



**PUBLIC MATTER**

**FILED** *JS*

**MAR - 6 2017**

STATE BAR COURT  
CLERK'S OFFICE  
LOS ANGELES

**STATE BAR COURT OF CALIFORNIA  
HEARING DEPARTMENT - LOS ANGELES**

In the Matter of	)	Case No. 14-O-02314-DFM
	)	
GEORG DAVID HARTSON II,	)	
	)	DECISION AND ORDER SEALING
A Member of the State Bar, No. 119812.	)	CERTAIN DOCUMENTS
	)	
_____	)	

**Introduction**<sup>1</sup>

In this disciplinary proceeding, respondent Georg David Hartson II (Respondent) was accepted for participation in the State Bar Court's Alternative Discipline Program (ADP). As the court has now found that Respondent has successfully completed the ADP, the court recommends to the Supreme Court that Respondent be suspended from the practice of law in California for one year, that execution of that period of suspension be stayed, and that he be placed on probation for two years subject to certain conditions, including a 90-day period of suspension with credit given for the Respondent's period of inactive enrollment.

**Pertinent Procedural History**

On December 23, 2014, the Office of the Chief Trial Counsel of the State Bar of California (State Bar) filed a Notice of Disciplinary Charges (NDC) against Respondent in case

<sup>1</sup> Unless otherwise indicated, all references to rules refer to the State Bar Rules of Professional Conduct; and, all statutory references are to the Business and Professions Code.

No. 14-O-02314. On January 22, 2015, Respondent filed a response to the NDC, which included a request that he be referred to an ADP Program Judge for determination of his eligibility to participate in the ADP.

On January 28, 2015, Respondent contacted the State Bar's Lawyer Assistance Program (LAP) for assistance regarding his mental health issues. On that same date, Respondent signed a LAP Release of Information form to the LAP and applied for evaluation with the LAP.

On January 30, 2015, the Honorable Judge Yvette Roland, who was initially assigned to this matter, filed an order referring the matter to the ADP and further ordered an in-person status conference be held in the matter on February 17, 2015, before the undersigned judge.

On March 2, 2015, Respondent submitted to the court a declaration dated February 25, 2015, which established a nexus between Respondent's mental health issues and his misconduct in this matter.

The parties, as well as Respondent's then-attorney, entered a Stipulation Re Facts and Conclusions of Law (Stipulation) on April 9, 2015. The Stipulation set forth the factual findings, legal conclusions, and mitigating and aggravating circumstances. The Stipulation was "received" by the court on April 14, 2015.

Shortly thereafter, the case was reassigned for all purposes to the undersigned judge.

On July 6, 2015, Respondent executed a Participation Plan with the LAP.

On August 3, 2015, the court executed both an order approving the parties' Stipulation and a Confidential Statement of Alternative Dispositions and Orders (Confidential Statement) advising the parties of the discipline that would be recommended to the Supreme Court if Respondent successfully completed the ADP and the discipline that would be recommended if Respondent was terminated from, or failed to successfully complete, the ADP. Respondent also executed the Contract and Waiver for Participation in the State Bar Court's Alternative

Discipline Program (Contract) on August 3, 2015, and was accepted into the ADP on August 4, 2015. The Contract and Confidential Statement were lodged on August 4, 2015, and the Stipulation was filed on August 4, 2015.

On August 5, 2015, the court filed an order, pursuant to section 6233, enrolling Respondent inactive for 90 days, effective August 13, 2015, and continuing thereafter through and including November 10, 2015. As part of this order, Respondent was required to and did comply with the requirements of Rule 9.20, subparts (a) and (c), of the California Rules of Court. Respondent was subsequently restored to active status on November 11, 2015, after the 90-day period of suspension had been served.

On this court's conclusion that Respondent's participation in the ADP has been successful, he was graduated from the ADP as of February 6, 2017, more than 18 months after enrolling in the program.

#### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The parties' Stipulation, including the court's order approving the Stipulation, is attached hereto and hereby incorporated by reference, as if fully set forth herein. In case No. 14-O-02314, Respondent stipulated to willfully violating: (1) Rule 3-110(A) of the Rules of Professional Conduct by failing to perform services competently; and (2) section 6068, subdivision (m), by failing to promptly respond to reasonable client inquiries in a matter in which Respondent had agreed to provide legal services to the client.

Respondent has two prior records of discipline, summarized briefly as follows:

Effective July 2, 2004, Respondent was publicly reprovved with conditions for one year in case Nos. 02-O-14177; 03-O-00944 (Cons.) for violating rule 3-110(A) and section 6068, subdivision (m), in one matter and for violating rule 3-700(D)(2) in a second matter.

In Respondent's second prior disciplinary matter, case No. 05-O-03751, Respondent was placed on three years' probation and received a one-year stayed suspension, effective October 9, 2009, after stipulating to violating section 6068, subdivision (m), and rules 3-110(A), 3-700(A)(2) and 3-700(D)(2).

These prior records of discipline constitute an aggravating circumstance. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct,<sup>2</sup> std. 1.5(a).)

As an additional aggravating circumstance in the instant matter, Respondent stipulated that his misconduct caused significant harm to his client by depriving the client of his settlement funds for three years, despite the fact that the client had notified Respondent that he was in desperate need of those funds. (Std. 1.5(j).)

In mitigation, the parties stipulated that Respondent provided the State Bar with seven letters attesting to his good character, which were from a wide range of references in the legal and general communities, and which demonstrated that the authors of those letters are aware of the full extent of Respondent's misconduct.

Additionally, Supreme Court and Review Department case law establish that extreme emotional difficulties are a mitigating factor where expert testimony establishes that the emotional difficulties were directly responsible for the misconduct, provided that the attorney has also established, through clear and convincing evidence, that he/she no longer suffers from such difficulties. (*Porter v. State Bar* (1990) 52 Cal.3d 518, 527; *In re Naney* (1990) 51 Cal.3d 186, 197; *In re Lamb* (1989) 49 Cal.3d 239, 246; *In the Matter of Frazier* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 676, 701-702.) At the time that Respondent engaged in misconduct in the instant matter, he was suffering from mental health issues; and the court has found a nexus between Respondent's mental health issues and his misconduct in this matter. Respondent

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<sup>2</sup> All further references to standard(s) or std. are to this source.

contacted the LAP on January 28, 2015, to assist him with his mental health issues and executed a Participation Plan with the LAP on July 6, 2015. Thereafter, Respondent participated in the LAP and has maintained mental health stability.

Respondent also has successfully completed the ADP. On January 13, 2017, the court received a recommendation regarding Respondent from a mental health professional that establishes, among other things, that Respondent's emotional difficulties were directly responsible for his misconduct. As such, the January 13<sup>th</sup> recommendation provided by the mental health professional satisfies the undersigned judge that the requirements of rule 5.385(B) of the Rules of Procedure of the State Bar (Rules of Procedure) have been fulfilled. The substance of the January 13<sup>th</sup> recommendation regarding Respondent in conjunction with Respondent's successful completion of the ADP establishes the "meaningful and sustained period of rehabilitation," required by the Supreme Court has been met and provides clear and convincing evidence that Respondent no longer suffers from the mental health issues, which led to the misconduct underlying this matter. (*Harford v. State Bar* (1990) 52 Cal.3d 93,101; *In re Billings* (1990) 50 Cal.3d 358, 367.) Accordingly, it is appropriate to consider Respondent's successful completion of the ADP as a mitigating circumstance in this matter. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, standard 1.6(d).)

### **DISCUSSION**

The purpose of State Bar disciplinary proceedings is not to punish the attorney but, rather, to protect the public, preserve public confidence in the legal profession, and maintain the highest possible professional standards for attorneys. (*Chadwick v. State Bar* (1989) 49 Cal.3d 103, 111.)

In determining the appropriate alternative discipline recommendations to impose in this matter, the court considered Standards 1.1, 1.5, 1.6, 1.7, 1.8, and 2.7, and *Conroy v. State Bar* (1991) 53 Cal.3d 495 and *King v. State Bar* (1990) 52 Cal.3d 307.<sup>3</sup>

Because Respondent has now successfully completed the ADP, this court recommends that the Supreme Court impose the level of discipline, set forth more fully below, and as contained in the Confidential Statement of Alternative Dispositions and Orders. This court also recommends that credit be given for the 90 days that Respondent was enrolled inactive under section 6233 and, accordingly, that Respondent not be required to give notice of any 90-day suspension in accordance with California Rules of Court, rule 9.20.

### RECOMMENDATIONS

The court recommends that respondent **Georg David Hartson II**, State Bar No. 119812, be suspended from the practice of law in California for one year, that execution of that period of suspension be stayed, and that he be placed on probation for a period of two years subject to the following conditions:

1. Respondent is suspended from the practice of law for the first 90 days of probation (with credit given for the 90 days of inactive enrollment from August 13, 2015, through November 10, 2015);
2. During the probation period, Respondent must comply with the provisions of the State Bar Act and the Rules of Professional Conduct of the State Bar of California;
3. Within 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 Respondent's current

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<sup>3</sup> Effective July 1, 2015, the standards were amended. As the Confidential Statement was prepared subsequent to the July 1, 2015 amendment of the standards, this court relied on and applied the standards that were in effect at the time the Confidential Statement was prepared and signed. The Confidential Statement and the Contract were prepared and provided to the parties for their "review" and "suggested revisions" in July 2015. (See Order Regarding Respondent's Evaluation for the Alternative Discipline Program, filed on July 28, 2015.) Thereafter, on August 3, 2015, the Confidential Statement was executed by the undersigned judge and the Contract was executed by Respondent.

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 30 days after 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 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 20 days before the last day of the probation period and no later than the last day of the probation period.

6. Subject to the assertion of applicable privileges, Respondent must answer fully, promptly, and truthfully, any inquiries of the Office of Probation or 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.
7. Within one year after the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the State Bar's Ethics School and passage of the test given at the end of that session. If Respondent has already provided proof to the court of attendance at and passage of the test given at the end of Ethics School during his period of participation in the Alternative Discipline Program, Respondent need not again comply with this condition. Otherwise, Respondent must comply with this condition as set forth above.
8. Respondent must comply with all provisions and conditions of his Participation Agreement/Plan with the Lawyer Assistance Program (LAP) and must provide the Office of Probation with certification of completion of the LAP. Respondent must immediately report any non-compliance with any provision(s) or condition(s) of his Participation Agreement/Plan to the Office of Probation. Respondent must provide an appropriate written waiver authorizing the LAP to provide the Office of Probation and the State Bar Court with information regarding the terms and conditions of Respondent's participation in the LAP and his compliance or non-compliance with LAP requirements. Revocation of the written waiver for release of LAP information

is a violation of this condition. Respondent will be relieved of this condition upon providing to the Office of Probation satisfactory certification of completion of the LAP.

At the expiration of the probation period, if Respondent has complied with all conditions of probation, Respondent will be relieved of the stayed suspension.

**Multistate Professional Responsibility Examination**

It is not recommended that Respondent be ordered to take and pass the Multistate Professional Responsibility Examination (MPRE) because Respondent has already provided proof to the court of taking and passing the MPRE during the period of his participation in the Alternative Discipline Program.

**California Rules of Court, Rule 9.20**

Although Respondent was required to comply with rule 9.20 of the California Rules of Court as specified by this court in its order enrolling him inactive pursuant to Business and Professions Code section 6233, the court does not recommend that Respondent again be required to comply with rule 9.20, as Respondent filed his rule 9.20 compliance declaration on September 22, 2015.

**Costs**

It is further recommended that costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10 and that such costs be enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment. It is further recommended that costs be paid with his membership fees for the year 2018. If Respondent fails to pay the costs as described above, or as may be modified by the State Bar Court, costs are due and payable immediately.

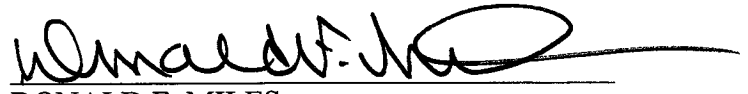


**DIRECTION RE DECISION AND ORDER SEALING CERTAIN DOCUMENTS**

The court directs a court case administrator to file this Decision and Order Sealing Certain Documents. Thereafter, pursuant to rule 5.388(c) of the Rules of Procedure of the State Bar of California (Rules of Procedure), all other documents not previously filed in this matter are ordered sealed pursuant to rule 5.12 of the Rules of Procedure. It is further ordered that protected and sealed material will only be disclosed to (1) parties to the proceeding and counsel; (2) personnel of the Supreme Court, the State Bar Court and independent audiotape transcribers; and (3) personnel of the Office of Probation when necessary for their official duties. Protected material will be marked and maintained by all authorized individuals in a manner calculated to prevent improper disclosure. All persons to whom protected material is disclosed will be given a copy of this order sealing the documents by the person making the disclosure.

**IT IS SO ORDERED.**

Dated: March 6, 2017

  
DONALD F. MILES  
Judge of the State Bar Court

(Do not write above this line.)

<b>State Bar Court of California</b> <b>Hearing Department</b> <b>Los Angeles</b> <b>ALTERNATIVE DISCIPLINE PROGRAM</b>		
<p>Counsel For The State Bar</p> <p><b>Elizabeth Stine</b>  <b>Deputy Trial Counsel</b>  <b>845 S. Figueroa Street</b>  <b>Los Angeles, CA 90017</b>  <b>(213) 765-1342</b></p> <p>Bar # <b>256839</b></p>	<p>Case Number (s)  <b>14-O-02314</b></p>	<p>(for Court's use)</p> <p style="text-align: center; font-size: 1.2em;"><b>FILED</b></p> <p style="text-align: center; font-size: 1.2em;"><b>AUG -4 2015</b> <i>Pro</i></p> <p style="text-align: center;">STATE BAR COURT            CLERK'S OFFICE            LOS ANGELES</p>
<p>Counsel For Respondent</p> <p><b>Susan Lynn Margolis</b>  <b>Margolis &amp; Margolis LLP</b>  <b>2000 Riverside Dr.</b>  <b>Los Angeles, CA 90039</b>  <b>(323) 953-8996</b></p> <p>Bar # <b>104629</b></p>	<p><b>PUBLIC MATTER</b></p>	
<p>In the Matter Of:  <b>GEORG DAVID HARTSON II</b></p> <p>Bar # <b>119812</b></p> <p>A Member of the State Bar of California            (Respondent)</p>	<p>Submitted to: <b>Program Judge</b></p> <p><b>STIPULATION RE FACTS AND CONCLUSIONS OF LAW</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	



**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 10, 1985.**
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition (to be attached separately) are rejected or changed by the Supreme Court. However, except as otherwise provided in rule 804.5(c) of the Rules of Procedure, if Respondent is not accepted into the Alternative Discipline Program, this stipulation will be rejected and will not be binding on the Respondent or the State Bar.
- (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, except for Probation Revocation proceedings. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of **8** pages, excluding 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."

- (6) 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.
- (7) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7 and will pay timely any disciplinary costs imposed in this proceeding.

**B. Aggravating Circumstances [see 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 **02-O-14177**
  - (b)  Date prior discipline effective **July 2, 2004**
  -  (c)  Rules of Professional Conduct/ State Bar Act violations: **Rules of Professional Conduct, rules 3-110(A) and 3-700(D)(2), and Business and Professions Code section 6068(m)**
  - (d)  Degree of prior discipline **Public Repeal**
  -  (e)  If Respondent has two or more incidents of prior discipline, use space provided below:  
**In case no. 05-O-03751, effective October 9, 2009, Respondent violated Rules of Professional Conduct, rules 3-110(A) 3-700(A)(2) and 3-700(D)(2), and Business and Professions Code section 6068(m), the degree of prior discipline was one year stayed suspension and three years' probation.**  
**For additional information, see Attachment at page 6.**
- (2)  **Dishonesty:** Respondent's misconduct was intentional, surrounded by, or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3)  **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (4)  **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. **See Attachment at page 6.**
- (5)  **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (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.
- (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 Attachment at page 7.**
- (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:**

**ATTACHMENT TO**

**ADP STIPULATION RE FACTS AND CONCLUSIONS OF LAW**

IN THE MATTER OF:                         GEORG DAVID HARTSON II

CASE NUMBER(S):                         14-O-02314

**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.

**Case No. 14-O-02314 (Complainant: Richard Piedra)**

**FACTS:**

1. On September 20, 2006, Richard Piedra (“Piedra”) was in a motor vehicle accident in Los Angeles, California while driving his work truck. The other driver was Sandra Brodie (“Brodie”). Piedra suffered injury to his shoulder, neck, hand and leg. Piedra’s employer, PRC Mechanical, was insured by State Compensation Insurance Fund (“SCIF”).

2. In January 2009, Piedra hired Respondent to represent him in a personal injury matter. On May 20, 2009, Respondent filed a complaint in intervention on Piedra’s behalf to seek damages for pain and suffering and loss of past and future earnings, *State Compensation Insurance Fund vs. Sandra Brodie, Richard V. Piedra, Plaintiff-in-Intervention*, LASC Case No. SC099874. USAA was Brodie’s insurance carrier and Lisa Satter (“Satter”) was counsel for USAA.

3. On April 13, 2011, a mediation conference was held between the parties. Respondent submitted a Mediation Brief of Plaintiff-In-Intervention. Respondent, Piedra, Satter and a representative from USAA were present. Piedra signed *California Release in Full of All Claims* settling his case for \$40,000 and agreeing to dismiss the complaint.

4. On May 17, 2011, Satter sent Respondent a letter thanking him for providing the dismissal and stating she would file the dismissal after USAA issued the settlement draft. Satter also stated a review of the file reflected that the Piedra was receiving Medicare payments and, as such, Medicare payments/liens would need to be addressed at the time of settlement. Satter informed Respondent that USAA would need to include Medicare on the draft or issue a separate Medicare payment. Satter requested that Respondent provide her with the amount of the Medicare lien. Respondent received Satter’s May 17, 2011 letter.

5. On that same date, in response to Satter’s letter, Respondent sent Satter an email in which he stated that Medicare had not paid any medical expenses on behalf of Piedra that were related to the accident and therefore did not have a lien on the matter. However, Respondent did not provide Satter with documentation from Medicare verifying that it had no lien.

6. On May 31, 2011, Satter sent Respondent another letter advising him that she still required documentation from Medicare as to the amount of the lien. If Medicare was not pursuing a lien, Satter requested that Respondent provide her with documentation to that effect so that she could issue payment. Respondent received Satter's May 31, 2011 letter but he did not provide a written response.

7. On June 21, 2011, since Respondent had not obtained and provided the documentation to Satter showing that Medicare was not pursuing a lien, USAA issued a settlement check for \$40,000 made payable to Respondent, Piedra and Medicare. Respondent received the settlement check but failed to take steps to obtain a release or waiver from Medicare so that USAA would re-issue the check without Medicare as a payee. Piedra made some initial attempts, at Respondent's request, to contact Medicare to resolve the issue. When Piedra's efforts were unsuccessful, Respondent failed to pursue the matter further.

8. On November 16, 2011, Satter sent Respondent a letter informing him that Piedra had telephoned her office to advise that he had not received the settlement and that Respondent would not return his calls. Satter requested that the Respondent contact her to advise of the status of the settlement draft. Respondent received Satter's November 16, 2011 letter but did not respond.

9. In December 2011, the settlement check issued on June 21, 2011 lapsed, and USAA sent Respondent a newly re-issued settlement check payable to Respondent, Piedra and Medicare. Respondent received the second settlement check, but failed to get the Medicare's release or waiver so that USAA would re-issue the check without Medicare as a payee. Since Respondent failed to do so, he could not negotiate the check and the second settlement check also lapsed.

10. On January 14, 2012, Piedra contacted Respondent and said he desperately needed money. At this time, Respondent had not yet obtained a release from Medicare to remove them as payees on the settlement check and was unable to negotiate the settlement check. Therefore Piedra had not received his share of the settlement proceeds.

11. On July 20, 2012, Satter sent Respondent a letter stating that Piedra's case settled some time ago and that since then, Satter had received numerous calls from Piedra stating that Respondent had not provided him with the settlement check. The letter was not returned by the Post Office to Satter as undeliverable.

12. On August 3, 2012, Satter informed the State Bar that the settlement draft issued after the April 13, 2011 settlement was never negotiated and that Respondent refused to respond to her calls and letters regarding the settlement draft. Additionally, Satter stated that she has received numerous calls from Piedra advising that Respondent had not sent him the settlement draft and will not return his calls.

13. In November 2014, after Respondent had knowledge of Piedra's complaint to the State Bar, Respondent contacted Piedra and Satter. Respondent, working with Piedra, was able to obtain a release from Medicare on November 10, 2014, stating that there was no medical lien against Piedra. Respondent forwarded that information to Satter and Satter re-issued a settlement check on December 1, 2014, naming only Respondent and Piedra as payees.

14. On December 17, 2014, Respondent provided Piedra with *Settlement of Disbursements of Money Recovered for Richard Piedra*, which provided a breakdown of the settlement disbursement and advised Piedra that he could seek the advice of an independent lawyer before agreeing to the

disbursement and allowed Piedra time to do so. The final amount of money to be disbursed to Piedra from the settlement was \$20,000. The breakdown sheet provided Piedra with a full accounting.

15. On December 17, 2014, Piedra signed the *Settlement of Disbursements of Money Recovered for Richard Piedra* acknowledging its receipt and advisement by Respondent that he may seek advice of an independent lawyer before agreeing to the disbursement. On December 21, 2014, Piedra signed the Accounting and Disbursement Sheet and agreed to the disbursement of \$20,000 as his full and final share of the settlement proceeds.

16. On December 24, 2014, Respondent issued a check in the amount of \$20,000 to Piedra. Piedra accepted the \$20,000.

#### CONCLUSIONS OF LAW:

17. By failing to take steps to obtain a release or waiver from Medicare so that USAA would re-issue the check without Medicare as a payee; thereby preventing disbursement of Richard Piedra's portion of the settlement for three years, Respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

18. By failing to respond promptly to telephonic status inquiries made by his client, Richard Piedra, between November 16, 2011 and July 20, 2012 Respondent failed to respond promptly to reasonable status inquiries of a client in a matter in which Respondent had agreed to provide legal services, in willful violation of Business and Professions Code, section 6068(m).

#### AGGRAVATING CIRCUMSTANCES.

**Prior Record of Discipline (See Std. 1.5(a).):** In case no. 02-O-14177, Respondent received a Public Reprimand with one year probation with conditions to complete Ethics School & MPRE within one year. The order took effect July 2, 2004. In the first matter, on January 30, 2001, Respondent was hired to represent a client in a marital dissolution. Respondent was paid an advance legal fee but failed to perform any legal work and failed to respond promptly to his client's reasonable requests for information about her case. In the second matter, on December 5, 2002, Respondent was hired to prepare a will for a client. Respondent was paid an advance legal fee to draft a will but failed to do so and failed to refund unearned fees.

In a second matter, case no. 05-O-03751, Respondent was placed on three years' probation and received one year stayed suspension. The order took effect October 9, 2009. On January 3, 2003, Respondent was hired to represent a client in a marital dissolution. Respondent was paid an advance legal fee to file a petition to finalize the dissolution. Respondent stipulated that he failed to perform legal services with competence, failed to respond promptly to reasonable status inquiries of a client, failed to take any effective action on a client matter until the State Bar informed him of the complaint, and failed to refund unearned fees.

**Harm to Client (See Std 1.5(f).):** By failing to perform on his client's matter, Respondent deprived Mr. Piedra of his settlement funds for three years, funds which Mr. Piedra had notified to Respondent that he desperately needed.

**ADDITIONAL FACTS RE MITIGATING CIRCUMSTANCES.**

**Good Character (Std. 1.6(f)):** Respondent provided the Office of Chief Trial Counsel seven letters attesting to his good character from a wide range of references in the legal and general communities and who are aware of the full extent of the Respondent's misconduct.



(Do not write above this line.)

In the Matter of:  
**GEORG DAVID HARTSON II**  
**SBN 119812**

Case number(s):  
**14-O-02314**

### 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 and Conclusions of Law.

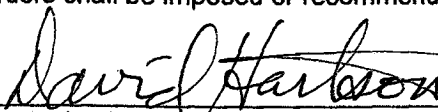
Respondent enters into this stipulation as a condition of his/her participation in the Program. Respondent understands that he/she must abide by all terms and conditions of Respondent's Program Contract.

If the Respondent is not accepted into the Program or does not sign the Program contract, this Stipulation will be rejected and will not be binding on Respondent or the State Bar.

If the Respondent is accepted into the Program, this Stipulation will be filed and will become public. Upon Respondent's successful completion of or termination from the Program, the specified level of discipline for successful completion of or termination from the Program as set forth in the State Bar Court's Confidential Statement of Alternative Dispositions and Orders shall be imposed or recommended to the Supreme Court.

April 9, 2015

Date

  
Respondent's Signature

Georg David Hartson II

Print Name

April 9, 2015

Date

  
Respondent's Counsel Signature

Susan Lynn Margolis

Print Name

4.9.15

Date

  
Deputy Trial Counsel's Signature

Elizabeth Stine

Print Name

(Do not write above this line.)

In the Matter of: GEORG DAVID HARTSON II SBN 119812	Case Number(s): 14-O-02314
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### ALTERNATIVE DISCIPLINE PROGRAM 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 stipulation as to facts and conclusions of law is APPROVED.
- The stipulation as to facts and conclusions of law is APPROVED AS MODIFIED as set forth below.
- All court dates in the Hearing Department 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; or 3) Respondent is not accepted for participation in the Program or does not sign the Program Contract. (See rule 5.58(E) & (F) and 5.382(D), Rules of Procedure.)

Date

8/4/15

  
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 August 4, 2015, I deposited a true copy of the following document(s):

**STIPULATION RE FACTS AND CONCLUSIONS OF LAW**

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:

**GEORG DAVID HARTSON, II  
LAW OFC DAVID HARTSON  
8209A FOOTHILL BLVD # 267  
SUNLAND, CA 91040**

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

**MURRAY GREENBERG, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on August 4, 2015.



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Tammy Cleaver  
Case Administrator  
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 March 6, 2017, I deposited a true copy of the following document(s):

DECISION AND ORDER SEALING CERTAIN DOCUMENTS

STIPULATION RE FACTS AND CONCLUSIONS OF LAW

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:

GEORG DAVID HARTSON, II  
LAW OFC DAVID HARTSON  
8209A FOOTHILL BLVD # 267  
SUNLAND, CA 91040

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

MURRAY B. GREENBERG, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on March 6, 2017.



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Mazie Yip  
Case Administrator  
State Bar Court