### State Bar Court of California **Hearing Department** San Francisco **ACTUAL SUSPENSION** Counsel For The State Bar For Court use only Case Number(s): 12-O-12233-PEM Heather E. Abelson **PUBLIC MATTER** Deputy Trial Counsel 180 Howard Street San Francisco, CA 94105-1639 (415) 538-2357 SEP - 5 2012Bar # 243691 STATE BAR COURT CLERK'S OFFICE In Pro Per Respondent SAN FRANCISCO James A. Nations kwiktag\* 1070 Marina Village Parkway, #201 Alameda, CA 94501 (510) 301-4004 Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND Bar # 229219 DISPOSITION AND ORDER APPROVING In the Matter of: James A. Nations **ACTUAL SUSPENSION** ☐ PREVIOUS STIPULATION REJECTED Bar # 229219 A Member of the State Bar of California (Respondent)

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

# A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted December 12, 2003.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of 12 pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."



(Effective January 1, 2011)

(DO I	ot write	e above this line.)
(5)	Cor	aclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of
(6)	Law The	r. parties must include supporting authority for the recommended level of discipline under the heading
, ,		pporting Authority."
(7)	No pen	more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any ding investigation/proceeding not resolved by this stipulation, except for criminal investigations.
(8)		ment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 0.7. (Check one option only):
		Until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 5.130, Rules of Procedure.  Costs are to be paid in equal amounts prior to February 1 for the following membership years: over the next three billing cycles immediately following the effective date of the Supreme Court order in this matter. (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.  Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
I	Profe	avating Circumstances [for definition, see Standards for Attorney Sanctions for essional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances equired.
(1)		Prior record of discipline [see standard 1.2(f)]
	(a)	State Bar Court case # of prior case
	(b)	☐ Date prior discipline effective
	(c)	Rules of Professional Conduct/ State Bar Act violations:
	(d)	☐ Degree of prior discipline
	(e)	If Respondent has two or more incidents of prior discipline, use space provided below.
(2)		<b>Dishonesty:</b> 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)		<b>Trust Violation:</b> Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
(4)		<b>Harm:</b> Respondent's misconduct harmed significantly a client, the public or the administration of justice. See "Aggravating Circumstances" in the attachment hereto.
(5)	$\boxtimes$	Indifference: Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct. See "Aggravating" circumstances in the attachment hereto

(Do L	ot write	e above this line.)
(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.
Add	itiona	al aggravating circumstances:
	Ν	one
		ating Circumstances [see standard 1.2(e)]. Facts supporting mitigating imstances are required.
(1)		<b>No Prior Discipline:</b> 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)		<b>Candor/Cooperation:</b> Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
(4)		<b>Remorse:</b> 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)		<b>Restitution:</b> Respondent paid \$ on in restitution to without the threat or force of disciplinary, civil or criminal proceedings.
(6)		<b>Delay:</b> 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)		<b>Emotional/Physical Difficulties:</b> 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)		<b>Severe Financial Stress:</b> 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)		<b>Family Problems:</b> 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)		<b>Good Character:</b> 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)		<b>Rehabilitation:</b> Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.

(Do no	ot write	above	e this lir	ne.)
(13)		No r	nitiga	ting circumstances are involved.
Addi	tiona	al mit	igatin	g circumstances:
Circ	N mst	o pric	or disc es" in t	ciplinary history, but respondent's misconduct is deemed serious. See "Mitigating he attachment.
D. D	isci	plin	e:	
(1)	$\boxtimes$	Stay	ed Su	uspension:
	(a)	$\boxtimes$	Res	condent must be suspended from the practice of law for a period of one (1) year.
		i.		and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.
		ii.		and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
		iii.		and until Respondent does the following:
	(b)	$\boxtimes$	The	above-referenced suspension is stayed.
(2)	$\boxtimes$	Pro	batior	
Respondent must be placed on probation for a period of one (1) year, which will commence udate of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)		ust be placed on probation for a period of one (1) year, which will commence upon the effective preme Court order in this matter. (See rule 9.18, California Rules of Court)		
(3)		Act	ual Su	spension:
	(a)	$\boxtimes$		pondent must be actually suspended from the practice of law in the State of California for a period aree (3) months.
		i.		and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct
		ii.	$\boxtimes$	and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
		iii.		and until Respondent does the following:
E. A	\ddi	tion	al Co	onditions of Probation:
(1)	$\boxtimes$	he/s	she 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 www.pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.
(2)	$\boxtimes$	Dur Prof	ing the fessio	e probation period, Respondent must comply with the provisions of the State Bar Act and Rules of nal Conduct.

(Do no	t write	e above	this line.)		
(3)		State inform	n ten (10) days of any change, Respondent must report to the Membership Records Office of the Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of nation, including current office address and telephone number, or other address for State Bar uses, as prescribed by section 6002.1 of the Business and Professions Code.		
(4)		and s condi proba	In thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation chedule a meeting with Respondent's assigned probation deputy to discuss these terms and tions of probation. Upon the direction of the Office of Probation, Respondent must meet with the ution deputy either in-person or by telephone. During the period of probation, Respondent must ptly meet with the probation deputy as directed and upon request.		
(5)					
		In ad twent	dition to all quarterly reports, a final report, containing the same information, is due no earlier than y (20) days before the last day of the period of probation and no later than the last day of probation.		
(6)		condi Durin in ad	ondent must be assigned a probation monitor. Respondent must promptly review the terms and tions of probation with the probation monitor to establish a manner and schedule of compliance. g the period of probation, Respondent must furnish to the monitor such reports as may be requested, dition to the quarterly reports required to be submitted to the Office of Probation. Respondent must erate 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)	$\boxtimes$	Prob	Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.		
			No Ethics School recommended. Reason:		
(9)		must	ondent must comply with all conditions of probation imposed in the underlying criminal matter and so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office obation.		
(10)		The 1	ollowing conditions are attached hereto and incorporated:		
			Substance Abuse Conditions   Law Office Management Conditions		
			Medical Conditions   Financial Conditions		
F. C	the	r Cor	nditions Negotiated by the Parties:		
(1)		the Cor	Itistate Professional Responsibility Examination: Respondent must provide proof of passage of Multistate Professional Responsibility Examination ("MPRE"), administered by the National inference of Bar Examiners, to the Office of Probation during the period of actual suspension or within year, whichever period is longer. Failure to pass the MPRE results in actual suspension without		

	Matter of:	1.	Coop Niver	0.5(0):	· · · · · · · · · · · · · · · · · · ·
	es A. Nations		Case Number 12-O-12233		
inan	ncial Conditions				
. Re	estitution				
$\boxtimes$	Respondent must pay restit payee(s) listed below. If the or any portion of the principa amount(s) paid, plus applications.	e Client Security Fund ("C al amount(s) listed below.	SF") has rei	mbursed one or more of the	ne pavee(s) for
P	ayee	Principal Amount		Interest Accrues From	
	aul Jones	\$2,000.00		September 13, 2011	
-					
L					
	as otherwise directed by the probation (or period of reprothe payment of restitution, in	val), Respondent must m	nake any neo	essary final payment(s) in	order to comp
	Payee/CSF (as applicable	e) Minimum Payment A	Amount F	Payment Frequency	
	If Respondent fails to pay ar the remaining balance is due	ny installment as describe e and payable immediate	ed above, or ly.	as may be modified by the	e State Bar Cou
Clie	If Respondent fails to pay ar the remaining balance is due ent Funds Certificate	ny installment as describe e and payable immediate	ed above, or ly.	as may be modified by the	e State Bar Cou
Clie	ent Funds Certificate  1. If Respondent posse report, Respondent	e and payable immediate esses client funds at any must file with each requir	time during t	as may be modified by the the period covered by a recertificate from Responder by the Office of Probation	quired quarterl
Clie	the remaining balance is due  ent Funds Certificate  1. If Respondent posse report, Respondent public accountant or a. Respondent has California, at a be-	e and payable immediate esses client funds at any must file with each requir r other financial professions s maintained a bank acco	time during to red report a conal approved bunt in a band State of Cali	the period covered by a re certificate from Responder	quired quarterly and/or a certing that some certifying that in the State of
Clie	the remaining balance is due  ent Funds Certificate  1. If Respondent posse report, Respondent public accountant or a. Respondent has California, at a be-	e and payable immediate esses client funds at any must file with each requir r other financial profession s maintained a bank acco	time during to red report a conal approved bunt in a band State of Cali	the period covered by a re certificate from Responder d by the Office of Probation k authorized to do busines	quired quarterly and/or a certing that single that some contifying that in the State of

- b. Respondent has kept and maintained the following:
  - i. A written ledger for each client on whose behalf funds are held that sets forth:
    - 1. the name of such client;
    - 2. the date, amount and source of all funds received on behalf of such client;
    - 3. the date, amount, payee and purpose of each disbursement made on behalf of such client; and,
    - 4. the current balance for such client.
- ii. a written journal for each client trust fund account that sets forth:
  - 1. the name of such account;
  - 2. the date, amount and client affected by each debit and credit; and,
  - 3. the current balance in such account.
- iii. all bank statements and cancelled checks for each client trust account; and,
- iv. each monthly reconciliation (balancing) of (i), (ii), and (iii), above, and if there are any differences between the monthly total balances reflected in (i), (ii), and (iii), above, the reasons for the differences.
- c. Respondent has maintained a written journal of securities or other properties held for clients that specifies:
  - i. each item of security and property held;
  - ii. the person on whose behalf the security or property is held;
  - iii. the date of receipt of the security or property;
  - iv. the date of distribution of the security or property; and,
  - v. the person to whom the security or property was distributed.
- 2. If Respondent does not possess any client funds, property or securities during the entire period covered by a report, Respondent must so state under penalty of perjury in the report filed with the Office of Probation for that reporting period. In this circumstance, Respondent need not file the accountant's certificate described above.
- 3. The requirements of this condition are in addition to those set forth in rule 4-100, Rules of Professional Conduct.

### d. Client Trust Accounting School

Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of
Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School
within the same period of time, and passage of the test given at the end of that session.

### **ATTACHMENT TO**

### STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:

James A. Nations

CASE NUMBER(S):

12**-**O**-**12233

### 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-12233 (Complainant: Paul Jones)

### **FACTS:**

- 1. On September 13, 2011, Paul Jones ("Jones") employed respondent to represent him in a bankruptcy matter.
  - 2. On September 13, 2011, Jones paid respondent \$2,000.00 in advance as attorney fees.
- 3. Respondent failed to take any action in the bankruptcy case that benefited Jones and failed to file a petition for bankruptcy on behalf of Jones. Respondent performed no services of value on behalf of Jones in the bankruptcy matter.
- 4. On November 28, 2011, Jones sent respondent a letter terminating his employment, and requesting a refund of the \$2,000.00 advanced fee. Respondent received this letter shortly thereafter, but failed to respond.
- 5. On November 30, 2011, Jones sent respondent a text message requesting that respondent refund the \$2,000.00. Respondent promptly received this text message, but failed to respond.
- 6. On December 6, 2011, Jones contacted respondent by telephone and asked for a refund of the \$2,000.00. Respondent refused to refund the \$2,000.00.
- 7. To date, respondent has not refunded any portion of the \$2,000.00 in unearned fees to Jones, or provided an accounting to Jones for the advanced fees.
- 8. On January 23, 2012, Jones filed a complaint against respondent with the State Bar ("Jones Complaint").
- 9. On March 6, 2012, a State Bar Complaint Analyst sent respondent a letter requesting a written response to the allegations in the Jones Complaint. Respondent received this letter shortly after it was sent, but failed to respond.

10. On March 28, 2012 and May 2, 2012, a State Bar investigator sent letters to respondent requesting a written response to the allegations in the Jones Complaint. Respondent received both of these letters shortly after they were mailed, but failed to respond to them and failed to otherwise cooperate with, and failed to participate in, the State Bar investigation.

#### CONCLUSIONS OF LAW:

- 11. By failing to take any action in the bankruptcy case that benefited Jones, and by failing to file a petition for bankruptcy on behalf of Jones, respondent intentionally, recklessly, or repeatedly failed to perform legal service with competence in wilful violation of Rules of Professional Conduct, rule 3-110(A).
- 12. By failing to make any refund to Jones of \$2,000.00 in unearned fees, respondent failed to refund promptly any part of a fee paid in advance that has not been earned in violation of Rules of Professional Conduct, rule 3-700(D)(2).
- 13. By failing to provide Jones an accounting as to the \$2,000.00 in advanced fees, respondent failed to render appropriate accounts to a client regarding all funds coming into respondent's possession in violation of Rules of Professional Conduct, rule 4-100(B)(3).
- 14. By failing to respond to the State Bar letters of March 6, March 28, and May 2, 2012, about the Jones Complaint, and failing to otherwise cooperate with the State Bar's investigation of the instant matter, respondent failed to cooperate and participate in a disciplinary investigation pending against respondent in violation of Business and Professions Code, section 6068(i).

### ADDITIONAL FACTS RE AGGRAVATING CIRCUMSTANCES.

<u>Harm</u>: Respondent's failure to refund unearned fees constitutes significant harm to Jones. (See e.g., In the Matter of Dixon (Review Dep't 1999) 4 Cal. State Bar Rptr. 23, 45.)

<u>Indifference</u>: Respondent's refusal to refund the \$2,000.00 advanced fee to Jones demonstrates indifference. (See e.g., In the Matter of Hunter (Review Dep't 1994) 3 Cal. State Bar Rptr. 63, 75.)

### ADDITIONAL FACTS RE MITIGATING CIRCUMSTANCES.

No Prior Discipline: Although respondent was admitted to the State Bar in December 2003, and has no prior record of discipline, respondent is entitled to minimal mitigation because his misconduct is deemed serious.

### AUTHORITIES SUPPORTING DISCIPLINE.

The court looks first to the Standards when setting discipline; the Standards are to be given great weight and followed wherever possible. *In re Silverton* (2005) 36 Cal.4th 81, 91-92; *In the Matter of Sullivan* (Review Dep't 2010) 5 Cal. State Bar Ct. Rptr. 189, 195. Where there are two or more acts of misconduct in a single proceeding, and different sanctions apply, the sanction imposed shall be the more or most severe of the different applicable sanctions. (Stnd. 1.6(a).)

Here, the applicable Standards are Standard 2.2(b), 2.6(a), and 2.10. The most severe sanction is Standard 2.6(a) which requires that a violation of Business and Professions Code section 6068 "shall result in disbarment or suspension depending on the gravity of the offense or harm, if any, to the victim, with due regard to the purpose of imposing discipline set forth in standard 1.3."

In this matter, respondent failed to cooperate in the State Bar investigation, failed to perform, failed to refund unearned fees and failed to account for the advanced fees paid by his client. The misconduct is aggravated by the significant harm to Jones, and respondent's refusal to refund the \$2,000.00. Respondent's misconduct is mitigated by his lack of a prior record of discipline. However, because respondent's conduct is deemed serious, the mitigation afforded to respondent is minimal.

Given the fact Respondent's misconduct is aggravated by two circumstances and respondent is entitled to little mitigation, a three-month actual suspension with an "and until" restitution condition is consistent with Standard 2.6 and appropriate taking into consideration the facts and circumstances of the case.

### PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was August 13, 2012.

### COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of August 13, 2012, the prosecution costs in this matter are \$3,349.00. 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.

In the Matter of	Case number(s):	
JAMES A. NATIONS	12-O-12233-PEM	

### 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 Fact, Conclusions of Law and Disposition.

mg 20,2012	Jue acti	James A. Nations
Date	Respondent's Signature	Print Name
Date	Posterial Company	
	Respondent's Counsel Signature	Print Name
August 22, 202 Date		Heather E. Abelson
Date	Deputy Trial Counsel's Signature	Print Name

In the Matter of: JAMES A. NATIONS State Bar No. 229219	Case Number(s): 12-O-12233

### **ACTUAL SUSPENSION ORDER**

	and the second s
	be fair to the parties and that it adequately protects the public, IT IS ORDERED that the counts/charges, if any, is GRANTED without prejudice, and:
The stipu Supreme	ated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Court.
	ated facts and disposition are APPROVED AS MODIFIED as set forth below, and the NE IS RECOMMENDED to the Supreme Court.
	g dates are vacated.

- 1) At p. 10, section re "Additional Facts re Mitigating Circumstances": Delete the paragraph following this heading and instead insert:
- "Case law permits a long record of practice without discipline to be treated as mitigation notwithstanding the seriousness of the present misconduct. (In the Matter of Stamper (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 96, 106, fn. 13.)";
- 2) At p. 11, 1st full paragraph:
  - (a) Add standard 2.4(b) as a standard to be considered; and
  - (b) Delete sentence re standard 2.6 as the most severe sanction and add instead:

"The most severe sanction is suggested by standard 2.2(b): at least three months' actual suspension regardless of mitigating circumstances for commingling entrusted funds or property with personal property or committing another violation of rule 4-100, none of which result in the wilful misappropriation of entrusted funds or property."

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.)

Sept 4, 2012

LUCY ARMENDARIZ \
Judge of the State Bar Court

(Effective January 1, 2011)

### **CERTIFICATE OF SERVICE**

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

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of San Francisco, on September 5, 2012, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

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

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

JAMES A. NATIONS LAW OFFICES OF NATIONS & LOCKHART 1070 MARINA VILLAGE PKWY, STE 201 ALAMEDA, CA 94501

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

HEATHER ABELSON, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on September 5, 2012.

Mazie Yip

Case Administrator State Bar Court