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State Bar Court of California Hearing Department Los Angeles ACTUAL SUSPENSION				
Counsel For The State Bar Hugh G. Radigan	Case Number(s): 12-O-11240	For Court use only		
Deputy Trial Counsel 1149 South Hill Street Los Angeles, California 90015 213-765-1206	BLIC MATT	DEC 21 2012 STATE BAR COURT		
Bar # 94251 Counsel For Respondent		CLERK'S OFFICE (/ LOS ANGELES		
Luis E. Vasquez 1820 E. Garry Avwnue, Suite 107 Santa Ana, California 92705				
	Submitted to: Assigned Jud	ge		
Bar # 162798	STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING			
In the Matter of: Luis E. Vasquez	ACTUAL SUSPENSION			
Bar # 162798	☐ 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:

- 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.
- (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 11 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."

(Effective January 1, 2011)

Actual Suspension





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(5)	Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".					
(6)	The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."					
(7)	No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.					
(8)		Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):				
		reli Co (Ha Re Co Co	til costs are paid in full, Respondent will remain actually suspended from the practice of law unless set is obtained per rule 5.130, Rules of Procedure. sts are to be paid in equal amounts prior to February 1 for the following membership years: ardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If spondent fails to pay any installment as described above, or as may be modified by the State Bar surt, the remaining balance is due and payable immediately. sts are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs". sts are entirely waived.			
		essic	ing Circumstances [for definition, see Standards for Attorney Sanctions for onal Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances red.			
(1)	\boxtimes	Prio	r record of discipline [see standard 1.2(f)]			
	(a)	\boxtimes	State Bar Court case # of prior case 10-O-02914			
	(b)	\boxtimes	Date prior discipline effective March 17, 2011			
	(c)	\boxtimes	Rules of Professional Conduct/ State Bar Act violations: Rules of Professional Conduct, rule 3-110(A), rule 3-700(D)(1), 3-700(D)(2), and Business and Professions Code sections 6068(m) and 6068(i). See attachment, page 8.			
	(d)	\boxtimes	Degree of prior discipline Public reproval			
	(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 accour to the client or person who was the object of the misconduct for improper conduct toward said funds or property.				
(4)	\boxtimes	Harm: Respondent's misconduct harmed significantly a client, the public or the administration of justice. See attachment, page 8.				

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(5)		Indifference: Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.				
(6)		Lack of Cooperation: Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.				
(7)		Multiple/Pattern of Misconduct: Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.				
(8)		No aggravating circumstances are involved.				
Addi	tiona	al aggravating circumstances:				
	-	ating Circumstances [see standard 1.2(e)]. Facts supporting mitigating mstances 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.				
(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.				

(Effec	ctive J	anuary	1, 201	1) Actual Suspension
(2)				e probation period, Respondent must comply with the provisions of the State Bar Act and Rules of nal Conduct.
(1)		he/s	he pro	dent is actually suspended for two years or more, he/she must remain actually suspended until oves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in the tw, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.
E. /	Addi			enditions of Probation:
		iii.		and until Respondent does the following:
		ii.		and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
		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
	(a)	\boxtimes		pondent must be actually suspended from the practice of law in the State of California for a period nety days.
(3)	(3) Actual Suspension:			spension:
				ust be placed on probation for a period of 2 years, which will commence upon the effective date e Court order in this matter. (See rule 9.18, California Rules of Court)
(2)	2) 🛮 Probation:			
	(b)	\boxtimes	The	above-referenced suspension is stayed.
		iii.		and until Respondent does the following:
		ii.		and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
		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.
	(a)	\boxtimes	Resp	pondent must be suspended from the practice of law for a period of 1 year.
(1) Stayed Suspension:				uspension:
D. [Disci	plin	e:	
			3	3 • · · • · · · · · · · · · · · · · · ·
			_	g circumstances:
(13)	П			ting circumstances are involved.
(12)				ation: Considerable time has passed since the acts of professional misconduct occurred y convincing proof of subsequent rehabilitation.
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(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					
(5)		promptly meet with the probation deputy as directed and upon request. 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 ad	dition to all quarterly reports, a final rep ty (20) days before the last day of the p	oort, contai period of pr	ning the same information, is due no earlier than obation and no later than the last day of probation.		
(6)		Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.					
(7)		Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.					
(8)	\boxtimes	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. Re	ason:	•		
(9)		Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.					
(10)		The	following conditions are attached heret	o and inco	rporated:		
			Substance Abuse Conditions		Law Office Management Conditions		
			Medical Conditions		Financial Conditions		
F. C	the	r Coi	nditions Negotiated by the Par	ties:			
(1)	\boxtimes	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					

755.13	 further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 5.162(A) &
	(E), Rules of Procedure.
	No MPRE recommended. Reason:
(2)	Rule 9.20, California Rules of Court: Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
(3)	Conditional Rule 9.20, California Rules of Court: If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
(4)	Credit for Interim Suspension [conviction referral cases only]: Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension:
(5)	Other Conditions:

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:

Luis E. Vasquez

CASE NUMBER:

12-0-11240

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. 12-O-11240 (Complainant: Ben Castro dba Ben Castro Masonry, Inc.)

FACTS:

- 1. On August 10, 2010, Ben Castro, DBA Ben Castro Masonry, Inc. (hereinafter "Castro"), retained Respondent to represent him with respect to an Internal Revenue Service (hereinafter "IRS") audit of his business for the years 2007, 2008, and 2009. Castro had been referred to Respondent by his accountant, Carlos Guzman, who delivered 4 to 5 boxes of financial records pertinent to Castro's business, to Respondent to facilitate responding to the audit.
- 2. On September 23, 2010, Respondent executed a power of attorney evidencing his retention by Castro, and transmitted the power of attorney to the assigned IRS agent involved with the audit.
- 3. On March 4, 2011, an initial meeting was held between Respondent, Castro and the IRS, to discuss the audit. A second meeting to discuss the audit was conducted on June 21, 2011, attended by Respondent and the assigned IRS agent. At that time, several boxes of Castro's financial records, but not all of the boxes originally delivered to Respondent containing Castro's financial information, were given to the IRS by Respondent.
- 4. On April 5, 2011, Castro retained Respondent for a second matter, specifically to negotiate and potentially reduce the amount of a judgment secured against him by Amgard Insurance in the amount of \$24,157.82. (hereinafter "Amgard judgment").
- 5. On May 13, 2011, Respondent was informed of proposed new terms and conditions to satisfy the Amgard judgment, by Amgard's attorney, Giovani Noriaga. The new terms proposed contemplated reducing the principal amount of judgment to \$18,000.00, an immediate payment of \$2,000.00, and monthly payments of \$1,333.33 for one year.
- 6. On July 7, 2011, the IRS faxed a letter to Respondent requesting additional itemized documentation with a due date of July 21, 2011 for compliance. The IRS sent a copy of the letter to Castro.
- 7. Upon receipt of this letter, Castro repeatedly contacted Respondent's office requesting a status update and left several voice messages for Respondent to respond. On multiple occasions, Castro

went to Respondent's office to discuss the matter, but Respondent was not there. Castro contacted the IRS to advise that Respondent was non-responsive to his requests for status update, then at which time the IRS advised him that the IRS had closed the matter due to Respondent's failure to timely comply with the document production request. The requested documentation was contained within those boxes of financial materials originally delivered to Respondent when he was retained.

- 8. On April 5, 2011, Castro retained Respondent to negotiate and potentially reduce the amount of a judgment secured against him by Amgard Insurance in the amount of \$24,157.82. (hereinafter "Amgard judgment").
- 9. On May 13, 2011, Respondent was informed of proposed new terms and conditions to satisfy the Amgard judgment, by Amgard's attorney, Giovani Noriaga. The new terms proposed contemplated reducing the principal amount of judgment to \$18,000.00, an immediate payment of \$2,000.00, and monthly payments of \$1,333.33 for one year.
- 10. Respondent failed to communicate the proposed terms to Castro and thereafter failed to respond to Castro's requests for status updates concerning this matter, requiring Castro to retain replacement counsel to address the outstanding judgment, the existence of which jeopardized his business license.

CONCLUSIONS OF LAW:

- 11. By failing to appear on behalf of Castro and produce the available business records to facilitate the business audit, and by not responding to the IRS's document production request and failing to respond to Castro's inquiries regarding the pending audit, and by failing to accomplish the negotiation of the Amgard judgment, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rules of Professional Conduct, rule 3-110(A).
- 12. By not communicating to Castro the proposed terms to satisfy the Amgard judgment, and failing to respond to Castro's repeated requests for a status update regarding the outstanding judgment, Respondent willfully failed to respond to client inquiries in a matter in which Respondent had agreed to provide legal services, in willful violation of Business and Professions Code section 6068(m).

ADDITIONAL FACTS RE AGGRAVATING CIRCUMSTANCES.

Prior Record of Discipline, Standard 1.2(b)(1): In State Bar Court Case No. 10-O-02914, the Court imposed a public reproval effective March 18, 2011, for Respondent's failure to perform, failure to release promptly client papers and materials, failure to refund an unearned fee, failure to respond to client inquiries and failure to cooperate with the State Bar in a pending disciplinary investigation, arising out of Respondent's representation of a client within a bankruptcy proceeding.

Harm, Standard 1.2(b)(4): Respondent's failure to properly schedule a meeting with the IRS to conclude the audit of his client and produce those documents within his custody and possession responsive to the audit inquiry, resulted in a \$100,000 penalty assessment against the client's business. (In the Matter of Bach (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 631, where attorney's loss of client's cause of action constituted significant harm.) Similarly, Respondent's failure to properly communicate to the client revised terms and conditions relevant to the existent judgment against the client's business, placed the client's business license in jeopardy and required the retention of

replacement counsel to respond to the complaint Respondent allowed to go into default at additional cost and expense to the client.

AUTHORITIES SUPPORTING DISCIPLINE.

The Standards for Attorney Sanctions for Professional Misconduct provide a "process of fixing discipline" pursuant to a set of written principles to "better discharge the purposes of attorney discipline as announced by the Supreme Court." (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, Introduction (all further references to standards are to this source).) The primary purposes of disciplinary proceedings and of the sanctions imposed are "the protection of the public, the courts and the legal profession; the maintenance of high professional standards by attorneys and the preservation of public confidence in the legal profession." (In re Morse (1995) 11 Cal.4th 184, 205; std 1.3.)

Although not binding, the standards are entitled to "great weight" and should be followed "whenever possible" in determining level of discipline. (In re Silverton (2005) 36 Cal.4th 81, 92, quoting In re Brown (1995) 12 Cal.4th 205, 220 and In re Young (1989) 49 Cal.3d 257, 267, fn. 11.) Adherence to the standards in the great majority of cases serves the valuable purpose of eliminating disparity and assuring consistency, that is, the imposition of similar attorney discipline for instances of similar attorney misconduct. (In re Naney (1990) 51 Cal.3d 186, 190.) Any discipline recommendation different from that set forth in the applicable standards should clearly explain the reasons for the deviation. (Blair v. State Bar (1989) 49 Cal.3d 762, 776, fn. 5.)

Respondent admits to committing two acts of professional misconduct. Standard 1.6 (a) requires that where a Respondent acknowledges two or more acts of misconduct, and different sanctions are prescribed by the standards that apply to those acts, the sanction imposed shall be the more or most severe prescribed in the applicable standards.

The most severe sanction applicable to Respondent's misconduct is found in standard 2.6(a), which applies to Respondent's violation of Business and Professions Code section 6068(m).

Standard 2.6(a) provides that culpability of a member of a violation of Business and Professions Code section 6068(m) shall result in disbarment or suspension depending upon the gravity of the offense or the harm, if any, to the victim. Respondent's misconduct in failing to meaningfully participate in scheduling the requested meeting with the IRS and producing those responsive documents within his possession and custody resulted in a significant penalty assessment against his client in the amount of \$100,000. This result consequently increases the magnitude of the misconduct herein. Likewise, respondent's failure to communicate revised terms and conditions to the client regarding the existent judgment against the business placed the business license of the client in jeopardy and resulted in the need to retain replacement counsel to set aside a default and successfully conclude the negotiation process at additional cost and expense to the client. This harm additionally increases the magnitude of the complained of conduct.

Standard 1.7(a) mandates that discipline in the pending matter be greater than the public reproval Respondent received in his prior discipline that was not remote in time to the instant matter and was serious in nature.

The stipulated disposition is consistent with case law. In *Bach v. State Bar* (1991) 52 Cal. 3rd 1201, a 30 day actual suspension was imposed upon an attorney in a single client matter who had failed to perform legal services competently, improperly withdrew from representation, failed to refund unearned fees, and failed to cooperate in the State Bar investigation. In mitigation, Bach had no prior record of discipline after 20 years of practice. In aggravation, the attorney denied responsibility for the delay, cost, anxiety, and inconvenience imposed upon the client by virtue of respondent's misconduct and refused to participate in mandatory fee arbitration.

In Layton v. State Bar (1991) 50 Cal 3rd 889, a 30 day actual suspension was imposed where an attorney failed to use reasonable diligence to accomplish the purposes for which he was employed, failed to perform legal services competently, and violated his duties as an attorney. Layton, in mitigation, had no prior discipline history in thirty years of practice and the current misconduct did not evidence a pattern of misconduct. There were no aggravating factors.

A greater level of discipline than that imposed in Layton and Bach is merited in the instant matter due to the aggravating factors present, including Respondent's prior discipline record and the harm caused to the client in these two matters. Application of the standards to the facts herein and consideration of the relevant decisional law supports a 90 day actual suspension, 1 year stayed suspension and 2 years probation for the misconduct herein. The recommended discipline is adequate to protect the public, the court, and the legal profession.

PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was November 28, 2012.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of November 28, 2012, the prosecution costs in this matter are approximately \$6,944. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

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In the Matter of: Luis E. Vasque				
Luis E. Vasque	12-0-11240	12-0-11240		
<u>,</u>	SIGNATURE OF THE F	PARTIES		
By their signature recitations and ea	es below, the parties and their counsel, as applicable ach of the terms and conditions of this Stipulation R	le, signify their agreement with each of the le Facts, Conclusions of Law, and Disposition.		
11-29-1		Luis E. Vasquez		
Date	Respondent's Signature	Print Name		
Date	Respondent's Counsel Signature	Print Name		

Hugh G. Radigan
Print Name

Judge of the State Bar Court

RICHARD A. PLATEL

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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 December 21, 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:

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

LUIS E. VASQUEZ 1820 E GARRY AVE STE 108 SANTA ANA, CA 92705

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

Hugh Gerard Radigan, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los An December 21, 2012.

Case Administrator

State Bar Court