

STATE BAR COURT OF CALIFORNIA
HEARING DEPARTMENT – LOS ANGELES

In the Matter of)	Case No.: 10-TE-00615-RAH
)	
ERIC DOUGLAS JOHNSON)	DECISION AND ORDER OF INACTIVE
)	ENROLLMENT (BUS. & PROF. CODE
Member No. 224065)	SECTION 6007, SUBDIVISION (c)(1))
)	
<u>A Member of the State Bar.</u>)	

1. INTRODUCTION

This matter is before the court on the verified application of the Office of the Chief Trial Counsel of the State Bar of California (“Office of the Chief Trial Counsel”) seeking to involuntarily enroll respondent Eric Douglas Johnson as an inactive member of the State Bar pursuant to Business and Professions Code section¹ 6007, subdivision (c)(1) and rule 461 of the Rules of Procedure of the State Bar of California (“the Application”).

The Office of the Chief Trial Counsel was represented by Deputy Trial Counsel Charles T. Calix. Respondent represented himself. A hearing was scheduled for May 5, 2010; however, it was vacated after neither party timely requested a hearing. (Rules Proc. of State Bar, rule 464.)

¹ Future references to section(s) are to this source.

On May 4, 2010, respondent filed a declaration in response to the Application. This declaration was not timely filed, but, nonetheless, the court considered it for the purposes of this decision. This matter was submitted for decision on May 5, 2010.

After reviewing and considering this matter, the court finds that respondent's conduct poses a substantial threat of harm to his clients or the public, and respondent is ordered involuntarily enrolled as an inactive member of the State Bar pursuant to section 6007, subdivision (c)(1).

2. JURISDICTION

Respondent was admitted to the practice of law in California on January 5, 2003, and has been a member of the State Bar at all times since.

3. FINDINGS OF FACT AND CONCLUSIONS OF LAW

Section 6007, subdivision (c), authorizes the court to order an attorney's involuntary inactive enrollment upon a finding that the attorney's conduct poses a substantial threat of harm to the interests of the attorney's clients or to the public. In order to find that an attorney's conduct poses a threat of harm, the following three factors must be shown: (1) the attorney has caused or is causing substantial harm to his clients or the public; (2) the injury to the attorney's clients or the public in denying the application will be greater than any injury that would be suffered by the attorney if the application is granted or, alternatively, there is a reasonable likelihood that the harm will continue;² and (3) there is a reasonable probability that the Office of the Chief Trial Counsel will prevail on the merits of the underlying disciplinary matter. (*Conway v. State Bar* (1989) 47 Cal.3d 1107; *In the Matter of Mesce* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 658, 661.)

² But where the evidence establishes a pattern of behavior, including acts likely to cause substantial harm, the burden of proof shifts to the attorney to show that there is no reasonable likelihood that the harm will reoccur or continue.

Respondent was given notice of this proceeding pursuant to rule 461 of the Rules of Procedure of the State Bar of California. The Application is based on matters not yet the subject of disciplinary charges pending in the State Bar Court. (Rules Proc. of State Bar, rule 461(a)(3).) The court's findings of fact are based on clear and convincing evidence.

A. Overview

Between April 2008 and October 2009, respondent associated himself with multiple non-attorney legal organizations. While the practice areas of these organizations differed, respondent lacked control and failed to supervise each. This lack of control and failure to supervise consequently led to, among other things, the unauthorized practice of law, misrepresentations, and client harm. The non-attorney legal organizations that respondent worked with over the past two years and the misconduct that occurred therein is discussed below.

B. Bancarrota.com - April 2008 to July 2008

Bancarrota.com ("Bancarrota")³ was a non-attorney owned operation offering bankruptcy filing and assistance. Bancarrota's clients paid up-front fees in the amount of \$1,700.

Bancarrota offered respondent an attorney position. The terms of the offer were that respondent would be paid \$300 per file to work on Bancarrota's clients' bankruptcy matters. Although respondent understood that this constituted impermissible fee splitting, he chose to accept the offer of employment. Respondent rationalized that if he could get his foot in the door, he could later abscond with the bankruptcy files.

Respondent's employment with Bancarrota commenced in April 2008. Despite having little prior bankruptcy experience, respondent began working on hundreds of Bancarrota's bankruptcy files. These files were in varying stages of completion.

³ The true spelling of "Bancarrota" is unclear as it was spelled several different ways throughout the Application and its exhibits.

Noting many problems, respondent chose to sever his relationship with Bancarrota in or about July 2008. In doing so, respondent performed what he described as a “street muscle move” and took hundreds of bankruptcy files from Bancarrota. Respondent did not inform Bancarrota or the clients that he was taking these files.

After respondent terminated his relationship with Bancarrota, he continued to work on the cases he took from Bancarrota. Despite receiving only \$300 per file from Bancarrota, respondent falsely claimed otherwise in three matters before the United State Bankruptcy Court of the Central District of California.

In these matters, respondent declared, under penalty of perjury, that he had received \$1700 from each client. In addition, respondent certified that he had not agreed to share these fees with any person who was not an associate or a member of his firm. Respondent knew these statements to be false when he made them.

Based on this deception, respondent faced disciplinary charges before the bankruptcy court in 2009. Following a hearing on the merits, respondent was sanctioned for fee splitting, capping,⁴ and submitting a false declaration. The bankruptcy court disciplinary panel placed respondent on probation for three years and suspended him from the bankruptcy court until he satisfied multiple conditions including, among other things, passage of the Multistate Professional Responsibility Examination.

Legal Conclusions

Pursuant to section 6007, subdivision (c)(2)(C), the court finds that there is a reasonable probability that the Office of the Chief Trial Counsel will prevail as to the following charges:

⁴ The disciplinary panel found that Bancarrota solicited legal business, retained the vast majority of the fees that clients paid, and effectively controlled the relationship with the client.

- a. Rules of Professional Conduct of the State Bar of California, rule 1-300(A)⁵ [Aiding and abetting the unauthorized practice of law];⁶
- b. Rule 1-320(A) [Sharing fees with non-lawyers];⁷ and
- c. Section 6106 [Moral turpitude - Misrepresentation].⁸

C. The Downey Office - July 2008 to December 2008

After leaving Bancarrota with the bankruptcy files, respondent chose to open his own office with Sandy, the former office manager of Bancarrota. Respondent promised Sandy, who was instrumental in the removal of the files from Bancarrota, a salary plus profit sharing.⁹

To get the office off the ground, Sandy's boyfriend purchased four computers to use in the Downey Office.¹⁰ The Downey Office, however, never turned a profit; and respondent soon began working for another non-attorney legal organization - the Avantgarde Group.

Legal Conclusions

The Office of the Chief Trial Counsel alleges that respondent's conduct in the Downey Office demonstrates violations of rules 1-310¹¹ and 1-320(A). The court disagrees. The Office of the Chief Trial Counsel's argument is premised largely on speculation and theory rather than fact. In addition, the Office of the Chief Trial Counsel failed to distinguish the present situation from one where an attorney is permitted to establish a profit-sharing arrangement pursuant to

⁵ All further references to rule(s) are to the current Rules of Professional Conduct of the State Bar of California, unless otherwise stated.

⁶ Rule 1-300(A) states that a member shall not aid any person or entity in the unauthorized practice of law.

⁷ Rule 1-320(A) states that a member shall not directly or indirectly share legal fees with a person who is not a lawyer. This rule contains limited exceptions which are not applicable here.

⁸ Section 6106 states, in part, that the commission of any act involving moral turpitude, dishonesty, or corruption constitutes a cause for disbarment or suspension.

⁹ Specifically, respondent agreed to pay Sandy a 25% bonus on any profits left over after all expenses were paid.

¹⁰ Respondent claims that he paid Sandy back for these computers.

¹¹ Rule 1-310 states that a member shall not form a partnership with a person who is not a lawyer if any of the activities of that partnership consist of the practice of law.

rule 1-320(A)(3). Therefore, based on the present evidence, there is no reasonable probability that the Office of the Chief Trial Counsel will prevail on any disciplinary charges involving respondent's operation of the Downey Office.

D. The Avantgarde Group - Fall 2008 to April 2009

The Avantgarde Group ("Avantgarde") was a non-attorney business handling forensic audits and loan modifications. In the fall of 2008, respondent formed the Johnson Law Group and started working with Avantgarde. By January 2009, respondent was sharing office space with Avantgarde, but not paying any rent.

Between on or about January 2009 and April 2009, respondent knowingly permitted non-attorney employees of Avantgarde to send out letters on Johnson Law Group letterhead with respondent's signature on them. These letters were used to order loan documents and for loan modification purposes. Many of these letters misrepresented that respondent represented the client and that the Johnson Law Group had conducted a preliminary loan audit. Respondent blindly permitted Avantgarde to use his letterhead and signature, and did not monitor or track the content of letters that were drafted in his name.

In April 2009, respondent severed his relationship with Avantgarde. Respondent, however, failed to inform his Avantgarde clients that he would no longer be representing them, and failed to take any steps to protect the interests of these clients.

Similar to respondent's practice with Bancarrota, Avantgarde effectively controlled the relationship with the clients. The impact of respondent's failure to control or supervise the actions of Avantgarde is reflected in the following three client matters.

1. The Gonzalez Matter

Micaela Gonzalez ("Gonzalez") owned a home in Azusa, California. Gonzalez was experiencing difficulty in paying her home loan and was facing foreclosure. In or about January

2009, Gonzalez contacted Avantgarde and scheduled a meeting. At this meeting, Gonzalez met with Octavio Ponce (“Ponce”), a non-attorney employee of Avantgarde. Ponce informed Gonzalez that Avantgarde would stop the foreclosure and keep her in her home. Gonzalez was also told by a representative of Avantgarde that she should continue to not make her mortgage payments since she was already behind on the payments.

On February 7, 2009, Gonzalez made a \$2,500 initial payment to Avantgarde. That same day, Avantgarde had Gonzalez sign an attorney agreement with the Johnson Law Group. Shortly thereafter, Gonzalez paid Avantgarde an additional \$1,200, which was the remaining balance for their services.

All of Gonzalez’ communications were with Avantgarde. She would call Avantgarde approximately once a week. Each time she called, Avantgarde employees assured her that everything was fine and that things were moving along. Gonzalez never spoke to respondent or any other representative from the Johnson Law Group.

As time passed, it became increasingly difficult for Gonzalez to reach someone at Avantgarde. And when she actually did reach someone at Avantgarde, they would sometimes just hang up on her.

In or about June 2009, Gonzalez discovered that her house had been foreclosed.¹² Shortly thereafter, Gonzalez went to Avantgarde and demanded to see Ponce. Gonzalez was told that Ponce was not there, but she could wait for him. Four hours later, Ponce had yet to return. So Gonzalez left a message with the receptionist requesting that Ponce call her.

Ponce did not call, so Gonzalez returned to Avantgarde on another day. Gonzalez met with Ponce and he assured her that there was no problem and that the house was still salvageable.

¹² Gonzalez was renting the property and did not receive the notices of foreclosure.

Gonzalez believed him and left. Since then Ponce has not answered or returned any of Gonzalez' telephone calls.

Gonzalez lost her home and her credit rating is "ruined." Neither respondent nor Avantgarde have refunded any of the fees that Gonzalez paid for their services.

2. The Henriquez Matter

Maria and Juan Henriquez ("the Henriquezes") owned a home in Costa Mesa, California. In or about October 2008, the Henriquezes began experiencing difficulties in paying their home loan due to financial hardship. The Henriquezes feared that they would lose their home in foreclosure and therefore sought assistance in modifying their home mortgage.

Juan Henriquez saw a commercial on Telemundo Channel 52. In the commercial, respondent and Ponce advised that they were helping people obtain loan modifications, so that people would not lose their homes. The Henriquezes called and scheduled an appointment with respondent and Ponce.

On or about October 25, 2008, the Henriquezes met with respondent and Ponce. Ponce acted as the interpreter and informed the Henriquezes that they had a very good case to modify their loan. At this meeting the Henriquezes were told that respondent and Ponce would negotiate a \$1,400 reduction in their monthly mortgage payments and that if the bank did not agree to the modification then they would file a lawsuit on the grounds that the bank had committed fraud. The Henriquezes were told that if they won this lawsuit then they would keep their home for free.

The Henriquezes were instructed to give Avantgarde an initial cash payment of \$2,500. The Henriquezes were told that the process would take between six months and one year. On October 25, 2008, the Henriquezes gave respondent and Ponce \$2,500 in cash. On November 1, 2008, the Henriquezes paid respondent and Ponce an additional \$1,100.

In or about late November 2008, the Henriquezes were told by Ponce that they needed to pay \$1,900 to their lender to demonstrate that they had the ability to afford payments in that amount. Ponce instructed the Henriquezes to pay him the \$1,900 on the first day of every month. Ponce told the Henriquezes that these payments would go directly into an account in order to show the judge that they had continued to pay their mortgage.

On December 1, 2008, the Henriquezes made their first \$1,900 payment to Avantgarde. The Henriquezes continued to make these payments for six months.

Every month when the Henriquezes made their \$1,900 payment, they would ask Ponce about the status of their case. Ponce would inform them that the case was progressing and that things were looking good. Ponce instructed the Henriquezes not to contact the bank; therefore, they never thought to directly verify whether their \$1,900 payments were being received by their lender.¹³

On or about May 5, 2009, the Henriquezes went to the offices of respondent and Avantgarde in order to make their monthly payment. When they arrived, the Henriquezes were told that respondent and Ponce were no longer working together because of a dispute and that the office had a new attorney. The Henriquezes were told that they still needed to make their \$1,900 payment. They were instructed not to make the check out to Avantgarde, but instead to leave the payee line blank. Although this sounded strange, the Henriquezes went ahead and made the payment.

In or about May 2009, the Henriquezes received a letter from Avantgarde, dated May 15, 2009, informing them that Avantgarde was changing locations. This letter stated that the Henriquezes' case was still being reviewed by the bank and that Avantgarde would send a

¹³ While the record implies that the \$1,900 monthly payments were not forwarded to the Henriquezes' lender, the court finds that there is not clear and convincing evidence of this fact.

follow-up letter including its new address. The Henriquezes never heard from Avantgarde again and later learned that Avantgarde was closed.

On or about September 12, 2009, the Henriquezes sent a letter to respondent requesting that he refund the \$15,000 in payments (\$3,600 in initial payments and \$11,400 in monthly payments) made to Avantgarde.¹⁴ Respondent did not respond to the Henriquezes' letter and they were forced to retain new counsel.

3. The Vasquez Matter¹⁵

Edgar Vasquez ("Vasquez") owned a home in Los Angeles, California. In or about October 2008, he began experiencing difficulties in paying his home loan and became concerned that he would lose his home in foreclosure. Vasquez saw an advertisement for the Avantgarde/Johnson Law Group in a Spanish magazine. The advertisement stated, in part, that the Avantgarde/Johnson Law Group could stop home foreclosures and keep clients in their homes. According to the advertisement, the Avantgarde/Johnson Law Group was able to obtain exceptional results because of its team of highly qualified real estate attorneys.

On or about October 2008, Vasquez called the Avantgarde/Johnson Law Group and spoke with a sales person who was identified as a modification specialist. The sales person told Vasquez that the Avantgarde/Johnson Law Group was a law firm with experienced attorneys, not a business of mortgage brokers or realtors. The sales person also told Vasquez that the Avantgarde/Johnson Law Group offered a 100% refund if he was not satisfied with the loan modification. The sales person guaranteed that Vasquez would qualify for modification and suggested that Vasquez stop paying his monthly mortgage payments.

¹⁴ It is unclear from the record what address this letter was sent to and if it was actually received by respondent.

¹⁵ The Vasquez declaration contained little supporting evidence. Consequently, the court gives this declaration diminished weight.

Vasquez signed up with the Avantgarde/Johnson Law Group.¹⁶ Between October 2008 and August 2009, Vasquez called the Avantgarde/Johnson Law Group and left numerous messages requesting a status report. These messages were not returned and Vasquez has not been provided any information regarding his loan modification.

Legal Conclusions

Pursuant to section 6007, subdivision (c)(2)(C), the court finds that there is a reasonable probability that the Office of the Chief Trial Counsel will prevail as to the following charges:

- a. Rule 1-300(A) [Aiding and abetting the unauthorized practice of law];
- b. Rule 3-700(A)(2) [Improper withdrawal];¹⁷ and
- c. Section 6106 [Moral turpitude - Misrepresentation].

E. Soluciones Dinamicas, Inc. - April 2009 to Fall 2009

After severing his relationship with Avantgarde, respondent quickly established himself with yet another non-attorney business operation. Soluciones Dinamicas, Inc., (“Soluciones”) was a non-attorney loan modification company. Soluciones had drawn the attention of the Federal Trade Commission (“FTC”). Soluciones needed an attorney on site to continue to perform loan modifications.

Therefore, in April 2009, respondent partnered up with Soluciones. Respondent brought several employees with him and accepted 200 to 250 cases from Soluciones. Soluciones paid

¹⁶ In his declaration, Vasquez asserts that he paid the Avantgarde/Johnson Law Group \$15,000. The court does not find this assertion credible on two grounds. First, no supporting receipts or canceled checks were provided to the court. And second, no accounting or explanation was given regarding how and when the money was paid, and how it came to total \$15,000.

¹⁷ Rule 3-700(A)(2) states that a member shall not withdraw from employment until the member has taken reasonable steps to avoid reasonably foreseeable prejudice to the rights of the client, including, among other things, giving due notice to the client and allowing time for employment of other counsel.

respondent's payroll and the rent. Respondent's presence allowed Soluciones to continue working on loan modification matters.

Legal Conclusions

Pursuant to section 6007, subdivision (c)(2)(C), the court finds that there is a reasonable probability that the Office of the Chief Trial Counsel will prevail as to the following charges:

- a. Rule 1-310 [Forming a partnership with a non-lawyer].

F. Noble House Solutions, Inc. - 2009

Also in 2009, respondent became affiliated with another loan modification operation, Noble House Solutions, Inc. ("Noble House"). Noble House was managed by a non-attorney named Arely Avila ("Avila"). Respondent did not supervise Avila, and she would only seek respondent's assistance if there was a bankruptcy or lawsuit that needed to be filed.

Through Noble House, Avila was accepting clients under the false representation that respondent's law office would work to obtain the loan modification. Avila accepted \$25,000 for 10 loan modification cases. Despite respondent's claims to the contrary, the evidence demonstrates that he either knew of or acquiesced to Noble House's use of his name for purposes of soliciting new clients.¹⁸

Legal Conclusions

Pursuant to section 6007, subdivision (c)(2)(C), the court finds that there is a reasonable probability that the Office of the Chief Trial Counsel will prevail as to the following charges:

- a. Rule 1-300(A) [Aiding and abetting the unauthorized practice of law]; and
- b. Section 6106 [Moral turpitude - Misrepresentation].

¹⁸ The court notes that after respondent allegedly learned of Avila's deception, he did not fire her or even question where the \$25,000 had gone.

G. Unauthorized Practice of Law - July 1 to July 23, 2009

Between July 1 and July 23, 2009, respondent was ineligible to practice law due to his failure to pay his membership dues and comply with continuing legal education requirements. During the period of his ineligibility, respondent filed seven bankruptcy cases for clients. In addition, respondent accepted fees from two clients, Ignacio Munguia and Soledad Munguia, while he was ineligible to practice law.

Legal Conclusions

Pursuant to section 6007, subdivision (c)(2)(C), the court finds that there is a reasonable probability that the Office of the Chief Trial Counsel will prevail as to the following charges:

- a. Rule 1-300 [Unauthorized practice of law]¹⁹ and
- b. Rule 4-200(A) [Collecting an illegal fee].²⁰

4. DISCUSSION

The evidence before the court establishes that respondent has been derelict in his duties owed to his clients and the profession of law. Beginning in April 2008, respondent has hopped from one non-attorney business to another, repeatedly allowing multiple non-attorney operations to effectively practice law.

The aforementioned misconduct began when respondent chose to work with Bancarrota. Respondent's presence aided and abetted Barcarrota in the unauthorized practice of law. Although he knew he was not permitted to split fees with Bancarrota, respondent did so nonetheless. And when required to declare how much he, and others, had received from each of Barcarrota's clients, respondent committed perjury and made false representations in a certification.

¹⁹ This allegation may be more appropriately charged under sections 6125, 6126, and 6068, subdivision (a).

²⁰ Rule 4-200(A) states that a member shall not collect an illegal fee.

Rather than learning his lesson, respondent soon embraced another opportunity to work with a non-attorney business - Avantgarde. While sharing rent-free office space with Avantgarde, respondent permitted Avantgarde's non-attorney employees to use his name and letterhead in correspondence. The evidence indicates that respondent made little effort to supervise or regulate the correspondence sent out in his name.

After Avantgarde, respondent continued to associate with non-attorneys. He went on to work for Soluciones and Noble House, two more organizations controlled by non-attorneys. While respondent was with Soluciones and Noble House, he committed additional misconduct, as noted above.

Based on the above, it is clear to the court that respondent is either unwilling or unable to comply with the Rules of Professional Conduct barring improper partnerships or associations with non-attorneys. There is no reasonable indication in the record, that, if left to his own devices, respondent will alter his present course of conduct.

As mentioned earlier in this decision, section 6007, subdivision (c)(2) sets forth three factors for determining whether an attorney's conduct poses a substantial threat of harm to the interests of the attorney's clients or the public. All of the following factors must be found:

1. The attorney has caused or is causing substantial harm to his clients or the public;
2. The attorney's clients or the public are likely to suffer greater injury if the involuntary inactive enrollment is denied than the attorney is likely to suffer if it is granted, or that there is a reasonable likelihood the harm caused by the attorney will reoccur or continue; and
3. That it is reasonably probable that the Office of the Chief Trial Counsel will prevail on the merits of the underlying disciplinary matter.

A. Reasonable Probability the Office of the Chief Trial Counsel will Prevail

Throughout the above Findings of Fact and Conclusions of Law, this court has made findings and conclusions with respect to the third of the above factors; that is, the likelihood of the Office of the Chief Trial Counsel prevailing on the merits of the charges presented in the Application. Consequently, those findings and conclusions will not be repeated here. However, as established above, the court finds that there is a reasonable probability that the Office of the Chief Trial Counsel will prevail on at least eleven counts of misconduct.

B. Substantial Harm to the Public or the Attorney's Clients

Respondent's misconduct has caused substantial harm to his clients and the public. Respondent's practice of lending his name to illegitimate non-attorney businesses enables these businesses to prosper at the expense of the clients.

By enabling non-attorneys to solicit clients and practice law, respondent has caused substantial harm to his clients and the public. Non-attorney businesses such as Bancarrota would cease to operate but for attorneys like respondent who are willing to file documents for a portion of the fee.

Although the Office of the Chief Trial Counsel only submitted a handful of client declarations, the Gonzalez and Henriquez matters both reflect significant client harm. In the Gonzalez matter, the client lost her home, the money she paid to Avantgarde, and her credit rating. In the Henriquez matter, the clients lost the money they paid Avantgarde and then had to spend more money to retain new counsel.

Accordingly, the court finds that the Office of the Chief Trial Counsel has established, by clear and convincing evidence, that respondent has caused substantial harm to his clients and the public.

C. Likelihood that Harm will Continue

Respondent has demonstrated a lack of understanding or appreciation of his ethical and fiduciary duties. His history shows a willingness to move from one business to another, staying ahead of those who discover his misconduct. Absent the court's intervention, it is likely that respondent's misconduct will continue to harm his present and future clients.

The court finds that respondent's conduct demonstrates a pattern of behavior, including acts likely to cause substantial harm. During this time period, respondent has enabled these non-attorney businesses to freely engage in the practice of law. Since a pattern of behavior - including acts likely to cause substantial harm - has been established, the burden of proof shifts to respondent to demonstrate that there is no reasonable likelihood that the harm will reoccur or continue. (Section 6007, subdivision (c)(2)(B).) There was no clear and convincing evidence that respondent has met his burden under Section 6007, subdivision (c)(2)(B).

Therefore, the court finds that each of the factors prescribed by Business and Professions Code section 6007, subdivision (c)(2) has been established by clear and convincing evidence. The court concludes that respondent's conduct poses a substantial threat of harm to his clients and the public. The court further finds that the involuntary inactive enrollment of respondent is merited for the benefit of the public, the courts and the legal profession.

5. ORDER

Accordingly, **IT IS ORDERED** that respondent Eric Douglas Johnson be enrolled as an inactive member of the State Bar of California, pursuant to Business and Professions Code section 6007, subdivision (c)(1) effective three days after service of this order by mail. (Rules Proc. of State Bar, rule 466(b).) State Bar Court staff is directed to give written notice of this order to respondent and to the Clerk of the Supreme Court of California. (Bus. & Prof. Code, § 6081.)

IT IS FURTHER ORDERED that:

1. Within 30 days after the effective date of the involuntary inactive enrollment, respondent must:
 - a. Notify all clients being represented in pending matters and any co-counsel of his involuntary inactive enrollment and his consequent immediate disqualification to act as an attorney and, in the absence of co-counsel, notify the clients to seek legal advice elsewhere, calling attention to the urgency in seeking the substitution of another attorney or attorneys in his place;
 - b. Deliver to all clients being represented in pending matters any papers or other property to which the clients are entitled, or notify the clients and any co-counsel of a suitable time and place where the papers and other property may be obtained, calling attention to the urgency of obtaining the papers or other property;
 - c. Refund any part of any fees paid in advance that have not been earned; and
 - d. Notify opposing counsel in pending matters, or in the absence of counsel, the adverse parties, of his involuntary inactive enrollment, and file a copy of the notice with the court, agency or tribunal before which the matter is pending for inclusion in the respective file or files;
2. All notices required to be given by paragraph 1 must be given by registered or certified mail, return receipt requested, and must contain respondent's current State Bar membership records address where communications may thereafter be directed to him;
3. Within 40 days of the effective date of the involuntary inactive enrollment, respondent must file with the Clerk of the State Bar Court an affidavit showing that he has fully complied with the provisions of paragraphs 1 and 2 of this order. The affidavit must also contain respondent's current State Bar membership records address where communications may thereafter be directed to him; and
4. Respondent must keep and maintain records of the various steps taken by him in compliance with this order so that, upon any petition for termination of inactive enrollment, proof of compliance with this order will be available for receipt into evidence. Respondent is

cautioned that failure to comply with the provisions of paragraphs 1 - 4 of this order may constitute a ground for denying his petition for termination of inactive enrollment or reinstatement.

Dated: March _____, 2011

RICHARD A. HONN
Judge of the State Bar Court