

PUBLIC MATTER

FILED

APR 28 2017

STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

STATE BAR COURT OF CALIFORNIA

HEARING DEPARTMENT - LOS ANGELES

In the Matter of)	Case No. 16-J-10196-DFM
)	
MICHAEL JOSEPH KRANTZ,)	DECISION AND ORDER OF
)	INVOLUNTARY INACTIVE
A Member of the State Bar, No. 194417.)	ENROLLMENT
_____)	

Respondent **Michael Joseph Krantz** (Respondent) was ordered disciplined by the Supreme Judicial Court of the Commonwealth of Massachusetts upon facts that established his culpability for acts of professional misconduct in that jurisdiction. As a result, the Office of Chief Trial Counsel of the State Bar of California (State Bar) initiated this proceeding against Respondent on September 21, 2016. (Bus. & Prof. Code, § 6049.1;¹ Rules Proc. of State Bar, rules 5.350-5.354.)

The issues in this proceeding are limited to: (1) the degree of discipline to be imposed upon Respondent in California; (2) whether, as a matter of law, Respondent's culpability in the Massachusetts proceeding would not warrant the imposition of discipline in California under the laws or rules applicable in California at the time of Respondent's misconduct in Massachusetts; and (3) whether the Massachusetts proceeding lacked fundamental constitutional protection. (Section 6049.1, subdivision (b).)

¹ Unless otherwise indicated, all statutory references are to the Business and Professions Code.



Respondent bears the burden of establishing that the conduct for which he was disciplined in Massachusetts would not warrant the imposition of discipline in California and/or that the Massachusetts proceedings lacked fundamental constitutional protection. Unless Respondent establishes one or both of these, the record of discipline in the Massachusetts proceeding is conclusive evidence of Respondent's culpability of misconduct in California. (Section 6049.1, subdivisions (a) and (b).)

Respondent failed to participate in the California State Bar Court proceeding, either in person or through counsel, and his default was entered. The State Bar filed a petition for disbarment under rule 5.85 of the Rules of Procedure of the State Bar.² Rule 5.85 provides the procedure to follow when an attorney fails to participate in a State Bar Court disciplinary proceeding after receiving adequate notice and opportunity. The rule provides that, if an attorney's default is entered for failing to respond to the notice of disciplinary charges and the attorney fails to have the default set aside or vacated within 90 days, the State Bar will file a petition requesting the court to recommend the attorney's disbarment.³

In the instant case, the court concludes that the requirements of rule 5.85 have been satisfied and, therefore, grants the petition and recommends that Respondent be disbarred from the practice of law.

FINDINGS AND CONCLUSIONS

Jurisdiction

Respondent was admitted to practice law in this state on February 12, 1998, and has been a member since then.

² Unless otherwise indicated, all references to rules in this Decision and Order are to the Rules of Procedure of the State Bar of California.

³ If the court determines that any due process requirements are not satisfied, including adequate notice to the attorney, it must deny the petition for disbarment and take other appropriate action to ensure that the matter is promptly resolved. (Rule 5.85(F)(2).)

Procedural Requirements Have Been Satisfied

On September 21, 2016, the State Bar properly filed and served a Notice of Disciplinary Charges (NDC) on Respondent by certified mail, return receipt requested, at his membership records address. The NDC notified Respondent that his failure to participate in the proceeding would result in a disbarment recommendation. (Rule 5.41.) The return receipt/signature card, containing what appears to be Respondent's signature, was received by the State Bar.

In addition, reasonable diligence was also used to notify Respondent of this proceeding. The State Bar made several attempts to contact Respondent. Prior to filing the NDC, a State Bar investigator called Respondent on July 26, 2016, at his official membership records telephone number and left a message requesting a return call. On August 11, 2016, a State Bar deputy trial counsel (DTC) called and spoke with Respondent, but Respondent stated that he was in a meeting and would call the DTC back. Prior to hanging up, the DTC verified Respondent's email address and subsequently sent him a follow-up email requesting that he call the DTC. He did not do so.

After the NDC was filed and served on Respondent, the State Bar again called Respondent at his official membership records telephone number and left a message requesting a return call. Respondent did not return the call. The State Bar has not had any contact with Respondent since August 11, 2016.

Respondent did not file a response to the NDC. On October 31, 2016, the State Bar filed and properly served a motion for entry of Respondent's default. The motion complied with all the requirements for a default, including a supporting declaration of reasonable diligence by DTC Amanda F. Sanchez declaring the additional steps taken to provide notice to Respondent. (Rule 5.80.) The motion also notified Respondent that, if he did not timely move to set aside his default, the court would recommend his disbarment.

Respondent did not file a response to the motion, and his default was entered on November 22, 2016. The court also ordered Respondent's involuntary inactive enrollment as a member of the State Bar under section 6007, subdivision (e), effective three days after service of the order. Respondent has remained inactively enrolled since that time. The orders entering the default and enrolling Respondent inactive were properly served on Respondent at his membership records address by certified mail, return receipt requested. The return receipt/signature card was received by the State Bar Court, bearing what appears to be Respondent's signature.

Respondent did not seek to have his default set aside or vacated. (Rule 5.83(C)(1) [attorney has 90 days to file motion to set aside default].) On March 6, 2017, the State Bar filed the petition for disbarment. As required by rule 5.85(A), the State Bar reported in the petition that: (1) it has had no contact with Respondent since the default was entered; (2) Respondent has no other disciplinary matters pending; (3) Respondent has no prior record of discipline; and (4) the Client Security Fund has not made any payments resulting from Respondent's conduct. Respondent did not respond to the petition for disbarment or move to set aside or vacate the default. The case was submitted for decision on April 6, 2017.

The Admitted Factual Allegations Warrant the Imposition of Discipline

The court finds that Respondent's culpability in the Massachusetts proceeding would warrant the imposition of discipline in California under the laws or rules applicable in this state at the time of Respondent's misconduct in the Massachusetts proceeding, as follows:

Case No. 16-J-10196 – The August 10, 2015 Massachusetts Disciplinary Order

On August 10, 2015, the Supreme Judicial Court of the Commonwealth of Massachusetts ordered that Respondent be disbarred upon finding that he had committed professional misconduct in that jurisdiction as set forth in Respondent's Affidavit of Resignation, filed with

the Commonwealth of Massachusetts Board of Bar Overseers on July 1, 2015 (Affidavit). In his Affidavit, Respondent stipulated that he did not wish to contest, and that a hearing committee, board, and court would conclude, that he engaged in professional misconduct, including: (1) intentionally misappropriating approximately \$19,500 in client funds and failing to return those funds on demand and upon termination of his representation, in violation of Massachusetts Rules of Professional Conduct, rules 1.15(b) [failure to hold trust property separate] and (c) [failure to promptly deliver property to client]; 1.16(d) [failure to protect client's interests upon termination of representation]; and 8.4(c) [engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation] and (h) [engaging in conduct adversely reflecting on fitness to practice law]; and (2) practicing law in Florida without a license and falsely identifying himself as practicing in a Florida law firm, in violation of rules 5.5(a) [unauthorized practice of law in another jurisdiction]; 7.1 [false or misleading communications]; and 7.5(a) [using false or misleading firm name] of the Massachusetts rules.

The NDC filed by the State Bar in the instant proceeding alleges that Respondent's misconduct in the Massachusetts matter reflects violations of section 6106 and Rules of Professional Conduct, rules 1-300(B); 3-700(A)(2); 4-100(A); and 4-100(B)(4).⁴ This court agrees. This allegation is deemed admitted upon the entry of Respondent's default in this proceeding and is supported by the stipulated facts giving rise to Respondent's discipline in Massachusetts. Those facts show that Respondent misappropriated client funds, practiced law in a jurisdiction in which he was not entitled, improperly withdrew from representation, failed to maintain client funds in trust, and failed to promptly disburse client funds.

⁴ The State Bar also alleged that the Massachusetts matter reflected violations of rule 4-100(D)(1), (2), and (3); however, this is presumably a typographical error, as such rules do not exist.

Disbarment is Recommended

Based on the above, the court concludes that the requirements of rule 5.85(F) have been satisfied, and Respondent's disbarment is recommended. In particular:

- (1) the NDC was properly served on Respondent under rule 5.25;
- (2) reasonable diligence was used to notify Respondent of the proceedings prior to the entry of his default;
- (3) the default was properly entered under rule 5.80; and
- (4) the factual allegations in the NDC, deemed admitted by the entry of the default, support a finding that Respondent violated a statute, rule, or court order that would warrant the imposition of discipline.

Despite adequate notice and opportunity, Respondent failed to participate in this disciplinary proceeding. As set forth in the Rules of Procedure of the State Bar, the court recommends disbarment.

RECOMMENDATIONS

Disbarment

The court recommends that respondent **Michael Joseph Krantz**, State Bar number 194417, be disbarred from the practice of law in the State of California and that his name be stricken from the roll of attorneys.

California Rules of Court, Rule 9.20

The court also recommends that Respondent be ordered to comply with the requirements of California Rules of Court, rule 9.20 and to 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 in this proceeding.

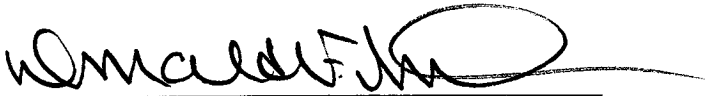
Costs

The court further recommends that costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10, such costs being enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment.

ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

In accordance with Business and Professions Code section 6007, subdivision (c)(4), the court orders that **Michael Joseph Krantz**, State Bar number 194417, be involuntarily enrolled as an inactive member of the State Bar of California, effective three calendar days after the service of this decision and order. (Rule 5.111(D).)

Dated: April 28, 2017



DONALD F. MILES
Judge of the State Bar Court

CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on April 28, 2017, I deposited a true copy of the following document(s):

DECISION AND 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:

MICHAEL J. KRANTZ
1374 CYPRESS WAY
BOCA RATON, FL 33486

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

MICHAELA F. CARPIO, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on April 28, 2017.



Mazie Yip
Case Administrator
State Bar Court