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<b>State Bar Court of California</b> <b>Hearing Department</b> <b>Los Angeles</b> <b>ACTUAL SUSPENSION</b>		
Counsel For The State Bar  <b>Susan J. Jackson</b> Deputy Trial Counsel 845 South Figueroa Street Los Angeles, CA 90017 (213) 765-1498  Bar # 125042	Case Number(s): <b>12-O-15836-RAP</b>	For Court use only  <div style="text-align: center;"> <b>FILED</b>                       AUG 26 2014                        STATE BAR COURT                      CLERK'S OFFICE                      LOS ANGELES                 </div>
In Pro Per Respondent  <b>Mark J. Leonardo</b> Law Office of Mark J. Leonardo 25019 Pacific Coast Hwy Malibu, CA 90265 (310) 456-7373  Bar # 125061	<div style="font-size: 2em; font-weight: bold; margin: 0;">PUBLIC MATTER</div>	
In the Matter of: <b>MARK JOSEPH LEONARDO</b>  Bar # 125061  A Member of the State Bar of California (Respondent)	Submitted to: <b>Settlement Judge</b>  STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING  <b>ACTUAL SUSPENSION</b>  <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	

**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 11, 1986**.
- (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 **13** 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."

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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):
- 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: **two billing cycles, immediately following the effective date of the Supreme Court Order.** (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is *due and payable immediately.*
  - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
  - Costs are entirely waived.

**B. Aggravating Circumstances [Standards for Attorney Sanctions for Professional Misconduct, standards 1.2(f) & 1.5]. 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 intentional, 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.
- (4)  **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. **See Attachment to Stipulation, page 9.**
- (5)  **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.

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- (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. **See Attachment to Stipulation, page 9.**
- (8)  **Restitution:** Respondent failed to make restitution.
- (9)  **No aggravating circumstances** are involved.

**Additional aggravating circumstances:**

Overreaching. See Attachment to Stipulation, page 9.

**C. Mitigating Circumstances [see standards 1.2(g) & 1.6]. 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, the public, or the administration of justice.
- (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 with a good faith belief that was honestly held and reasonable.
- (8)  **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical or mental 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 the difficulties or disabilities no longer pose a risk that Respondent will commit misconduct.
- (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 extraordinarily 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. **See Attachment to Stipulation, page 9.**

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- (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:**

**No prior record of discipline. See Attachment to Stipulation, page 10.  
Pretrial Stipulation. See Attachment to Stipulation, page 10.**

**D. Discipline:**

- (1)  **Stayed Suspension:**
- (a)  Respondent must be suspended from the practice of law for a period of **two (2) years**.
- 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 1.2(c)(1) 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)  The above-referenced suspension is stayed.
- (2)  **Probation:**
- Respondent must be placed on probation for a period of **three (3) years**, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)
- (3)  **Actual Suspension:**
- (a)  Respondent must be actually suspended from the practice of law in the State of California for a period of **60 days**.
- 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 1.2(c)(1), Standards for Attorney Sanctions for Professional Misconduct
- ii.  and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii.  and until Respondent does the following:

**E. Additional Conditions of Probation:**

- (1)  If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in the general law, pursuant to standard 1.2(c)(1), Standards for Attorney Sanctions for Professional Misconduct.
- (2)  During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.

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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 promptly meet with the probation deputy as directed and upon request.
- (5)  Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

- (6)  Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (7)  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)  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)  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 hereto and incorporated:
- |   |   |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions         | <input type="checkbox"/> Financial Conditions             |

#### F. Other Conditions Negotiated by the Parties:

- (1)  **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. **Failure to pass the MPRE results in actual suspension without**

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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:**



stock to be transferred to Padilla. Nix was to provide the original stock certificate and Stock Powers and Transfer Instructions to Respondent, who was to hold the documents during the pendency of the transaction and deliver them to Padilla in the event the loan was not repaid.

7. Respondent failed to disclose to Padilla that Nix was a convicted felon, or that Nix had resigned from the State Bar of California with charges pending.

8. Respondent failed to disclose in writing to Padilla that he had a legal and personal relationship with Nix in Padilla's matter.

9. In reliance on her trust in Respondent and on his advice, Padilla decided to lend to Nix the \$15,000. She borrowed \$10,000 from her mother and withdrew \$5,000 from her bank account, the remaining funds that she had borrowed to pay part of the costs of the trial in the toxic mold litigation.

10. Respondent drafted a promissory note memorializing the terms of the loan, that is that Padilla would receive \$30,000 by April 6, 2012, in repayment of the loan. The promissory note was then signed by Nix and witnessed by Respondent. Padilla later learned that the promissory note reflected an unenforceable usurious interest rate which meant that she would not be entitled to receive any interest on the loan, but could receive, at most, \$15,000 in repayment of the loan.

11. Pursuant to Respondent's instructions, the loan funds were deposited into Respondent's Client Trust Account and then disbursed to Nix in two parts: \$9,900 in cash and \$5,100 by check. Nix received the funds.

12. Nix never repaid the loan. On April 13, 2012, at Padilla's request, Respondent gave her the stock certificate, stock powers and transfer instructions, and promissory note. Padilla discovered that the documents were not in Nix's name, but were instead in the name of Peter Dunn, the CEO of Empire, who purportedly signed the stock powers and transfer instruction authorizing the transfer of the stock to Padilla. Padilla attempted to get in touch with representatives of Empire by phone and e-mail with no success.

13. Padilla's toxic mold litigation case settled on April 17, 2012.

14. On April 27, 2012, Respondent received \$4,000 from Colin Nix (Nix's son) and deposited the \$4,000 into Padilla's bank account in partial repayment of the Nix loan. Padilla received the funds.

15. In June 2012, Padilla hired attorney Timothy Hanigan ("Hanigan") to assist her in recovering the loaned funds. Hanigan informed Padilla that Nix was a disbarred attorney and a convicted felon in Massachusetts, and that Nix had resigned from the State Bar of California with charges pending. Hanigan sent Respondent a letter demanding repayment of the \$11,000 balance.

16. Padilla was unable to liquidate any portion of the Empire Stock.

17. Respondent has agreed to pay Padilla the remaining \$11,000.

18. On August 4, 2014, Respondent deposited \$5,500 into Padilla's account at Well Fargo Bank.

## CONCLUSIONS OF LAW:

19. By brokering a loan from Mikki Padilla to Grover Nix as a means of funding ongoing litigation in the matter arising from her claim of exposure to toxic mold; authoring a promissory note with a legally unenforceable usurious interest rate; and failing to disclose Nix's history as a convicted felon and an attorney who resigned with charges pending in California, Respondent recklessly or repeatedly failed to perform legal services with competence in willful violation of Rules of Professional Conduct, rule 3-110(A).

20. By accepting and continuing representation of his client, Mikki Padilla, without providing written disclosure to the client that Respondent had a legal and personal relationship with a party, namely Grover Nix, in Padilla's same matter, Respondent willfully violated Rules of Professional Conduct, rule 3-310(B)(1).

21. By failing to disclose to his client, Mikki Padilla, the status of Grover Nix as a convicted felon, and as an attorney who resigned with disciplinary charges pending in California, in connection with the client's loan of \$15,000 to Nix, brokered by Respondent ostensibly as a means of funding ongoing litigation in a matter in which Respondent represented the client, Respondent breached his fiduciary duty to his client, in willful violation of Business and Professions Code, section 6068(a).

## AGGRAVATING CIRCUMSTANCES.

**Significant Harm to the Client (Std. 1.5(f)):** Respondent's misconduct caused significant harm to Padilla. The \$15,000 that Padilla loaned to Nix included her remaining funds for costs of the toxic mold litigation case.

**Multiple Acts of Wrongdoing (1.5(b)):** Respondent engaged in multiple acts of wrongdoing by failing to competently perform, failing to provide required written disclosure to Padilla, and breaching his fiduciary duties to Padilla.

## ADDITIONAL AGGRAVATING CIRCUMSTANCES.

**Overreaching (Std. 1.5(d)):** Respondent's misconduct here in violation of rule 3-310(B)(1) is a clear instance of overreaching conduct. By virtue of his representation of Padilla in the toxic mold litigation, Respondent was aware of her tenuous financial state as well as her desire to proceed forward with a trial on that matter. Respondent took advantage of his knowledge of Padilla's financial state and her desire for a trial in that matter when he approached her about the Nix loan under the severely pressured and compressed timeline of less than one day, and suggested the Nix loan as a method of funding the toxic mold litigation.

## MITIGATING CIRCUMSTANCES.

**Good Character (Std. 1.6(f)):** Respondent has provided 18 character letters from people attesting to his integrity, honesty, and professionalism, including seven clients or former clients and eight attorneys. Each character witness acknowledged having reviewed the State Bar's draft Notice of Disciplinary Charges, in which the charges were identical to the charges in the Notice of Disciplinary Charges filed with the State Bar Court. In addition, each character witness provided specific reasons for his or her high opinion of Respondent in spite of the misconduct alleged by the State Bar.

## **Additional Mitigating Circumstances.**

**Pretrial Stipulation:** Respondent has acknowledged his misconduct by entering into this stipulation, thereby avoiding the necessity of a trial and saving time and resources of the State Bar. (*Silva-Vidor v. State Bar* (1989) 49 Cal.3d 1071, 1079 [where mitigative credit was given for entering into a stipulation as to facts and culpability].)

**No Prior Record of Discipline:** Respondent has been a member of the State Bar of California since December 11, 1986, a period of over 27 years, and has no prior record of discipline. Although the present misconduct is serious, Respondent should receive mitigation. (*In the Matter of Riordan* (Review Dept. 2007) 5 Cal. State Bar Ct. Rptr. 41, 49 [Respondent's practice of law for more than 17 years without discipline warrants mitigation even though the present misconduct is serious.]

## **AUTHORITIES SUPPORTING DISCIPLINE.**

The Standards for Attorney Sanctions for Professional Misconduct "set forth a means for determining the appropriate disciplinary sanction in a particular case and to ensure consistency across cases dealing with similar misconduct and surrounding circumstances." (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, std. 1.1. All further references to Standards are to this source.) The Standards help fulfill the primary purposes of discipline, which include: protection of the public, the courts and the legal profession; maintenance of the highest professional standards; and preservation of public confidence in the legal profession. (See std. 1.1; *In re Morse* (1995) 11 Cal.4th 184, 205.)

Although not binding, the standards are entitled to "great weight" and should be followed "whenever possible" in determining level of discipline. (*In re Silvertown* (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.) If a recommendation is at the high end or low end of a Standard, an explanation must be given as to how the recommendation was reached. (Std. 1.1.) "Any disciplinary recommendation that deviates from the Standards must include clear reasons for the departure." (Std. 1.1; *Blair v. State Bar* (1989) 49 Cal.3d 762, 776, fn. 5.)

In determining whether to impose a sanction greater or less than that specified in a given Standard, in addition to the factors set forth in the specific Standard, consideration is to be given to the primary purposes of discipline; the balancing of all aggravating and mitigating circumstances; the type of misconduct at issue; whether the client, public, legal system or profession was harmed; and the member's willingness and ability to conform to ethical responsibilities in the future. (Stds. 1.7(b) and (c).)

In this matter, Respondent admits to committing three acts of professional misconduct. Standard 1.7(a) requires that where a Respondent "commits two or more acts of misconduct and the Standards specify different sanctions for each act, the most severe sanction must be imposed."

Respondent's violation of section 6068(a) is governed by standard 2.8(a), calling for actual suspension to disbarment. Therefore, the most severe sanction applicable to Respondent's misconduct is found in Standard 2.8.(a).

Respondent's misconduct here is limited to a single client matter. Respondent exploited the relationship he had with a client who was particularly vulnerable, applying additional pressure to that client as a result of the short period of time during which the client could consider whether or not to make the loan to Nix. Respondent's misconduct caused significant harm to his client. The \$15,000 loaned to Nix included her remaining funds for costs of the toxic mold litigation case. Padilla risked \$15,000 to receive, at most, \$15,000 in return.

A level of discipline including a period of actual suspension is further supported by comparable case law. In *In the Matter of Casey* (Review Dept. 2008) 5 Cal. State Bar Ct. Rptr. 117, Casey was subjected to a three-year stayed suspension, three years' probation, and a 90-day actual suspension as a result of misconduct associated with negotiating a business transaction between two clients. Casey negotiated the sale of an individual client's condominium to a corporation client, with Casey's son taking a 50 percent joint tenancy interest in the condominium. Casey failed to disclose in writing the terms of the purchase to the individual client. The Review Department reversed the Hearing Department finding of a violation of Rules of Professional Conduct, rule 3-300, finding that Respondent did not enter into a business transaction with or acquire an interest adverse to the individual client. But, the Review Department did find culpability for a violation of Business & Professions Code, section 6106, on the basis of Respondent's "failure to act as a fiduciary in fully communicating the terms of the sale or properly documenting the transaction, his overreaching, and his conflicts of interest." In mitigation, the court gave credit for Casey's twelve years of service as a judge pro tem. In aggravation, the court noted Respondent's prior record of discipline, significant harm to the victim, and Respondent's lack of insight into the seriousness of his misconduct.

Respondent's misconduct in the current matter is similar to the misconduct observed in *Casey*. Respondent here arranged a loan between a current client and an individual who was a former client and social acquaintance. Respondent's performance in authoring the promissory note associated with the loan was not competent. Respondent also failed to provide the requisite written disclosure to Padilla of his relationship with Nix. Finally, Respondent breached his fiduciary duty to Padilla by failing to inform her of significant information about the loan (namely Nix's criminal and disciplinary record and the fact that the collateral was not in Nix's name), and exploiting Padilla's then vulnerable financial position. Although Respondent's misconduct caused significant harm to Padilla, Respondent has, unlike Casey, over 27 years of practice without a prior record of discipline, which entitles him to significant mitigation, and has entered into a pretrial stipulation with the State Bar. Finally, Respondent has submitted 18 character witness letters, all attesting to his good character.

In balancing the nature of the misconduct here with the significant aggravating circumstances present, as well as the mitigating circumstances present, and applicable case law, a period of actual suspension less than that in *Casey* is appropriate in this matter. Discipline including a 60-day actual suspension, two years' stayed suspension, and three years' probation is appropriate in this case.

#### **COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of August 4, 2014, the prosecution costs in this matter are \$5,418. 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.

## **EXCLUSION FROM MCLE CREDIT**

Pursuant to rule 3201, Respondent may not receive MCLE credit for completion of State Bar Ethics School. (Rules Proc. of State Bar, rule 3201.)

## **OTHER CONDITIONS OF PROBATION:**

Respondent will pay \$5,500 to Padilla prior to the execution of this stipulation and no later than August 4, 2014; will subsequently pay \$917 per month to Padilla so that Padilla receives the funds by August 31, 2014 and subsequently by the last day of each of the next five months until the \$11,000 has been paid in full. If Respondent does not comply with each of these payment terms, or if the entire \$11,000 is not paid by January 31, 2015, then Respondent will also pay interest to Padilla on the entire \$11,000 balance, at a rate of ten percent simple interest per annum calculated from March 28, 2012. All interest must be paid by March 1, 2015.

If the Client Security Fund ("CSF") has reimbursed Padilla for all or any portion of the principal amount listed above, Respondent must also reimburse CSF in the amount paid, plus applicable interest and costs. The total principal amount that Respondent will be required to pay will not exceed \$11,000.

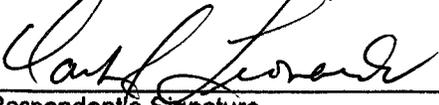
Respondent must provide satisfactory proof of payment to the Office of Probation no later than 30 days from the effective date of his discipline and with each quarterly probation report, or as otherwise directed by the Office of Probation.

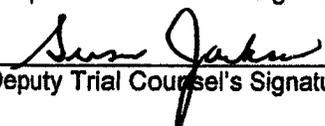
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In the Matter of: MARK JOSEPH LEONARDO	Case number(s): 12-O-15836-RAP
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**SIGNATURE OF THE PARTIES**

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.

8-4-2014            Mark Joseph Leonardo  
Date                      Respondent's Signature                      Print Name

8/4/14            Susan J. Jackson  
Date                      Deputy Trial Counsel's Signature                      Print Name

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In the Matter of: MARK JOSEPH LEONARDO	Case Number(s): 12-O-15836
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### ACTUAL SUSPENSION ORDER

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

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

1. On page 12 of the stipulation, under the heading "Other Conditions of Probation:", in the first paragraph, the first sentence, which begins "Respondent will pay \$5,500," is DELETED and the following sentence is INSERTED in its place: "Respondent must pay Padilla \$5,500 by making five payments of \$917 at uninterrupted monthly interval no later than the last day of each month, starting on August 31, 2014, and by making one payment of \$915 no later than January 31, 2015."

2. On page 12 of the stipulation, under the heading "Other Conditions of Probation:", in the second paragraph, the second sentence, which reads: "The total principal amount that Respondent will be required to pay will not exceed \$11,000," is DELETED.

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.)**

August 22, 2014  
Date

George E. Scott  
GEORGE E. SCOTT, JUDGE PRO TEM  
Judge of the State Bar Court

**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 26, 2014, I deposited a true copy of the following document(s):

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

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

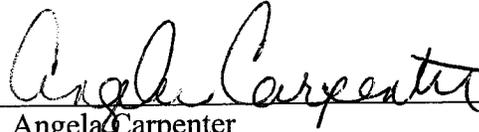
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

MARK J. LEONARDO  
LAW OFFICE OF MARK J LEONARDO  
25019 PACIFIC COAST HWY  
MALIBU, CA 90265

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

SUSAN JACKSON, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on August 26, 2014.



Angela Carpenter  
Case Administrator  
State Bar Court