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

Counsel For The State Bar Anthony J. Garcia Senior Trial Counsel 845 South Figueroa Street Los Angeles, California 90017 (213) 765-1089 Bar # 171419	Case Number(s): 13-O-11742 13-O-13877 14-O-03182 14-O-04906 15-O-10115	For Court use only <div style="text-align: center;"> FILED JUL 28 2015 <i>YJC</i> STATE BAR COURT CLERK'S OFFICE LOS ANGELES </div>
Counsel For Respondent Anthony P. Radogna 1 Park Plz Ste 600 Irvine, CA 92614 (909) 622-5049 Bar # 261859	<div style="text-align: center; font-size: 2em; font-weight: bold;">PUBLIC MATTER</div>	
In the Matter of: MING GANG LI Bar # 174894 A Member of the State Bar of California (Respondent)	Submitted to: Assigned Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT DISBARMENT <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 9, 1994**.
- (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 resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of (19) pages, not including the order.
- (4) A statement of acts or omissions acknowledged by respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."



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

B. Aggravating Circumstances [Standards for Attorney Sanctions for Professional Misconduct, standards 1.2(h) & 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) **Intentional/Bad Faith/Dishonesty:** Respondent's misconduct was dishonest, intentional, or surrounded by, or followed by bad faith.
- (3) **Misrepresentation:** Respondent's misconduct was surrounded by, or followed by misrepresentation.
- (4) **Concealment:** Respondent's misconduct was surrounded by, or followed by concealment.
- (5) **Overreaching:** Respondent's misconduct was surrounded by, or followed by overreaching.
- (6) **Uncharged Violations:** Respondent's conduct involves uncharged violations of the Business and Professions Code or the Rules of Professional Conduct.
- (7) **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.

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- (8) **Harm:** Respondent's misconduct harmed significantly a client, the public, or the administration of justice. See page 16.
- (9) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (10) **Lack of Candor/Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct, or to the State Bar during disciplinary investigations or proceedings.
- (11) **Multiple Acts:** Respondent's current misconduct evidences multiple acts of wrongdoing. See page 16.
- (12) **Pattern:** Respondent's current misconduct demonstrates a pattern of misconduct.
- (13) **Restitution:** Respondent failed to make restitution. See page 16.
- (14) **Vulnerable Victim:** The victim(s) of Respondent's misconduct was/were highly vulnerable.
- (15) **No aggravating circumstances** are involved.

Additional aggravating circumstances:

C. Mitigating Circumstances [see standards 1.2(i) & 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 likely to recur.
- (2) **No Harm:** Respondent did not harm the client, the public, or the administration of justice.
- (3) **Lack of Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct or to the State Bar during disciplinary investigations and proceedings.
- (4) **Remorse:** Respondent promptly took objective steps demonstrating spontaneous 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 objectively 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.

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- (9) **Severe Financial Stress:** At the time of the misconduct, respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10) **Family Problems:** At the time of the misconduct, respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11) **Good Character:** Respondent's 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.
- (12) **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by subsequent rehabilitation.
- (13) **No mitigating circumstances** are involved.

Additional mitigating circumstances: No prior record of discipline, page 16.

D. Discipline: Disbarment.

E. Additional Requirements:

- (1) **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.

- (2) **Restitution:** Respondent must make restitution to _____ in the amount of \$ _____ plus 10 percent interest per year from _____. If the Client Security Fund has reimbursed _____ for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than _____ days from the effective date of the Supreme Court order in this case.

- (3) **Other: See Financial Conditions page 6.**
 - Jianghe Cao - \$30,000**
 - Qingwu Lu - \$50,000**
 - Yin Kwan Lau - \$65,000**
 - Yongkui Peng - \$50,000**

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In the Matter of: Ming Gang Li	Case Number(s): 13-O-11742, 13-O-13877, 14-O-03182, 14-O-04906 15-O-10115
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Financial Conditions

a. Restitution

- Respondent must pay restitution (including the principal amount, plus interest of 10% per annum) to the payee(s) listed below. If the Client Security Fund ("CSF") has reimbursed one or more of the payee(s) for all or any portion of the principal amount(s) listed below, Respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

Payee	Principal Amount	Interest Accrues From
<input type="checkbox"/> Jianghe Cao	<input type="checkbox"/> \$30,000	<input type="checkbox"/> October 28, 2010
<input type="checkbox"/> Qingwu Lu	<input type="checkbox"/> \$50,000	<input type="checkbox"/> November 19, 2011
<input type="checkbox"/> Yin Kwan Lau	<input type="checkbox"/> \$65,000	<input type="checkbox"/> June 28, 2011
<input type="checkbox"/> Yongkui Peng	<input type="checkbox"/> \$50,000	<input type="checkbox"/> May 24, 2012

- Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than

b. Installment Restitution Payments

- Respondent must pay the above-referenced restitution on the payment schedule set forth below. Respondent must provide satisfactory proof of payment to the Office of Probation with each quarterly probation report, or as otherwise directed by the Office of Probation. No later than 30 days prior to the expiration of the period of probation (or period of reprobation), Respondent must make any necessary final payment(s) in order to complete the payment of restitution, including interest, in full.

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency

- 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.

c. Client Funds Certificate

1. If Respondent possesses client funds at any time during the period covered by a required quarterly report, Respondent must file with each required report a certificate from Respondent and/or a certified public accountant or other financial professional approved by the Office of Probation, certifying that:
- Respondent has maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of California, and that such account is designated as a "Trust Account" or "Clients' Funds Account";

- 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: MING GANG LI

CASE NUMBERS: 13-O-11742, 13-O-13877, 14-O-3182, 14-O-4906, 15-O-10115

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.

General Background Facts for case numbers 13-O-11742, 13-O-13877, 14-O-3182, 15-O-10115

1. In June 2010, respondent met Robert Klayman and learned that Klayman owned telemarketing businesses, and specifically one named Media Marketing Regional Center, LLC (MMRC). Respondent and Klayman discussed the benefits of using MMRC to help foreign residents obtain United States' investor visas, commonly referred to as EB-5 visas. Respondent gave Klayman advice regarding the benefits of using MMRC to apply for a Regional Center status with the United States Citizenship and Immigration Services (USCIS) which would allow foreign residents to invest in MMRC and to apply for EB-5 visas. Respondent and Klayman discussed the procedure for filing a Regional Center Proposal with the USCIS.
2. On November 1, 2010, Klayman filed a Regional Center Proposal with USCIS using MMRC. Respondent knew that Klayman had filed the Regional Center Proposal. USCIS evaluated Klayman's business plan for MMRC and determined that it was too vague to meet the guidelines for approval. On October 17, 2011, USCIS denied Klayman's Regional Center Proposal.
3. At all times relevant to the charges in this stipulation, respondent knew that USCIS denied Klayman's Regional Center Proposal and respondent also knew the reasons that USCIS denied Klayman's Regional Center Proposal.

Case no. 13-O-13877 (Complainant: Jianghe Cao)

FACTS

4. On September 15, 2010, Jianghe Cao (Cao) and Cao's father contacted respondent regarding immigrating to the United States using an EB-5 visa.

Between September 15, 2010 and December 2010, respondent conducted an e-mail exchange with Cao and Cao's father wherein respondent advised Cao that respondent knew of a profitable American telemarketing business named SCI Live, owned by Robert Klayman, that would hire 10 full-time employees in two years which would enable Cao to apply for and obtain an EB-5 visa. Respondent told Cao that an investment in SCI Live was a safe investment, he promised to monitor SCI Live to make sure that SCI Live hired 10 full-time employees in two years, and

also promised to join the management team of SCI Live. Cao requested that respondent guarantee to refund his money. Respondent agreed.

5. At the time he made the statements to Cao and Cao's father, respondent was grossly negligent in not knowing that Cao's investment in SCI Live was at risk because Cao's investment was the first investment in SCI Live, that SCI Live was using software that had never been used in a large scale environment and there was uncertainty whether there were sufficient paying customers to make SCI Live a successful business. In addition, when he made the statements to Cao, respondent had no intention of joining the management team of SCI Live.
6. Between September 15, 2010 and December 2010, respondent, in an e-mail exchange with Cao and Cao's father, personally guaranteed the safety of Cao's investment in SCI Live by promising to return Cao's investment using respondent's own funds. These statements were false and misleading because respondent knew that he did not have the resources to refund Cao's investment.
7. In October 2010, Cao hired respondent to file two petitions with the United States Customs and Immigration Services (USCIS) on his behalf, an Immigrant Petition for an Alien Entrepreneur (EB-5 petition) which would grant Cao a conditional EB-5 visa and to later file a Petition by Entrepreneur to Remove Condition which would grant permanent resident status to Cao.
8. Respondent never informed Cao, in writing, that he had a prior personal or business relationship with Klayman or that USCIS had rejected Klayman's Regional Center Proposal for Media Marketing Regional Center (MMRC).
9. Cao agreed to pay respondent \$50,000 in advance attorney fees and deliver \$500,000 to respondent to invest with SCI Live. Respondent guaranteed that he would refund \$30,000 to Cao if the Petition by Entrepreneur to Remove Condition failed.
10. On October 28, 2010, Cao wired \$550,000 into Respondent's client trust account maintained at Wells Fargo Ban, account no. *****9113.
11. On November 16 2010, respondent delivered the \$500,000 that he received from Cao to Robert Klayman.
12. In December 2010, respondent filed an EB-5 Petition with USCIS, on Cao's behalf.
13. In his cover letter to USCIS for Cao's Petition, respondent stated that Cao's funds, as the first investor in SCI Live, were at extreme risk.
14. Respondent told USCIS that SCI Live was Delaware corporation and that Cao was a Director of the Board with SCI Live and that as a director, Cao will participate in the management of SCI Live. These statements were false.
15. In December 2010, SCI Live was a Nevada corporation, and respondent knew that Cao

would not participate in SCI Live's management.

16. In March 2012, USCIS issued a two-year conditional EB-5 visa to Cao and Cao immigrated to the United States.

17. On April 15, 2012, Cao informed respondent that he had uncovered negative information on the internet regarding SCI Live. In response, respondent reassured Cao and his family that SCI Live was a strong company, when respondent knew that SCI Live was no longer in business and that USCIS had denied MMRC's application for Regional Center status.

18. Respondent never filed a Petition by Entrepreneur to Remove Conditions from Cao's visa and as a result, in 2014 Cao's conditional EB-5 visa expired and became invalid. Cao was then required to return to China.

19. Respondent failed to earn \$30,000 of the advance fee that Cao paid him. To date, respondent has not refunded any of Cao's investment or attorney fees.

CONCLUSIONS OF LAW

20. By failing to inform Cao, in writing, that he had a prior personal or business relationship with Klayman, respondent willfully violated Rules of Professional Conduct, rule 3-310(B)(1).

21. By failing to file the Petition by Entrepreneur to Remove Condition on Cao's behalf, respondent willfully violated Rules of Professional Conduct, rule 3-110(A).

22. By telling Cao that Cao's investment in SCI Live was a safe investment and that SCI Live was a profitable business that would be able hire ten full-time employees when respondent was grossly negligent in not knowing that the statements were false, respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

23. By stating to USCIS that SCI Live was a Delaware corporation, and that Cao, as a Director of the Board at SCI Live, would participate in the management of SCI Live when respondent was grossly negligent in not knowing that the statements were false, respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

24. By recommending that Cao invest \$500,000 in SCI Live using false and misleading statements, claims and guarantees, respondent breached his fiduciary duty to Cao and thereby committed an act or acts involving moral turpitude dishonesty or corruption, in willful violation of Business and Professions Code section 6106.

25. By failing to file the Petition by Entrepreneur to Remove Condition on Cao's behalf, respondent did not earn \$30,000 of advanced fees that Cao paid and by failing to refund promptly, upon respondent's termination of employment any part of the \$30,000 fee, respondent willfully violated Rules of Professional Conduct, rule 3-700(D)(2).

Case no. 13-O-11742 (Complainant: Qingwu Lu)

FACTS

26. On October 28, 2011, Qingwu Lu (Lu) contacted respondent regarding immigrating to the United States using an EB-5 visa.

27. Between October 28, 2011 and November 8, 2011, respondent, in a series of e-mails to Lu, guaranteed the safety of Lu's \$500,000 investment, stated that Lu's investment was a sound investment, that SCI Live was a profitable business that would be able hire ten full time employees, agreed to refund Lu's entire investment within 3 months if the EB-5 petition failed at any stage, and told Lu that he, respondent, would supervise the operation of SCI Live. Lu requested that respondent guarantee to refund his money. Respondent agreed. Respondent was grossly negligent in not knowing that these statements were false.

28. Respondent told Lu that he would be required to invest \$500,000 in SCI Live and that he would have to pay \$50,000 to respondent as an advance fee for legal services. Lu agreed to deliver \$550,000 to respondent.

29. Respondent never informed Lu, in writing, that he had a prior personal or business relationship with Klayman or that USCIS had rejected Klayman's Regional Center Proposal for Media Marketing Regional Center (MMRC).

30. Respondent was grossly negligent in not knowing that he did not have the financial resources to refund Lu's investment, that Lu's investment in SCI Live was not a sound investment, that SCI Live was not a profitable business that would be able to hire ten (10) full-time employees, and that that Klayman's business, MMRC, had previously failed to qualify as a Regional Center under USCIS guidelines.

31. Between November 3, 2011 and December 5, 2011, Lu transferred, or caused to be transferred, a total of \$549,998.99 to respondent's bank account maintained at the Bank of America, account no. *****7381.

32. On November 19, 2011, Qingwu Lu (Lu) hired respondent to file an Immigrant Petition for an Alien Entrepreneur, to obtain what are commonly called EB-5 visas, with the United States Customs and Immigration Services (USCIS) on his behalf. Lu's EB-5 petition was to be based upon Lu's investment in Robert Klayman's telemarketing business, SCI Live.

33. On December 6, 2011, respondent transferred Lu's investment to SCI Live.

34. On December 29, 2011, respondent filed an EB-5 petition on Lu's behalf with USCIS. The EB-5 petition falsely stated that SCI Live was a Delaware corporation, that Lu would be a member of SCI Live's board of directors, and that Lu would participate in the management of SCI Live.

35. Respondent knew that SCI Live was a Nevada corporation and that Lu would never

participate in SCI Live's management.

36. On June 5, 2012, USCIS sent a request for evidence (RFE) to respondent. The RFE informed respondent that USCIS required proof that Lu had invested \$500,000 with SCI Live, that SCI Live had "undertaken actual business activity", that SCI Live will create 10 full-time positions within 2 years, and evidence of Lu's role in the management of SCI Live. USCIS gave respondent until August 28, 2012, to answer the RFE. Respondent never responded to the RFE.

37. On October 4, 2012, USCIS denied Lu's EB-5 petition, determining among other things, that Lu did not demonstrate that he had invested \$500,000 in SCI Live, did not provide evidence that SCI Live was engaged in actual business activities, and did not provide evidence that SCI Live will create 10 full-time positions within 2 years.

38. On October 24, 2012, November 6, 2012, and January 8, 2013, Lu asked respondent to refund his investment, pursuant to respondent's guarantee. On January 8, 2013, respondent told Lu that his money would be refunded. To date, respondent has not refunded any money to Lu.

CONCLUSIONS OF LAW

39. By failing to inform Lu, in writing, that he had a prior personal or business relationship with Klayman, respondent willfully violated Rules of Professional Conduct, rule 3-310(B)(1).

40. By failing to respond to the USCIS request for evidence regarding the SCI Live investment, respondent intentionally, recklessly, or repeatedly failed to perform with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

41. By stating that Lu's investment in SCI Live was a safe investment, that he had the ability to refund the investment if the EB-5 petition failed, and that SCI Live was a profitable business that would be able hire ten full time employees, when respondent was grossly negligent in not knowing that the statements were false, respondent committed an act or acts involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

42. By recommending that Lu invest \$500,000 in SCI Live using false and misleading statements, claims and guarantees, respondent breached his fiduciary duty to Lu and thereby committed an act or acts involving moral turpitude, dishonesty or corruption, in willful violation of Business and Professions Code, section 6106.

43. By filing a deficient EB-5 Petition and failing to respond to the RFE, respondent failed to perform competently in Lu's matter and owed Lu a complete refund of the advance fees that Lu paid, but respondent failed to refund promptly, upon respondent's termination of employment on or about October 24, 2012, any part of the \$50,000 fee, thereby violating Rules of Professional Conduct, rule 3-700(D)(2).

Case no. 14-O-3182 (Complainant: Yin Kwan Lau)

FACTS

44. In June 2011, Yin Kwan Lau (Lau) contacted respondent regarding immigrating to the

United States using an EB-5 visa.

45. In June 2011, respondent met with Lau and recommended that Lau invest \$500,000 in an American business called SCI Live, owned by Robert Klayman, to obtain an EB-5 visa. Respondent told Lau that SCI Live was a safe investment, was a fully operational business that would hire at least 27 full-time employees, and that he had previously applied for an EB-5 visa for another client using SCI Live and that the previous application was approved without problems. Lau requested that respondent guarantee to refund his money. Respondent agreed. Respondent was grossly negligent in not knowing that these statements were false.

46. Respondent was grossly negligent in not knowing that the investment in SCI Live was a high risk investment, that SCI Live would not be able to hire 27 full-time employees, and that USCIS had not yet approved a EB-5 visa for another one of respondent's clients using SCI Live.

47. Respondent never informed Lau, in writing, that he had a prior personal or business relationship with Klayman or that USCIS had rejected Klayman's Regional Center Proposal for Media Marketing Regional Center (MMRC).

48. In June 2011, United States Customs and Immigration Services (USCIS) had not approved an application that respondent had filed for a client, respondent was grossly negligent in not knowing that that SCI Live was a high risk investment and had no factual reason to believe that SCI Live was able to hire 27 full-time employees.

49. At the June meeting, respondent also personally guaranteed to refund Lau's investment and attorney fees if her petition for an EB-5 visa was not approved.

50. On June 28, 2011, Lau hired respondent to file an Immigrant Petition for an Alien Entrepreneur on her behalf with USCIS to obtain an EB-5 visa. On June 30, 2011, Lau delivered \$500,000 to respondent to invest in SCI Live and on the same day delivered \$65,000 to respondent as legal fees and costs.

51. On August 18, 2011, respondent filed an petition for an EB-5 visa with USCIS on Lau's behalf. The petition failed to show that Lau's investment funds were obtained legally and failed to show that SCI Live would hire enough full-time employees to support Lau's petition

52. On January 12, 2012, USCIS issued a Request for Evidence to respondent asking him for proof that Lau's investment funds were obtained legally and proof that SCI Live had employed full-time employees in 2010 and 2011. Respondent failed to cure the deficiencies in the petition.

53. On May 10, 2012, USCIS denied Lau's petition for an EB-5 visa.

54. On June 28, 2012, Lau sent an e-mail to respondent demanding that he return her investment funds and attorney fees, effectively terminating his employment. To date, respondent has not returned any money to Lau.

CONCLUSIONS OF LAW

55. By failing to inform Lau, in writing, that he had a prior personal or business relationship with Klayman, respondent willfully violated Rules of Professional Conduct, rule 3-310(B)(1).

56. By filing a deficient EB-5 petition with USCIS and by failing to cure the deficiencies in the EB-5 petition that he filed on Lau's behalf, respondent wilfully violated Rules of Professional Conduct, rule 3-110(A).

57. By telling Lau that SCI Live was a fully operational business that would be able to hire at least 27 full-time employees and that a previous application that respondent filed for an EB-5 visa was approved without problems when respondent was grossly negligent in not knowing that the statements were false, respondent committed an act involving moral turpitude and dishonesty in wilful violation of Business and Professions Code, section 6106.

58. By recommending that Lau invest \$500,000 in SCI Live using false and misleading statements, claims and guarantees, respondent breached his fiduciary duty to Lau and thereby committed an act or acts involving moral turpitude dishonesty or corruption, in willful violation of Business and Professions Code section 6106.

59. By filing a deficient EB-5 petition with USCIS on Lau's behalf and by failing to cure the deficiencies in the EB-5 petition that he filed on Lau's behalf, respondent failed to earn the advance fees that Lau paid and by failing to refund promptly, upon termination of employment and part of the \$65,000 that Lau paid him, respondent wilfully violated Rules of Professional Conduct, rule 3-700(D)(2).

Case no. 15-O-10115 (Complainant: Yongkui Peng)

FACTS

60. In April 2012, Yongkui Peng (Peng) contacted respondent regarding immigrating to the United States using an EB-5 visa.

61. In April 2012, respondent met with Yongkui Peng (Peng) and recommended that Peng invest \$500,000 in an American business called Internet Media Direct, Inc. (IMD), owned by Robert Klayman, to obtain an EB-5 visa. SCI Live was no longer operational and Klayman was now operating IMD. Peng requested that respondent guarantee to refund his money. Respondent agreed.

62. Respondent never informed Peng that he had a prior personal or business relationship with Klayman or that USCIS had rejected Klayman's Regional Center Proposal for Media Marketing Regional Center (MMRC).

63. On April 27, 2012, Peng hired respondent to file an Immigrant Petition for an Alien Entrepreneur to obtain an EB-5 visa with USCIS.

64. On April 27, 2012, respondent signed a written guarantee wherein he guaranteed that IMD would return all of Peng's investment within one year and if IMD did not refund Peng's investment, respondent guaranteed that he would refund Peng's \$500,000 from his personal funds.

65. In the written guarantee, respondent also listed two parcels of real property, one in Temple City, California, and one in Las Vegas, Nevada, as security for Peng's investment and guaranteed that he would not sell the properties or use them as security for any other guarantees for two (2) years.

66. When respondent made the guarantees to Peng he knew that SCI Live was no longer operational, and that at least three of respondent's clients had invested \$1.5 million in SCI Live, that respondent had personally guaranteed to refund each of those clients' funds, that each client was owed a refund of their investment, that he had not refunded the clients' money, and that respondent did not have the resources to refund Peng's money.

67. On May 24, 2012, Peng delivered \$500,000 to respondent to invest in IMD and on the same day delivered \$50,000 to respondent for legal fees.

68. On September 11, 2012, respondent borrowed \$118,712 from Bank of America using the Temple City property as security for the loan. On November 23, 2012, respondent recorded a lien against the Temple City property in favor of a third party to secure a \$100,000 debt. On April 11, 2013, respondent transferred whatever interest he had left in the Temple City property to a company called Obadiah Marketing, Inc.

69. Respondent never informed Peng that he had used the Temple City property as security for loans or that he had transferred his interest in the Temple City property to a third party.

70. On April 10, 2013, respondent sold the Las Vegas property to Obadiah marketing for \$150,000. Respondent never informed Peng that he had sold the Las Vegas property to a third party.

71. On March 20, 2013, respondent filed an Immigrant Petition for Alien Entrepreneur with USCIS on Peng's behalf to obtain an EB-5 visa for Peng.

72. On November 8, 2013, Peng died. From December 2013 to the present, Peng's widow has repeatedly requested that respondent return the \$500,000 investment and the \$50,000 paid for attorney's fees. To date respondent has not returned any of Peng's funds.

CONCLUSIONS OF LAW

73. By failing to inform Peng that he had a prior personal or business relationship with Klayman, respondent willfully violated Rules of Professional Conduct, rule 3-310(B)(1).

74. By inducing Peng to invest \$500,000 in IMD by making false and misleading statements, claims and guarantees that he knew were false, respondent breached his fiduciary duty to Peng and thereby committed an act or acts involving moral turpitude dishonesty or corruption, in willful violation of Business and Professions Code section 6106.

75. By failing to refund the \$50,000 that Peng paid respondent as an advance attorney fee after Peng's death effectively terminated their relationship, respondent wilfully violated Rules of

Professional Conduct, rule 3-700(D)(2).

Case no. 14-O-4906 (Complainant: State Bar)

FACTS

76. Between April 1, 2014 and October 1, 2014, respondent issued the following electronic withdrawal from funds in respondent's client trust account at Bank of America, account no. ****-****-4167 for the payment of personal expenses:

<u>Date</u>	<u>Payee</u>	<u>Amount</u>
April 1, 2014	Midwest	\$161.66
May 1, 2014	Midwest	\$161.66
June 2, 2014	Midwest	\$161.66
July 1, 2014	Midwest	\$161.66
July 24, 2014	Phone Payment	\$4,232
August 1, 2014	Midwest	\$161.66
August 7, 2014	Midwest	\$161.66
September 2, 2014	Midwest	\$161.66
October 1, 2014	Midwest	\$161.66

CONCLUSION OF LAW

77. By issuing electronic payments from his client trust account for the payment of personal expenses, respondent wilfully violated Rules of Professional Conduct, rule 4-100(A).

AGGRAVATING CIRCUMSTANCES.

Multiple Acts of Misconduct (Std. 1.5(b)): Respondent's misconduct evidences multiple acts of misconduct.

Significant Harm (Std. 1.5(j)): Respondent significantly harmed his clients by depriving them of the use of \$50,000, each, for EB-5 petitions that respondent knew would be denied and by inducing his clients to invest \$2 million with false and misleading statements, claims, and guarantees in a company that respondent knew could not meet the requirements of USCIS for EB-5 visas.

Failure to Make Restitution (Std 1.5(m)): Respondent has not refunded any of the unearned fees that he has collected from his clients.

MITIGATING CIRCUMSTANCES.

No Prior Discipline: Respondent was admitted to practice law in California on December 9, 1994, and had practiced for more than fifteen (15) years with no record of discipline at the time of the misconduct in this stipulation. Respondent's many years in practice with no discipline is entitled to significant weight in mitigation, but the misconduct in this matter is so serious that respondent is entitled to little mitigation for his years in practice. (*Hawes v. State Bar* (1990) 51 Cal. 3d 587, 596 [Over 10 years in practice with no prior record was entitled to significant weight in mitigation.]

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 these consolidated matters, respondent admits to committing twenty (20) 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.”

The most severe sanction applicable to respondent’s misconduct is found in Standard 2.11, which applies to respondent’s violation of Business and Professions Code, section 6106. Standard 2.11 states that disbarment or actual suspension is appropriate for an act of moral turpitude, dishonesty, fraud, corruption or concealment of a material fact. The degree of sanction depends on the magnitude of the misconduct and the extent to which the misconduct harmed or misled the victim and related to the member’s practice of law.

Here, respondent breached his fiduciary duty to his clients by recommending that they invest a total of \$2 million in Klayman’s businesses using false and misleading statements, claims and guarantees. Respondent personally guaranteed to return his clients investments when he knew that he did not have resources to do so. Respondent’s conduct was repeated and caused great harm to his clients.

Given the magnitude of the misconduct, the extent of the harm, and balancing the facts, aggravation, and limited mitigation, disbarment is the only discipline that will protect the public, the courts, and the legal profession, and serve the purposes of attorney discipline as outlined in Standard 1.1.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of July 8, 2015, the prosecution costs in this matter are about \$9,292. 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.

DISMISSALS.

The parties respectfully request the Court to dismiss the following alleged violation in the interest of justice:

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
15-O-10115	Two	3-110 (A) [Failure to perform competently]

EXCLUSION FROM MCLE CREDIT

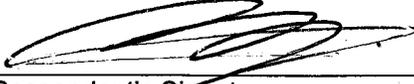
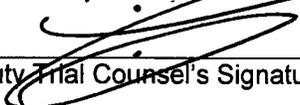
Pursuant to rule 3201, respondent may not receive MCLE credit for completion of State Bar Ethics School.

(Do not write above this line.)

In the Matter of: MING GANG LI	Case number(s): 13-O-11742, 13-O-13877, 14-O-03182, 14-O-04906, 15-O-10115
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SIGNATURE OF THE PARTIES

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

<u>07/13/2015</u> Date	 Respondent's Signature	<u>MING GANG LI</u> Print Name
<u>7/13/2015</u> Date	 Respondent's Counsel Signature	<u>ANTHONY P. RADOGNA</u> Print Name
<u>7/13/15</u> Date	 Deputy Trial Counsel's Signature	<u>ANTHONY J. GARCIA</u> Print Name

(Do not write above this line.)

In the Matter of: MING GANG LI	Case Number(s): 13-O-11742, 13-O-13877, 14-O-03182, 14-O-04906, 15-O-10115
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DISBARMENT ORDER

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

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

On p. 7, delete the check in the box for paragraph d. Client Trust Accounting School.
On p. 18, delete the paragraph re Exclusion from MCLE Credit.

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

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

7/28/15
Date



DONALD F. MILES
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 July 28, 2015, I deposited a true copy of the following document(s):

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

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:

**ANTHONY P. RADOGNA
LAW OFFICES OF ANTHONY RADOGNA
1 PARK PLZ STE 600
IRVINE, CA 92614**

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

ANTHONY GARCIA, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on July 28, 2015.



Tammy Cleaver
Case Administrator
State Bar Court