



1 The State Bar of California alleges:

2 JURISDICTION

3 1. Thomas Osmonde Russell III (“Respondent”) was admitted to the practice of law in  
4 the State of California on May 25, 1983, was a member at all times pertinent to these charges,  
5 and is currently a member of the State Bar of California.

6 COUNT ONE

7 Case No. 15-O-14576  
8 Rules of Professional Conduct, rule 4-100(A)  
9 [Failure to Maintain Client Funds in Trust Account]

10 2. On or about June 11, 2015, Respondent agreed to act as the “Escrow Agent” for a  
11 transaction between Blackbridge Capital, L.L.C. (“Blackbridge”) and Barbara Lynn (“Lynn”).  
12 The “Escrow Agreement” provided, in part, that Blackbridge was to place \$31,500 in “escrow  
13 with the Escrow Agent to make certain payments” and that,

14 the Escrow Agent shall have IRREVOCABLE Instructions to release \$31,500 of  
15 the Escrow Property, to SELLER upon Blackbridge providing the Escrow Agent  
16 with confirmation that the shares [of EWorld COMPANIES, INC.] are  
17 approved and deposited by Blackbridge’s Brokerage Clearing Agent within. (i)  
18 In the event that Blackbridge’s Brokerage Clearing Agent does not approve the  
19 shares within four trading days of the certificate being delivered, Blackbridge  
20 reserves the right to return the entire balance of the shares to the SELLER.

21 On or about June 17, 2015, Blackbridge deposited \$31,500 into Respondent’s Citi client trust  
22 account, account no. xxxxx3546 (“CTA”).<sup>1</sup> Blackbridge never provided Respondent with  
23 confirmation that the shares had been approved or deposited by Blackbridge’s Brokerage  
24 Clearing Agent, and therefore, Respondent had no authority to disburse any portion of the  
25 \$31,500. Nevertheless, on or about June 17, 2015, Respondent disbursed the approximate sum  
26 of \$29,867.52 of Blackbridge’s funds from his CTA in the following transactions: (A) \$2,000 to  
27 himself; (B) \$500 to his business checking account; (C) \$5,767.52 and \$7,800 to Click Trade  
28 Media LC; (D) \$6,000 to Ron Touchard; and (E) \$7,800 to eWorld Companies. On or about  
June 17, 2015, Respondent’s CTA dipped to \$2,587.45, and on or about July 17, 2015,  
Respondent’s CTA dipped to \$215.44 without ever having returned any portion of the \$31,500 to

<sup>1</sup> The account number has been redacted to protect the account and account holder.

1 Blackbridge. Altogether, Respondent disbursed the approximate sum of \$31,284.56 without  
2 Blackbridge's knowledge or consent, and thereby failed to maintain the approximate sum of  
3 \$31,500 belonging to Blackbridge in his CTA, in willful violation of Rules of Professional  
4 Conduct, rule 4-100(A).

5 COUNT TWO

6 Case No. 15-O-14576  
7 Business and Professions Code section 6106  
8 [Moral Turpitude - Misappropriation]

9 3. On or about June 11, 2015, Respondent agreed to act as the "Escrow Agent" for a  
10 transaction between Blackbridge Capital, L.L.C. ("Blackbridge") and Barbara Lynn ("Lynn").  
11 The "Escrow Agreement" provided, in part, that Blackbridge was to place \$31,500 in "escrow  
12 with the Escrow Agent to make certain payments" and that,

13 the Escrow Agent shall have IRREVOCABLE Instructions to release \$31,500 of  
14 the Escrow Property, to SELLER upon Blackbridge providing the Escrow Agent  
15 with confirmation that the shares [of EWORLD COMPANIES, INC.] are  
16 approved and deposited by Blackbridge's Brokerage Clearing Agent within. (i)  
17 In the event that Blackbridge's Brokerage Clearing Agent does not approve the  
18 shares within four trading days of the certificate being delivered, Blackbridge  
19 reserves the right to return the entire balance of the shares to the SELLER.

20 On or about June 17, 2015, Blackbridge deposited \$31,500 into Respondent's Citi client trust  
21 account, account no. xxxxx3546 ("CTA").<sup>2</sup> Blackbridge never provided Respondent with  
22 confirmation that the shares had been approved or deposited by Blackbridge's Brokerage  
23 Clearing Agent, and therefore, Respondent had no authority to disburse any portion of the  
24 \$31,500. Nevertheless, on or about June 17, 2015, Respondent disbursed the approximate sum  
25 of \$27,367.52 of Blackbridge's fund from his CTA in the following transactions: (A) \$5,767.52  
26 and \$7,800 to Click Trade Media LC; (B) \$6,000 to Ron Touchard; and (C) \$7,800 to eWorld  
27 Companies. Respondent disbursed the funds without Blackbridge's knowledge or consent, and  
28 thereby dishonestly or with gross negligence misappropriated the approximate sum of  
\$27,367.52 of Blackbridge's funds and committed an act or acts involving moral turpitude,  
dishonesty or corruption in willful violation of Business and Professions Code section 6106.

<sup>2</sup> The account number has been redacted to protect the account and account holder.

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COUNT THREE

Case No. 15-O-14576  
Business and Professions Code, section 6106  
[Moral Turpitude - Misappropriation]

4. On or about June 11, 2015, Respondent agreed to act as the “Escrow Agent” for a transaction between Blackbridge Capital, L.L.C. (“Blackbridge”) and Barbara Lynn (“Lynn”). The “Escrow Agreement” provided, in part, that Blackbridge was to place \$31,500 in “escrow with the Escrow Agent to make certain payments” and that,

the Escrow Agent shall have IRREVOCABLE Instructions to release \$31,500 of the Escrow Property, to SELLER upon Blackbridge providing the Escrow Agent with confirmation that the shares [of EWORLD COMPANIES, INC.] are approved and deposited by Blackbridge’s Brokerage Clearing Agent within. (i) In the event that Blackbridge’s Brokerage Clearing Agent does not approve the shares within four trading days of the certificate being delivered, Blackbridge reserves the right to return the entire balance of the shares to the SELLER.

On or about June 17, 2015, Blackbridge deposited \$31,500 into Respondent’s Citi client trust account, account no. xxxxx3546 (“CTA”).<sup>3</sup> Blackbridge never provided Respondent with confirmation that the shares had been approved or deposited by Blackbridge’s Brokerage Clearing Agent, and therefore, Respondent had no authority to disburse any portion of the \$31,500. Nevertheless, on or about June 17, 2015, Respondent disbursed from the approximate sum of \$2,500 of Blackbridge’s funds from his CTA in the following transactions: (A) \$2,000 to himself; and (B) \$500 to his business checking account. Respondent disbursed the funds without Blackbridge’s knowledge or consent, and thereby dishonestly or with gross negligence misappropriated the approximate sum of \$2,500 of Blackbridge’s funds and committed an act or acts involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code section 6106.

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<sup>3</sup> The account number has been redacted to protect the account and account holder.

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COUNT FOUR

Case No. 15-O-14576  
Business and Professions Code section 6068(a)  
[Failure to Comply With Laws – Breach of Fiduciary Duty]

5. On or about June 11, 2015, Respondent agreed to act as the “Escrow Agent” for a transaction between Blackbridge Capital, L.L.C. (“Blackbridge”) and Barbara Lynn (“Lynn”). The “Escrow Agreement” provided, in part, that Blackbridge was to place \$31,500 in “escrow with the Escrow Agent to make certain payments” and that,

the Escrow Agent shall have IRREVOCABLE Instructions to release \$31,500 of the Escrow Property, to SELLER upon Blackbridge providing the Escrow Agent with confirmation that the shares [of EWORLD COMPANIES, INC.] are approved and deposited by Blackbridge’s Brokerage Clearing Agent within. (i) In the event that Blackbridge’s Brokerage Clearing Agent does not approve the shares within four trading days of the certificate being delivered, Blackbridge reserves the right to return the entire balance of the shares to the SELLER.

On or about June 17, 2015, Blackbridge deposited \$31,500 into Respondent’s Citi client trust account, account no. xxxxx3546 (“CTA”).<sup>4</sup> Blackbridge never provided Respondent with confirmation that the shares had been approved or deposited by Blackbridge’s Brokerage Clearing Agent, and therefore, Respondent had no authority to disburse any portion of the \$31,500. Nevertheless, on or about June 17, 2015, Respondent disbursed the approximate sum of \$29,867.52 of Blackbridge’s funds in his CTA in the following transactions: (A) \$2,000 to himself; (B) \$500 to his business checking account; (C) \$5,767.52 and \$7,800 to Click Trade Media LC; (D) \$6,000 to Ron Touchard; and (E) \$7,800 to eWorld Companies. On or about June 17, 2015, Respondent’s CTA dipped to \$2,587.45, and on or about July 17, 2015, Respondent’s CTA dipped to \$215.44 without ever having returned any portion of the \$31,500 to Blackbridge. Respondent disbursed the approximate sum of \$31,284.56 without Blackbridge’s knowledge or consent. By mishandling Blackbridge’s funds, disbursing Blackbridge’s funds without its knowledge or consent, enriching himself from Blackbridge’s funds, and failing to safeguard Blackbridge’s \$31,500 entrusted to him as the Escrow Agent, Respondent breached the fiduciary duty he owed to Blackbridge. By breaching the fiduciary duty that he owed to

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<sup>4</sup> The account number has been redacted to protect the account and account holder.

1 Blackbridge, Respondent failed to support the Constitution and laws of the United States and of  
2 this state, in willful violation of Business and Professions Code section 6068(a).

3 COUNT FIVE

4 Case No. 15-O-14576  
5 Rules of Professional Conduct, rule 4-100(A)  
6 [Commingling – Payment of Personal Expenses from Client Trust Account]

7 6. Between on or about July 8, 2015 and on or about November 6, 2015, Respondent  
8 issued the following checks from funds in Respondent's client trust account at Citibank, number  
9 xxxxxx3546,<sup>5</sup> for the payment of personal expenses, in willful violation of Rules of Professional  
10 Conduct, rule 4-100(A):

<u>DATE</u>	<u>CK NO.</u>	<u>PAYEE</u>	<u>AMOUNT</u>	<u>CHECK MEMO</u>
7/8/15	1042	Huntington by the Sea	\$1,804.01	"July Lease Pymt"
8/4/15	1043	Julie Patton	\$250	"Support"
10/6/15	1046	GP's Landing LLC	\$955.65	"Oct lease 2015"
10/7/15	1047	Huntington by the Sea	\$1,824.13	"Spc 303 Lease pymt"
10/27/15	1048	Julie Patton	\$150	"Support"
11/5/15	1050	Huntington by the Sea	\$1,808.59	"Lease pymt Nov spc # 303"
11/6/15	1049	GP's Landing LLC	\$952.90	"Nov lease 2015"

16 **NOTICE - INACTIVE ENROLLMENT!**

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

25 **NOTICE - COST ASSESSMENT!**

26 **IN THE EVENT THESE PROCEDURES RESULT IN PUBLIC**  
27 **DISCIPLINE, YOU MAY BE SUBJECT TO THE PAYMENT OF COSTS**

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<sup>5</sup> The account number has been redacted to protect the account and account holder.

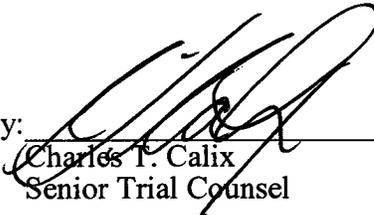
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**INCURRED BY THE STATE BAR IN THE INVESTIGATION, HEARING  
AND REVIEW OF THIS MATTER PURSUANT TO BUSINESS AND  
PROFESSIONS CODE SECTION 6086.10.**

Respectfully submitted,

THE STATE BAR OF CALIFORNIA  
OFFICE OF THE CHIEF TRIAL COUNSEL

DATED: April 11, 2016

By:   
\_\_\_\_\_  
Charles T. Calix  
Senior Trial Counsel

DECLARATION OF SERVICE

by

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

CASE NUMBER(s): 15-O-14576

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

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

NOTICE OF DISCIPLINARY CHARGES

By U.S. First-Class Mail: (CCP §§ 1013 and 1013(a)) - in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County of Los Angeles.

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

By Overnight Delivery: (CCP §§ 1013(c) and 1013(d)) - I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for overnight delivery by the United Parcel Service ('UPS').

By Fax Transmission: (CCP §§ 1013(e) and 1013(f)) Based on agreement of the parties to accept service by fax transmission, I faxed the documents to the persons at the fax numbers listed herein below. No error was reported by the fax machine that I used. The original record of the fax transmission is retained on file and available upon request.

By Electronic Service: (CCP § 1010.6) Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the person(s) at the electronic addresses listed herein below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

(for Certified Mail) in a sealed envelope placed for collection and mailing as certified mail, return receipt requested, Article No.: 9414 7266 9904 2010 0740 76 at Los Angeles, addressed to: (see below)

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

Table with 4 columns: Person Served, Business-Residential Address, Fax Number, and Courtesy Copy to. Row 1: Thomas Osmonde Russell, III, Law Office of Thomas O. Russell, 2801 W Coast Hwy Ste 270, Newport Beach, CA 92663, Electronic Address, Thomas Osmonde Russell, III tor@tor-law.com, Michael Wine ethicsatty@verizon.net

via inter-office mail regularly processed and maintained by the State Bar of California addressed to:

N/A

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

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

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

DATED: April 12, 2016

SIGNED:

Handwritten signature of Juli Finnila

JULI FINNILA Declarant