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FILED

MAY 20 2014

STATE BAR COURT
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LOS ANGELES

STATE BAR COURT

HEARING DEPARTMENT – LOS ANGELES

In the Matter Of: **DANIEL KRISTOF LAK,** **NO. 216983,** **A MEMBER OF THE STATE BAR.**	Case No. 13-0-16490 RESPONDENT'S SPECIFIC DENIALS OF COUNTS ONE THROUGH SIX OF COUNTS LISTED IN THE NOTICE OF DISCIPLINARY CHARGES FILED BY THE OFFICE OF THE CHIEF TRIAL COUNSEL.

RESPONDENT incorporates by reference, the facts and exhibits contained in the attached Exhibit A, Response to the State Bar Office of the Chief Trial Counsel's Investigation Regarding Case No. 13-0-16490.

Based upon the facts and exhibits contained in the Attached Exhibit A, Respondent specifically denies Charges One Through Six in the Notice of Disciplinary Charges filed by the office of the Chief Trial Counsel in this case.

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Respectfully submitted:

Dated: MAY 20, 2014

By: _____
Daniel K. Lak, In Pro Per

LAW OFFICES OF DANIEL K. LAK

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January 10, 2014

Podina C. Brown
Investigator
Office of the Chief Trial Counsel
State Bar of California
1149 South Hill Street
Los Angeles, CA 90015-2219

RE: Case No.: 13-0-16490
Re: Daniel Sullivan

Dear Ms. Brown:

Enclosed, please find my response to your letter regarding the aforementioned complainant.

Daniel Sullivan has been my client since May of 2008. During that time I have successfully formed two corporations for him (Orange County Kickboxing, Inc. and Madcor, Inc.) as well successfully completed a corporate name change for another one of his entities.

Mr. Sullivan and I had enjoyed a long and successful relationship and so it was based on this relationship that Mr. Sullivan contacted me in March of 2013 to form another corporation.

I met Mr. Sullivan at his place of business on March 27, 2013. Also present was a gentleman by the name of Robert A. Freeman who was introduced to me as Mr. Sullivan's corporate counsel.

The three of us discussed the formation of the new corporation and I was given a check in the amount of $1,295.00. There was no retainer agreement as the fee was due and payable immediately as the cost for the project. Mr. Sullivan's three previous corporate projects were paid in the same manner.

Several emails were then exchanged regarding the forming of a California vs. Nevada corporation. I did not advise on the benefits of a Nevada corporation as I am not licensed to practice law in that state.

— EXHIBIT A —

I did, however, advise the parties that Mr. Sullivan would still have to register in California as foreign corporation and, therefore, would not be able to avoid California State income tax as his primary place of business would be that of California.

The parties agreed that the best option was a California corporation and I was instructed to proceed accordingly. I advised the parties at the time that the California Secretary of State was extremely slow to due budget cuts and gave the parties a time estimate of approximately 30 days to receive confirmation from the state of the filed documents.

I completed my work on May 1, 2013 and emailed, to Mr. Freeman, the corporate bylaws and first minutes of the board of directors of Warrior Arts Alliance, Inc., Mr. Sullivan's new corporation. Mr. Freeman reviewed the documents and accepted them as drafted by myself.

A copy of the emailed correspondence up to this point is attached hereto as Exhibit A. A copy of the corporate minutes and bylaws are attached hereto as Exhibit B.

All of the legal work that I performed for Mr. Sullivan was completed on May 1, 2013 as evidenced by the email contained in Exhibit A. The only thing that remained was to follow with the Secretary of State to see that the formation document had been received and filed.

Sometime thereafter it became apparent that there was some unforeseen delay with the secretary of state in that the articles of incorporation that were mailed, had not been received or filed. I made a personal trip to the secretary of state on July 25, 2013 to inquire as to their status and was told they had not been received. I obtained and prepared another formation document, however, it was returned as a new document (effective May of 2013) was required by the secretary of state which included a space for the corporation's physical address. I prepared this new formation document and filed it with the secretary of state one week later on August 1, 2013.

During this time, Mr. Freeman would only communicate with me via email. I had several options I wanted to discuss with him and Mr. Sullivan to expedite the process, however, Mr. Freeman would either refuse to talk with me personally and/or repeatedly miss scheduled phone appointments. Copies of this emailed correspondence are contained in Exhibit C.

Ultimately, I sent an email to Mr. Sullivan himself stating that I had to withdraw from representation because I was unable to communicate effectively with Mr. Freeman, his general counsel. In that email, I told Mr. Sullivan that we could have the corporation formed within one week if we went through a corporate formation service company. I asked him for credit card information which the service company would need and stated that the service company would most likely charge a fee but that it would be the best solution. A copy of this email is contained in Exhibit D.

I had wanted to discuss this option with Mr. Freeman and Mr. Sullivan earlier, however, Mr. Freeman would either refuse to talk via phone or miss previously scheduled phone appointments.

There is no doubt that Mr. Sullivan shared that email with Mr. Freeman and it was only after that email did Mr. Sullivan ask for a refund or file a complaint with the state bar and initiate fee arbitration proceedings with the Orange County Bar Association (which is currently ongoing).

All of my work was completed by May 1, 2013. At no time since May 1, 2013 did I perform ANY legal work or provide ANY legal advice for Mr. Sullivan whatsoever. The only thing that remained was to monitor the filing process with the secretary of state. This is the work that any clerical staff could perform.

I originally gave a 30 day estimate to the secretary of state's turn around time but also stated the process has been slowed due to the California budget crisis. Ultimately, it turns out the process took 90 days.

I believe I had performed my duties as a lawyer with skill and diligence at all times. In the end, it was Mr. Freeman's reluctance to communicate with me that delayed the process.

Please let me know if you have any further questions regarding this matter.

Regards,

Daniel K. Lak, Esq.

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the county of Orange, State of California. I am over the age of 18 and not a party to the within action; my business address is 18101 Von Karman Ave Suite 330, Irvine, California 92612.

SPECIFIC DENIALS

On MAY 20, 2014 I served the foregoing document on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes addressed as stated on the attached mailing list.

() by overnight delivery via Federal Express pursuant to Code of Civil Procedure section 1013.

() by FAX. I faxed said document pursuant to Rules of Court rule 2008, on _____, at approximately 8:45 AM from my facsimile telephone number 949-225-4478. The document was transmitted by facsimile transmission and the transmission was reported as complete and without error. The transmission report was properly issued by the transmitting facsimile machine. A copy of the transmission report is attached to this proof of service.

(X) by personal delivery to the address below of the document(s) listed above to the persons at the address(es) set forth below:

LEE KERN
State Bar of California
845 S. Figueroa Street, Los Angeles, California 90017

() by mail as follows: I am "readily familiar" with the firm's practice of collecting and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Irvine, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. To the following persons named below:

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on **MAY 20, 2014**, at Irvine, California.

DANIEL K. LAK