State Bar Court of California					
	Hearing Department	PUBLIC MATTER			
Counsel for the State Bar	Case Number(s):	For Court use only			
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Bar # <b>214997</b>		APR - 5 2019			
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(323) 398-8098	Submitted to: Assigned Judge				
Bar # <b>125642</b>	STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING				
In the Matter of: MATTHEW PAUL KRUPNICK	ACTUAL SUSPENSION				
	PREVIOUS STIPULATION REJECTED				
Bar # <b>234822</b>					
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 3, 2004.
- (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 **15** 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."

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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. It is recommended that (check one option only):
  - Costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10, and are enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment. Unless the time for payment of discipline costs is extended pursuant to subdivision (c) of section 6086.10, costs assessed against a member who is actually suspended or disbarred must be paid as a condition of reinstatement or return to active status.
  - Costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10 and are enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment. One-third of the costs must be paid with Respondent's membership fees for each of the following years: three billing cycles following the effective date of the Supreme Court order.

If Respondent fails to pay any installment as described above, or as may be modified in writing by the State Bar or the State Bar Court, the remaining balance will be 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(h) & 1.5]. Facts supporting aggravating circumstances are required.
- (1) **Prior record of discipline:** 
  - (a) State Bar Court case # of prior case:
  - (b) Date prior discipline effective:
  - (c) Rules of Professional Conduct/ State Bar Act violations:
  - (d) Degree of prior discipline:
  - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (2) Intentional/Bad Faith/Dishonesty: Respondent's misconduct was dishonest, intentional, or surrounded by, or followed by bad faith.
- (3) Misrepresentation: Respondent's misconduct was surrounded by, or followed by, misrepresentation.
- (4) **Concealment:** Respondent's misconduct was surrounded by, or followed by, concealment.

- (5) Overreaching: Respondent's misconduct was surrounded by, or followed by, overreaching.
- (6) Uncharged Violations: Respondent's conduct involves uncharged violations of the Business and Professions Code, or the Rules of Professional Conduct.
- (7) Trust Violation: Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (8) **Harm:** Respondent's misconduct harmed significantly a client, the public, or the administration of justice.
- (9) Indifference: Respondent demonstrated indifference toward rectification of or atonement for the consequences of Respondent's misconduct.
- (10) Candor/Lack of Cooperation: Respondent displayed a lack of candor and cooperation to victims of Respondent's misconduct, or to the State Bar during disciplinary investigations or proceedings.
- (11) Multiple Acts: Respondent's current misconduct evidences multiple acts of wrongdoing. See attachment, page 12
- (12) **Pattern:** Respondent's current misconduct demonstrates a pattern of misconduct.
- (13) **Restitution:** Respondent failed to make restitution.
- (14) Ullnerable Victim: The victim(s) of Respondent's misconduct was/were highly vulnerable.
- (15) **No aggravating circumstances** are involved.

#### Additional aggravating circumstances:

# C. Mitigating Circumstances [Standards 1.2(i) & 1.6]. Facts supporting mitigating circumstances are required.

- (1) **No Prior Discipline:** Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not likely to recur.
- (2) **No Harm:** Respondent did not harm the client, the public, or the administration of justice.
- (3) Candor/Cooperation: Respondent displayed spontaneous candor and cooperation with the victims of Respondent's misconduct or to the State Bar during disciplinary investigations and proceedings.
- (4) Remorse: Respondent promptly took objective steps demonstrating spontaneous remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of Respondent's 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 Respondent.

- (7) Good Faith: Respondent acted with a good faith belief that was honestly held and objectively reasonable.
- (8) Emotional/Physical Difficulties: At the time of the stipulated act or acts of professional misconduct, Respondent suffered extreme emotional difficulties or physical or mental disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by Respondent, 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 Respondent's control and which were directly responsible for the misconduct.
- (10) **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in Respondent's 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 Respondent's misconduct.
- (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 attachment, page 12

## **D. Recommended Discipline:**

#### (1) 🛛 Actual Suspension:

Respondent is suspended from the practice of law for **one year**, the execution of that suspension is stayed, and Respondent is placed on probation for **one year** with the following conditions.

 Respondent must be suspended from the practice of law for the first 90 days of the period of Respondent's probation.

#### (2) Actual Suspension "And Until" Rehabilitation:

Respondent is suspended from the practice of law for , the execution of that suspension is stayed, and Respondent is placed on probation for with the following conditions.

Respondent must be suspended from the practice of law for a minimum of the first of Respondent's probation and until Respondent provides proof to the State Bar Court of Respondent's rehabilitation, fitness to practice, and present learning and ability in the general law. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, std. 1.2(c)(1).)

#### (3) Actual Suspension "And Until" Restitution (Single Payee) and Rehabilitation:

Respondent is suspended from the practice of law for , the execution of that suspension is stayed, and Respondent is placed on probation for with the following conditions.

- Respondent must be suspended from the practice of law for a minimum of the first of Respondent's probation, and Respondent will remain suspended until both of the following requirements are satisfied:
  - a. Respondent makes restitution to in the amount of \$ plus 10 percent interest per year from (or reimburses the Client Security Fund to the extent of any payment from the Fund to such payee, in accordance with Business and Professions Code section 6140.5) and furnishes satisfactory proof to the State Bar's Office of Probation in Los Angeles; and
  - b. Respondent provides proof to the State Bar Court of Respondent's rehabilitation, fitness to practice, and present learning and ability in the general law. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, std. 1.2(c)(1).)

#### (4) Actual Suspension "And Until" Restitution (Multiple Payees) and Rehabilitation:

Respondent is suspended from the practice of law for , the execution of that suspension is stayed, and Respondent is placed on probation for with the following conditions.

- Respondent must be suspended from the practice of law for a minimum of the first of Respondent's probation, and Respondent will remain suspended until both of the following requirements are satisfied:
  - a. Respondent must make restitution, including the principal amount plus 10 percent interest per year (and furnish satisfactory proof of such restitution to the Office of Probation), to each of the following payees (or reimburse the Client Security Fund to the extent of any payment from the Fund to such payee in accordance with Business and Professions Code section 6140.5):

Payee	Principal Amount	Interest Accrues From

 Respondent provides proof to the State Bar Court of Respondent's rehabilitation, fitness to practice, and present learning and ability in the general law. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, std. 1.2(c)(1).)

#### (5) Actual Suspension "And Until" Restitution (Single Payee) with Conditional Std. 1.2(c)(1) Requirement:

Respondent is suspended from the practice of law for , the execution of that suspension is stayed, and Respondent is placed on probation for with the following conditions.

- Respondent must be suspended from the practice of law for a minimum for the first of Respondent's probation, and Respondent will remain suspended until the following requirements are satisfied:
  - a. Respondent makes restitution to in the amount of \$ plus 10 percent interest per year from (or reimburses the Client Security Fund to the extent of any payment from the

Fund to such payee, in accordance with Business and Professions Code section 6140.5) and furnishes satisfactory proof to the State Bar's Office of Probation in Los Angeles; and,

b. If Respondent remains suspended for two years or longer, Respondent must provide proof to the State Bar Court of Respondent's rehabilitation, fitness to practice, and present learning and ability in the general law. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, std. 1.2(c)(1).)

### (6) Actual Suspension "And Until" Restitution (Multiple Payees) with Conditional Std. 1.2(c)(1) Requirement:

Respondent is suspended from the practice of law for , the execution of that suspension is stayed, and Respondent is placed on probation for with the following conditions.

- Respondent must be suspended from the practice of law for a minimum for the first of Respondent's probation, and Respondent will remain suspended until the following requirements are satisfied:
  - a. Respondent must make restitution, including the principal amount plus 10 percent interest per year (and furnish satisfactory proof of such restitution to the Office of Probation), to each of the following payees (or reimburse the Client Security Fund to the extent of any payment from the Fund to such payee in accordance with Business and Professions Code section 6140.5):

Payee	Principal Amount	Interest Accrues From
4. 		

b. If Respondent remains suspended for two years or longer, Respondent must provide proof to the State Bar Court of Respondent's rehabilitation, fitness to practice, and present learning and ability in the general law. (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, std. 1.2(c)(1).)

## (7) Actual Suspension with Credit for Interim Suspension:

Respondent is suspended from the practice of law for , the execution of that suspension is stayed, and Respondent is placed on probation for with the following conditions.

 Respondent is suspended from the practice of law for the first for the period of interim suspension which commenced on
).

## E. Additional Conditions of Probation:

(1) Review Rules of Professional Conduct: Within 30 days after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must (1) read the California Rules of Professional Conduct (Rules of Professional Conduct) and Business and Professions Code sections 6067, 6068, and 6103 through 6126, and (2) provide a declaration, under penalty of perjury, attesting to Respondent's

compliance with this requirement, to the State Bar's Office of Probation in Los Angeles (Office of Probation) with Respondent's first quarterly report.

- (2) Comply with State Bar Act, Rules of Professional Conduct, and Probation Conditions: Respondent must comply with the provisions of the State Bar Act, the Rules of Professional Conduct, and all conditions of Respondent's probation.
- (3) Maintain Valid Official Membership Address and Other Required Contact Information: Within 30 days after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must make certain that the State Bar Attorney Regulation and Consumer Resources Office (ARCR) has Respondent's current office address, email address, and telephone number. If Respondent does not maintain an office, Respondent must provide the mailing address, email address, and telephone number to be used for State Bar purposes. Respondent must report, in writing, any change in the above information to ARCR, within ten (10) days after such change, in the manner required by that office.
- (4) Meet and Cooperate with Office of Probation: Within 15 days after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must schedule a meeting with Respondent's assigned probation case specialist to discuss the terms and conditions of Respondent's discipline and, within 30 days after the effective date of the court's order, must participate in such meeting. Unless otherwise instructed by the Office of Probation, Respondent may meet with the probation case specialist in person or by telephone. During the probation period, Respondent must promptly meet with representatives of the Office of Probation as requested by it and, subject to the assertion of applicable privileges, must fully, promptly, and truthfully answer any inquiries by it and provide to it any other information requested by it.
- (5) State Bar Court Retains Jurisdiction/Appear Before and Cooperate with State Bar Court: During Respondent's probation period, the State Bar Court retains jurisdiction over Respondent to address issues concerning compliance with probation conditions. During this period, Respondent must appear before the State Bar Court as required by the court or by the Office of Probation after written notice mailed to Respondent's official membership address, as provided above. Subject to the assertion of applicable privileges, Respondent must fully, promptly, and truthfully answer any inquiries by the court and must provide any other information the court requests.

#### (6) Quarterly and Final Reports:

- a. Deadlines for Reports. Respondent must submit written quarterly reports to the Office of Probation no later than each January 10 (covering October 1 through December 31 of the prior year), April 10 (covering January 1 through March 31), July 10 (covering April 1 through June 30), and October 10 (covering July 1 through September 30) within the period of probation. If the first report would cover less than 30 days, that report must be submitted on the next quarter date and cover the extended deadline. In addition to all quarterly reports, Respondent must submit a final report no earlier than ten (10) days before the last day of the probation period and no later than the last day of the probation period.
- b. Contents of Reports. Respondent must answer, under penalty of perjury, all inquiries contained in the quarterly report form provided by the Office of Probation, including stating whether Respondent has complied with the State Bar Act and the Rules of Professional Conduct during the applicable quarter or period. All reports must be: (1) submitted on the form provided by the Office of Probation; (2) signed and dated after the completion of the period for which the report is being submitted (except for the final report); (3) filled out completely and signed under penalty of perjury; and (4) submitted to the Office of Probation on or before each report's due date.
- c. Submission of Reports. All reports must be submitted by: (1) fax or email to the Office of Probation; (2) personal delivery to the Office of Probation; (3) certified mail, return receipt requested, to the Office of Probation (postmarked on or before the due date); or (4) other tracked-service provider, such as Federal Express or United Parcel Service, etc. (physically delivered to such provider on or before the due date).

- **d. Proof of Compliance.** Respondent is directed to maintain proof of Respondent's compliance with the above requirements for each such report for a minimum of one year after either the period of probation or the period of Respondent's actual suspension has ended, whichever is longer. Respondent is required to present such proof upon request by the State Bar, the Office of Probation, or the State Bar Court.
- (7) State Bar Ethics School: Within one year after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must submit to the Office of Probation satisfactory evidence of completion of the State Bar Ethics School and passage of the test given at the end of that session. This requirement is separate from any Minimum Continuing Legal Education (MCLE) requirement, and Respondent will not receive MCLE credit for attending this session. If Respondent provides satisfactory evidence of completion of the Ethics School after the date of this stipulation but before the effective date of the Supreme Court's order in this matter, Respondent will nonetheless receive credit for such evidence toward Respondent's duty to comply with this condition.
- (8) State Bar Ethics School Not Recommended: It is not recommended that Respondent be ordered to attend the State Bar Ethics School because
- (9) State Bar Client Trust Accounting School: Within one year after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must submit to the Office of Probation satisfactory evidence of completion of the State Bar Client Trust Accounting School and passage of the test given at the end of that session. This requirement is separate from any Minimum Continuing Legal Education (MCLE) requirement, and Respondent will not receive MCLE credit for attending this session. If Respondent provides satisfactory evidence of completion of the Supreme Court's order in this matter, Respondent will not receive date of the Supreme Court's order in this matter, Respondent will nonetheless receive credit for such evidence toward Respondent's duty to comply with this condition.
- (10) Minimum Continuing Legal Education (MCLE) Courses California Legal Ethics [Alternative to State Bar Ethics School for Out-of-State Residents]: Because Respondent resides outside of California, within after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must either submit to the Office of Probation satisfactory evidence of completion of the State Bar Ethics School and passage of the test given at the end of that session or, in the alternative, complete hours of California Minimum Continuing Legal Education-approved participatory activity in California legal ethics and provide proof of such completion to the Office of Probation. This requirement is separate from any MCLE requirement, and Respondent will not receive MCLE credit for this activity. If Respondent provides satisfactory evidence of completion of the Ethics School or the hours of legal education described above, completed after the date of this stipulation but before the effective date of the Supreme Court's order in this matter, Respondent will nonetheless receive credit for such evidence toward Respondent's duty to comply with this condition.
- (11) Criminal Probation: Respondent must comply with all probation conditions imposed in the underlying criminal matter and must report such compliance under penalty of perjury in all quarterly and final reports submitted to the Office of Probation covering any portion of the period of the criminal probation. In each quarterly and final report, if Respondent has an assigned criminal probation officer, Respondent must provide the name and current contact information for that criminal probation officer. If the criminal probation was successfully completed during the period covered by a quarterly or final report, that fact must be reported by Respondent in such report and satisfactory evidence of such fact must be provided with it. If, at any time before or during the period of probation, Respondent's criminal probation is revoked, Respondent is sanctioned by the criminal court, or Respondent's status is otherwise changed due to any alleged violation of the criminal probation conditions by Respondent must submit the criminal court records regarding any such action with Respondent's next quarterly or final report.
- (12) Minimum Continuing Legal Education (MCLE): Within after the effective date of the Supreme Court order imposing discipline in this matter, Respondent must complete hour(s) of California Minimum Continuing Legal Education-approved participatory activity in SELECT ONE and must

provide proof of such completion to the Office of Probation. This requirement is separate from any MCLE requirement, and Respondent will not receive MCLE credit for this activity. If Respondent provides satisfactory evidence of completion of the hours of legal education described above, completed after the date of this stipulation but before the effective date of the Supreme Court's order in this matter, Respondent will nonetheless receive credit for such evidence toward Respondent's duty to comply with this condition.

- (13) **Other:** Respondent must also comply with the following additional conditions of probation:
- (14) Image of Compliance with Rule 9.20 Obligations: Respondent is directed to maintain, for a minimum of one year after commencement of probation, proof of compliance with the Supreme Court's order that Respondent comply with the requirements of California Rules of Court, rule 9.20, subdivisions (a) and (c). Such proof must include: the names and addresses of all individuals and entities to whom Respondent sent notification pursuant to rule 9.20; a copy of each notification letter sent to each recipient; the original receipt or postal authority tracking document for each notification sent; the originals of all returned receipts and notifications of non-delivery; and a copy of the completed compliance affidavit filed by Respondent with the State Bar Court. Respondent is required to present such proof upon request by the State Bar, the Office of Probation, or the State Bar Court.
- (15) The following conditions are attached hereto and incorporated:
  - Financial Conditions

Medical Conditions

Substance Abuse Conditions

The period of probation will commence on the effective date of the Supreme Court order imposing discipline in this matter. At the expiration of the probation period, if Respondent has complied with all conditions of probation, the period of stayed suspension will be satisfied and that suspension will be terminated.

## F. Other Requirements Negotiated by the Parties (Not Probation Conditions):

- (1) Multistate Professional Responsibility Examination Within One Year or During Period of Actual Suspension: Respondent must take and pass the Multistate Professional Responsibility Examination administered by the National Conference of Bar Examiners within one year after the effective date of the Supreme Court order imposing discipline in this matter or during the period of Respondent's actual suspension, whichever is longer, and to provide satisfactory proof of such passage to the State Bar's Office of Probation within the same period. Failure to do so may result in suspension. (Cal. Rules of Court, rule 9.10(b).) If Respondent provides satisfactory evidence of the taking and passage of the above examination after the date of this stipulation but before the effective date of the Supreme Court's order in this matter, Respondent will nonetheless receive credit for such evidence toward Respondent's duty to comply with this requirement.
- (2) Multistate Professional Responsibility Examination Requirement Not Recommended: It is not recommended that Respondent be ordered to take and pass the Multistate Professional Responsibility Examination because
- (3) California Rules of Court, Rule 9.20: Respondent must comply with the requirements of California Rules of Court, rule 9.20, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 days, respectively, after the effective date of the Supreme Court order imposing discipline in this matter. Failure to do so may result in disbarment or suspension.

For purposes of compliance with rule 9.20(a), the operative date for identification of "clients being represented in pending matters" and others to be notified is the filing date of the Supreme Court order, not any later "effective" date of the order. (*Athearn v. State Bar* (1982) 32 Cal.3d 38, 45.) Further, Respondent is required to file a rule 9.20(c) affidavit even if Respondent has no clients to notify on the

date the Supreme Court filed its order in this proceeding. (*Powers v. State Bar* (1988) 44 Cal.3d 337, 341.) In addition to being punished as a crime or contempt, an attorney's failure to comply with rule 9.20 is, inter alia, cause for disbarment, suspension, revocation of any pending disciplinary probation, and denial of an application for reinstatement after disbarment. (Cal. Rules of Court, rule 9.20(d).)

(4) California Rules of Court, Rule 9.20 – Conditional Requirement: If Respondent remains suspended for 90 days or longer, Respondent must comply with the requirements of California Rules of Court, rule 9.20, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 days, respectively, after the effective date of the Supreme Court order imposing discipline in this matter. Failure to do so may result in disbarment or suspension.

For purposes of compliance with rule 9.20(a), the operative date for identification of "clients being represented in pending matters" and others to be notified is the filing date of the Supreme Court order, not any later "effective" date of the order. (*Athearn v. State Bar* (1982) 32 Cal.3d 38, 45.) Further, Respondent is required to file a rule 9.20(c) affidavit even if Respondent has no clients to notify on the date the Supreme Court filed its order in this proceeding. (*Powers v. State Bar* (1988) 44 Cal.3d 337, 341.) In addition to being punished as a crime or contempt, an attorney's failure to comply with rule 9.20 is, inter alia, cause for disbarment, suspension, revocation of any pending disciplinary probation, and denial of an application for reinstatement after disbarment. (Cal. Rules of Court, rule 9.20(d).)

- (5) California Rules of Court, Rule 9.20, Requirement Not Recommended: It is not recommended that Respondent be ordered to comply with the requirements of California Rules of Court, rule 9.20, because
- (6) Other Requirements: It is further recommended that Respondent be ordered to comply with the following additional requirements:

## ATTACHMENT TO

## STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: MATTHEW PAUL KRUPNICK

CASE NUMBER: 15-O-12906

## 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. 15-O-2906 (Complainant: U.S. District Court)

FACTS:

1. On October 28, 2014, Respondent filed, on behalf of his client, a civil Complaint for Damages in United States District Court for the Central District of California (Western Division – Los Angeles), case number 2:14-cv-08360-DSF-SH.

2. On December 29, 2014, the Court issued an Initial Standing Order, of which Respondent had notice, setting a Scheduling Conference for March 16, 2015, and requiring the parties to file a Joint Report prior to that hearing, including a schedule of pretrial and trial dates. Respondent failed to take any action to comply with the October 29, 2014 Order.

3. On March 11, 2015, the Court set an Order to Show Cause as to why he should not be sanctioned for failure to comply with the December 29, 2014 Court Order, and further required Respondent to file a written response to the Order to Show Cause, and to appear at a hearing on the Order to Show Cause on March 16, 2015. Respondent had notice of the order. Respondent failed to comply with any of the requirements of the Order to Show Cause.

4. On April 6, 2015, the Court issued an Order, of which Respondent had notice, requiring Respondent to advise his client that her case was about to be dismissed following Respondent's failure to appear at the March 16, 2015 Scheduling Conference, and further to file a declaration with the court that he had complied with the Order. Respondent failed to comply with the Court's order by failing to file a declaration confirming he had so advised his client.

5. On April 27, 2015, the Court issued an Order, of which Respondent had notice, requiring Respondent to pay a \$2,500 judicial sanction for failure to comply with prior court orders, and the Court dismissed the civil action. The sanction was ordered paid to the Clerk of Court by May 11, 2015. Respondent failed to comply with the Court Order by not paying the judicial sanctions by the date ordered. Respondent paid the \$2,500 sanction on February 20, 2019.

6. Respondent did not report the judicial sanctions, which were ordered on April 27, 2015, to the State Bar within 30 days, or at any time before the State Bar contacted him about the sanctions in July of 2015.

7. On August 25, 2015, Respondent stated in writing to an investigator from the State Bar, in a response to an investigative inquiry, that he had made arrangements with other counsel to assist him in the handling of the civil case, specifically referencing two other California attorneys and advising that they were his co-counsel. At the time Respondent made the representation it was false, and Respondent knew it was false.

## CONCLUSIONS OF LAW:

8. By failing to comply with the December 29, 2014 Initial Standing Order, Respondent disobeyed or violated an order of the court requiring Respondent to do or forbear an act connected with or in the course of Respondent's profession, which Respondent ought in good faith to do or forbear in willful violation of Business and Professions Code, section 6103.

9. By failing to comply with the March 11, 2015 Order to Show Cause, Respondent disobeyed or violated an order of the court requiring Respondent to do or forbear an act connected with or in the course of Respondent's profession, which Respondent ought in good faith to do or forbear in willful violation of Business and Professions Code, section 6103.

10. By failing to comply with the April 6, 2015 Court Order, Respondent disobeyed or violated an order of the court requiring Respondent to do or forbear an act connected with or in the course of Respondent's profession, which Respondent ought in good faith to do or forbear in willful violation of Business and Professions Code, section 6103.

11. By failing to comply with the April 27, 2015 Court Order to pay judicial sanctions, Respondent disobeyed or violated an order of the court requiring Respondent to do or forbear an act connected with or in the course of Respondent's profession, which Respondent ought in good faith to do or forbear in willful violation of Business and Professions Code, section 6103.

12. By failing to report the judicial sanctions ordered by the Court on April 27, 2015 to the State Bar, Respondent failed to report to the agency charged with attorney discipline, in writing, within 30 days of the time Respondent had knowledge of the imposition of judicial sanctions against Respondent, in willful violation of Business and Professions Code, section 6068(0)(3).

13. By stating in writing to an investigator from the State Bar, in a response to an investigative inquiry, that he had made arrangements with other counsel to assist him in the handling of the civil case, and advising that they were his co-counsel in the matter, when he knew that the statement was false, Respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

## AGGRAVATING CIRCUMSTANCES.

Multiple Acts of Wrongdoing (Std. 1.5(b)): Respondent's failure to comply with four separate court orders, including an order to pay sanctions, the failure to report those sanctions, and Respondent's misrepresentation to the State Bar, constitute multiple acts of wrongdoing.

## MITIGATING CIRCUMSTANCES.

No Prior Discipline: Respondent was admitted to practice law in California on December 3, 2004. At the time of the misconduct, Respondent had practiced law for just over 10 years without a prior

record of discipline. However, the mitigative weight will be diminished by the serious nature of the present misconduct. (See *Hawes v. State Bar* (1990) 51 Cal.3d 587 [over 10 years of discipline free practice entitled to significant weight]; (*In the Matter of Kueker* (Review Dept.1991) 1 Cal. State Bar Ct. Rptr 583 [record of 14 years of practice without discipline was mitigating but could not outweigh the seriousness of the attorney's misconduct and aggravating circumstances].)

## **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 Silverton* (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).)

Standard 1.7 (a) states "if a member commits two or more acts of misconduct and the Standards specify different sanctions for each act, the most severe sanction must be imposed." The most severe sanction applicable to Respondent's misconduct is found in Standards 2.12(a), which applies to Respondent's failure to comply with a court order in violation of Business and Professions Code section 6103, and 2.11, which applies to Respondent's misrepresentation to the State Bar.

Standard 2.12(a), provides disbarment or actual suspension is the presumed sanction for disobedience or violation of a court order related to the member's practice of law. Standard 2.11 also provides that disbarment or actual suspension is the assumed sanction for an act of moral turpitude, dishonesty, fraud, corruption, intentional or grossly negligent misrepresentation, or concealment of a material fact. Here, Respondent's misconduct arose from his representation in a single civil matter, and there is no question the court orders were related to Respondent's practice of law. In fact his failures to comply with the court orders ultimately resulted in dismissal of the underlying civil litigation. Aggravating circumstances, including multiple acts of misconduct, outweigh mitigation, and Respondent's 10 years of discipline free practice provide some mitigation. However, Respondent's misrepresentation to the State Bar during its investigation compounds the misconduct. Accordingly a significant period of actual

suspension is appropriate. Based on the totality of the circumstances, a one year stayed suspension, two years of probation, including a 90 day actual suspension, and that Respondent attend State Bar Ethics School, and pass the test given at the end, and compliance with rule 9.20, and until Respondent pays the outstanding judicial sanctions, or provides proof that the sanctions order has been discharged, is appropriate to maintain high professional standards and preserve public confidence in the legal profession.

The level of discipline is also supported by case law. In *In the Matter of Riordan* (Review Dept. 2007) 5 Cal. State Bar Ct. Rptr. 41, an attorney failed to perform legal services with competence, failed to comply with Supreme Court orders, and failed to timely report judicial sanctions. The Review Department imposed six-months stayed suspension. The attorney had no record of prior discipline and the aggravating factor of multiple acts of misconduct was given little weight. In the present matter, Respondent's misconduct is similar to Riordan, in that Respondent failed to comply with court orders and failed to report judicial sanctions. However, Respondent's misconduct is more serious as it not only involves four failures to comply with court orders, but also includes an act involving moral turpitude. Further, in the present matter, Respondent not only failed to report judicial sanctions but did not pay them until February 20, 2019, long after the filing of disciplinary charges. The aggravating factor of which is diminished due to the seriousness of the misconduct. Therefore, a higher level of discipline than that ordered in *Riordan* is warranted here.

## COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of February 25, 2019, the prosecution costs in this matter are \$3,857.00. 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.

(Do not write above this line.)		 
In the Matter of	Case number(s):	
MATTHEW PAUL KRUPNICK	15-O-12906	

# 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 Fact, Conclusions of Law and Disposition.

Much 21, 2015 Date Matthew Paul Krupnick Respondent's Signature Print Name Mar. 21, 2019 Date Alan B. Gordon Print Name Respondent's Counsel Signature March 26, 2019 01 du Kelly McNamara Print Name Counsel's Signature Deputy Trial Date

In the Matter of: MATTHEW PAUL KRUPNICK Case Number(s): 15-O-12906

# 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.
- 1. On p. 11, the subheading "Case No. 15-O-2906" is corrected to read "Case No. 15-O-12906."

On p. 14, the first sentence beginning on the first line is deleted and substituted in its stead:
"Based on the totality of the circumstances, a one-year stayed suspension, one-year probation, including a 90-day actual suspension, is appropriate to maintain high professional standards and preserve public confidence in the legal profession."

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 Rules Proc. of State Bar, rule 5.58(E) & (F).) The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after the filed date of the Supreme Court order. (See Cal. Rules of Court, rule 9.18(a).)

YVETTE D. ROLAND

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 Court Specialist 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 April 5, 2019, 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 B. Gordon The Law Office of Alan B. Gordon 3171 Los Feliz Blvd, Ste 208-C Los Angeles, CA 90039

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

R. Kevin Bucher, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on April 5, 2019.

Paul Songco Court Specialist State Bar Court