State Bar Court of California Hearing Department Los Angeles DISBARMENT				
Counsel For The State Bar	Case Number(s): 15-O-13079-YDR	For Court use only		
William Todd				
Senior Trial Counsel				
845 S. Figueroa Street		FILED		
Los Angeles, California 90017				
213-765-1491		MAY 10 2017 AC		
Bar # 259194		STATE BAR COURT CLERK'S OFFICE		
Counsel For Respondent		LOS ANGELES		
Edward O. Lear, Esq. Century Law Group 5200 W Century Boulevard #345 Los Angeles, California 90045 310-642-6900	PUBLIC	MATTER		
510-642-6500	Submitted to: Settlement Ju	ıdge		
Bar # 132699	STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT			
In the Matter of:				
CARI DONAHUE	DISBARMENT			
Bar # 273436	PREVIOUS STIPULATION REJECTED			
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 6, 2010**.
- (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 resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of (12) 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. (Check one option only):



Costs to be awarded to the State Bar.

Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs". Costs are entirely waived.

(9) ORDER OF INACTIVE ENROLLMENT: The parties are aware that if this stipulation is approved, the judge will issue an order of inactive enrollment under Business and Professions Code section 6007, subdivision (c)(4), and Rules of Procedure of the State Bar, rule 5.111(D)(1).

B. Aggravating Circumstances [Standards for Attorney Sanctions for Professional Misconduct, standards 1.2(h) & 1.5]. Facts supporting aggravating circumstances are required.

- (1) \square Prior record of discipline
 - (a) State Bar Court case # of prior case 14-O-00897. (Please see "Attachment to Stipulation," at pages eight and nine.)
 - (b) Date prior discipline effective August 28, 2016
 - (c) Rules of Professional Conduct/ State Bar Act violations: Business and Professions Code sections 6106, 6106.3; Rules of Professional Conduct, rules 4-100(A), 4-100(B)(3), 4-100(B)(4)
 - (d) Degree of prior discipline Three years' suspension, stayed, three years' probation with two years' actual suspension and until respondent makes restitution to the client in the amount of \$13,500 and establishes rehabilitation under standard 1.2(c)(1).
 - (e) If respondent has two or more incidents of prior discipline, use space provided below:

Please see "Attachment to Stipulation," at page nine.

- (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. Please see "Attachment to Stipulation," at page nine.
- (9) Indifference: Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (10) Lack of Candor/Cooperation: Respondent displayed a lack of candor and cooperation to victims of his/her misconduct, or to the State Bar during disciplinary investigations or proceedings.
- (11) Multiple Acts: Respondent's current misconduct evidences multiple acts of wrongdoing. Please see "Attachment to Stipulation," at page nine.
- (12) Dettern: Respondent's current misconduct demonstrates a pattern of misconduct.
- (13) **Restitution:** Respondent failed to make restitution.
- (14) Ulnerable Victim: The victim(s) of Respondent's misconduct was/were highly vulnerable.
- (15) **No aggravating circumstances** are involved.

Additional aggravating circumstances:

C. Mitigating Circumstances [see 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 his/her 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 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 objectively reasonable.

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(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.
(12)	Rehabilitation: Considerable time has passed since the acts of professional misconduct occurred followed by subsequent rehabilitation.
(13)	No mitigating circumstances are involved.

Additional mitigating circumstances: Please see "Pre-Trial Stipulation," in "Attachment to Stipulation," at page nine.

D. Discipline: Disbarment.

E. Additional Requirements:

- (1) **Rule 9.20, California Rules of Court**: Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (2) Restitution: Respondent must make restitution to Assad Kabban in the amount of \$45,550 plus 10 percent interest per year from November 17, 2014. If the Client Security Fund has reimbursed Assad Kabban for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than 30 days from the effective date of the Supreme Court order in this case.

(3)Other:

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:

CARI DONAHUE

CASE NUMBER: 15-O-13079

FACTS AND CONCLUSIONS OF LAW.

Respondent admits that the following facts are true and that she is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

Case No. 15-O-13079 (Complainant: Assad Kabban)

FACTS:

1. On January 3, 2013, Assad Kabban hired respondent, through non-attorneys Robert Edgemonti and Rey Mendez, to file a lawsuit in order to pursue a loan modification against Nationstar Mortgage ("Nationstar"), Kabban's mortgage lender. Kabban agreed to pay respondent \$750 per month in legal fees, and between January 3, 2013 and April 28, 2015, Kabban paid respondent a total of \$20,550 in fees. Kabban never met respondent, and his only contacts at respondent's firm during the entire period in which he made payments for legal services were Robert Edgemonti and Rey Mendez.

2. On May 9, 2014, respondent filed a complaint in the San Diego County Superior Court against Nationstar on Kabban's behalf entitled *Assad Kabban and Sana Kabban v. Nationstar Mortgage, LLC*, et al., case no. 37-2014-00014698 ("the *Kabban* matter"). Respondent did not participate, contribute or supervise the drafting of the complaint filed on the Kabban's behalf. Instead, Robert Edgemonti and Rey Mendez drafted the complaint without any input from respondent.

3. On July 7, 2014, defendants Nationstar and Deutsche Bank National Trust Company, as Trustee for Harborview 2004-11 Trust ("Deutsche"), filed a demurrer to the plaintiffs' complaint on the grounds that plaintiffs failed to allege sufficient facts in their complaint to constitute a cause of action against either Nationstar or Deutsche. Defendants served their demurrer on respondent in the *Kabban* matter. Respondent received the demurrer, but did not file a response to it.

4. On September 26, 2014, the court held a hearing on the demurrer in the *Kabban* matter. Neither respondent nor any representative of respondent's firm appeared at the hearing on the plaintiffs' behalf. The court sustained defendants' demurrer without leave to amend, and requested that defendants' counsel file a proposed Judgment of Dismissal.

5. On September 29, 2014, defendants Nationstar and Deutsche filed and served respondent with a Notice of Ruling regarding the September 26, 2014 court hearing in which the the court sustained the defendants' demurrer without leave to amend. Defendants attached the tentative ruling, which became the final ruling after the September 26, 2014 hearing, to the Notice of Ruling. Also on September 29, 2014, defendants filed and served respondent with a proposed Judgment of Dismissal. Respondent received the proposed Judgment of Dismissal.

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6. On September 30, 2014, the court dismissed the *Kabban* matter.

7. On October 20, 2014, defendants filed and served respondent with a Notice of Entry of Judgment of Dismissal, and attached a copy of the court's order of dismissal filed by the court on September 30, 2014. Respondent received the Notice of Entry of Judgment of Dismissal.

8. On November 11, 2014, respondent, through Edgemonti and Mendez, advised Kabban of a settlement offer from Nationstar Mortgage ("Nationstar"). According to Edgemonti and Mendez, Nationstar agreed to modify Kabban's loan by reducing the mortgage interest rate in exchange for a one-time \$25,000 payment. Kabban agreed to accept Nationstar's settlement offer.

9. On November 17, 2014 as part of the settlement, Kabban delivered three checks in the amounts of \$10,000, \$10,000 and \$5,000, for a total of \$25,000, to respondent through Edgemonti and Mendez. Kabban made each check payable to respondent's firm, and respondent, through Mendez, deposited the \$25,000 in a general firm account, not a client trust account. However, respondent never paid the \$25,000 to Nationstar, and intentionally misappropriated the \$25,000 which Kabban paid to respondent for the settlement.

10. On April 28, 2015, Kabban received a notice of default from Nationstar. Kabban contacted Nationstar, who advised him that respondent did not pay Nationstar any portion of the \$25,000. Nationstar also confirmed the validity of the notice of default. After receiving the default notice, Kabban decided to short sell his property that same day. Additionally, Kabban hired an attorney specifically to aid him with the short sale.

11. On April 28, 2015, Kabban notified respondent, through Edgemonti and Mendez, of Kabban's decision to short sell his property. Kabban advised respondent, through Edgemonti and Mendez, that Kabban retained a short sale attorney, and Kabban requested that respondent return the \$25,000 and his client file. Respondent, through Edgemonti and Mendez, agreed to forward Kabban's file materials and money to Kabban's short sale attorney. However, respondent never returned the \$25,000 to Kabban or his short sale attorney, and respondent never returned Kabban's file to either Kabban or his short sale attorney.

CONCLUSIONS OF LAW:

12. By failing to supervise Edgemonti and Mendez; failing to oppose defendant's demurrer; failing to appear at the hearing on the demurrer and failing to perfect the claimed settlement between Assad Kabban and Nationstar Mortgage, respondent intentionally, recklessly, or repeatedly failed to perform with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).

13. By allowing non-attorneys Robert Edgemonti and Rey Mendez to give client Assad Kabban legal advice and to prepare legal pleadings on Kabban's behalf, without respondent's supervision in either case, respondent aided Edgemonti and Mendez in the unauthorized practice of law in willful violation of Rules of Professional Conduct, rule 1-300(A).

14. By receiving \$20,500 from the client for a loan modification or forbearance before respondent fully performed each and every service respondent contracted to perform or represented to the client that Respondent would perform towards modification of Kabban's home mortgage loan, respondent violated Civil Code, section 2944.7, and therefore willfully violated Business and Professions Code, section 6106.3.

15. By failing to return the client's file to the client after the client's April 28, 2015 termination of respondent's employment and request for return of his file, respondent failed to release promptly, to respondent's client, Assad Kabban, all of the client's papers and property following the client's request for the client's file on April 28, 2015, in willful violation of Rules of Professional Conduct, rule 3-700(D)(1).

16. By depositing the \$25,000 in client funds that Kabban paid to respondent's law firm in a non-trust bank account, even though the funds were to perfect a claimed settlement with Nationstar Mortgage and not paid as advance legal fees, respondent failed to deposit the \$25,000 in funds received for the benefit of the client in a bank account labeled "Trust Account," "Client Funds Account" or words of similar import, in willful violation Rules of Professional Conduct, rule 4-100(A).

17. By failing to account to the client after the client's April 28, 2015, termination of respondent's employment and request for return of the \$25,000 paid to respondent on November 17, 2014, respondent failed to render an appropriate accounting to the client regarding those funds following the client's April 28, 2015, request that respondent return the \$25,000, in willful violation of the Rules of Professional Conduct, rule 4-100(B)(3).

18. By failing to pay \$25,000 to the client after the client's April 28, 2015 termination of respondent's employment and request for return of the \$25,000 paid to respondent on November 17, 2014, respondent failed to pay promptly, as requested by Respondent's client, any portion of the \$25,000 in Respondent's possession in willful violation of Rules of Professional Conduct, rule 4-100(B)(4).

19. By depositing the client's \$25,000, paid to respondent for the settlement with Nationstar, in a non-trust account, and by failing to return the funds to the client upon the client's April 28, 2015 termination of respondent's services, respondent intentionally misappropriated Kabban's \$25,000 that Kabban was entitled to receive, and thereby committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

AGGRAVATING CIRCUMSTANCES.

Prior discipline [Standard 1.5(a)]. In State Bar Court Case No. 14-O-00897, effective August 28, 2016, the Supreme Court imposed discipline consisting of a three-year suspension, stayed, with three-years' probation on condition of two-years of actual suspension and until respondent makes \$13,500 in restitution. The court also required that respondent comply with standard 1.2(c)(1) and provide the State Bar Court with proof of her rehabilitation, fitness to practice and present learning and ability in the general law. The State Bar Court held respondent culpable for violations of Business and Professions Code sections 6106 [misappropriation] and 6106.3 [illegal fee for loan modification]. The court also found respondent culpable of violations of Rules of Professional Conduct, rules 4-100(A) [failure to deposit and maintain client funds in trust], 4-100(B)(3) [failure to render accounts of client funds] and 4-100(B)(4) [failure to pay or deliver client funds promptly]. The violations occurred between late 2012 and mid-2015 after client Tony Karam employed Westside Law Group ("WLG") to perform a loan modification in late 2012. Karam paid WLG an advanced fee for the loan modification, and provided WLG the \$8,500 WLG said it needed to pay Karam's lender in order to finalize Karam's loan modification.

In January 2013, respondent took control of WLG and renamed it Westside Law, APC. However, respondent then failed to maintain Karam's funds in trust and misappropriated them, failed to

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pay them to Karam or his lender upon request, and failed to render an accounting. Aggravation included multiple acts of misconduct in a single client matter, significant harm to the client and a failure to make restitution. In aggravation the court also found uncharged misconduct for respondent's failure to supervise her staff. Mitigation included cooperation with the State Bar demonstrated by an extensive stipulation as to undisputed facts, stipulating to culpability on four counts of misconduct, and evidence of good character.

In State Bar Court Case Nos. 14-O-05402, et al., on February 7, 2017, the Hearing Department filed its decision in which it recommended that the Supreme Court impose discipline as to respondent consisting of a three-year suspension, stayed, with a three-year probation on condition of a minimum one-year actual suspension, and until respondent pays restitution that includes \$3,000 in illegal fees and \$500 of client funds, as well as \$14,406 in judicial sanctions. In this second prior, in five client matters, the State Bar Court held respondent culpable for four violations of Business and Professions Code section 6103 [failure to obey a court order], a violation of section 6068(a) [failure to comply with laws of the United States, 11 United States Code section 362], and violations of Rules of Professional Conduct rules 1-310 [forming a partnership with a non-lawyer], 4-200(A) [receipt of fees made illegal by partnership with non-lawyer] and 4-100(B)(4) [failure to distribute client funds consistent with client agreement]. The misconduct occurred between 2012 and 2015. In aggravation, respondent had a prior record of discipline, committed multiple acts of misconduct, and failed to make restitution. In mitigation, respondent entered a pretrial stipulation as to undisputed facts and admission of exhibits, and offered evidence of good character.

On March 29, 2017, in State Bar Court case no. 14-O-05402, et al., the Hearing Department filed its decision recommending the aforementioned discipline with the Supreme Court of California. Under rule 5.106(E) of the Rules of Procedure of the State Bar of California, a record of prior discipline is not made inadmissible by the fact that the discipline is recommended but has not yet been imposed.

Multiple acts of misconduct [Std. 1.5(b)]: Respondent committed eight violations in the instant case, including failures to perform, to return a client file, to return client funds, and to account for client funds. Respondent also aided the unauthorized practice of law by non-attorneys, accepted advance fees for loan modification services, and misappropriated client funds.

Significant Harm to Client, Public or Administration of Justice [Std. 1.5(j)]: Respondent's failure to pursue Kabban's matter in a timely matter or to deliver the \$25,000 to Nationstar contributed to Nationstar's decision to foreclose on Kabban's property, which led Kabban to seek a short sale of his home at a significant financial loss.

Failure to make restitution [Std. 1.5(m)]: Respondent failed to make restitution for the \$20,500 paid by Kabban towards respondent's attempts to modify his loan, and failed to refund any of the \$25,000 Kabban paid respondent for the settlement offered by Nationstar.

MITIGATING CIRCUMSTANCES.

Pretrial Stipulation: By entering into this stipulation, respondent has acknowledged her misconduct and is entitled to mitigation for saving the State Bar significant resources and time. (*Silva-Vidor v. State Bar* (1989) 49 Cal.3d 1071, 1079 [where the Supreme Court gave mitigative credit for entering into a stipulation as to facts and culpability]; *In the Matter of Spaith* (Review Dept. 1996) 3 Cal. State Bar Ct. Rptr. 511, 521 [where the attorney's stipulation to facts and culpability was held to be a mitigating circumstance].)

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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, the drafter must explain 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 1.8(b) of the Standards for Attorney Discipline calls for disbarment if a member has two or more prior records of discipline if the Supreme Court of California ordered actual suspension in one or more of the prior disciplinary matters unless the most compelling mitigating circumstances clearly predominate or the misconduct underlying the prior discipline occurred during the same time period as the current misconduct. Standard 1.8(b) does to apply here because the misconduct underlying the prior discipline did occur during the same time period as the current misconduct.

Standard 1.8(a) of the Standards for Attorney Discipline calls for a discipline greater than respondent's prior discipline in case 14-O-00897, for which respondent received two years of actual suspension. However, respondent's violations in the instant matter occurred concurrently to those in her prior discipline in case no. 14-O-00897 and case nos. 14-O-05402, et al. Therefore, the weight of aggravation afforded to the prior discipline is limited because respondent did not have the opportunity to "heed the import of that discipline" prior to the conduct in the instant matter. (See *In the Matter of Hagen* (Review Dept. 1992) 2 Cal. State Bar Ct. Rptr. 153; see also *In the Matter of Sklar* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 602 ["since part of the rationale for considering prior discipline as having an aggravating impact is that it is indicative of a recidivist attorney's inability to conform his or her conduct to ethical norms, it is therefore appropriate to consider the fact that the misconduct involved here was contemporaneous with the misconduct in the prior case."].) As a result, the appropriate discipline must consider the totality of the findings in the combined cases.

The most serious sanction applicable to respondent's collective misconduct is Standard 2.1(a), which provides that disbarment is the presumed sanction for intentional misappropriation of entrusted funds or property, unless the amount misappropriated is insignificantly small or sufficiently compelling mitigating circumstances clearly predominate, in which case actual suspension is appropriate. This standard is appropriate whether we are considering only the misconduct in the current matter or are including the misconduct from respondent's priors under a *Sklar* analysis.

In this matter, respondent intentionally misappropriated \$25,000 from her client, Kabban. Respondent's misconduct includes aiding non-attorneys in the unauthorized practice of law and the collection of advance fees for loan modification services. Respondent also failed to offer an accounting of Kabban's funds following his request for a return of the settlement funds paid to respondent's staff, and failed to return his file. Respondent also failed to perform, and failed to deposit Kabban's funds in trust.

While considering all matters collectively there are extensive aggravating circumstances, including respondent's failure to make restitution in multiple matters, respondent's multiple acts of misconduct in multiple matters, and significant harm to her clients, including \$45,550 in restitution owed to Kabban in this case, \$13,500 in restitution ordered by the Supreme Court in case no. 14-O-00897, and restitution that includes \$3,000 in illegal fees and \$500 of client funds, as well as \$14,406 in judicial sanctions, for a total of \$17,906 recommended by the State Bar Court Hearing Department in case 14-O-05402, et al. Respondent's stipulation as to undisputed facts in her prior discipline, her pretrial stipulation to disbarment in this matter and her evidence of good character mitigates her misconduct.

In light of the many other acts of misconduct that flowed from respondent's partnership with non-attorneys Edgemonti and Mendez, and in light of the total amount of \$76,956 owed to others by respondent, disbarment is the appropriate level of discipline.

This discipline is consistent with case law. In *Chang v. State Bar* (1989) 49 Cal.3d 114, the attorney misappropriated over \$7,000 from a client and made material misrepresentations to the State Bar during its investigation of his misconduct. The attorney also failed to account to a client and failed to distribute client funds to the client upon the client's request. Despite the absence of any prior misconduct, the Supreme Court disbarred the attorney.

In this matter, respondent's misconduct includes misappropriation, as well as several other violations. The aggravation here outweighs the mitigation, and the significant restitution owed is another factor which supports respondent's disbarment.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of April 6, 2017, the discipline costs in this matter are \$7,609. 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.

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 (Do not write above this line.)

 In the Matter of:
 Case number(s):

 CARI DONAHUE
 15-O-13079-YDR

SIGNATURE OF THE PARTIES

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

04/20/2017	Cari Dov	Cari Donahue	
Date	Respondent's Signature	Print Name	
		Edward O. Lear	
Date	Respondent's Counsel Signature	Print Name	
		William Todd	
Date	Deputy Trial Counsel's Signature	Print Name	

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In the Matter of: CARI DONAHUE	•	Case number(s): 15-O-13079-YDR

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Cari Donahue Date Respondent's Signat Print Name íre Edward O. Lear Print Name Date Respo dent's onature William Todd Trial Counsel's Signature Print Name Deputy

In the Matter of:	Case Number(s):
CARI DONAHUE	15-0-13079

DISBARMENT 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 page 1 of the Stipulation, at paragraph A.(3), "12" is deleted, and in its place is inserted "13".
- 2. On page 3 of the Stipulation, an "X" is inserted in the box at paragraph B.(13).
- 3. On page 5 of the Stipulation, at paragraph E.(2), the following sentence at lines 5-7 is deleted: "Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than **30** days from the effective date of the Supreme Court order in this case."
- 4. On page 7 of the Stipulation, at numbered paragraph 14, line 1, "\$20,500" is deleted, and in its place is inserted "\$20,550".
- 5. On page 9 of the Stipulation, "Failure to make restitution," line 2, "\$20,500" is deleted, and in its place is inserted "\$20,550".
- 6. On page 10 of the Stipulation, at paragraphs 4 and 5, line 1, "Standards for Attorney Discipline" is deleted, and in its place is inserted "Standards for Attorney Sanctions for Professional Misconduct".

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 5.58(E) & (F), Rules of Procedure.) The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after file date. (See rule 9.18(a), California Rules of Court.)

Respondent Cari Donahue is ordered transferred to involuntary inactive status pursuant to Business and Professions Code section 6007, subdivision (c)(4). Respondent's inactive enrollment will be effective three (3) calendar days after this order is served by mail and will terminate upon the effective date of the Supreme Court's order imposing discipline herein, or as provided for by rule 5.111(D)(2) of the Rules of Procedure of the State Bar of California, or as otherwise ordered by the Supreme Court pursuant to its plenary jurisdiction.

REBECCA MEYER ROSENBERG

Judge Pro Tempore, State Bar Court

(Effective July 1, 2015)

Disbarment Order

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 May 10, 2017, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

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:

EDWARD O. LEAR CENTURY LAW GROUP LLP 5200 W CENTURY BLVD #345 LOS ANGELES, CA 90045

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

William S. Todd, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on May 10, 2017.

arkenter

Angela Carpenter Case Administrator State Bar Court