# ORIGINAL

(Do not write above this line.)

State Bar Court of California Hearing Department Los Angeles ACTUAL SUSPENSION		
Counsel For The State Bar	Case Number(s):	For Court use only
Anthony J. Garcia	10-0-11339	
Deputy Trial Counsel	11-0-13520	
Office of the Chief Trial Counsel		FILED
1149 South Hill Street, 10th Fl.	1	
Los Angeles, CA 90015-2299		APR 24 2012 XC
Telephone: (213) 765-1089		
		STATE BAR COURT CLERK'S OFFICE
Bar # 171419		LOS ANGELES
In Pro Per Respondent	ERTARD A A	
Philip Olu Falese	FUBLIC	MATTER
P.O. Box 47567		
Los Angeles, CA 90047		
Telephone: (310) 600-8462		
	Submitted to:	
*		
Bar # 222428	DISPOSITION AND ORDER	CONCLUSIONS OF LAW AND
In the Matter of:		
Philip Olu Falese		
· ····· · · · · · · · · · · · · · · ·	ACTUAL SUSPENSION	
Bar # 222428	PREVIOUS STIPULATIO	N REJECTED
A Member of the State Bar of California (Respondent)		

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

## A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted December 3, 2002.
- (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 12 pages, not including the order.

(Effective January 1, 2011)



Actual Suspension

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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: 2013, 2014. (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) X State Bar Court case # of prior case 06-0-14911, 07-0-11121
  - (b) Date prior discipline effective November 26, 2009

(c)  $\boxtimes$  Rules of Professional Conduct/ State Bar Act violations: 3-700(D)(2), 4-100(A), 4-100(B)(3), 4-100(B)(4)

- (d) Degree of prior discipline 1 year stayed, 2 years probation on conditions including 30 days actual suspension.
- (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.

(Effective January 1, 2011)

- (4) Harm: Respondent's misconduct harmed significantly a client, the public or the administration of justice.
- (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. Respondent is being given substantial mitigation credit for accepting responsibility for his actions at this early stage of the proceedings.
- (4) Remorse: Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct. Respondent has admitted culpability at this early stage of the proceedings. His admission is indicative of his remorse and recognition of his wrongdoing.
- (5) Restitution: Respondent paid \$ on in restitution to without the threat or force of disciplinary, civil or criminal proceedings.
- (6) **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7) **Good Faith:** Respondent acted in good faith.
- (8) Emotional/Physical Difficulties: At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9) Severe Financial Stress: At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.

- (10) Family Problems: At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11) Good Character: Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.
- (12) Rehabilitation: Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) **No mitigating circumstances** are involved.

#### Additional mitigating circumstances:

## **D. Discipline:**

#### (1) X Stayed Suspension:

- (a) Respondent must be suspended from the practice of law for a period of one 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) X The above-referenced suspension is stayed.

#### (2) $\boxtimes$ **Probation**:

Respondent must be placed on probation for a period of two (2) years, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)

#### (3) $\boxtimes$ Actual Suspension:

- (a) Respondent must be actually suspended from the practice of law in the State of California for a period of six 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:

#### (Effective January 1, 2011)

- (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)	$\boxtimes$	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) X 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:
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- (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) I The following conditions are attached hereto and incorporated:

Substance Abuse Conditions		Law Office Management Conditions
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Medical Conditions
 Section Se

## F. Other Conditions Negotiated by the Parties:

(Effective January	۱,	2011)
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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: Respondent will take the MPRE before the end of 2011 as required by his prior discipline.

- (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:**

In the Matter of: Philip Olu Falese	Case Number(s): 10-O-11339, 11-O-13520

## **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
Benito Aguilar	14,973.41	June 14, 2010

Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than twenty-two (22) months after the effective date of this stipulation.

#### 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 reproval), 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

- I. 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 a certified public accountant or other financial professional approved by the Office of Probation, certifying that:
  - a. Respondent has 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";

#### (Effective January 1, 2011)

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- 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.
- 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: Philip Olu Falese

CASE NUMBERS: 10-O-11339, 11-O-13520

## 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-11339 (Complainant: Benito Aguilar)

## FACTS:

1. On July 30, 2008, Annie Lee Miller hired Respondent to prepare her will, to be executor of her estate after she died, to supervise her house renovation, to settle a fence dispute with a neighbor, and to protect the beneficiary of her estate, Benito Aguilar, from possible actions by her other god-children who would be disinherited by the terms of her will. Mrs. Miller agreed to pay Respondent \$30,000 for his legal work. On July 30, 2008, Mrs. Miller paid Respondent \$3,000 as partial payment of his legal fee.

2. In August 2008, Respondent prepared Mrs. Miller's will and on August 4, 2008, Mrs. Miller executed the will. Mrs. Miller's will devised her entire estate to her godson Benito Aguilar, and disinherited her two other god-children. The main asset of Mrs. Miller's estate was her home.

3. On September 19, 2008, Mrs. Miller died. As of that date, she had paid Respondent a total of \$6,500.

4. After Mrs. Miller's death, Respondent contacted Mr. Aguilar and demanded that he pay the remainder of the debt that Mrs. Miller owed him for his legal services. Mr. Aguilar began making payments on Mrs. Miller's debt for legal services as requested by Respondent.

5. On November 13, 2008, Respondent filed a petition to probate Mrs. Miller's will and was named executor of her estate.

6. Between September 19, 2008, and January 29, 2010, Respondent collected \$24,104.41 in legal fees from Mr. Aquino.

7. On January 29, 2010, Respondent filed the First and Final Accounting for Mrs. Miller's estate ("First Accounting"). In the First Accounting, Respondent failed to include himself as a creditor of Mrs. Miller's estate and failed to list the funds that he had collected for his work on behalf of Mrs. Miller's estate.

8. On May 12, 2010, Respondent filed the Supplement to the First and Final Account and Report of Executor ("Final Accounting"). In the Final Accounting, Respondent again failed to include himself as a creditor of Mrs. Miller's estate and again failed to list the funds that he had collected for his work on behalf of Mrs. Miller's estate.

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9. On June 14, 2010, the Probate Court approved Respondent's Final Accounting. The court granted Respondent \$8,300 in legal fees for his work on Mrs. Miller's estate and allowed Respondent to recover \$831 in costs.

10. Respondent collected \$14,973.41 in legal fees in excess of those that were authorized by the court.

## CONCLUSIONS OF LAW:

11. By not including himself as a creditor of Mrs. Miller's estate and by failing to list the funds that he had collected for his work on behalf of Mrs. Miller's estate in the First and in the Final accountings, Respondent sought to mislead the judge or judicial officer by an artifice or false statement of fact or law in willful violation of California Business and Professions Code section 6068(d).

12. By collecting more in legal fees than were authorized by the court, Respondent collected an illegal fee in willful violation of California Rules of Professional Conduct, rule 4-200.

## Case No. 10-O-13520 (Complainant: Anthony Crawford)

## FACTS:

13. On November 21, 2010, Anthony Crawford hired Respondent to represent him in a domestic violence matter. Mr. Crawford agreed to pay Respondent an advance fee of \$3,000 for 10 hours of attorney time and, in the following months, Mr. Crawford paid Respondent's fee in full.

<sup>1</sup> 14. Mr. Crawford's matter was scheduled for a preliminary hearing ("PH") on January 18, 2011. Respondent appeared at the PH but it was continued over Respondent's objection. On February 7, 2011, the court held the rescheduled PH. Respondent represented Mr. Crawford at the PH. Upon finding probable cause that Mr. Crawford had committed the charged crimes, the court scheduled Mr. Crawford's arraignment for February 14, 2011.

15. On February 14, 2011, Respondent's license to practice law was suspended because he failed to pass the MPRE as he was ordered to do in State Bar case no. 06-O-14911. Respondent's suspension effectively terminated his representation of Mr. Crawford.

16. The court appointed the Public Defender to represent Mr. Crawford at the arraignment and Mr. Crawford entered a nolo contedere plea at the arraignment.

17. Respondent never provided an accounting of the hours he worked on Mr. Crawford's matter to Mr. Crawford.

### CONCLUSION OF LAW:

18. By not providing an accounting of the hours he worked on Mr. Crawford's case to Mr. Crawford, Respondent failed to render appropriate accounts to a client regarding all funds coming into Respondent's possession in willful violation of Rules of Professional Conduct, rule 4-100(B)(3).

## PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was April 6, 2012.

## **AUTHORITIES SUPPORTING DISCIPLINE**

#### Standards

Standard 2.2(b) which states that culpability of a member of a violation of rule 4-100 of the Rules of Professional Conduct that does not include misappropriation shall result in at least a three month suspension.

Standard 2.6 which states that a member's culpability of violating Business and Professions Code, sections 6067 through 6068 and/or sections 6103 through 6105 shall result in disbarment or suspension depending on the gravity of the offense or harm to the victim with due regard to the purposes of imposing discipline set forth in standard 1.3.

Standard 2.7 which states that a member's culpability of violating that portion of rule 4-200, Rules of Professional Conduct re entering into an agreement for, charging or collecting an unconscionable fee for legal services shall result in at least a six-month actual suspension from the practice of law, irrespective of mitigating circumstances

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In the Matter of: Philip Olu Falese

Case number(s): 10-0-11339, 11-0-13520

## 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.

4-13 -1)

Respondent's Signature

PHILIP OLU FALESE
Print Name

 $\frac{4}{\text{Date}}$ 16/12

Respondent's Counsel Signature Print Name **ANTHONY J. GARCIA** 

Date 1

Deputy Trial-Counsel's Signature

ANTHONY J. GAR Print Name

In the Matter of:	Case Number(s):
PHILIP OLU FALESE	10-0-11339, 11-0-13520

## 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.

PAGE 6 - F. (1) · DELETE - " PESSONDER WILL TAKE THE MPRE BEFORE THE END OF DOLL AS REGULED by his prion Disciplines." INJELT - "RESpondent has ALLEDAY DEEN CROELED PD TRICE MO PASS THE MARE IN SUPROME CONFORMEN No. 5000000 No. 5175882.

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.)

April 20, 2012

RICHARD A. PLATEL

## **CERTIFICATE OF SERVICE**

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on April 24, 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:

PHILIP O. FALESE LAW OFFICES OF PHILIP FALESE PO BOX 47567 LOS ANGELES CA 90047

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

ANTHONY GARCIA, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on April 24, 2012.

arpente

Angela Carpenter Case Administrator State Bar Court