O-10585 (Marsh Lamb)" is deleted, and in its place is inserted "Case No. 11-O-10585 (Marsha Lamb)".

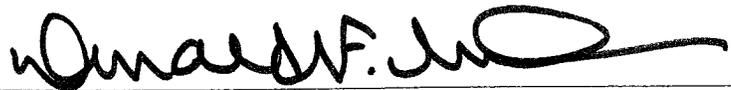
On page 17 of the stipulation, first full paragraph, line 3, "probationary" is deleted, and in its place is inserted "probation".

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.)**

Date

1/10/12

Judge of the State Bar Court



RONALD F. MILES

CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on January 11, 2012, I deposited a true copy of the following document(s):

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

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

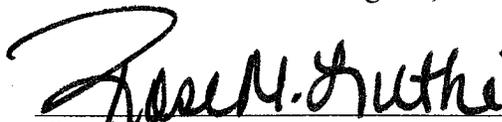
by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

ARTHUR LEWIS MARGOLIS
MARGOLIS & MARGOLIS LLP
2000 RIVERSIDE DR
LOS ANGELES, CA 90039

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

ROSALBA GUTIERREZ, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 11, 2012.



Rose Luthi
Case Administrator
State Bar Court