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

<p>Counsel For The State Bar</p> <p>Rizamari C. Sitton Deputy Trial Counsel 1149 South Hill Street Los Angeles, California 90015-2299</p> <p>Bar # 138319</p>	<p>Case Number(s): 10-O-00546; 10-O-03435; 10-O-06335; 10-O-07871; 10-O-10695; 10-O-10891; 10-O-10896; 10-O-10941</p>	<p>For Court use only</p> <p><b>FILED</b></p> <p>AUG 05 2011 <i>HC</i></p> <p>STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p> <p><b>PUBLIC MATTER</b></p>
<p>In Pro Per Respondent</p> <p>Richard A. Mata 31441 Congressional Drive Temecula, California 92591 (951) 693-9726</p> <p>Richard A. Mata 31915 Rancho California Road #200-226 Temecula, California 92591 (951) 553-6272</p> <p>Bar # 162513</p>	<p>Submitted to: <i>Settlement</i> Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT</p> <p><b>DISBARMENT</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter of: RICHARD ANTHONY MATA</p> <p>Bar # 162513</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 December 14, 1992.
- (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.

(Effective January 1, 2011)



- (3) All investigations or proceedings listed by case number in the caption of this stipulation are resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of (28) 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."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
  - Costs to be awarded to the State Bar.
  - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
  - Costs are entirely waived.
- (9) ORDER OF INACTIVE ENROLLMENT:  
The parties are aware that if this stipulation is approved, the judge will issue an order of inactive enrollment under Business and Professions Code section 6007, subdivision (c)(4), and Rules of Procedure of the State Bar, rule 5.111(D)(1).

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

- (1)  **Prior record of discipline**
  - (a)  State Bar Court case # of prior case
  - (b)  Date prior discipline effective
  - (c)  Rules of Professional Conduct/ State Bar Act violations:
  - (d)  Degree of prior discipline
  - (e)  If respondent has two or more incidents of prior discipline, use space provided below:
- (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.

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- (4)  **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. Respondent's clients were seriously harmed by the misconduct herein. The clients hired Respondent to assist them when they were financially distressed, and they lost use of the money they had paid for services that were not performed.
- (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. Respondent did not respond to letters from State Bar investigators regarding seven (7) of the client matters herein, and he did not otherwise cooperate nor participate in the State Bar disciplinary investigations of those matters.
- (7)  **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct. Respondent did not perform any services in at least four client matters: Margaret Johnson, Raymond Fimby, Robert and Maria Anderson, and Guillermo Luna.
- (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.
- (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.

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- (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:**

(14) While the present misconduct is serious, Respondent has no prior record of discipline over 13 years of practice in California.

(15) While Respondent did not promptly take objective steps spontaneously demonstrating remorse and recognition of wrongdoing, Respondent recognizes that he did not fulfill all his duties to clients, and he now wishes to mitigate the harm that they have suffered.

The parties agreed to attach hereto Respondent's unilateral Statement of Mitigation, at pages 20 - 27. The State Bar does not stipulate and makes no representation as to the truth of the statements made therein.

**D. Discipline: Disbarment.**

**E. Additional Requirements:**

- (1) **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (2)  **Restitution:** Respondent must make restitution to \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ plus 10 percent interest per year from \_\_\_\_\_. If the Client Security Fund has reimbursed \_\_\_\_\_ for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than \_\_\_\_\_ days from the effective date of the Supreme Court order in this case.
- (3)  **Other:** Business & Professions Code section 6140.5: Respondent acknowledges and understands that all provisions of section 6140.5 are applicable herein, including that Respondent's actions stipulated herein may cause the payment of funds to a claimant for the Client Security Fund ("CSF"); and that Respondent must reimburse CSF of all monies paid out as a result of his conduct, plus applicable interest and cash, as a condition of reinstatement of membership.

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Attachment language (if any):

Nolo Contendere Pleas, page 7.  
Statement of Facts, pages 8 - 13.  
Conclusions of Law, pages 14 - 16.  
Supporting Authority, pages 17 - 18.  
Dismissals, page 19.

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In the Matter of: RICHARD ANTHONY MATA	Case Number(s): 10-O-00546, 10-O-03435, 10-O-06335, 10-O-07871, 10-O-10695, 10-O-10891, 10-O-10896, 10-O-10941
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### Nolo Contendere Plea Stipulations to Facts, Conclusions of Law, and Disposition

The terms of pleading nolo contendere are set forth in the Business and Professions Code and the Rules of Procedures of the State Bar. The applicable provisions are set forth below:

#### Business and Professions Code § 6085.5 Disciplinary Charges; Pleas to Allegations

There are three kinds of pleas to the allegations of a notice of disciplinary charges or other pleading which initiates a disciplinary proceeding against a member:

- (a) Admission of culpability.
- (b) Denial of culpability.
- (c) Nolo contendere, subject to the approval of the State Bar Court. The court shall ascertain whether the member completely understands that a plea of nolo contendere will be considered the same as an admission of culpability and that, upon a plea of nolo contendere, the court will find the member culpable. The legal effect of such a plea will be the same as that of an admission of culpability for all purposes, except that the plea and any admissions required by the court during any inquiry it makes as to the voluntariness of, or the factual basis for, the pleas, may not be used against the member as an admission in any civil suit based upon or growing out of the act upon which the disciplinary proceeding is based.

#### Rules of Procedure of the State Bar, rule 5.56. Stipulations to Facts, Conclusions of Law, and Disposition

“(A) **Contents.** A proposed stipulation to facts, conclusions of law, and disposition must comprise:

[¶] . . . [¶]

(5) a statement that the member either:

- (a) admits the truth of the facts comprising the stipulation and admits culpability for misconduct; or
- (b) pleads nolo contendere to those facts and misconduct;

[¶] . . . [¶]

“(B) **Plea of Nolo Contendere.** If the member pleads nolo contendere, the stipulation must also show that the member understands that the plea is treated as an admission of the stipulated facts and an admission of culpability.”

I, the Respondent in this matter, have read the applicable provisions of Business and Professions Code section 6085.5 and rule 5.56 of the Rules of Procedure of the State Bar. I plead nolo contendere to the charges set forth in this stipulation and I completely understand that my plea will be considered the same as an admission of culpability except as stated in Business and Professions Code section 6085.5(c).

7/13/11 \_\_\_\_\_ Richard A. Mata  
Date Respondent's Signature Print Name

ATTACHMENT TO STIPULATION RE:  
STATEMENT OF FACTS

IN THE MATTER OF:        RICHARD ANTHONY MATA

CASE NUMBERS:            10-O-00546, 10-O-03435, 10-O-06335, 10-O-07871,  
   10-O-10695, 10-O-10891, 10-O-10896, 10-O-10941

Respondent pleads *nolo contendere* to the following facts:

**Background Facts**

1. At all times pertinent herein, Respondent was operating a law practice, doing business as “Law Centre for Wealth Management (LCFWM)”, which was located at 2280 Wardlow Circle, Suite 205, Corona, California.

2. At all times pertinent herein, Respondent owned and operated National Consumer Protection Litigation Center (“NCPLC”) which was located at 110 North Lincoln Avenue, Suite 200, Corona, California.

3. At all times pertinent herein, in operating his law practice, Respondent employed the administrative services of National Financial Services (“NFS”), which was located at 8577 Haven Avenue, Suite 100, Rancho Cucamonga, California.

**Case No. 10-O-00546 (Client Maya Samuel)**

4. On September 23, 2009, Maya Samuel (“Samuel”) hired Respondent at NCPLC to provide her with loan modification services, including “negotiat[i]ons] with [her] current lender to restructure the current mortgage debt in a way that will allow Client(s) to achieve and maintain financial stability.” Respondent charged Samuel \$1,595 in fees. Between September 1, 2009 and October 1, 2009, Samuel paid several cash installments totaling \$1,595, as advanced fees, \$600 of which were received by Respondent.

5. Between October 1, 2009, and October 27, 2009, Samuel repeatedly telephoned Respondent and inquired about the status of her loan modification matter. No one was available to speak with Samuel, and no one otherwise provided Samuel with any information about the



status of her matter. On each call, Samuel left a message asking Respondent to call her back about the status of her matter. Respondent did not return any of her calls.

6. On October 27, 2009, when Samuel telephoned Respondent's office again, her call was unanswered; there was no recorded greeting and no opportunity to leave a message. Consequently, Samuel sent an email on October 27, 2009, to one of Respondent's staff employees, Don Johnson ("Johnson"). Johnson replied by email on October 28, 2009, and informed Samuel that Respondent's office had closed down, and he did not know Respondent's whereabouts.

7. Respondent did not give Samuel prior notice that he would close or relocate his office. Respondent did not give Samuel his new contact information.

8. Respondent did not engage in any negotiations with Samuel's lender; he did not submit a loan modification application on behalf of Samuel; and, he did not otherwise perform the services that Samuel had hired him to do.

9. Respondent did not provide an accounting of the fees paid by Samuel.

10. Respondent did not refund any portion of the advanced fees to Samuel.

11. Respondent did not earn \$600 of the advanced fees.

12. A dispute arose as to whether Respondent earned the remainder (\$995) of the fees advanced by Samuel.

**Case No. 10-O-03435 (Client Sharon Davenport)**

13. On September 11, 2009, Sharon Davenport ("Davenport") hired Respondent, through NFS, to provide her with loan modification services, including "negotiat[i]ons] with [her] current lender to restructure the current mortgage debt in a way that will allow Client(s) to achieve and maintain financial stability." Respondent charged Davenport \$4,500 as advanced attorney fees to provide the services on Davenport's two mortgage loans.

14. Davenport paid advanced fees in three installments: \$1,500 on September 15, 2009; \$1,000 on September 30, 2009; \$2,000 on October 15, 2009.

15. Respondent received \$2,500 of the fees advanced by Davenport.

16. Respondent did not provide Davenport with an accounting of the fees she had advanced.

17. Respondent did not refund any of the fees advanced by Davenport.

18. A dispute arose as to whether Respondent earned all of the advanced fees he had received.

**Case No. 10-O-06335 (Client Rosalina Palacios)**

19. On August 27, 2009, Rosalina Palacios (“Palacios”) hired Respondent, through NFS, to provide her with loan modification services, including “negotiat[i]ons] with [her] current lender to restructure the current mortgage debt in a way that will allow Client(s) to achieve and maintain financial stability.” Respondent charged Palacios \$2,800 as advanced attorney fees.

20. On August 27, 2009, Palacios paid four payment installments totaling \$2,800.

21. On September 17, 2009, Respondent presented one of Palacios’ check payments, in the amount of \$1,000, and received the proceeds. Respondent did not receive the remaining \$1800.

22. In the end of January 2010, Palacios received a letter informing her that Respondent was no longer working with NFS, and that Respondent would continue to be responsible for her loan modification matter.

23. After approximately January 2010, Palacios did not hear from Respondent and she did not otherwise receive any information about the status of her matter.

24. In April 2010, after Palacios learned of information that led her to believe that Respondent had not been in contact at all with her lender, she requested a refund of the advanced fees.

25. Respondent did not earn \$500 of the advanced fees.

26. Respondent did not refund any portion of the advanced fees to Palacios.

27. Respondent did not provide an accounting of the fees advanced by Palacios.

28. A dispute arose as to whether Respondent earned the remainder of the fees (\$500) he had received.

**Case No. 10-O-07871 (Client Margaret R. Johnson)**

29. On August 13, 2009, Margaret R. Johnson (“Johnson”) hired Respondent at LCFWM to provide her with loan modification services, including “negotiat[ions] with [her] current lender to restructure the current mortgage debt in a way that will allow Client(s) to achieve and maintain financial stability.” Respondent charged Johnson \$2,995 as advanced attorney fees.

30. On August 13, 2009, Respondent collected from Johnson a check payment in the amount of \$2,995. Respondent presented to the bank Johnson’s check payment, and received the advanced fees of \$2,995.

31. Between August 2009 and June 2010, Johnson repeatedly telephoned Respondent and inquired about the status of her loan modification matter. On each call, Johnson left a message asking Respondent to call her back. Respondent did not return any of Johnson’s calls, and he did not otherwise provide Johnson with any information regarding the status of her loan modification matter. At no time did Respondent communicate with Johnson in any manner.

32. On July 1, 2010, Johnson went to Respondent’s office and inquired about the status of her matter. Respondent was not available to meet or speak with Johnson. Instead, Johnson met and spoke with one of Respondent’s employees. The employee informed Johnson no work had been performed in her matter. Consequently, Johnson requested a refund of the fees she had advanced; Respondent agreed to refund all of the advanced fees.

33. Respondent did not engage in any negotiations with Johnson’s lender; he did not submit a loan modification application on behalf of Johnson; and, he did not otherwise perform any service for Johnson.

34. Respondent did not earn any part of the fees advanced by Johnson.

35. Respondent did not refund to Johnson any portion of the unearned fees.

**Case No. 10-O-10695 (Clients Sergio & Belia Ramirez)**

36. On August 10, 2009, Sergio Ramirez and Belia Ramirez (collectively “Ramirezes”), husband and wife, hired Respondent at LCFWM to provide them with loan modification services on two mortgage loans, including “negotiat[ions] with [her] current lender to restructure the

current mortgage debt in a way that will allow Client(s) to achieve and maintain financial stability.” Respondent charged the Ramirezes \$4,000 as advanced attorney fees.

37. Between August 12, 2009 and September 1, 2009, inclusive, Respondent collected and received from the Ramirezes payments totaling \$4,000, as advanced fees.

38. Respondent did not earn \$1000 of the fees advanced by the Ramirezes.

39. Respondent did not provide an accounting of any of the fees advanced by the Ramirezes.

40. Respondent did not refund to the Ramirezes the undisputed unearned fees of \$1000.

41. A dispute arose as to whether Respondent earned all of the remaining fees in the amount of \$3,000.

**Case No. 10-O-10891 (Client Guillermo Luna)**

42. In March 2010, Guillermo Luna (“Luna”) hired Respondent at LCFWM to provide him with debt negotiation services. Respondent charged Luna \$3,500 as advanced fees.

43. On March 15, 2010, Respondent collected and received from Luna \$3,500 as advanced fees.

44. Respondent did not engage in any negotiations with Luna’s creditors; and, he did not otherwise perform any services for Luna.

45. Respondent did not earn any part of the fees advanced by Luna.

46. Respondent did not refund to Luna the unearned fees.

47. Respondent did not provide an accounting of the fees advanced by Luna.

**Case No. 10-O-10896 (Clients Robert & Maria Anderson)**

48. In February 2010, Robert Anderson and Maria Anderson (“Andersons”), husband and wife, hired Respondent at LCFWM to provide them with debt negotiation services. Respondent charged the Andersons \$1,800 as advanced fees.

49. On February 25, 2010, Respondent collected and received from the Andersons \$1,800 as advanced fees.

50. Respondent did not engage in any negotiations with the Andersons's creditors; and, he did not otherwise perform any service for the Andersons.

51. Respondent did not earn any part of the fees advanced by the Andersons.

52. Respondent did not refund to the Andersons the unearned fees.

53. Respondent did not provide an accounting of the fees advanced by the Andersons.

**Case No. 10-O-10941 (Client Raymond A. Fimby, Jr.)**

54. In February 2010, Raymond A. Fimby, Jr. ("Fimby") hired Respondent at LCFWM to provide him with debt negotiation services. Respondent charged Fimby \$4,000 as advanced fees.

55. On February 17, 2010, Respondent collected and received from Fimby \$2,000 as advanced fees. On or about March 2, 2010, Respondent collected and received from Fimby \$2,000 as additional advanced fees.

56. Respondent did not engage in any negotiations with Fimby's creditors; and, he did not otherwise perform any service for Fimby.

57. Respondent did not earn any part of the fees advanced by Fimby.

58. Respondent did not refund to Fimby the unearned fees.

59. Respondent did not provide an accounting of the fees advanced by Fimby.

**ATTACHMENT TO STIPULATION RE:**  
**CONCLUSIONS OF LAW**

IN THE MATTER OF:        RICHARD ANTHONY MATA

CASE NUMBERS:            10-O-00546, 10-O-03435, 10-O-06335, 10-O-07871,  
   10-O-10695, 10-O-10891, 10-O-10896, 10-O-10941

**Case No. 10-O-00546 (Client Maya Samuel)**

1. By not submitting an application for a mortgage loan modification on behalf of Samuel, by not initiating or engaging in negotiations with the lender to restructure Samuel's loan, and by not otherwise performing any service for Samuel, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rules of Professional Conduct, rule 3-110(A).

2. By not returning any of Samuel's telephone calls, between October 1, 2009, and October 27, 2009, Respondent failed to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services, in willful violation of Business and Professions Code section 6068(m).

3. By not refunding to Samuel the portion of the fees not disputed to be unearned, Respondent failed to refund promptly any part of a fee paid in advance that has not been earned, in willful violation of Rules of Professional Conduct, rule 3-700(D)(2).

4. By not providing any accounting to Samuel of the attorney fees she had advanced, 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).

**Case no. 10-O-03435 (Client Sharon Davenport)**

5. By not providing any accounting to Davenport of the attorney fees she had advanced, 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).

**Case No. 10-O-06335 (Client Rosalina Palacios)**

6. By not refunding to Palacios the portion of the fees undisputedly unearned, Respondent failed to refund promptly any part of a fee paid in advance that has not been earned, in willful violation of Rules of Professional Conduct, rule 3-700(D)(2).

7. By not providing any accounting to Palacios of the attorney fees she had advanced, 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).

**Case No. 10-O-07871 (Client Margaret Johnson)**

8. By not submitting an application for a mortgage loan modification on behalf of Johnson, by not initiating or engaging in negotiations with the lender to restructure Johnson's loan, and by not otherwise performing any service for Johnson, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professions Code, rule 3-110(A).

9. By not refunding to Johnson the unearned fees, Respondent failed to refund promptly any part of a fee paid in advance that has not been earned, in willful violation of Rules of Professions Code, rule 3-700(D)(2).

10. By not returning any of Johnson's telephone calls, between approximately August 2009 and June 2010, Respondent failed to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services, in willful violation of Business and Professions Code section 6068(m).

**Case no. 10-O-10695 (Clients Sergio & Belia Ramirez)**

11. By not refunding to the Ramirezes the portion of the fees undisputedly unearned, Respondent failed to refund promptly any part of a fee paid in advance that has not been earned, in willful violation of Rules of Professional Conduct, rule 3-700(D)(2).

12. By not providing any accounting to the Ramirezes of the attorney fees they had advanced, 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).

**Case No. 10-O-10891 (Client Guillermo Luna)**

13. By not providing Luna with debt negotiation services, by not initiating or engaging in negotiations with Luna's creditors to restructure Luna's debts, and by not otherwise performing any service for Luna, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

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

**Case No. 10-O-10896 (Clients Robert & Maria Anderson)**

15. By not providing the Andersons with debt negotiation services, by not initiating or engaging in negotiations with the Andersons's lenders to restructure the Andersons's debts, and by not otherwise performing any service for the Andersons, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

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

**Case No. 10-O-10941 (Client Raymond Fimby, Jr.)**

17. By not providing Fimby with debt negotiation services, by not initiating or engaging in negotiations with Fimby's lenders to restructure Fimby's debts, and by not otherwise performing any service for Fimby, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

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



ATTACHMENT TO STIPULATION RE:  
SUPPORTING AUTHORITIES

IN THE MATTER OF:        RICHARD ANTHONY MATA

CASE NUMBERS:            10-O-00546, 10-O-03435, 10-O-06335, 10-O-07871,  
   10-O-10695, 10-O-10891, 10-O-10896, 10-O-10941

In *In re Ronald Robert Silverton* (2005) 36 Cal.4<sup>th</sup> 81, the California Supreme Court discussed the fact that the Standards for Attorney Sanctions for Professional Misconduct are entitled to great weight and the State Bar Court should follow their guidance whenever possible.

The determination of what constitutes an appropriate disciplinary outcome commences by “looking to the purpose of sanctions for attorney misconduct.” (*In re Morse* (1995) 11 Cal.4<sup>th</sup> 184, 205.) Standard 1.3 provides that the primary purposes of attorney discipline are, “the protection of the public, the courts and the legal professions; the maintenance of high legal professional standards by attorneys and the preservation of public confidence in the legal profession.”

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

Standard 1.6(a) states that where two or more acts of professional misconduct are charged and different sanctions are prescribed by the standards for the acts, the sanction imposed shall be the more or most severe of the different applicable sanctions.

Standard 2.4(a) provides, “Culpability of a member of a pattern of willfully failing to perform services demonstrating the member’s abandonment of the causes in which he or she was retained shall result in disbarment.”

Standard 2.2(b) provides, “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 Conduct, none of which offenses result in the willful 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.

Cases involving a multiple instances and a pattern of misconduct, even where the attorney has no prior record of discipline, generally result in the attorney’s disbarment. See, *In re Billings* (1990) 50 Cal.3d 358; *In the Matter of Collins* (Review Dept. 1992) 2 Cal. State Bar Ct. Rptr. 1.

Habitual disregard of client interests, even where grossly negligent or careless rather than willful or dishonest, constitutes moral turpitude and justifies disbarment. *In the Matter of Collins* (Review Dept. 1992) 2 Cal. State Bar Ct. Rptr. 1.

When disbarment is not imposed for a pattern of misconduct, the attorney provided significant mitigation beyond merely having a discipline-free practice. In all such cases, mitigation included the attorney's cooperation with the State Bar throughout the disciplinary investigations and proceedings. See, *Pineda vs. State Bar* (1989) 49 Cal.3d 753; *Silva-Vidor vs. State Bar* (1989) 49 Cal.3d 1071.

**ATTACHMENT TO STIPULATION RE:**  
**DISMISSALS**

IN THE MATTER OF:        RICHARD ANTHONY MATA

CASE NUMBERS:            10-O-00546, 10-O-03435, 10-O-06335, 10-O-07871,  
                                 10-O-10695, 10-O-10891, 10-O-10896, 10-O-10941

The parties stipulate that the following counts/charges set forth in the Notice of Disciplinary Charges filed on March 15, 2011, shall be dismissed without prejudice (Rules of Procedure of the State Bar of California, rule 5.124(K)):

1. **Count Four:** This count alleges that Respondent violated Rules of Professional Conduct, rule 3-110(A) in the Sharon Davenport client matter;
2. **Count Five:** This count alleges that Respondent violated Civil Code §2944.7(a) in the Sharon Davenport client matter;
3. **Count Six:** This count alleges that Respondent violated Rules of Professional Conduct, rule 3-700(D)(2) in the Sharon Davenport client matter;
4. **Count Seven:** This count alleges that Respondent violated Rules of Professional Conduct, rule 3-110(A) in the Rosalina Palacios client matter;
5. **Count Eight:** This count alleges that Respondent violated Civil Code §2944.7(a) in the Rosalina Palacios client matter;
6. **Count Thirteen:** This count alleges that Respondent violated Rules of Professional Conduct, rule 3-110(A) in the Sergio & Belia Ramirez client matter;
7. **Count Seventeen:** This count alleges that Respondent violated Civil Code §2944.7(a) in the Guillermo Luna client matter;
8. **County Twenty:** This count alleges that Respondent violated Civil Code §2944.7(a) in the Robert & Maria Anderson client matter;
9. **Count Twenty-One:** This count alleges that Respondent violated Civil Code §2944.7(a) in the Raymond Fimby, Jr. client matter;
10. **Count Twenty-Two:** This count alleges that Respondent violated Business and Professions Code section 6068(i).

## Statement in Mitigation

My name is Richard A. Mata. The following is my statement in mitigation.

In or around 2004, I underwent a crisis of confidence in both my professional and personal lives.

From 1997 to early 2001, I had a small solo practice in Los Angeles County. I was then offered a job with a small corporation as their general counsel. Accepting the position meant I had to close my practice. I did so, reluctantly. I consoled myself with the thought that at least I would be earning a salary. Constant steady income had become a major concern since my wife had been downsized from her position as a loan branch manager in the then shrinking Savings and Loan industry.

The new position began positively. I felt comfortable enough in early 2002 to purchase another home in the Temecula Wine County and move the family from Whittier. However, the comfort level was short lived. Soon the corporate officers were asking me to file lawsuits which I did not agree with. They wanted to file actions to influence pending contract negotiations. They wanted to use the law as a sword not a shield. By late 2002, I was no longer in the position. I had a family, two mortgages, and no income. I lived in a relatively brand new bedroom community with the nearest court being a family law court with two courtrooms, the nearest criminal court operated out of mobile trailers. A far cry from the multi-storied mega-courthouses of L.A. and Orange Counties. My immediate prospects where bleak. I did not handle the emotional crisis well and fell into a depression. I felt a failure. I had let my family down. I was in deep water, in a fog, with no oar or rudder.

A year and a half passed before I was even able to think about working. During that time, I was paralyzed with fear of real and perceived threats of professional malpractice actions, saddened by feelings of humiliation, suffered an inability to concentrate, and harbored doubts as to my judgment and reasoning. It was not until the crying pleas from the wife that it had been a year and a half since the job loss with no income earned by me that I began to see some light at the end of the tunnel of my self-imposed mental exile. The threatened malpractice suits never were, not even a complaint to the Bar

As the wife and I began to talk again, she tried to express to me how far away I had mentally slipped away during that time. I began to find work as a pool salesman, then as a plumber (a trade taught to me by my father when I was a teen). I also found employment as a satellite TV installer. All the while, I tried to reconnect with the wife, but the damage had been done. Her resentment was too strong. In December 2006, two weeks before Christmas, while I was at work, she closed escrow early on the sale of the Temecula home, took the funds, grabbed the kids, removed most of the family possessions from the house and left. I arrived home after work to an empty home.

2007 was a year of transition and continued mental healing. I found a small apartment over a garage and made it home. I continued working as a satellite TV installer and worked as a sales representative marketing home warranties to real estate agents. I was getting stronger, mentally and physically. I was fortunate to make some new friends. I was able to reconnect with my kids. The divorce proceeding began.

2008 began with new resolve. In late 2007, the satellite job ended when the paychecks started to bounce. The divorce proceedings were starting to drag. I worked as a marketing

representative selling home warranties, but sales started to dwindle as the housing market was cooling. Friends who knew I had legal training urged me to regain my lapsed license. I decided to do just that. I started small. One case, a divorce matter. Soon it was fall 2008 and all economic hell broke loose.

2009 was the deepening of the foreclosure crisis. I saw advertisements seeking attorneys to do loan modifications. I wanted to help and I needed income. The failing housing market stifled the income from the sales of home warranties. I had found work again as a satellite TV installer, but the work was not steady after November 2008.

It was around March or April 2009 that I was introduced to Fareez Falkhoury and his son, Nick. They had a corporation called National Financial Solutions (NFS) with offices in Rancho Cucamonga, CA. They had been previously working with an attorney doing loan modifications. They had people working with experience in real estate brokerage, mortgage brokerage, and loan processing.

I agreed to work with them. I entered into a staffing agreement with NFS. They would provide me staffing and office space. My law office would manage the people I agreed to put on my staff. All clients were under contract to my law offices. I made it clear I had control of the clients.

I explained and put in office procedures for client confidentiality, documenting a file. I was assigned a separate phone number so that when clients called, they called the law office. I initiated firewalls between my law practice and their corporation. The assigned staff only worked on loan modification files. There were bruised and hurt feelings regarding their perceived loss of control but the process improved. Work was slow at first as the HAMP program was just being

introduced and its guidelines were being created.

In or around June 2009, a key staff member left. He had acted as a buffer between me and NFS management. NFS management had respected him and deferred to his wishes regarding the working relationship between my law office and NFS. After he left a turf war started as NFS management sought more of a say in operations. I counsel them regarding the differences between running a business and operating a law practice. They were clearly feeling frustrated.

In or around August 2009, Fareez Falkhoury left the operation of NFS to his son Nick. Where I was always able to speak to Fareez and work out issues, Nick's management style was one of confrontation and intimidation. He was a young man in his twenties, recently graduated from a local college. He was headstrong and greedy.

In or around late September 2009, I became aware of SB 94. I informed Nick that if the law passed, it would spell the end of the loan modification business as we knew it. As passage of the bill became imminent, I told Nick that all checks my office had collected would need to be returned to the clients as they could not be cashed. This, obviously, would affect cash flow to NFS. Nick was not happy to say the least.

In or around late October 2009, NFS and my law offices agreed to terminate the staffing agreement. However, the agreement called for a 90 day period after notice of termination of the agreement before all work with NFS would cease. I instructed my staff to return all uncashed post-dated checks to the clients. No further deposits of clients checks were made into my law practice account after October 12, 2009. Thereafter, I questioned Nick and the staff regarding the post-dated checks. I was informed they had been returned to the clients.

As to the matter with Sharon Davenport, her statement was that she never spoke to me.

Therefore, someone other than I called her and asked her to replace a post-dated check because it could not be cashed because of a rip or tear in the check. The alleged ripped or torn check had been made out to my law office. Whoever called her asked that the replacement check be made out to NFS. The replacement check was then endorsed with NFS and deposited in a NFS account.

I never received any monies from the replaced check nor did I ever claim, demand, charge, collect, receive, advise, counsel or ratify the replacement or the deposit of the replacement check from Sharon Davenport. I knew nothing about the replacement or deposit of the check by NFS until notified by the State Bar as to the complaint made by Sharon Davenport to the State Bar.

As to the matter regarding Rosalina Palacios, my law office was provided with 4 checks totaling \$2800.00. All four checks were in sequential order starting with the numbers 794, 795, 796, 797. Check No. 794 was dated 9/12/09 in the amount of \$1000.00. Check No. 795 was dated 10/15/09 in the amount of \$600.00. Check No. 796 was dated 11/15/09 in the amount of \$600.00. Check No. 797 was dated 12/15/09 in the amount of \$600.00. The four checks were all signed by Jose A. Lopez. A one page copy of the four checks is in my possession. The copy was made at or near the time the four checks were delivered to my law offices.

As part of her complaint, Rosalina Palacios provided 4 one page copies of one check each. The first copy is a check with the number 794 dated 9/12/09 made out to Law Offices of Richard A. Mata in the amount of \$1,000.00. The copy of this check is identical to the copy of check no. 794 in the one page copy of the four checks in sequential order that is in my possession. The second copy is a check with the number 804 dated 10/12/09 made out to



National Financial Solutions in the amount of \$600.00. The third copy is a check with the number 805 dated 11/12/09 made out to National Financial Solutions in the amount of \$600.00. The fourth copy is a check with the number 806 dated 10/12/09 made out to National Financial Solutions in the amount of \$600.00.

In a statement given to an investigator, the investigator states that Rosalina Palacios claims that she and her husband went to a consultation at my offices conducted by a woman. Palacios claims she signed up at that time without me being present. At sign up Palacios claims the woman asked her to post-date the checks for every month. Palacios claims she did and gave all the checks to the intake woman. The first check was payable to Law Offices of Richard A. Mata. The last three checks were made out to NFS. She never met or spoke to me thereafter.

Palacios' story about the creation of the checks does not explain the copy of the four sequential checks all made out to my law offices. At best Palacios made a mistake, at worst she is lying or, the investigator just got it wrong in the retelling.

I am not attacking Rosalina Palacios here. She clearly paid \$2800.00. However, I only received and collected \$1,000.00 prior to October 12, 2009. I never received any monies from any of the other three checks made out to NFS. I never made a claim, demand, charge, nor did I collect, receive, advise, counsel or ratify the deposit or apparent replacement of any of the three checks totaling \$1800.00. I knew nothing about check nos.804, 805, or 806. until notified by the State Bar of the complaint made by Palacios to the State Bar. Again, I had been informed by staff and Nick that the all post-dated client checks had been returned to the clients.

In closing, I want to sincerely apologize to my clients, the members of the California Bar, and the Staff of the California State Bar who had any connection with investigating and

prosecuting these complaints.

At the risk of sounding stupidly self-serving, it was never my intention to cause harm. My my intention was help people save their homes. And yes, I was looking to make an income. But my net earnings from the fees paid to me by loan modification clients was around 8% of the gross earnings. The rest went to pay the staffing company for the staff and overhead. I walk away from this with much less than I started.

The reasons why I attempted to structured the client contracts as a flat fee in advance was to prevent the inherent conflict of interest between a client and an attorney regarding fees. The business model for an attorney, I feel, inherently places him or her in conflict with his client. When an attorney completes the client's case, the attorney must find another client to keep his cash flow stable. This can lead to dragging cases along by the attorney. The client never knows for sure how much he will ultimately pay the attorney for the work.

By entering into a flat fee contact for services, I was attempting to give the clients some peace of mind by knowing the maximum amount of money they were committing to for the loan modification upfront. My contract was clear that the fee was negotiable.. I saw the advantages to placing some risk on the office staff to complete the modifications as quickly as possible. I underestimated the banks resolve to drag the loan modification process out. (Who wants to write down asset values.) Because I was dealing with clients who were in financial difficulties, I needed to know I could pay my staff for the work they performed on the clients files. Because the work of obtaining a loan modification for a client is so labor intensive, a file can be touched by a staff member many times throughout the day. A flat fee seemed the answer to relieve the difficulty with time keeping and relieve staff of what can be a real chore.

When I decided to work with loan modification clients, I broke my rule of not trusting anyone other than myself to perform work for the client. That was the rule I stuck to between 1997 and 2002. Using that rule kept me complaint free from December 1993 until 2010. I wish I had stayed true to the rule. But then, I could not have anticipated a law the likes of SB 94 taking effect as quickly as it did. I was committed to the business model I adopted with no time to change.

I only ask that my willingness to pay the penalty for my actions without evasion as well my overall length of service to my clients without complaint be taken into account.

Thank you.



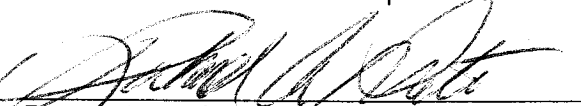

Richard A. Mata

(Do not write above this line.)

In the Matter of: RICHARD ANTHONY MATA	Case number(s): 10-O-00546; 10-O-03435; 10-O-06335; 10-O-07871; 10-O-10695; 10-O-10891; 10-O-10896; 10-O-10941
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**SIGNATURE OF THE PARTIES**

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

<u>7/13/11</u> Date	 Respondent's Signature	RICHARD ANTHONY MATA Print Name
Date	Respondent's Counsel Signature	N/A Print Name
<u>7/13/2011</u> Date	 Deputy Trial Counsel's Signature	RIZAMARI C. SITTON Print Name

(Do not write above this line.)

In the Matter of: RICHARD ANTHONY MATA	Case Number(s): 10-O-00546; 10-O-03435; 10-O-06335; 10-O-07871; 10-O-10695; 10-O-10891; 10-O-10896; 10-O-10941
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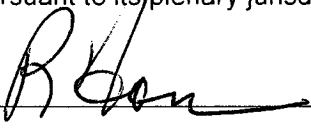
### DISBARMENT ORDER

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

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

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 5.58(E) & (F), Rules of Procedure.) **The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after file date. (See rule 9.18(a), California Rules of Court.)**

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

Date 7/29/11 \_\_\_\_\_ 

Judge of the State Bar Court  
**RICHARD A. HONN**

**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 August 5, 2011, I deposited a true copy of the following document(s):

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

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

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


RICHARD A MATA  
31915 RANCHO CALIFORNIA RD  
#200-226  
TEMECULA CA 92591

RICHARD A MATA  
31441 CONGRESSIONAL DRIVE  
TEMECULA CA 92591

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

RIZAMARI SITTON, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on August 5, 2011.

  
\_\_\_\_\_  
Angela Carpenter  
Case Administrator  
State Bar Court