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State Bar Court of California
Hearing Department
Los Angeles
ACTUAL SUSPENSION

PUBLIC MATTER

Counsel For The State Bar Eli D. Morgenstern Senior Trial Counsel 845 South Figueroa Street Los Angeles, CA 90017-2515 (213) 765-1334 Bar # 190560	Case Number(s): 14-O-03258	For Court use only FILED JAN 16 2015 STATE BAR COURT CLERK'S OFFICE LOS ANGELES
In Pro Per Respondent Alan Douglas Negron 14532 Frair Street, A Van Nuys, CA 91411 (818) 988-6023 Bar # 174256	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
In the Matter of: ALAN DOUGLAS NEGRON Bar # 174256 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 13, 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 entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of **14** 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, 2014)

Actual Suspension



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- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- ☐ 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 years 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.
- (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.
- (8) ☒ **Restitution:** Respondent failed to make restitution. **See page 10.**
- (9) ☐ **No aggravating circumstances** are involved.

Additional aggravating circumstances:

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 page 11.**

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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 Discipline. See page 10.
No Prefiling Stipulation. See page 11.

D. Discipline:

- (1) ☒ **Stayed Suspension:**

- (a) ☒ Respondent must be suspended from the practice of law for a period of **two 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 **two 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 **six 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 1.2(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 checked="" 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:**

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In the Matter of: ALAN DOUGLAS NEGRON	Case Number(s): 14-O-03258
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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
Gary Guenot, Trustee of the Ted Hilgenstuhler Trust dated August 6, 2003	\$48,789.54	March 29, 2011

- ☐ 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:
- a. 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: ALAN DOUGLAS NEGRON

CASE NUMBER: 14-O-03258

FACTS AND CONCLUSIONS OF LAW.

Respondent admits that the following facts are true and that he is culpable of violations of the specified statute and Rule of Professional Conduct.

Case No. 14-O-03258 (Complainant: Gary Guenot)

FACTS:

1. On August 6, 2003, Ted Hilgenstuhler signed a Uniform Statutory Form Power of Attorney, prepared by respondent, appointing respondent as his power of attorney with respect to all of the subjects listed in Probate Code section 4401. The power of attorney provided respondent with an immediate grant of authority in the event of Mr. Hilgenstuhler's incapacity.

2. Probate Code section 39 provides that fiduciary means, among other things, an attorney-in-fact under a power of attorney.

3. Contemporaneous with the power of attorney, respondent also prepared the Declaration of Trust for the Ted Hilgenstuhler Trust and the Pour Over Will of Ted Hilgenstuhler, which Mr. Hilgenstuhler also signed on August 6, 2003.

4. In 2008, Mr. Hilgenstuhler began to show symptoms of dementia. And, on May 19, 2010, respondent began exercising his authority as Mr. Hilgenstuhler's power of attorney because of Mr. Hilgenstuhler's deteriorating mental condition.

5. In June 2010, Mr. Hilgenstuhler moved into a nursing and rehabilitation center where he lived until he passed away on March 15, 2011.

6. Between May 19, 2010, and March 15, 2011, respondent, pursuant to the power of attorney, issued 64 checks from Mr. Hilgenstuhler's checking account at Bank of America made payable to respondent in various amounts in the total sum of \$63,236.25. Respondent issued the checks as compensation for the services that he performed as Mr. Hilgenstuhler's power of attorney. Respondent charged Mr. Hilgenstuhler at the rate of \$250 per hour.

7. In May 2010 and June 2010, respondent also issued two checks from Mr. Hilgenstuhler's checking account at Bank of America made payable to his paralegal in the total sum of \$3,158.25. Respondent issued the checks as compensation for the services that the paralegal performed for Mr. Hilgenstuhler at respondent's direction in respondent's capacity as Mr. Hilgenstuhler's power of attorney.

8. Respondent paid himself and the paralegal a total of \$66,394.50 as compensation for the services that they performed on behalf of Mr. Hilgenstuhler.

9. At time of his death, Mr. Hilgenstuhler maintained a simple estate which consisted of approximately \$925,269.99, which he maintained in six bank accounts at three banks.

10. Probate Code section 4204 provides that an attorney-in-fact is entitled to reasonable compensation for the services that he renders to the principal.

11. Professional fiduciaries customarily receive 1% of the value of the gross assets of the principal's estate per year. Respondent acted as Mr. Hilgenstuhler's power of attorney for approximately 10 months. Given the value of Mr. Hilgenstuhler's estate, the maximum fee that respondent should have billed Mr. Hilgenstuhler was approximately \$7,604.96.

12. Respondent over-billed Mr. Hilgenstuhler by approximately \$58,789.54 (\$66,394.50-\$7,604.96).

13. On December 1, 2014, respondent issued a cashier's check in the sum of \$10,000 to the trustee of the Ted Hilgenstuhler Trust.

CONCLUSIONS OF LAW:

14. By paying himself \$63,236.25 for the services that he performed as Mr. Hilgenstuhler's power of attorney, when he was entitled to collect approximately \$7,604.96, respondent collected an unconscionable fee in willful violation of Rules of Professional Conduct, rule 4-200(A).

15. By paying himself \$63,236.25 for the services that he performed as Mr. Hilgenstuhler's power of attorney, when he was only entitled to collect approximately \$7,604.96, respondent collected unreasonable fees from Mr. Hilgenstuhler in contravention of Probate Code section 4204, and thereby failed to support the laws of this state in willful violation of Business and Professions Code, section 6068(a).

AGGRAVATING CIRCUMSTANCES.

Failure to Make Restitution (Std. 1.5(i)): By failing to return any portion of the unconscionable fees that he collected from Mr. Hilgenstuhler until December 1, 2014, respondent deprived Mr. Hilgenstuhler's estate and trust of more than \$58,000 for more than three years. To date, respondent still owes the trust more than \$48,000.

MITIGATING CIRCUMSTANCES.

No Prior Discipline: Respondent has been a member of the State Bar since December 13, 1994, and has no prior record of discipline. At the time of the misconduct, respondent had practiced law for nearly 16 years. Respondent is entitled to mitigation for his nearly 16 years of discipline-free practice. (*In the Matter of Riordan* (Review Dept. 2007) 5 Cal. State Bar Ct. Rptr. 41, 39 [attorney's practice of law for more than 17 years considered to be mitigating circumstance even though misconduct at issue was considered serious].)

Prefiling Stipulation: Respondent is entitled to mitigation for entering into this stipulation before the filing of a notice, thereby saving the State Bar Court time and resources. (*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].)

Good Character (Std. 1.6(f)): Respondent has provided the State Bar with character references from ten people, including attorneys, former clients, and other members of the community, all of whom were aware of the full extent of respondent's misconduct and attested to respondent's good character and commitment to the legal profession.

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).)

The gravamen of respondent's misconduct is that, in his capacity as a power of attorney, and thus a fiduciary, respondent collected unconscionable fees. It is a well-established principle that when an attorney assumes a fiduciary relationship and violates his duty in a manner that would justify disciplinary action if the relationship had been that of attorney and client, the attorney may be disciplined for misconduct. (See *Clark v. State Bar* (1952) 39 Cal. 2d 161, 166.)

Standard 2.3(a) provides that actual suspension of at least six months is appropriate for entering into an agreement for, charging, or collecting an unconscionable fee.

Respondent's misconduct is serious: between May 2010 and March 2011, he overbilled Mr. Hilgenstuhler by approximately \$58,789.54, and he did so at a time when Mr. Hilgenstuhler was

suffering from dementia and living in a nursing facility. Further, respondent still owes the Ted Hilgenstuhler Trust over \$48,000.

But, respondent's 16 years of discipline-free practice, the evidence of his good character and commitment to the legal profession, and his acknowledgment of wrongdoing as demonstrated by his agreement to enter into this stipulation are significant mitigating factors. All of these mitigating factors suggest that respondent is willing and able to conform his future conduct to the ethical requirements of the profession.

Notwithstanding these mitigating factors, the primary purposes of these proceedings require a discipline that conforms to Standard 2.3(a). In consideration of the purposes of these proceedings, Respondent's misconduct, the aggravating and mitigating circumstances, and respondent's apparent willingness and ability to conform to ethical responsibilities, a discipline consisting of a two year suspension, stayed, and two years' probation, with conditions including a six-month actual suspension and until respondent makes restitution to the trustee of the Ted Hilgenstuhler Trust is warranted.

The case law also supports the recommended discipline. In *In the Matter of Wells* (Review Dept. 2005) 4 Cal. State Bar Ct. Rptr. 896, the attorney engaged in the unauthorized practice of law ("UPL") in South Carolina in two client matters. The attorney was also culpable of collecting illegal and unconscionable fees from the clients, failing to return unearned fees, a trust account violation, and moral turpitude involving dishonesty with the South Carolina authorities investigating her UPL. The attorney had a prior discipline involving trust account violations and other aggravating factors including multiple acts of wrongdoing, significant harm, and indifference. In mitigation, the attorney was experiencing emotional distress, demonstrated good character, and cooperated with the State Bar. The Review Department recommended that the attorney receive a discipline consisting of a six-month actual suspension and until the attorney made restitution.

Here, respondent's misconduct does not involve such wide-ranging misconduct as that committed by the attorney in *Wells* and his misconduct was confined to just Mr. Hilgenstuhler. Further, respondent does not have a prior record of discipline. Nevertheless, respondent's misconduct is serious and warrants the discipline recommended herein.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed him that as of December 16, 2014, the prosecution costs in this matter are \$2,992. The disciplinary costs are to be paid in equal amounts prior to February 1 for the following two billing cycles following the effective date of the Supreme Court order herein.

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.)

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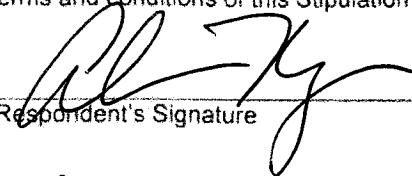
In the Matter of:
ALAN DOUGLAS NEGRON

Case number(s):
14-O-03258

SIGNATURE OF THE PARTIES

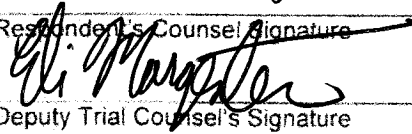
By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Facts, Conclusions of Law, and Disposition.

12/19/2014
Date


Respondent's Signature

Alan D. Negron
Print Name

12/29/14
Date


Deputy Trial Counsel's Signature

Eli D. Morgenstern
Print Name

(Do not write above this line.)

In the Matter of: ALAN DOUGLAS NEGRON	Case Number(s): 14-O-03258
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ACTUAL SUSPENSION ORDER

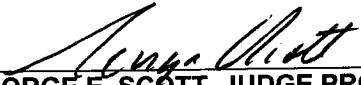
Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- ☒ 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.

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.)**

Date

1-15-15


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 January 16, 2015, 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:

**ALAN D. NEGRON
14532 FRIAR ST STE A
VAN NUYS, CA 91411**

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

Eli D. Morgenstern, Enforcement, Los Angeles

Terrie Goldade, Probation, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 16, 2015.



Paul Barona
Case Administrator
State Bar Court