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**State Bar Court of California  
Hearing Department  
San Francisco  
ACTUAL SUSPENSION**

**ORIGINAL**

<p>Counsel For The State Bar</p> <p>Susan Chan Deputy Trial Counsel 180 Howard Street San Francisco, CA 94105</p> <p>Bar # 233229</p>	<p>Case Number(s): 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692; 11-O-19248</p>	<p>For Court use only</p> <p><b>PUBLIC MATTER</b></p> <p><b>FILED</b> <i>[Signature]</i></p> <p>JAN 12 2012</p> <p>STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO</p>
<p>Counsel For Respondent</p> <p>Edward O. Lear Century Law Group LLP 5200 W Century Blvd., #345 Los Angeles, CA 90045</p> <p>Bar # 132699</p>	<p>Submitted to: <b>Assigned Judge</b></p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p><b>ACTUAL SUSPENSION</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter of: KAMRAN N. KHAN</p> <p>Bar # 256979</p> <p>A Member of the State Bar of California (Respondent)</p>		

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

**A. Parties' Acknowledgments:**

- (1) Respondent is a member of the State Bar of California, admitted June 3, 2008.
- (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 35 pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."

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

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

- (1)  **Prior record of discipline** [see standard 1.2(f)]
- (a)  State Bar Court case # of prior case
  - (b)  Date prior discipline effective
  - (c)  Rules of Professional Conduct/ State Bar Act violations:
  - (d)  Degree of prior discipline
  - (e)  If Respondent has two or more incidents of prior discipline, use space provided below.
- (2)  **Dishonesty:** Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3)  **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (4)  **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. Respondent's misconduct harmed significantly his clients when he repeatedly failed to perform in each client matter and when he abandoned his law practice without notification to his clients. Respondent's misconduct significantly harmed the administration of justice when he lent his name to be used by non-attorneys to solicit and procure clients and by allowing non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent.

- (5)  **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6)  **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (7)  **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct. Respondent's current misconduct of collecting advance fees from approximately 84 clients, in violation of Senate Bill No. 94, and abandonment of his law practice without notifying clients, demonstrates multiple acts of wrongdoing and a 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. Through counsel, respondent has been completely cooperative with the State Bar during the resolution of this matter.
- (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. Respondent suffered from severe financial stress

when he remained the sole financial provider for his family even after he was laid off from his job, due to the economic downturn.

- (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. Respondent's father is experiencing serious health challenges causing emotional and financial issues for respondent.
- (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. Respondent's good character is attested to by a wide range of references in the legal and general communities. Respondent has produced 31 character letters from individuals who can attest to his good character.
- (12)  **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13)  **No mitigating circumstances** are involved.

**Additional mitigating circumstances:**

**D. Discipline:**

- (1)  **Stayed Suspension:**
  - (a)  Respondent must be suspended from the practice of law for a period of three (3) years.
    - i.  and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.
    - ii.  and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
    - iii.  and until Respondent does the following:
  - (b)  The above-referenced suspension is stayed.
- (2)  **Probation:**

Respondent must be placed on probation for a period of three (3) years, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)
- (3)  **Actual Suspension:**
  - (a)  Respondent must be actually suspended from the practice of law in the State of California for a period of 18 months.
    - i.  and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
    - ii.  and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.

iii.  and until Respondent does the following:

**E. Additional Conditions of Probation:**

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

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

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

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

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

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

**ATTACHMENT TO**  
**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

IN THE MATTER OF:       KAMRAN N. KHAN

CASE NUMBER(S):       10-O-10874 (Nacpil);  
                                  10-O-11245 (Champlin);  
                                  10-O-11377 (Soto);  
                                  11-O-10769 (Christopher);  
                                  11-O-12051 (Taylor);  
                                  11-O-12912 (McNerney);  
                                  11-O-13692 (Pruitt);  
                                  11-O-19248 (SBI)

**FACTS AND CONCLUSIONS OF LAW.**

**Facts: Case No. 10-O-10874: Count One (A) "The Nacpil matter":**

1. On or about March 23, 2010, Manuel Nacpil and Julieta Nacpil (the "Nacpils") employed respondent d/b/a KNK Legal, to provide legal services in connection with negotiating and obtaining a home mortgage loan modification.
2. On or about March 23, 2010, and May 5, 2010, the Nacpils made installment payments of advanced attorney's fees to respondent in the amount of \$1,750.00 each, for a total of \$3,500.00 paid as advanced attorney's fees for legal services in connection with negotiating and obtaining a home mortgage loan modification.
3. At no time did the Nacpils ever meet or talk to respondent. At no time did respondent perform any work on the Nacpils loan modification.
4. Respondent did not obtain a loan modification for the Nacpils.
5. Respondent did not fully perform each and every service he had contracted to perform or represented that he would perform for the Nacpils, prior to demanding, charging, collecting or receiving the advanced attorney fees.

**Conclusions of Law: Case No. 10-O-10874: Count One (A) "The Nacpil matter":**

By negotiating, arranging or offering to perform a mortgage loan modification for a fee

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paid by a borrower, and demanding, charging, collecting and receiving fees from the Nacpils prior to fully performing each and every service he had contracted to perform or represented that he would perform, in violation of subsection (a)(1) of Section 2944.7 of the Civil Code, Respondent willfully violated Business and Professions Code section 6106.3.

Facts: Case No. 10-O-10874: Count One (B) "The Nacpil matter":

6. The allegations in Count One (A) are hereby incorporated by reference.
7. At no time did respondent perform any work on the Nacpils loan modification.
8. Respondent did not obtain a loan modification for the Nacpils.

Conclusions of Law: Case No. 10-O-10874: Count One (B) "The Nacpil matter":

By failing to negotiate or obtain a loan modification or perform any other legal services of value in the representation of the Nacpils, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of rule 3-110(A) of the Rules of Professional Conduct.

Facts: Case No. 10-O-10874: Count One (C) "The Nacpil matter":

9. The allegations in Counts One (A) through Count One (B) are hereby incorporated by reference.
10. During the time that the Nacpils were represented by respondent, the Nacpils were never able to speak directly to respondent. All information and legal advice that the Nacpils received from KNK Legal was given by the non-attorney staff of respondent. Respondent knew or was grossly negligent in not knowing that his non-attorney staff was giving legal advice to the Nacpils.

Conclusions of Law: 10-O-10874: Count One (C) "The Nacpil matter":

By allowing his non-attorney staff to give legal advice to the Nacpils, respondent aided a person or entity in the unauthorized practice of law in willful violation of rule 1-300(A) of the Rules of Professional Conduct.

Facts: Case No. 10-O-10874: Count One (D) "The Nacpil matter":

11. The allegations contained in Count One (A) through Count One (C) are hereby incorporated by reference as if fully set forth herein.

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Conclusions of Law: Case 10-O-10874: Count One (D) "The Nacpil matter":

By allowing his non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent, respondent failed to perform legal services with competence when he failed to supervise his non-attorney staff in willful violation of Rules of Professional Conduct, rule 3-110(A).

Facts: Case No. 10-O-11245: Count Two (A) "The Champlin matter":

12. In or around October 2009, Cynthia Champlin, a resident of Rhode Island, employed respondent dba KNK Legal, to provide legal services in connection with negotiating and obtaining a home mortgage loan modification for Champlin's Rhode Island property. Champlin was quoted \$3,500.00 in advanced fees for respondent's legal services and was informed she could make installment payments by the non-attorney staff of respondent.
13. Between November 30, 2009 through on or around March 29, 2010, Champlin paid respondent a total of \$5,000.00 in advanced attorney's fees.
14. Respondent failed to provide the legal services necessary to obtain a loan modification for Champlin and failed to perform any other legal services of value in connection with negotiating and obtaining a home mortgage loan modification.
15. Champlin did not obtain a home mortgage loan modification. On or about June 9, 2010, Champlin was served with foreclosure papers on her Rhode Island property.
16. During the time that Champlin was represented by respondent, Champlin was never able to speak directly with respondent. All of the information and legal advice that Champlin received from respondent's office was given by the non-attorney staff of respondent.

Conclusions of Law: 10-O-11245: Count Two (A) "The Champlin matter":

By failing to provide any legal services in connection with negotiating and obtaining a home mortgage loan modification or perform any other legal services of value in the representation of Champlin, respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of rule 3-110(A) of the Rules of Professional Conduct.

Facts: Case No. 10-O-11245: Count Two (B) "The Champlin matter":

17. The allegations contained in Count Two (A) are incorporated by reference.
18. Respondent did not perform any services of value on behalf of Champlin. Respondent

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did not earn any portion of the \$5,000.00 advanced attorney's fee paid by Champlin.

19. To date, respondent has not refunded any portion of the \$5,000.00 in unearned fees to Champlin.

**Conclusions of Law: Case No. 10-O-11245: Count Two (B) "The Champlin matter":**

By failing to refund \$5,000 in unearned fees to Champlin, respondent failed to refund promptly any part of a fee paid in advance that has not been earned in willful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

**Facts: Case No. 10-O-11245: Count Two (C) "The Champlin matter":**

20. The allegations contained in Count Two (A) through Count Two (B) are hereby incorporated by reference.
21. During the time that Champlin was represented by respondent, Champlin was never able to speak directly to respondent. All information and legal advice that Champlin received from KNK Legal was given by the non-attorney staff of respondent. Respondent knew or was grossly negligent in not knowing that his non-attorney staff was giving legal advice to Champlin.

**Conclusions of Law: Case No. 10-O-11245: Count Two (C) "The Champlin matter":**

By allowing his non-attorney staff to give legal advice to Champlin, respondent aided a person or entity in the unauthorized practice of law in willful violation of rule 1-300(A) of the Rules of Professional Conduct.

**Facts: Case No. 10-O-11245: Count Two (D) "The Champlin matter":**

22. The allegations contained in Count Two (A) through Count Two (C) are hereby incorporated by reference as if fully set forth herein.

**Conclusions of Law: Case No. 10-O-11245: Count Two (D) "The Champlin matter":**

By allowing his non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent, respondent failed to perform legal services with competence when he failed to supervise his non-attorney staff in willful violation of Rules of Professional Conduct, rule 3-110(A).

Facts: Case No. 10-O-11377: Count Three (A) "The Soto matter":

23. In or around May 2010, Arturo Soto ("Soto") employed respondent d/b/a KNK Legal, to provide legal services in connection with negotiating and obtaining a home mortgage loan modification. Soto met with Koomail Mooman ("Mooman") and Eric Lui, non-attorney staff of KNK Legal. Respondent was not present during the initial meeting. Mooman presented Soto with respondent's fee agreement and informed Soto the cost of loan modification services was \$3,500.00. Mooman informed Soto he would accept two payments as long as the Soto paid the second half of the advanced attorney's fees within 30 days.
24. On or about May 1, 2010, and June 4, 2010, Soto made installment payments of advanced attorney's fees to respondent in the amount of \$1,750.00 each, for a total of \$3,500.00 paid as advanced attorney's fees for legal services in connection with negotiating and obtaining a home mortgage loan modification.
25. At no time did Soto ever meet or talk to respondent. At no time did respondent perform any work on Soto's loan modification.
26. Respondent did not fully perform each and every service he had contracted to perform or represented that he would perform for Soto, prior to demanding, charging, collecting or receiving the advanced attorney fees.

Conclusions of Law: Case No. 10-O-11377: Count Three (A) "The Soto matter":

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting and receiving fees from Soto prior to fully performing each and every service he had contracted to perform or represented that he would perform, in violation of subsection (a)(1) of Section 2944.7 of the Civil Code, Respondent willfully violated Business and Professions Code section 6106.3.

Facts: Case No. 10-O-11377: Count Three (B) "The Soto matter":

27. The allegations contained in Count Three (A) Count are hereby incorporated by reference.
28. At no time did respondent perform any work on Soto's loan modification. Respondent did not obtain a loan modification for Soto.

Conclusions of Law: Case No. 10-O-11377: Count Three (B) "The Soto matter":

By failing to negotiate or obtain a loan modification or perform any other legal services of value in the representation of Soto, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of rule 3-110(A) of the Rules of Professional Conduct.

Facts: Case No. 10-O-11377: Count Three (C) "The Soto matter":

29. The allegations contained in Count Three (A) through Count Three (B) are hereby incorporated by reference.
30. During the time that Soto was represented by respondent, Soto was never able to speak directly to respondent. All information and legal advice that Soto received from KNK Legal was given by the non-attorney staff of respondent. Respondent knew or was grossly negligent in not knowing that his non-attorney staff was giving legal advice to Soto.

Conclusions of Law: Case No. 10-O-11377: Count Three (C) "The Soto matter":

By allowing his non-attorney staff to give legal advice to Soto, respondent aided a person or entity in the unauthorized practice of law in willful violation of rule 1-300(A) of the Rules of Professional Conduct.

Facts: Case No. 10-O-11377: Count Three (D) "The Soto matter":

31. The allegations contained in Count Three (A) through Count Three (C) are hereby incorporated by reference as if fully set forth herein.

Conclusions of Law: Case No. 10-O-11377: Count Three (D) "The Soto matter":

By allowing his non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent, respondent failed to perform legal services with competence when he failed to supervise his non-attorney staff in willful violation of Rules of Professional Conduct, rule 3-110(A).

Facts: Case No. 11-O-10769: Count Four (A) "The Christopher matter":

32. In or around March 2010, John and Dana Christopher (the "Christophers") employed respondent d/b/a KNK Legal, to provide legal services in connection with negotiating and obtaining a home mortgage loan modification.

33. On or about March 23, 2010, Eric Lui, non-attorney staff of KNK Legal sent an e-mail to the Christophers and requested they complete the attached documents and a sample hardship letter. Lui also requested the Christophers transmit an initial payment of \$1,500.00 in advanced fees for legal services in connection with obtaining a home mortgage loan modification.
34. On or about March 25, 2010, and April 23, 2010, the Christophers made installment payments of advanced attorney's fees to respondent in the amount of \$1,500.00 each, for a total of \$3,000.00 paid as advanced attorney's fees for legal services in connection with negotiating and obtaining a home mortgage loan modification.
35. At no time did the Christophers ever meet or talk to respondent. At no time did respondent perform any work on the Christophers loan modification.
36. Respondent did not obtain a loan modification for the Christophers.
37. Respondent did not fully perform each and every service he had contracted to perform or represented that he would perform for the Christophers, prior to demanding, charging, collecting or receiving the advanced attorney fees.

**Conclusions of Law: Case No. 11-O-10769: Count Four (A) "The Christopher matter":**

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting and receiving fees from the Christophers prior to fully performing each and every service he had contracted to perform or represented that he would perform, in violation of subsection (a)(1) of Section 2944.7 of the Civil Code, Respondent willfully violated Business and Professions Code section 6106.3.

**Facts: Case No. 11-O-10769: Count Four (B) "The Christopher matter":**

38. The allegations contained in Count Four (A) are hereby incorporated by reference.
39. At no time did respondent perform any work on the Christophers loan modification.

**Conclusions of Law: Case No. 11-O-10769: Count Four (B) "The Christopher matter":**

By failing to negotiate or obtain a loan modification or perform any other legal services of value in the representation of the Christophers, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of rule 3-110(A) of the Rules of Professional Conduct.

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Facts: Case No. 11-O-10769: Count Four (C) "The Christopher matter":

40. The allegations contained in Count Four (A) through Count Four (B) are hereby incorporated by reference.
41. During the time that the Christophers were represented by respondent, the Christophers were never able to speak directly to respondent. All information and legal advice that the Christophers received from KNK Legal was given by the non-attorney staff of respondent. Respondent knew or was grossly negligent in not knowing that his non-attorney staff was giving legal advice to the Christophers.

Conclusions of Law: Case No. 11-O-10769: Count Four (C) "The Christopher matter":

By allowing his non-attorney staff to give legal advice to the Christophers, respondent aided a person or entity in the unauthorized practice of law in willful violation of rule 1-300(A) of the Rules of Professional Conduct.

Facts: Case No. 11-O-10769: Count Four (D) "The Christopher matter":

42. The allegations contained in Count Four (A) through Count Four (C) are hereby incorporated by reference as if fully set forth herein.

Conclusions of Law: Case No. 11-O-10769: Count Four (D) "The Christopher matter":

By allowing his non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent, respondent failed to perform legal services with competence when he failed to supervise his non-attorney staff in willful violation of Rules of Professional Conduct, rule 3-110(A).

Facts: Case No. 11-O-12051: Count Five (A) "The Taylor matter":

43. Respondent is not presently, and never has been, admitted to practice in the state of Maryland.
44. In or around September 2009, respondent, through his agent, transmitted a direct-mail solicitation to Wanda Taylor ("Taylor"), a resident of Maryland. The solicitation advertised a special loan modification program directed to members of the public who may be experiencing financial hardships and/or foreclosure. At no time had Taylor requested any correspondence from respondent.
45. Shortly after receiving the solicitation, Taylor contacted the telephone number listed

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on the advertisement. Taylor spoke to an individual who identified that he worked for respondent dba KNK Legal and pre-approved Taylor for a loan modification over the telephone.

46. In or around September 2009, respondent held himself out as licensed to practice in Maryland and accepted the representation of Taylor, a resident of Maryland, as a client, in order to negotiate and obtain a home mortgage loan modification for Taylor's Maryland property when he provided Taylor with a KNK Legal Engagement Agreement, Attorney and Company Bio identifying respondent as KNK Legal's attorney, and a Money Back Guarantee policy of all fees minus \$800.00 to cover legal expenses already rendered.
47. On or about September 27, 2009, Taylor signed respondent's fee agreement for loan modification services and completed an authorization for payment.
48. On or about October 19, 2009, Taylor paid respondent an advanced fee in the sum of \$2,500.00.

Conclusions of Law: Case No. 11-O-12051: Count Five (A) "The Taylor matter":

By holding himself out as licensed to practice in Maryland when he was not so licensed, and by accepting Taylor as a client, respondent practiced law in a jurisdiction where practicing is in violation of the regulations of the profession in that jurisdiction, respondent wilfully violated the Rules of Professional Conduct, rule 1-300(B).

Facts: Case No. 11-O-12051: Count Five (B) "The Taylor matter":

49. The allegations contained in Count Five (A) are incorporated by reference.
50. Respondent entered into an agreement for, charged, and collected fees from Taylor, in a jurisdiction (Maryland) in which he was not admitted to practice.
51. Pursuant to Maryland Commissioner of Financial Regulation's Revised Advisory of February 20, 2009, regarding "Loss Mitigation Consulting, Foreclosure Prevention, Mortgage Loan Modification, and Similar Services" Under the Maryland Credit Services Business Act (MCSBA)<sup>1</sup> and the Protection of Homeowners in Foreclosure Act (PHIFA)<sup>2</sup> – foreclosure prevention, loss mitigation and loan modification services

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1 MCSBA is codified in the Annotated Code of Maryland, Commercial Law Article ("CL"), §14-1901, *et seq.*

2 PHIFA is codified in the Annotated Code of Maryland, Real Property Article ("RP"), §7-301, *et seq.*

are considered "credit services businesses" and banned up-front fees in loan modifications. Credit service businesses must also be licensed with an exception for attorneys admitted to practice in Maryland.

52. Respondent is not presently, and never has been, admitted to practice in the state of Maryland.

Conclusions of Law: Case No. 11-O-12051: Count Five (B) "The Taylor matter":

By entering into an agreement for, charging, and collecting fees from Taylor, when Respondent was not licensed to practice in Maryland, by charging and collecting an advanced fee for services related to foreclosure prevention, mortgage loan modification services in violation of Maryland's Credit Service Businesses Act (MCSBA) and Protection of Homeowners in Foreclosure Act (PHIFA) respondent wilfully entered into an agreement for, charged, and collected an illegal fee from Taylor in willful violation of Rules of Professional Conduct, rule 4-200(A).

Facts: Case No. 11-O-12051: Count Five (C) "The Taylor matter":

53. The allegations contained in Count Five (A) through Count Five (B) are hereby incorporated by reference as if fully set forth herein.

Conclusions of Law: Case No. 11-O-12051: Count Five (C) "The Taylor matter":

By allowing his non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent, respondent failed to perform legal services with competence when he failed to supervise his non-attorney staff in willful violation of Rules of Professional Conduct, rule 3-110(A).

Facts: Case No. 11-O-12912: Count Six (A) "The McNerney matter":

54. On September 1, 2008, New York Real Property Law, Article 8 – Section 265-b, Distressed Property Consulting Contracts became effective. Under New York law, distressed property consultants, as defined by New York Property Law, Section 265-b(1)(e), must, among other things:

- Not charge or collect upfront fees;
- Enter into a written, fully executed contract that fully discloses the exact nature of the services to be provided and the fee to be collected;



- Allow homeowners to cancel the contract, without any penalty or obligation, within five business days after signing and provide the homeowner with notice of their right to cancel in the contract.
  - A “distressed property consultant” is an individual or a corporation, partnership, limited liability company or other business entity that, directly or indirectly, solicits or undertakes employment to provide consulting services to a homeowner for compensation or promise of compensation with respect to a distressed home loan or a potential loss of the home for nonpayment of taxes. Attorneys licensed in the state of New York are exempt.
55. Respondent is not presently, and never has been, admitted to practice in the state of New York.
56. Respondent’s law office, KNK Legal, is a distressed property consultant as defined by New York Property Law, Section 265-b(1)(e).
57. In or around July 2009, respondent, through his agent, transmitted to Wayne and Joanne McNerney (the “McNerneys”) a KNK Legal Engagement Agreement and KNK Legal marketing and promotional materials, after the McNerneys discovered an internet company, identified as Homeowner Legal Network, that had a “Federally Approved Program” that could modify their loan.
58. In or around July 2009, respondent held himself out as licensed to practice in New York and accepted the representation of the McNerneys, residents of New York, as a client, in order to negotiate and obtain a home mortgage loan modification for the McNerneys New York property when he provided the McNerneys with a KNK Legal Engagement Agreement, Attorney and Company Bio identifying respondent as KNK Legal’s attorney, Payment Form and Third Party Authorization Form.
59. On or about August 1, 2009, the McNerneys signed respondent’s fee agreement for loan modification services and completed an authorization for payment.
60. On or about August 27, 2009, the McNerneys paid respondent advanced attorney’s fees in the sum of \$2,612.00 for loan modification services.

Conclusions of Law: Case No. 11-O-12912: Count Six (A) “The McNerney matter”:

By entering into an agreement for, charging, and collecting fees from the McNerneys, when Respondent was not licensed to practice in New York, by charging and collecting an advanced fee in violation of New York law, respondent wilfully entered into an agreement for,

charged, and collected an illegal fee from the McNerneys in willful violation of Rules of Professional Conduct, rule 4-200(A).

Facts: Case No. 11-O-13692: Count Seven (A) "The Pruitt matter":

61. In or around March 12, 2010, Timothy and Darlene Pruitt (the "Pruitts"), residents of Kentucky, contacted respondent dba KNK Legal after they saw respondent's internet advertisement for loan modification services.
62. On or about March 26, 2010, the Pruitts retained respondent dba KNK Legal, to provide legal services in connection with negotiating and obtaining a home mortgage loan modification for Pruitt's Kentucky property.
63. Between April 2, 2010 through on or about April 30, 2010, the Pruitts paid respondent a total of \$1,500.00 in advanced attorney's fees for a home mortgage loan modification.
64. At all times relevant herein, the Pruitts did not have any communication with respondent but communicated with respondent's non-attorney staff regarding their loan modification.
65. Respondent failed to provide the legal services necessary to obtain a loan modification for the Pruitts and failed to perform any other legal services of value in connection with negotiating and obtaining a home mortgage loan modification.

Conclusions of Law: Case No. 11-O-13692: Count Seven (A) "The Pruitt matter":

By failing to provide any legal services in connection with negotiating and obtaining a home mortgage loan modification or perform any other legal services of value in the representation of the Pruitts, respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of rule 3-110(A) of the Rules of Professional Conduct.

Facts: Case No. 11-O-13692: Count Seven (B) "The Pruitt matter":

66. The allegations contained in Count Seven (A) are hereby incorporated by reference.
67. Respondent did not perform any services of value on behalf of the Pruitts. Respondent did not earn any portion of the \$1,500.00 advanced attorney's fee paid by the Pruitts

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68. To date, respondent has not refunded any portion of the \$1,500.00 in unearned fees to the Pruitts.

Conclusions of Law: Case No. 11-O-13692: Count Seven (B) "The Pruitt matter":

By failing to refund the unearned attorney fees to the Pruitts, respondent failed to refund promptly any part of a fee paid in advance that has not been earned in willful violation of rule 3-700(D)(2) of the Rules of Professional Conduct.

Facts: Case No. 11-O-13692: Count Seven (C) "The Pruitt matter":

69. The allegations contained in Count Seven (A) through Count Seven (B) are hereby incorporated by reference.

70. During the time that the Pruitts were represented by respondent, the Pruitts were never able to speak directly to respondent. All information and legal advice that the Pruitts received from KNK Legal was given by the non-attorney staff of respondent. Respondent knew or was grossly negligent in not knowing that his non-attorney staff was giving legal advice to the Pruitts.

Conclusions of Law: Case No. 11-O-13692: Count Seven (C) "The Pruitt matter":

By allowing his non-attorney staff to give legal advice to the Pruitts, respondent aided a person or entity in the unauthorized practice of law in willful violation of rule 1-300(A) of the Rules of Professional Conduct.

Facts: Case No. 11-O-13692: Count Seven (D) "The Pruitt matter":

71. The allegations contained in Count Seven (A) through Count Seven (C) are hereby incorporated by reference as if fully set forth herein.

Conclusions of Law: Case No. 11-O-13692: Count Seven (D) "The Pruitt matter":

By allowing his non-attorney staff to perform loan modification work and give legal advice to clients with little or no supervision by respondent, respondent failed to perform legal services with competence when he failed to supervise his non-attorney staff in willful violation of Rules of Professional Conduct, rule 3-110(A).

Facts: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Eight:

72. The allegations contained in Counts One through Seven are hereby incorporated by

reference as if fully set forth herein.

73. In or about June 1, 2009, respondent filed a fictitious business name statement for KNK Legal in Santa Clara County, California. Respondent listed his business address as 500 Chiquita Avenue, Suite 20, Mountain View, California 94901, which was also respondent's official membership records address as prescribed by section 6002.1 of the Business and Professions Code.
74. In or about June 27, 2009, Koomail Mooman ("Mooman") entered into a commercial lease agreement for space located at 17122 Beach Blvd., Suite 200, Huntington Beach, California 92647 ("Huntington Beach") for the operation of KNK Legal. On the lease agreement, Mooman stated the Huntington Beach premises was for the sole use as "a Lawyer."
75. At all relevant times herein, Mooman is not presently, and never has been, admitted to practice law in the State of California.
76. On or around December 9, 2009, Mooman leased commercial space at 9550 Warner Avenue, Suite 340, Fountain Valley, California 92708 ("Fountain Valley"), and relocated KNK Legal's business operations from Huntington Beach to Fountain Valley. Mooman and two non-attorneys, George Nguyen and Tracy Lee, entered into a lease agreement with Valley Plaza Executive Suites as Koomail Mooman, dba KNK Legal. Mooman identified himself as the sole proprietor of KNK Legal on the lease agreement.
77. At all relevant times herein, Mooman, a non-attorney identified himself as the sole proprietor of KNK Legal. KNK Legal employed two non-attorneys, Paul Lee and Tony Yu. KNK Legal is comprised of non-attorneys that provide loan modification services.
78. At all relevant times herein, respondent advertised himself as an attorney for KNK Legal.
79. From in or about June 1, 2009 through on or around August 2010, Respondent was affiliated with KNK Legal, a company operated by non-attorneys who offered loan modification services to distressed homeowners. The client hired Respondent through KNK Legal to represent the borrowers in loan modification services for an advanced fee. KNK Legal's non-attorney staff administered the services with virtually no supervision from respondent.

Conclusions of Law: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Eight:

By entering into an agreement with Mr. Mooman whereby non-attorney staff would solicit and provide loan modification services to respondent's clients, and by providing his name as attorney for use by Mr. Mooman and KNK Legal including his retainer agreement, respondent formed a partnership with a person who is not a lawyer where at least one of the activities of that partnership consisted of the practice of law in willful violation of rule 1-310 of the Rules of Professional Conduct.

Facts: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Nine:

80. The allegations contained in Count One through Eight are hereby incorporated by reference.

Conclusions of Law: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Nine:

By entering into an agreement with and allowing KNK Legal to solicit and procure clients, by entering into an agreement with and allowing KNK Legal whereby KNK Legal would pay non-attorneys for client referrals and provide loan modification services to respondent's clients, by allowing KNK Legal to offer loan modification services to distressed homeowners using an attorney, and by allowing KNK Legal to then administer those clients' cases and matters using respondent, respondent lent his name to be used as attorney by another person who was not an attorney in willful violation of Business and Professions Code section 6105.

Facts: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Ten:

81. The allegations contained in Counts One through Nine are hereby incorporated by reference.

82. At all relevant times herein, respondent maintained a client trust funds account at Wells Fargo Bank (Account No. xxx-xxx-5903; hereinafter "trust account" or "respondent's trust account").<sup>3</sup>

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<sup>3</sup>The account number has been excluded to protect the account from identity theft.

83. On or about October 1, 2009, respondent added Koomail Mooman, a non-attorney, as a signer on his trust account. Mooman identified himself as "lawyer" on the trust account application.
84. From in or around November 2009 through on or around July 2010, Mooman withdrew a total of \$43,308.00 from respondent's client trust account.
85. From at least in or about November 2009, through at least in or about July 2010, respondent paid Mooman a percentage of the attorney's fees he collected from his loan modification clients.

Conclusions of Law: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Ten:

By adding Mooman, a non-attorney to respondent's trust account as a co-signer who falsely identified himself as a lawyer, by splitting the legal fees from his loan modification clients with Mooman, a non-attorney, respondent shared legal fees with a person who is not a lawyer in violation of Rules of Professional Conduct, rule 1-320(A).

Facts: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Eleven:

86. The allegations contained in Counts One through Ten are hereby incorporated by reference.
87. During the period between in or about November 2009 and August 2010, Respondent maintained a client trust funds account at Wells Fargo Bank (Account No. xxx-xxx-5903; hereinafter "trust account" or "respondent's trust account").<sup>4</sup>
88. During the period between November 2009 through on or around July 2010, respondent did not promptly remove funds which he had earned as fees from respondent's CTA as soon as his interest in the funds became fixed and, instead, left his fees in respondent's CTA for the payment of his personal expenses as needed.
89. During the period between November 2009 through on or around July 2010, Respondent repeatedly issued checks drawn upon Respondent's CTA to pay non-attorney staff, Paul Lee and Tony Yu, a total of \$12,200.50 from respondent's trust account, as follows:

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<sup>4</sup>The account number has been excluded to protect the account from identity theft.

01-Nov-09				10,913.51		
22-Feb-10	1143	19-Feb-10	700.00	2,053.53	KNK Legal	Paul Lee
03-Mar-10	1153	03-Mar-10	1,000.00	3,114.18	KNK Legal	Tony Yu
11-Mar-10	1157	08-Mar-10	450.00	2,521.11	KNK Legal	Paul Lee
19-Mar-10	1165	17-Mar-10	750.00	2,571.39	KNK Legal	Paul Lee
26-Mar-10	1168	15-Mar-10	1,013.00	4,316.80	KNK Legal	Paul Lee
31-Mar-10	1174	30-Mar-10	1,200.00	1,474.68	KNK Legal	Tony Yu
07-Apr-10	1177	05-Apr-10	1,350.00	1,990.46	KNK Legal	Paul Lee
13-Apr-10	1181	09-Apr-10	450.00	2,750.33	KNK Legal	Paul Lee
19-Apr-10	1191	16-Apr-10	562.50	3,507.44	KNK Legal	Paul Lee
28-Apr-10	1200	27-Apr-10	400.00	3,546.76	KNK Legal	Paul Lee
28-Apr-10	1202	28-Apr-10	550.00	1,846.76	KNK Legal	Paul Lee
12-May-10	1212	11-May-10	2475.00	1,957.17	KNK Legal	Paul Lee
21-Jun-10	1230	16-Jun-10	800.00	1,564.79	KNK Legal	Paul Lee
16-Jul-10	1246	16-Jul-10	500.00	949.82	KNK Legal	Paul Lee
			\$12,200.50			

Conclusions of Law: Case Nos. 10-O-10874; 10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692: Count Eleven:

By maintaining respondent's fees in his client trust account for withdrawal as needed to pay personal expenses, respondent commingled funds belonging to respondent in a client trust account in willful violation of rule 4-100(A) of the Rules of Professional Conduct.

Facts: Case Nos. 11-O-19248: Count Twelve "The SBI matter":

90. The allegations contained in Counts One through Eleven are hereby incorporated by reference.
91. From in or about June 1, 2009 through on or around August 2010, Respondent operated KNK Legal, a company operated by non-attorneys who offered loan modification services to distressed homeowners. The clients hired Respondent through KNK Legal to represent the borrowers in loan modification services for an advanced fee.
92. From in or about June 1, 2009 through on or around August 2010, respondent was retained by approximately 84 clients to provide legal services in connection with negotiating and obtaining a home mortgage loan modification.

93. Respondent's client trust account records reveal from on or about July 1, 2009 through on or about July 2010, respondent collected a total of \$167,297.00 in advance attorney's fees for loan modification services, as follows:

DATE	AMOUNT	CLIENT	STATUS
12/2/09	1500.00	Allen Natseway	KNK Legal
11/12/09	2970.00	Almaden Homes, LLC	KNK Legal
1/13/10 – 3/4/10	750.00	Angela Elizabeth Trinh	KNK Legal
11/6/09	600.00	Annie Jones	KNK Legal
7/15/10	1500.00	Anthony & Tiffany Lenci	KNK Legal
5/1/10 – 6/3/10	3500.00	Arturo Soto <sup>5</sup>	KNK Legal
3/27/10	1250.00	Arun Singh	KNK Legal
11/23/09 – 12/23/09	2000.00	AT Engineering Services	KNK Legal
11/2/09	1450.00	Barbara Rathbun	KNK Legal
4/8/10	1500.00	Brian & Heather Mount	KNK Legal
7/24/10	2000.00	Cal & Michelle Sherrouse	KNK Legal
10/31/09	1500.00	Carmelo Pacheco	KNK Legal
7/19/10	1000.00	Cesar Bacamante Umali	KNK Legal
11/13/09 – 3/18/10	2500.00	Curtis Byerly	KNK Legal
11/30/09 – 3/29/10	5000.00	Cynthia Champlin <sup>6</sup>	KNK Legal
11/3/09	650.00	David Kimani	KNK Legal
12/8/09 – 12/18/09	1000.00	Debt Services	KNK Legal
4/30/10	1250.00	Deepak Kumar	KNK Legal
6/23/10	1000.00	Ecomar International Inc.	KNK Legal
10/30/09 – 11/13/09	1750.00	Edward K. Nishi	KNK Legal
3/9/10	1500.00	Gary & Cindy Knight	KNK Legal

<sup>5</sup> See Case No. 10-O-11377 re: CW Arturo Soto.

<sup>6</sup> See Case No. 10-O-11245 re: CW Cynthia Champlin.



2/2/10 – 2/25/10	3000.00	Gerald Ambrose	KNK Legal
4/2/10 – 5/5/10	3500.00	Hector & Gabriela Marqueda	KNK Legal
10/30/09	1500.00	Herbert Kerschbauer	KNK Legal
12/10/09	1500.00	Huberto Costa	KNK Legal
5/15/10	1250.00	Inez German	KNK Legal
1/22/10	3500.00	Innovative Action	KNK Legal
4/14/10 – 4/26/10	1000.00	Irene & Miguel Garcia	KNK Legal
7/8/10	3000.00	Jaime Ann Calloway	KNK Legal
1/8/10	950.00	Jay Thuyen Vo	KNK Legal
10/30/09	3000.00	Jean Dufresne	KNK Legal
11/30/09	500.00	Jeannie Dillard	KNK Legal
11/31/09	750.00	Jeff Rose	KNK Legal
3/24/10 – 4/23/10	3000.00	John & Dana Christopher <sup>7</sup>	KNK Legal
11/3/09 – 1/27/10	5500.00	Joseph Markow	KNK Legal
4/5/10 – 4/8/10	3500.00	Josh Cartwright	KNK Legal
5/31/10	1300.00	Joy Hickman & William Crews	KNK Legal
11/16/09	1500.00	Judy A. Nelson	KNK Legal
11/1/09	750.00	Karen Martinez	KNK Legal
10/24/09	1500.00	Lance Storey	KNK Legal
11/4/09	3000.00	Laudalina B. Valentine	KNK Legal
1/13/10	1500.00	Lea Giddens	KNK Legal
11/3/09 – 1/4/10	2900.00	Leonardo Escobedo	KNK Legal
3/29/10 – 4/15/10	2500.00	Linda Killebrew	KNK Legal
4/3/10 – 5/7/10	3500.00	Loie Rivera	KNK Legal
3/23/10 – 5/5/10	3500.00	Manuel & Julieta Nacpil <sup>8</sup>	KNK Legal
5/11/10 – 7/30/10	2500.00	Mark Seay	KNK Legal
11/12/09	750.00	Martin Brown	KNK Legal
2/3/10	750.00	Mary Carter	KNK Legal
1/12/10	2000.00	Melvin Burt	KNK Legal
11/16/09	995.00	Michael E. Ward	KNK Legal
12/17/09	2500.00	Michael Kitzman	KNK Legal
11/3/09	1000.00	Michael Ward	KNK Legal

7 See Case No. 11-O-10769 re: CW John and Dana Christopher.

8 See Case No. 10-O-10874 re: CW Manuel & Julieta Nacpil.

1/17/10 – 2/1/10	2500.00	Michael Ybarra	KNK Legal
10/31/09 – 12/14/09	2700.00	Mike Westman	KNK Legal
12/29/09 – 3/18/10	3500.00	Nor Cal KRS	KNK Legal
11/15/09	1000.00	Norman Orr	KNK Legal
3/24/10	500.00	Online transfer from NandP	KNK Legal
11/11/09	1490.00	Pamela Couch	KNK Legal
2/16/10 – 3/4/10	2500.00	Patrick Miller	KNK Legal
10/30/09 – 11/27/09	1500.00	Peggy Bishop	KNK Legal
4/29/10 – 5/11/10	2800.00	Renee Carrico	KNK Legal
11/23/09	2000.00	Renee Dunbar	KNK Legal
11/30/09 – 1/8/10	1500.00	Ricardo Cerda	KNK Legal
2/22/10 – 4/15/10	2500.00	Richard Finnerty	KNK Legal
11/6/09 – 11/13/09	4000.00	Richard Olivas	KNK Legal
4/17/10	2000.00	Ron Gray	KNK Legal
7/27/10	1000.00	Ryan Panopio	KNK Legal
2/11/10	2000.00	Sabrina Carthan	KNK Legal
3/19/10 – 4/28/10	2750.00	Saing Enterprises, Inc.	KNK Legal
3/10/10	750.00	Saing Suen	KNK Legal
11/17/09	995.00	Saint Brown	KNK Legal
11/3/09	1495.00	Sandra Jenkins	KNK Legal
2/19/10 - 3/24/10	3500.00	Sharla or Grover La Porte	KNK Legal
12/2/09	1500.00	Soon Lee	KNK Legal
7/15/10	1500.00	Steve & Tammy Kibler	KNK Legal
11/30/09	1500.00	Taeleipu Liliu	KNK Legal
4/2/10 – 4/30/10	1500.00	Timothy & Darlene Pruitt <sup>9</sup>	KNK Legal
1/6/10	500.00	Todd D. Arnold	KNK Legal
11/2/09 – 11/30/09	745.00	Valerie Zeune	KNK Legal
5/30/10	2400.00	Vincent & Denise Bravo	KNK Legal

<sup>9</sup> See Case No. 11-O-13692 re: CW Timothy & Darlene Pruitt.

11/6/09	995.00	Yanita Vasquez	KNK Legal
4/15/10- 5/26/10	2500.00	Zabrina Garcia/Beatrice Moron	KNK Legal
8/27/09	2612.00	Wayne & Joanne McNerney <sup>10</sup>	KNK Legal
10/19/09	2500.00	Wanda Taylor <sup>11</sup>	KNK Legal
	<b>\$167,297.00</b>		

94. Respondent did not fully perform each and every service he had contracted to perform or represented that he would perform for his 84 clients, prior to demanding, charging, collecting or receiving the advanced attorney fees.

Conclusions of Law: Case No. 11-O-19248 "SBI matter":

By negotiating, arranging or offering to perform a mortgage loan modification for a fee paid by a borrower, and demanding, charging, collecting and receiving fees from 84 clients prior to fully performing each and every service he had contracted to perform or represented that he would perform, in violation of subsection (a)(1) of Section 2944.7 of the Civil Code, Respondent willfully violated Business and Professions Code section 6106.3.

**PENDING PROCEEDINGS.**

The disclosure date referred to, on page two, paragraph A.(7), was December 16, 2011.

**COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of December 16, 2011, the estimated prosecution costs in this matter are approximately \$9,301.67. Respondent acknowledges that this figure is an estimate only and that it does not include State Bar Court costs which will be included in any final cost assessment. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

**AUTHORITIES SUPPORTING DISCIPLINE.**

Standard 2.2(b) states: "Culpability of a member of commingling of entrusted funds or property with personal property or the commission of another violation of rule 4-100, Rules of Professional

<sup>10</sup> See Case No. 11-O-12912 re: CW Wayne & Joanne McNerney.

<sup>11</sup> See Case No. 11-O-12912 re: CW Wanda Taylor.

Conduct, none of which offenses result in the wilful misappropriation of entrusted funds or property shall result in at least a three month actual suspension from the practice of law, irrespective of mitigating circumstances.

Standard 2.4(b) states: "Culpability of a member of willfully failing to perform services in an individual matter of matters not demonstrating a pattern of misconduct shall result in reproof or suspension depending upon the extent of the misconduct and the degree of harm to the client."

Standard 2.10 states in pertinent part "Culpability of a member of a violation of any provision of the Business and Professions Code not specified in these standards or of a willful violation of any Rule of Professional Conduct not specified in these standards shall result in reproof or suspension according to the gravity of the offense or the harm, if any, to the victim...."

*Schullman v. State Bar* (1976) 16 Cal.3d 631, in two matters, respondent failed to perform and in one of the matters, respondent failed to return unearned fee. Respondent was disbarred. In aggravation, respondent had a record of five priors; *Martin v. State Bar* (1978) 20 Cal.3d 717, attorney in six separate matters, failed to perform; failed to communicate and misrepresented status of case to clients. Attorney received one-year actual suspension and had no priors in 28 years of practice; *Franklin v. State Bar* (1986) 41 Cal.3d 700, attorney had not performed services for which he was retained, failed to communicate with clients regarding status of their cases, repeatedly refused to respond to client inquiries, and failed to cooperate with a new attorney. The Court ordered a 45-day actual suspension, one-year probation and passage of the professional responsibility examination.

*Crawford v. State Bar* (1960) 54 Cal.2d 659, 666 ["unauthorized practice of law includes the mere holding out by a layman that he is...entitled to practice law"]; *In re Caldwell* (1975) 15 Cal.3d 762, 771, fn.3 [implied representation of entitlement to practice constitutes UPL]

*In the Matter of Wells* (Review Dept. 2005) 4 Cal. State Bar Ct. Rptr. 896 (Respondent culpable of two counts of violating rule 1-300(B), which prohibits the practice of law in another jurisdiction where to do so would be in violation of that jurisdiction's regulation of the profession, culpability for charging an illegal fee, failing to return unearned fees, failing to maintain funds in a trust account, and three acts of misconduct involving moral turpitude. Respondent received two years suspension, stayed, with two years' probation to include six months actual suspension, and until respondent pays restitution of fees collected, plus interest). See also *In the Matter of Burckhardt* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr 343 (one-year suspension for misconduct including collecting an illegal fee for services not performed, UPL of a client in a criminal matter while on suspension, moral turpitude).

An attorney who repeatedly abandons clients may be suspended for at least one year. If the disregard is habitual or combined with misrepresentation, he/she may be disbarred. (*Pineda v.*

*State Bar* (1989) 49 Cal.3d 753). In *Pineda*, respondent received two years actual suspension. In mitigation, respondent cooperated with the State Bar and demonstrated remorse and rehabilitation. See *Schullman v. State Bar* (1976) 16 Cal. 3d 631, the Court found Respondent's abandonment of clients to amount to moral turpitude. In aggravation, respondent had a record of five prior discipline. The Supreme Court ordered attorney be disbarred, holding that the record clearly revealed a common pattern of misconduct whereby he habitually and willfully disregarded the interests of his clients and failed to pursue legal action for which he had been retained.

*Lydon v. State Bar* (1988) 45 Cal.3d 1181, "willfulness does not require actual knowledge of the provision violated."

*In the Matter of Taggart* (Review Dept. 2001) 4 Cal. State Bar Ct. Rptr. 302, 309, "Thus, the term willful does not require a showing that respondent intended the consequences of his acts or omissions, it simply requires proof that he intended the act or omission itself."

**STATE BAR ETHICS SCHOOL.**

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

**OTHER CONDITIONS NEGOTIATED BY THE PARTIES.**

1. See below for Financial Conditions.

**A. Restitution**

i. Respondent must pay restitution including the principal amount 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.

<b>PAYEE</b>	<b>PRINCIPAL AMOUNT</b>	<b>INTEREST ACCRUES FROM</b>
Allen Natseway	1500.00	12/2/09
Almaden Homes, LLC	2970.00	11/12/09
Angela Elizabeth Trinh	750.00	1/13/10 – 3/4/10
Annie Jones	600.00	11/6/09
Anthony & Tiffany Lenci	1500.00	7/15/10
Arturo Soto <sup>12</sup>	3500.00	5/1/10
Arun Singh	1250.00	3/27/10

12 See Case No. 10-O-11377 re: CW Arturo Soto.

AT Engineering Services	2000.00	11/23/09
Barbara Rathbun	1450.00	11/2/09
Brian & Heather Mount	1500.00	4/8/10
Cal & Michelle Sherrouse	2000.00	7/24/10
Carmelo Pacheco	1500.00	10/31/09
Cesar Bacamante Umali	1000.00	7/19/10
Curtis Byerly	2500.00	11/13/09
Cynthia Champlin <sup>13</sup>	5000.00	11/30/09
David Kimani	650.00	11/3/09
Debt Services	1000.00	12/8/09
Deepak Kumar	1250.00	4/30/10
Ecomar International Inc.	1000.00	6/23/10
Edward K. Nishi	1750.00	10/30/09
Gary & Cindy Knight	1500.00	3/9/10
Gerald Ambrose	3000.00	2/2/10
Hector & Gabriela Marqueda	3500.00	4/2/10
Herbert Kerschbauer	1500.00	10/30/09
Huberto Costa	1500.00	12/10/09
Inez German	1250.00	5/15/10
Innovative Action	3500.00	1/22/10
Irene & Miguel Garcia	1000.00	4/14/10
Jaime Ann Calloway	3000.00	7/8/10
Jay Thuyen Vo	950.00	1/8/10
Jean Dufresne	3000.00	10/30/09
Jeannie Dillard	500.00	11/30/09
Jeff Rose	750.00	11/31/09
John & Dana Christopher <sup>14</sup>	3000.00	3/24/10
Joseph Markow	5500.00	11/3/09
Josh Cartwright	3500.00	4/5/10
Joy Hickman & William Crews	1300.00	5/31/10
Judy A. Nelson	1500.00	11/16/09
Karen Martinez	750.00	11/1/09
Lance Storey	1500.00	10/24/09
Laudalina B. Valentine	3000.00	11/4/09
Lea Giddens	1500.00	1/13/10
Leonardo Escobedo	2900.00	11/3/09
Linda Killebrew	2500.00	3/29/10
Loie Rivera	3500.00	4/3/10
Manuel & Julieta Nacpil <sup>15</sup>	3500.00	3/23/10

13 See Case No. 10-O-11245 re: CW Cynthia Champlin.

14 See Case No. 11-O-10769 re: CW John and Dana Christopher.

15 See Case No. 10-O-10874 re: CW Manuel & Julieta Nacpil.

Mark Seay	2500.00	5/11/10
Martin Brown	750.00	11/12/09
Mary Carter	750.00	2/3/10
Melvin Burt	2000.00	1/12/10
Michael E. Ward	995.00	11/16/09
Michael Kitzman	2500.00	12/17/09
Michael Ward	1000.00	11/3/09
Michael Ybarra	2500.00	1/17/10
Mike Westman	2700.00	10/31/09
Nor Cal KRS	3500.00	12/29/09
Norman Orr	1000.00	11/15/09
Online transfer from NandP	500.00	3/24/10
Pamela Couch	1490.00	11/11/09
Patrick Miller	2500.00	2/16/10
Peggy Bishop	1500.00	10/30/09
Renee Carrico	2800.00	4/29/10
Renee Dunbar	2000.00	11/23/09
Ricardo Cerda	1500.00	11/30/09
Richard Finnerty	2500.00	2/22/10
Richard Olivas	4000.00	11/6/09
Ron Gray	2000.00	4/17/10
Ryan Panopio	1000.00	7/27/10
Sabrina Carthan	2000.00	2/11/10
Saing Enterprises, Inc.	2750.00	3/19/10
Saing Suen	750.00	3/10/10
Saint Brown	995.00	11/17/09
Sandra Jenkins	1495.00	11/3/09
Sharla or Grover La Porte	3500.00	2/19/10
Soon Lee	1500.00	12/2/09
Steve & Tammy Kibler	1500.00	7/15/10
Taeleipu Liliu	1500.00	11/30/09
Timothy & Darlene Pruitt <sup>16</sup>	1500.00	4/2/10
Todd D. Arnold	500.00	1/6/10
Valerie Zeune	745.00	11/2/09
Vincent & Denise Bravo	2400.00	5/30/10
Yanita Vasquez	995.00	11/6/09
Zabrina Garcia/Beatrice Moron	2500.00	5/26/10
Wayne & Joanne McNerney <sup>17</sup>	2612.00	8/27/09
Wanda Taylor <sup>18</sup>	2500.00	10/19/09

16 See Case No. 11-O-13692 re: CW Timothy & Darlene Pruitt.

17 See Case No. 11-O-12912 re: CW Wayne & Joanne McNerney.

18 See Case No. 11-O-12912 re: CW Wanda Taylor.

ii. Respondent must pay above-referenced restitution and provide satisfactory proof of payment and a status report of payment(s) to the Office of Probation with each Quarterly Probation Report, or as otherwise directed by the Office of Probation.

2. Respondent understands that even after the three (3) year probation period expires, he will remain on actual suspension until restitution including the principal amount of 10% per annum) to the payees identified under Financial Conditions, Section 1.A.(i), is paid in full and until respondent satisfies the Standard 1.4(c)(ii) obligation listed on page 4, Section D., Item No. 3(a)(i) of the stipulation.





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In the Matter of: KAMRAN N. KHAN	Case number(s): 10-O-10874 [10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692; 11-O-19248]
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**SIGNATURE OF THE PARTIES**

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

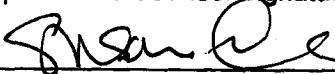
Date	Respondent's Signature	Kamran N. Khan Print Name
Date	Respondent's Counsel Signature	Edward O. Lear Print Name
Date	Deputy Trial Counsel's Signature	Susan Chan Print Name

(Do not write above this line.)

In the Matter of: KAMRAN N. KHAN	Case number(s): 10-O-10874 [10-O-11245; 10-O-11377; 11-O-10769; 11-O-12051; 11-O-12912; 11-O-13692; 11-O-19248]
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### SIGNATURE OF THE PARTIES

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

Date	Respondent's Signature	<u>Kamran N. Khan</u> Print Name
Date	Respondent's Counsel Signature	<u>Edward O. Lear</u> Print Name
Date	Deputy Trial Counsel's Signature	<u>12/21/2011</u> <u></u> Susan Chan Print Name

(Do not write above this line.)

In the Matter of: KAMRAN N. KHAN	Case Number(s): 10-O-10874 et al.
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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.


1. On page 5 of the stipulation, the "X" in the box at paragraph E.(1) is deleted.
2. On pages 27 and 31 of the stipulation, at footnotes 11 and 18, respectively, "Case No. 11-O-12912" is deleted, and in its place is inserted "Case No. 11-O-12051."
3. On page 29 of the stipulation, under "Other Conditions Negotiated by the Parties," paragraph 1.A.i., the first sentence is deleted, and in its place is inserted, "Respondent must pay restitution, including the principal amount, as set forth below, plus 10 percent interest per year from the date interest accrues from as set forth below, to the payee(s) listed below."
4. On page 29 of the stipulation, under "Other Conditions Negotiated by the Parties," paragraph 1.A.i., payee Angela Elizabeth Trinh, "1/13/10 – 3/4/10" is deleted, and in its place is inserted "3/4/10".
5. On page 30 of the stipulation, under "Other Conditions Negotiated by the Parties," paragraph 1.A.i., payee Jeff Rose, "11/31/09" is deleted, and in its place is inserted "11/30/09".
6. On page 31 of the stipulation, under "Other Conditions Negotiated by the Parties," paragraph 1.A.i., payee "Online transfer from NandP" is deleted, and in its place is inserted "NandP".
7. On page 32 of the stipulation, under "Other Conditions Negotiated by the Parties," paragraph 1.A.ii. is deleted, and in its place is inserted, "Respondent must provide satisfactory proof of restitution payment(s) made during a reporting period and a status report of payment(s) to the Office of Probation with each Quarterly Probation Report, or as otherwise directed by the Office of Probation."
8. On page 32 of the stipulation, the language at paragraph 2 is deleted, and in its place is inserted, "Respondent understands that even after the three (3) year probation period expires, he will remain on actual suspension until the restitution, including the principal amount plus 10 percent interest per year, to the payees identified under Financial Conditions, paragraph 1.A.i., is paid in full, and until respondent satisfies the Standard 1.4(c)(ii) obligation set forth on page 4 of the stipulation at paragraph D.(3)(a)(i).

(Do not write above this line.)

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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 January 12, 2012

  
\_\_\_\_\_  
**LUCY ARMENDARIZ**  
Judge of the State Bar Court

**CERTIFICATE OF SERVICE**

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of San Francisco, on January 12, 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 San Francisco, California, addressed as follows:

EDWARD O. LEAR  
CENTURY LAW GROUP LLP  
5200 W CENTURY BLVD #345  
LOS ANGELES, CA 90045

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

ROBERT A. HENDERSON, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on January 12, 2012.



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Bernadette C.O. Molina  
Case Administrator  
State Bar Court