PUBLIC MATTER

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STATE BAR COURT
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LOS ANGELES

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STATE BAR COURT

HEARING DEPARTMENT - LOS ANGELES

In the Matter of: JOSEPH LYNN DeCLUE, No. 163954, A Member of the State Bar.	Case Nos. 14-O-05915, 15-O-10786, 15-O-11558, 15-O-12123, 15-O-12450 NOTICE OF DISCIPLINARY CHARGES

NOTICE - FAILURE TO RESPOND!

IF YOU FAIL TO FILE A WRITTEN ANSWER TO THIS NOTICE WITHIN 20 DAYS AFTER SERVICE, OR IF YOU FAIL TO APPEAR AT THE STATE BAR COURT TRIAL:

(1) YOUR DEFAULT WILL BE ENTERED;
(2) YOUR STATUS WILL BE CHANGED TO INACTIVE AND YOU WILL NOT BE PERMITTED TO PRACTICE LAW;
(3) YOU WILL NOT BE PERMITTED TO PARTICIPATE FURTHER IN THESE PROCEEDINGS UNLESS YOU MAKE A TIMELY MOTION AND THE DEFAULT IS SET ASIDE, AND;
(4) YOU SHALL BE SUBJECT TO ADDITIONAL DISCIPLINE. SPECIFICALLY, IF YOU FAIL TO TIMELY MOVE TO SET ASIDE OR VACATE YOUR DEFAULT, THIS COURT WILL ENTER AN ORDER RECOMMENDING YOUR DISBARMENT WITHOUT FURTHER HEARING OR PROCEEDING. SEE RULE 5.80 ET SEQ., RULES OF PROCEDURE OF THE STATE BAR OF CALIFORNIA.

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The State Bar of California alleges:

JURISDICTION

1. Joseph Lynn DeClue ("Respondent") was admitted to the practice of law in the State of California on April 6, 1993, was a member at all times pertinent to these charges, and is currently a member of the State Bar of California.

COUNT ONE

Case No. 14-O-05915
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

2. On or about June 25, 2013, Respondent agreed to negotiate a home mortgage loan modification or other forms of mortgage loan forbearance for a fee for client Judy Saucedo, and thereafter, between on or about June 27, 2013 and on or about January 7, 2014, Respondent received a total of approximately $25,000 from Saucedo before Respondent had fully performed each and every service Respondent contracted to perform or represented to Saucedo that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT TWO

Case No. 14-O-05915
Rules of Professional Conduct, Rule 1-300(B)
[Unauthorized Practice of Law in Other Jurisdiction]

3. From on or about June 25, 2013, through in or about May 16, 2014, Respondent held himself out as entitled to practice law in the states of Oklahoma and Texas by entering into an agreement to perform legal services, including to negotiate home mortgage loan modifications on properties located in Oklahoma and Texas, as an attorney for a client, Judy Saucedo, and when to do so was in violation of the regulations of the profession in Oklahoma and Texas, namely rule 5.5(b)(2) of the Oklahoma Rules of Professional Conduct and Texas Penal Code section 38.122 respectively, in willful violation of the California Rules of Professional Conduct, rule 1-300(B).

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COUNT THREE

Case No. 14-O-05915
Rules of Professional Conduct, rule 4-200(A)
[Illegal Fee]

4. On or about June 25, 2013, Respondent entered into an agreement with and charged, a client, Judy Saucedo, a fee of $25,000, to perform legal services in Oklahoma and Texas, that was illegal because Respondent was not admitted and entitled to practice law in the states of Oklahoma and Texas, in willful violation of the Rules of Professional Conduct, rule 4-200(A).

COUNT FOUR

Case No. 15-O-10786
Rules of Professional Conduct, rule 4-200(A)
[Illegal Fee]

5. On or about November 6, 2012, Respondent entered into an agreement with and charged, a client, Tanisha Colon, a fee of $2,500, to perform legal services, Chapter 7 bankruptcy services, that was illegal because all of the bankruptcy services performed on Colon's behalf in United States Bankruptcy Court, Central District of California, case number 6:12-bk-35658 were performed by his non-attorney staff, none of whom was licensed to practice law in California and the United States Bankruptcy Court for the Central District of California, without Respondent's supervision, and therefore constituted the unauthorized practice of law. Accordingly, Respondent's collection of the illegal fee constituted a willful violation of the Rules of Professional Conduct, rule 4-200(A).

COUNT FIVE

Case No. 15-O-10786
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

6. On or about November 9, 2012, Respondent agreed to negotiate a home mortgage loan modification or other form of mortgage loan forbearance for a fee for client Tanisha Colon, and thereafter collected a total of approximately $1,506 from Colon between November 12, 2012 and on or about November 28, 2012, before Respondent had fully performed each and every service Respondent contracted to perform or represented to Colon that Respondent would

perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT SIX

Case No. 15-O-10786
Business & Professions Code section 6106
[Moral Turpitude]

7. On or about November 15, 2012, Respondent allowed or caused to be filed a declaration made under penalty of perjury in support of his client Tanisha Colon's Chapter 7 bankruptcy petition in United States Bankruptcy Court, Central District of California, case number 6:12-bk-35658, which contained simulated signatures for Colon and Respondent without their knowledge or authority, and thereby committed an act involving moral turpitude, dishonesty or corruption, in willful violation of Business and Professions Code section 6106.

COUNT SEVEN

Case No. 15-O-10786
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

8. On or about April 19, 2013, Respondent agreed to negotiate a mortgage loan modification or other form of mortgage loan forbearance for a fee for client Tanisha Colon, and thereafter collected approximately $1,000 from Colon on or about April 19, 2013, before Respondent had fully performed each and every service Respondent contracted to perform or represented to Colon that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT EIGHT

Case No. 15-O-10786
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

9. On or about August 20, 2013, Respondent agreed to negotiate a mortgage loan modification or other form of mortgage loan forbearance for a fee for client Tanisha Colon, and thereafter collected approximately $1,700 from Colon on or about August 22, 2013, before Respondent had fully performed each and every service Respondent contracted to perform or

represented to Colon that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT NINE

Case No. 15-O-10786
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

10. On or about September 11, 2013, Respondent agreed to file and pursue a wrongful foreclosure lawsuit on behalf of his client Tanisha Colon against Colon's home mortgage loan lender, for the purpose of arranging a home mortgage loan modification or other form of mortgage loan forbearance, for a fee, and thereafter collected a total of approximately $4,800 from Colon between on or about September 27, 2013 and on or about April 21, 2014, before Respondent had fully performed each and every service Respondent contracted to perform or represented to Colon that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT TEN

Case No. 15-O-10786
Business & Professions Code section 6106
[Moral Turpitude]

11. On or about June 9, 2014, Respondent allowed or caused to be filed a declaration made under penalty of perjury in Riverside County Superior Court, in the case entitled *Colon v. Nationstar Mortgage, LLC, et al.*, case number MCC1301632, which contained a simulated signature of Respondent without his knowledge or authority, and thereby committed an act involving moral turpitude, dishonesty or corruption, in willful violation of Business and Professions Code section 6106.

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COUNT ELEVEN

Case No. 15-O-10786
Rules of Professional Conduct, rule 3-110(A)
[Failure to Perform with Competence]

12. On or about September 11, 2013, Tanisha Colon hired Respondent to perform legal services, namely to file and prosecute a lawsuit against her lender in the case entitled *Colon v. Nationstar Mortgage, LLC, et al.*, Riverside County Superior Court case number MCC1301632, in which Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A), by failing to timely file two pleadings between on or about April 15, 2014 and on or about June 16, 2014, including a case management conference statement and an opposition to demurred filed by Nationstar, and by failing to appear for a case management hearing on Colon's behalf on or about April 29, 2014.

COUNT TWELVE

Case No. 15-O-11558
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

13. On or about March 22, 2013, Respondent agreed to negotiate a home mortgage loan modification or other form of mortgage loan forbearance for a fee for clients Eric and Aletheia Guzman, and thereafter collected a total of approximately $4,000 from the Guzmans between on or about April 1, 2013, and on or about November 1, 2013, before Respondent had fully performed each and every service Respondent contracted to perform or represented to the Guzmans that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

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COUNT THIRTEEN

Case No. 15-O-11558
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

14. On or about April 3, 2014, Respondent agreed to file and pursue a wrongful foreclosure lawsuit on behalf of his clients Eric and Aletheia Guzman against their home mortgage loan lender, for the purpose of arranging a home mortgage loan modification or other form of mortgage loan forbearance, for a fee, and thereafter collected a total of approximately $7,500 from the Guzmans between on or about April 4, 2014, before Respondent had fully performed each and every service Respondent contracted to perform or represented to the Guzmans that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT FOURTEEN

Case No. 15-O-12123
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

15. On or about August 9, 2013, Respondent agreed to negotiate a home mortgage loan modification or other form of mortgage loan forbearance for a fee for client Albert Harnden, and thereafter collected approximately $7,000 as fees on Harnden's behalf on or about August 10, 2013, before Respondent had fully performed each and every service Respondent contracted to perform or represented to Harnden that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT FIFTEEN

Case No. 15-O-12123
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

16. On or about October 11, 2013, Respondent agreed to file and pursue a wrongful foreclosure lawsuit on behalf of his client Albert Harnden against Harnden's home mortgage loan lender, in order to arrange a home mortgage loan modification or other form of mortgage loan forbearance, for a fee, and thereafter collected approximately $5,000 as fees on Harnden's

behalf on or about October 11, 2013, before Respondent had fully performed each and every service Respondent contracted to perform or represented to Harnden that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT SIXTEEN

Case No. 15-O-12123
Rules of Professional Conduct, rule 3-110(A)
[Failure to Perform with Competence]

17. On or about October 4, 2013, Respondent agreed to represent client Albert Harnden in a lawsuit entitled *Harnden v. Security National Mortgage Co., et al.*, Riverside County Superior Court case number RIC1311363. On or about March 27, 2013, the opposing party filed a motion for attorney's fees, and thereafter Respondent failed to timely file an opposition to the motion on Harnden's behalf, and failed to inform Harnden that the motion had been filed and that Respondent had not timely filed an opposition to the motion. Consequently, on or about July 15, 2015, the court granted the motion and ordered Harnden to pay attorney's fees in the amount of $36,607.80 to the opposing attorney. By failing to timely file an opposition to the motion on Harnden's behalf, and, further failing to notify Harnden that a motion for attorney's fees had been filed, that Respondent had not filed an opposition to the motion, and that the court granted the motion, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

COUNT SEVENTEEN

Case No. 15-O-12123
Business and Professions Code section 6068(c)
[Maintaining an Unjust Action]

18. Between on or about October 4, 2013 and on or about December 24, 2014, Respondent failed to counsel or maintain such action, proceedings, or defenses only as appear to Respondent legal or just by prosecuting a lawsuit on behalf of his client Albert Harnden in entitled *Harnden v. Security National Mortgage Co., et al.*, Riverside County Superior Court

case number RIC1311363, that was frivolous, without merit, prosecuted for improper purpose and for purpose of delay, in willful violation of Business and Professions Code section 6068(c).

COUNT EIGHTEEN

Case No. 15-O-12450
Business & Professions Code section 6106.3
[Violation of Civil Code, section 2944.7(a)(1) – Illegal Advanced Fee]

19. On or about March 4, 2013, Respondent agreed to negotiate a home mortgage loan modification or other form of mortgage loan forbearance for a fee for client Arik Kitay, and thereafter collected a total of approximately $5,000 as fees from Kitay between on or about March 7, 2013, and on or about January 27, 2014, before Respondent had fully performed each and every service Respondent contracted to perform or represented to Kitay that Respondent would perform, in violation of Civil Code section 2944.7(a)(1), and in willful violation of Business and Professions Code section 6106.3.

COUNT NINETEEN

Case Nos. 14-O-05915, 15-O-10786, 15-O-11558, 15-O-12123, 15-O-12450
Rules of Professional Conduct, Rule 1-300(A)
[Aiding the Unauthorized Practice of Law]

20. From in or about November 2012 through in or about June 2014, Respondent aided his law office staff, including but not limited to, Robert Campoy, Andres Martinez, Paul Vierra, Kelly Yandell, Marc Wise, Carlos Ramirez, Carlos Serna, Angie Pham, Angelina Flores, Kathy Villareal, Cristina Beltran, none of whom was licensed to practice law in California, in the unauthorized practice of law by providing his staff with unfettered access and control in managing and operating his law office without adequate supervision and by turning over his attorney responsibilities to his staff, including initial case consultation, evaluating legal issues for clients Judy Saucedo, Tanisha Colon and Javier Cano, Eric and Aletheia Guzman, Albert Harnden and Arik Kitay ("clients"), setting, charging and collecting fees from the clients for legal services, providing legal advice to the clients, corresponding with third parties on behalf of the clients, draft and file pleadings on behalf of the clients, and performing legal services

independently and without supervision by Respondent, in willful violation of Rules of Professional Conduct, rule 1-300(A).

COUNT TWENTY

Case Nos. 14-O-05915, 15-O-10786, 15-O-11558, 15-O-12123, 15-O-12450
Rules of Professional Conduct, Rule 3-110(A)
[Failure to Perform with Competence – Failure to Supervise]

21. Between in or about November 2012 and June 2014, clients Judy Saucedo, Tanisha Colon and Javier Cano, Eric and Aletheia Guzman, Albert Harnden and Arik Kitay ("clients") employed Respondent to perform legal services, namely to negotiate mortgage loan modifications or other forms of mortgage loan forbearance, including bankruptcy services and litigation services for purposes of loan forbearance, for the clients, which Respondent intentionally, recklessly, or repeatedly failed to perform with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A), by failing to supervise his non-attorney staff, including Robert Campoy, Andres Martinez, Paul Vierra, Kelly Yandell, Marc Wise, Carlos Ramirez, Carlos Serna, Angie Pham, Angelina Flores, Kathy Villareal, Cristina Beltran, and thereby allowing them to provide mortgage loan modification services and other mortgage loan forbearance services, including bankruptcy services and litigation services to the clients, including providing legal advice to the clients regarding their eligibility for loan modifications, other forms of mortgage loan forbearance, bankruptcy, and wrongful foreclosure litigation.

COUNT TWENTY-ONE

Case Nos. 14-O-05915, 15-O-10786, 15-O-11558, 15-O-12123, 15-O-12450
Business and Professions Code section 6105
[Permitting Misuse of Name]

22. From in or about November 2012 through in or about June 2014, Respondent lent his name to be used as attorney by his office staff, including Robert Campoy, Andres Martinez, Paul Vierra, Kelly Yandell, Marc Wise, Carlos Ramirez, Carlos Serna, Angie Pham, Angelina Flores, Kathy Villareal, Cristina Beltran, who were never licensed to practice law in California, by allowing such staff to operate Millenia Law Group, a loan modification law practice using

Respondent's name and law license, in willful violation of Business and Professions Code section 6105.

COUNT TWENTY-TWO

Case Nos. 14-O-05915, 15-O-10786, 15-O-11558, 15-O-12123, 15-O-12450
Business and Professions Code section 6106
[Moral Turpitude]

23. From in or about November 2012 through in or about June 2014, Respondent habitually disregarded the interests of his clients, by intentionally or grossly negligently failing to supervise his law office staff, including Robert Campoy, Andres Martinez, Paul Vierra, Kelly Yandell, Marc Wise, Carlos Ramirez, Carlos Serna, Angie Pham, Angelina Flores, Kathy Villareal, Cristina Beltran, none of whom was licensed to practice law in California, by providing the staff with unfettered access and control in managing and operating his law office without adequate attorney supervision, and by turning over his attorney responsibilities to his staff and allowing them to perform legal services independently and without supervision by Respondent, including initial case consultation, evaluating legal issues of clients Judy Saucedo, Tanisha Colon and Javier Cano, Eric and Aletheia Guzman, Albert Harnden and Arik Kitay ("clients"), and allowing them to provide legal advice to the clients, perform loan modification and other forms of loan forbearance, bankruptcy and litigation services for the clients, and set, charge and collect legal fees from the clients, in willful violation of Business and Professions Code section 6106.

NOTICE - INACTIVE ENROLLMENT!

YOU ARE HEREBY FURTHER NOTIFIED THAT IF THE STATE BAR COURT FINDS, PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 6007(c), THAT YOUR CONDUCT POSES A SUBSTANTIAL THREAT OF HARM TO THE INTERESTS OF YOUR CLIENTS OR TO THE PUBLIC, YOU MAY BE INVOLUNTARILY ENROLLED AS AN INACTIVE MEMBER OF THE STATE BAR. YOUR INACTIVE ENROLLMENT WOULD BE IN ADDITION TO ANY DISCIPLINE RECOMMENDED BY THE COURT.

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NOTICE - COST ASSESSMENT!

IN THE EVENT THESE PROCEDURES RESULT IN PUBLIC DISCIPLINE, YOU MAY BE SUBJECT TO THE PAYMENT OF COSTS INCURRED BY THE STATE BAR IN THE INVESTIGATION, HEARING AND REVIEW OF THIS MATTER PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 6086.10.

Respectfully submitted,

THE STATE BAR OF CALIFORNIA
OFFICE OF CHIEF TRIAL COUNSEL

DATED: February 1, 2016

By: _____
Anand Kumar
Senior Trial Counsel

DECLARATION OF SERVICE

by

U.S. FIRST-CLASS MAIL / U.S. CERTIFIED MAIL / OVERNIGHT DELIVERY / FACSIMILE-ELECTRONIC TRANSMISSION

CASE NUMBER(s): **14-O-05915, 15-O-10786, 15-O-11558, 15-O-12123, 15-O-12450**

I, the undersigned, am over the age of eighteen (18) years and not a party to the within action, whose business address and place of employment is the State Bar of California, 845 South Figueroa Street, Los Angeles, California 90017-2515, declare that:

- on the date shown below, I caused to be served a true copy of the within document described as follows:

NOTICE OF DISCIPLINARY CHARGES

☐ **By U.S. First-Class Mail: (CCP §§ 1013 and 1013(a))**

☒ **By U.S. Certified Mail: (CCP §§ 1013 and 1013(a))**

- in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County
- of Los Angeles.

☐ **By Overnight Delivery: (CCP §§ 1013(c) and 1013(d))**

- I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for overnight delivery by the United Parcel Service ('UPS').

☐ **By Fax Transmission: (CCP §§ 1013(e) and 1013(f))**

Based on agreement of the parties to accept service by fax transmission, I faxed the documents to the persons at the fax numbers listed herein below. No error was reported by the fax machine that I used. The original record of the fax transmission is retained on file and available upon request.

☐ **By Electronic Service: (CCP § 1010.6)**

Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the person(s) at the electronic addresses listed herein below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

☐ *(for U.S. First-Class Mail)* in a sealed envelope placed for collection and mailing at Los Angeles, addressed to: *(see below)*

☒ *(for Certified Mail)* in a sealed envelope placed for collection and mailing as certified mail, return receipt requested,
Article No.: 7196 9008 9111 1007 9407 at Los Angeles, addressed to: *(see below)*

☐ *(for Overnight Delivery)* together with a copy of this declaration, in an envelope, or package designated by UPS,
Tracking No.: _____ addressed to: *(see below)*

Person Served	Business-Residential Address	Fax Number	
Joseph Lynn DeClue	De Clue Law Group, PC 2372 SE Bristol St, Fl 2 Newport Beach, CA 92660	Electronic Address	

I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for mailing with the United States Postal Service, and overnight delivery by the United Parcel Service ('UPS'). In the ordinary course of the State Bar of California's practice, correspondence collected and processed by the State Bar of California would be deposited with the United States Postal Service that same day, and for overnight delivery, deposited with delivery fees paid or provided for, with UPS that same day.

I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date on the envelope or package is more than one day after date of deposit for mailing contained in the affidavit.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed at Los Angeles, California, on the date shown below.

DATED: February 1, 2016

SIGNED: Sandra Reynolds
Sandra Reynolds
Declarant