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State	Bar Court of Californ	nia
	Hearing Department	
\$	Los Angeles ACTUAL SUSPENSION	BLIC MATTER
Counsel for the State Bar	Case Number(s): 16-O-16759-CV, 17-O-	For Court use only
Stacia L. Johns Deputy Trial Counsel 845 S. Figueroa St.	01631, 17-O-06724, 17-O- 03350	
Los Angeles, CA 90017 (213) 765-1004		FILED
		FEB 1 4 2019 P.B.
Bar # 292446		STATE BAR COURT CLERK'S OFFICE LOS ANGELES
In Pro Per Respondent		205 ANGELES
Michael Stuart Paxton Law Office of Michael S Paxton 1305 E Palmdale Blvd Ste 4 Palmdale, CA 93550-4853 (661) 267-1388		*
(65.) 25. 1655	Submitted to: Settlement Ju	dge
Bar # 77712	STIPULATION RE FACTS, C DISPOSITION AND ORDER	ONCLUSIONS OF LAW AND APPROVING
In the Matter of: MICHAEL STUART PAXTON	ACTUAL SUSPENSION	
Bar # 77712	☐ PREVIOUS STIPULATION	N 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 21, 1977.
- (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 20 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)) C	onciu aw."	isions of law, drawn from and specifically referring to the facts are also included under "Conclusions of
(6)) TI	he pa Suppo	arties must include supporting authority for the recommended level of discipline under the heading orting Authority."
(7)	No pe	o mo endin	re than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any g investigation/proceeding not resolved by this stipulation, except for criminal investigations.
(8)	Pa 61	ayme 140.7	nt of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & . It is recommended that (check one option only):
		a ju s	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 mone adgment. Unless the time for payment of discipline costs is extended pursuant to subdivision (c) of ection 6086.10, costs assessed against a member who is actually suspended or disbarred must be paid a condition of reinstatement or return to active status.
	×	a ju	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 mone adaptment. One-third of the costs must be paid with Respondent's membership fees for each of the billowing years: 2020, 2021, 2022.
		lf S	Respondent fails to pay any installment as described above, or as may be modified in writing by the tate Bar or the State Bar Court, the remaining balance will be due and payable immediately.
		С	osts are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs."
		С	osts are entirely waived.
1	Agg Misc requ	ono	ting Circumstances [Standards for Attorney Sanctions for Professional luct, standards 1.2(h) & 1.5]. Facts supporting aggravating circumstances are
(1)		Pric	or 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)		Inte	ntional/Bad Faith/Dishonesty: Respondent's misconduct was dishonest, intentional, or surrounded or followed by bad faith.
(3)		Mis	representation: Respondent's misconduct was surrounded by, or followed by, misrepresentation.
(4)		Con	cealment: Respondent's misconduct was surrounded by, or followed by, concealment.

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(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. See page 17.
(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)	\boxtimes	Multiple Acts: Respondent's current misconduct evidences multiple acts of wrongdoing. See page 17.
(12)		Pattern: Respondent's current misconduct demonstrates a pattern of misconduct.
(13)		Restitution: Respondent failed to make restitution.
(14)		Vulnerable Victim: The victim(s) of Respondent's misconduct was/were highly vulnerable.
(15)		No aggravating circumstances are involved.
Add	itiona	al aggravating circumstances:
C. N	litig ircu	ating Circumstances [Standards 1.2(i) & 1.6]. Facts supporting mitigating imstances 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.

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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 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.
Addi	tiona	al mitigating circumstances:
		o Prior Record of Discipline: see page 18. retrial Stipulation: see page 18.
D. R	eco	mmended Discipline:
(1)		Actual 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 must be suspended from the practice of law for the first 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.

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- Respondent must be suspended from the practice of law for a minimum of the first
 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 **two years**, the execution of that suspension is stayed, and Respondent is placed on probation for **two years** with the following conditions.

- Respondent must be suspended from the practice of law for a minimum of the first six months 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
Tara Borek	\$2,800	May 12, 2016
Michael Lezine	\$2,500	July 1, 2016
Soroush Janamian	\$1,000	June 1, 2017

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).)

nt:	Jntil" Restitution (Single Payee) with Conditional	1.2(0)(1
it:		

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:
 - 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

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			Fund to such payee, in accordance with furnishes satisfactory proof to the State		
		b.	If Respondent remains suspended for to State Bar Court of Respondent's rehab- in the general law. (Rules Proc. of Stat Misconduct, std. 1.2(c)(1).)	ilitation, fitness to practice,	and present learning and ability
(6)		Actua Requi	I Suspension "And Until" Restitution (I rement:	Multiple Payees) with Co	nditional Std. 1.2(c)(1)
			ondent is suspended from the practice of la espondent is placed on probation for		n of that suspension is stayed, ions.
		Re	espondent must be suspended from the prespondent's probation, and Respondent wateried:	ractice of law for a minimuly vill remain suspended until	m for the first of the following requirements are
		a.	Respondent must make restitution, incluyear (and furnish satisfactory proof of sufollowing payees (or reimburse the Clier Fund to such payee in accordance with	uch restitution to the Office nt Security Fund to the exte	of Probation), to each of the ent of any payment from the
			Payee	Principal Amount	Interest Accrues From
		-			
		-			
		b.	If Respondent remains suspended for twe State Bar Court of Respondent's rehabil in the general law. (Rules Proc. of State Misconduct, std. 1.2(c)(1).)	itation, fitness to practice,	and present learning and ability
(7)		Actual	Suspension with Credit for Interim Sus	spension:	
			ndent is suspended from the practice of la espondent is placed on probation for	aw for , the execution with the following conditi	n of that suspension is stayed, ons.
			spondent is suspended from the practice the period of interim suspension which co		f probation (with credit given
E. A	\ddit	ional C	onditions of Probation:		
(1)	\boxtimes	order im	Rules of Professional Conduct: Within posing discipline in this matter, Responde (Rules of Professional Conduct) and Bus pugh 6126, and (2) provide a declaration.	ent must (1) read the Califo iness and Professions Coo	rnia Rules of Professional de sections 6067, 6068, and

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.
 - 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).

	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 Client Trust Accounting 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.
(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, 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

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		requestis satis date Res	uirement, and Respondent will not receive M sfactory evidence of completion of the hours e of this stipulation but before the effective da	of le	pation. This requirement is separate from any MCLE credit for this activity. If Respondent provides gal education described above, completed after the the Supreme Court's order in this matter, evidence toward Respondent's duty to comply with
(13)		Oth	er: Respondent must also comply with the f	ollow	ing additional conditions of probation:
(14)		one Resp Such sent rece and with	year after commencement of probation, pro- pondent comply with the requirements of Ca h proof must include: the names and addres notification pursuant to rule 9.20; a copy of ipt or postal authority tracking document for notifications of non-delivery; and a copy of the	of o	Respondent is directed to maintain, for a minimum of compliance with the Supreme Court's order that ia Rules of Court, rule 9.20, subdivisions (a) and (c). of all individuals and entities to whom Respondent notification letter sent to each recipient; the original notification sent; the originals of all returned receipts impleted compliance affidavit filed by Respondent present such proof upon request by the State Bar, the
(15)		The f	following conditions are attached hereto	and i	ncorporated:
			Financial Conditions [Medical Conditions
			Substance Abuse Conditions		
matte	er. At	the e	obation will commence on the effective date xpiration of the probation period, if Respond suspension will be satisfied and that suspen	ent h	e Supreme Court order imposing discipline in this as complied with all conditions of probation, the will be terminated.
F. 0	ther	Req	uirements Negotiated by the Parti	es (l	Not Probation Conditions):
(1)		Sus adm Supr Susp Offic Cour exar this	pension: Respondent must take and pass ninistered by the National Conference of Bar reme Court order imposing discipline in this pension, whichever is longer, and to provide be of Probation within the same period. Failurt, rule 9.10(b).) If Respondent provides sat mination after the date of this stipulation but	the N Exar matte satis ure to isfact before	Authin One Year or During Period of Actual Multistate Professional Responsibility Examination miners within one year after the effective date of the er or during the period of Respondent's actual factory proof of such passage to the State Bar's odo so may result in suspension. (Cal. Rules of the effective date of the Supreme Court's order in dit for such evidence toward Respondent's duty to
(2)		reco	tistate Professional Responsibility Exami Immended that Respondent be ordered to ta mination because	n atic ke ai	on Requirement Not Recommended: It is not not not pass the Multistate Professional Responsibility
(3)		Rule and	s of Court, rule 9.20, and perform the acts s	pecif e of t	must comply with the requirements of California ided in subdivisions (a) and (c) of that rule within 30 he Supreme Court order imposing discipline in this suspension.
	*	repre	any later "effective" date of the order. (Athea	e noti arn v.	rative date for identification of "clients being fied is the filing date of the Supreme Court order, State Bar (1982) 32 Cal.3d 38, 45.) Further, even if Respondent has no clients to notify on the

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		date the Supreme Court filed its order in this proceeding. (<i>Powers v. State Bar</i> (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. (<i>Athearn v. State Bar</i> (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. (<i>Powers v. State Bar</i> (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:
		9

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF:

MICHAEL STUART PAXTON

CASE NUMBERS:

16-O-16759-CV, 17-O-01631, 17-O-06724, 17-O-03350

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. 16-O-16759 (Complainant: Tara Borek)

- 1. On November 18, 2014, Tara Borek ("Borek") filed a Petition for Marital Dissolution pro per.
- 2. On or about November 26, 2014, Borek hired respondent for legal representation in her divorce and child custody matter at a rate of \$350 per hour and paid respondent an advanced fee of \$7,500.
- 3. On December 4, 2014, respondent substituted in as counsel for Borek in *Tara Borek v. Steven Borek*, Los Angeles Superior Court case no. MD046785. Respondent also filed an amended petition for dissolution on Borek's behalf.
- 4. On January 6, 2015, Borek paid respondent \$1,050. The receipt from respondent's office indicates the payment was for subpoenas.
 - 5. On February 6, 2015, Borek paid respondent an additional \$2,600 in fees.
- 6. On February 9, 2015, Borek paid respondent \$300. The receipt from respondent's office indicates the payment was also for subpoenas.
- 7. On March 18, 2015, Borek made two payments to respondent: one payment of \$380 and one payment of \$2,300, for bank subpoenas and attorney's fees, respectively.
- 8. On April 1, 2015, Borek paid respondent \$2,800. The receipt from respondent's office indicates the payment was for the preparation and filing of a joinder of Borek's husband's retirement plan to the family law matter.
- 9. Respondent never filed the joinder of Borek's husband's retirement plan. Respondent never refunded to Borek any of the advanced fees paid for the preparation and filing of the joinder.
- 10. On July 24, 2015, Bored paid respondent an additional \$3,000. The receipt from respondent's office indicates the payment was in reference to an ex parte proceeding to have Borek's husband removed from the residence.

- 11. On August 5, 2015, the opposing party served respondent with Form Interrogatories and Demand for Production of Documents.
- 12. Respondent failed to inform Borek of the discovery requests and coordinate the production of documents with Borek.
 - 13. On September 1, 2015, Borek paid respondent \$1,000 in additional attorney's fees.
- 14. On or about September 9, 2015, respondent wrote a letter to the opposing party requesting an extension to respond to the Form Interrogatories and Demand for Production of Documents until September 24, 2015.
- 15. On September 24, 2015, respondent served Borek's response to the Form Interrogatories without consulting with Borek. The responses were incomplete.
- 16. On October 19, 2015, the opposing party wrote a letter to respondent indicating the discovery responses were incomplete. The opposing party also requested to meet and confer regarding discovery. Respondent failed to respond to the letter.
- 17. On November 13, 2015, the opposing party filed a Motion to Compel Discovery Answers ("Motion to Compel"), requesting sanctions in the amount of \$5,000.
- 18. Respondent failed to inform Borek of the filing of the Motion to Compel and request for sanctions. Respondent also failed to respond to the Motion to Compel.
- 19. On April 12, 2016, the court granted the opposing party's Motion to Compel and issued an order to pay sanctions in the amount of \$2,000 against Borek. The court ordered the payment of sanctions deferred until the time of trial or settlement. Respondent failed to inform Borek that the court issued an order to pay sanctions against her.
 - 20. On or about May 12, 2016, Borek terminated respondent's representation.
 - 21. On May 20, 2016, respondent substituted out of Borek's family law matter.
- 22. During the course of respondent's representation, Borek paid him a total of \$19,200 in fees and \$1730 in costs.
- 23. On August 1, 2016, Borek requested an accounting for fees and services. Respondent failed to provide an accounting.

24. By failing to file a joinder of Borek's husband's retirement account to the action, in addition to failing to respond to requests for discovery and failing to respond to the opposing party's Motion to Compel Discovery Answers, causing the court to issue an order against Borek to pay sanctions in the amount of \$2,000, respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rules of Professional Conduct, rule 3-110(A).

- 25. By failing to inform Borek that: on August 5, 2015, the opposing party served respondent with Form Interrogatories and Demand for Production of Documents; on September 24, 2015, respondent served incomplete responses to the Form Interrogatories and Demand for Production of Documents; on November 13, 2015, the opposing party filed a Motion to Compel Discovery Responses requesting sanctions in the amount of \$5,000; and on April 12, 2016, the court granted the opposing party's Motion to Compel and issued an order to pay sanctions in the amount of \$2,000 against Borek, respondent failed to keep Borek reasonably informed of significant developments in a matter in which respondent had agreed to provide legal services, in willful violation of Business and Professions Code, section 6068(m).
- 26. By failing to provide upon his termination on of employment on or about May 12, 2016, an accurate accounting of the \$19,200 Borek paid as advanced fees, and following the Borek's request for such accounting on or about August 1, 2016, respondent failed to render an appropriate accounting, in willful violation of the Rules of Professional Conduct, rule 4-100(B)(3).
- 27. By failing to file a joinder of Borek's husband's retirement plan to the family law matter and, upon respondent's termination on of employment on or about May 12, 2016, failing to return any portion of the \$2,800 fee Borek paid to respondent for the preparation and filing of a joinder of Borek's husband's retirement plan, respondent failed to return unearned fees, in willful violation of the Rules of Professional Conduct, rule 3-700(D)(2).

Case No. 17-O-01631 (Complainant: Michael Lezine)

- 28. On February 12, 2016, Michael Lezine ("Lezine") hired respondent to seek a restraining order against Lezine's neighbor for a flat rate of \$3,500. Lezine made a down payment of \$1,500 the same day.
 - 29. Lezine never had any contact with respondent after their initial meeting.
- 30. Thereafter, Lezine received phone calls from respondent's staff requesting additional payment. On March 7, 2016, Lezine paid respondent an additional \$500.
- 31. On March 28, 2016, a member of respondent's staff ("staff member") contacted Lezine's wife and requested additional payment by 5:00 PM that day.
- 32. Respondent's staff member drove to the Lezine's home, which was approximately 30 miles away, to collect payment. Lezine's wife gave the staff member a check for \$200.
- 33. For several weeks thereafter, when Lezine attempted to contact respondent's office, the phone service was disconnected.
- 34. When Lezine eventually made contact with respondent's office, respondent's staff member informed him that respondent would not proceed with seeking the restraining order until Lezine made full payment of the \$3,500 flat fee.
- 35. On May 17, 2016, Lezine paid respondent an additional \$300, for a total of \$2,500 in payment.

- 36. In or about June 2016, a different member of respondent's staff informed Lezine that respondent was unable to seek the restraining order because the events that formed the basis for the application for retraining order occurred too far in the past.
- 37. Lezine requested a refund and an accounting of services rendered. Respondent refused to provide a refund.
- 38. Thereafter, respondent sent Lezine a bill for \$10,012.50. Approximately \$9,000 of the bill consisted of charges for telephone conversations that never occurred, among other fabricated charges.

- 39. By failing to file an application for a restraining order against Lezine's neighbor, respondent intentionally, recklessly, or repeatedly failed to perform with competence, in willful violation of Rules of Professional Conduct, rule 3-110(A).
- 40. By failing to file an application for a restraining order against Lezine's neighbor and, upon termination of respondent's termination of employment in or about June 2016, failing to return any portion of the \$2,500 advanced fee Lezine paid to respondent for the filing of an application for restraining order, respondent failed to return unearned fees, in willful violation of the Rules of Professional Conduct, rule 3-700(D)(2).
- 41. By sending an inaccurate billing statement to Lezine indicating Lezine owed respondent \$10,012.50 for services, when respondent knew or should have known the billing statement was false and misleading, respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code, section 6106.

Case No. 17-O-06724 (Complainant: Mahvash Goharizi)

- 42. On May 25, 2016, Mahvash Goharizi ("Goharizi") hired respondent to prosecute a civil action against Elena Mabela Albarracin ("Albarracin") for Albarracin's default on a \$3 million loan.
- 43. In her initial meeting, Goharizi did not meet with respondent. Instead, Goharizi met with a member of respondent's staff ("staff member"). Goharizi signed a retainer agreement and paid \$5,000; however, the staff member failed to provide Goharizi with a copy of the agreement.
- 44. On June 10, 2016, the staff member contacted Goharizi and requested an additional \$20,000 in advanced fees. Goharizi wired the funds to respondent's account pursuant to the staff member's request the same day.
- 45. On July 11, 2016, respondent filed a lawsuit on behalf of Goharizi entitled *Mahvash Goharizi v. Elena Mabela Albarracin*, Los Angeles Superior Court case no. PC057166.
- 46. When Albarracin failed to answer the complaint, respondent's staff member contacted Goharizi and requested an additional \$2,000 payable to respondent to file a Request for Entry of Default. The same day, Goharizi wrote a \$2,000 in compliance with the staff member's request.

- 47. On August 15, 2016, respondent filed the Request for Entry of Default; however, it was rejected by the clerk of court. On September 20, 2016, Albarracin answered the complaint.
- 48. On October 12, 2016, respondent's staff member contacted Goharizi and asked for an additional \$3,000 in fees payable to respondent. The same day, Goharizi wrote a \$3,000 in compliance with the staff member's request.
- 49. Thereafter, respondent did not file any other motions in Goharizi's case, other than a Notice of Continuance regarding a Case Management Conference, filed January 3, 2017.
- 50. When Albarracin failed to appear at trial on August 18, 2017, a default was entered against her.
- 51. Respondent filed a Notice of Ruling regarding the default on September 15, 2017, and the court signed the default judgment in Goharizi's favor on September 22, 2017.
- 52. When Goharizi requested that respondent take steps to enforce the judgment, respondent requested more attorney's fees. At that time, Goharizi requested an accounting for the \$30,000 paid to date.
 - 53. Respondent failed to provide an accounting.
 - 54. On October 18, 2017, Goharizi submitted a complaint to the State Bar.
 - 55. On November 7, 2017, respondent substituted out of Goharizi's case at her request.
- 56. On November 15, 2017, the State Bar sent a letter to respondent requesting a response to Goharizi's complaint. On November 27, 2017, respondent faxed a request for an extension to January 5, 2018 to respond to the complaint.
- 57. On November 29, 2017, the State Bar contacted respondent by phone to request an in-person meeting to discuss the allegations with the assigned investigator and legal advisor.
- 58. Respondent agreed to a meeting at the State Bar on December 27, 2017. On December 26, 2017, respondent cancelled the meeting by leaving a voicemail for the assigned investigator.
- 59. Thereafter, when the investigator contacted respondent, respondent stated he would reschedule the meeting in a few weeks.
- 60. To date, respondent has not rescheduled his meeting with the State Bar or provided a written response to Goharizi's complaint.

61. By failing to provide an accounting of the \$30,000 Goharizi paid as advanced fees upon respondent's termination of employment in November 2017, respondent failed to render an appropriate accounting, in willful violation of the Rules of Professional Conduct, rule 4-100(B)(3).

62. By failing to provide a substantive response to the State Bar's investigative letters of November 15, 2017 and December 28, 2017, which respondent received, and failing to attend an inperson meeting scheduled for December 27, 2017, in which the State Bar requested that respondent respond to the allegations of misconduct being investigated in case no. 17-O-06724, respondent failed to cooperate and participate in a disciplinary investigation pending against him, in willful violation of Business and Professions Code, section 6068(i).

Case No. 17-O-03350 (Complainant: Soroush Janamian)

- 63. On November 3, 2016, Soroush Janamian ("Janamian") hired respondent to represent him in two related matters: 1) to defend him in an unlawful detainer action filed by his landlord, and 2) to pursue a civil action against his landlord for breach of contract and various business torts. Janamian signed two fee agreements with respondent.
- 64. Also on November 3, 2016, Janamian paid respondent \$2,500 in advanced fees for both matters and \$435 for the court filing fee for the civil action. On November 15, 2016, Janamian paid respondent \$225 for the court filing fee for Janamian's answer in the unlawful detainer action.
- 65. On November 18, 2016, respondent filed the civil action against Janamian's landlord in Soroush Janamian v. R&A LLC, et. al., Los Angeles Superior Court case no. MC026734.
- 66. On February 16, 2017, the unlawful detainer matter was settled and the judgment was entered accordingly.
- 67. On March 15, 2017, there was a case management conference ("CMC") set in the civil matter. Respondent failed to appear.
- 68. The court continued the CMC to April 5, 2017, and an Order to Show Cause was issued for respondent's failure to appear. Respondent received the order.
- 69. Respondent failed to appear at the CMC/Order to Show Cause hearing on April 5, 2017. As a result, the court dismissed Janamian's case without prejudice.
- 70. On April 26, 2017, respondent met with Janamian and informed him that the lawsuit was dismissed without prejudice. Respondent offered to re-file the action for an additional fee of \$1,000. Janamian paid respondent \$1,000 the same day.
- 71. Thereafter, respondent or his staff contacted Janamian at the last minute to cancel and reschedule office appointments on the following dates: May 5, May 8, May 12, and May 15, 2017.
- 72. Janamian called respondent's office on May 18, May 19, and May 22, 2017, requesting that respondent contact him regarding the status of his case.
 - 73. Janamian had no contact with respondent after May 8, 2017.
- 74. On December 2, 2017, Janamian sent respondent a letter requesting the return of his file. Respondent failed to return the client file to Janamian.

- 75. By failing to appear for the Case Management Conferences set for March 15, 2017, and April 5, 2017, causing the court to dismiss the action without prejudice, and failing to re-file the action on behalf of Janamian, respondent intentionally, recklessly, or repeatedly failed to perform legal services with competence in willful violation of Rules of Professional Conduct, rule 3-110(A).
- 76. By failing to respond to Janamian's three telephonic status inquiries between May 18, 2017 and May 22, 2017, regarding a matter in which respondent had agreed to provide legal services, respondent failed to respond promptly to reasonable telephonic status inquiries, in willful violation of Business and Professions Code, section 6068(m).
- 77. By failing to return Janamian's client file following the termination of respondent's employment and following Janamian's request for his client file on December 2, 2017, respondent failed to promptly release all of the client's papers and property, in willful violation of the Rules of Professional Conduct, rule 3-700(D)(1).
- 78. By failing to re-file the civil complaint against Janamian's landlord and failing to return any portion of the \$1,000 Janamian paid for such services, respondent failed to return unearned fees, in willful violation of the Rules of Professional Conduct, rule 3-700(D)(2).
- 79. By failing to comply with the March 20, 2017 Order to Show Cause Re: Dismissal for Failure to Appear in Soroush Janamian v. R&A LLC, et. al., Los Angeles Superior Court case no. MC026734, and by failing to appear at the Order to Show Cause Hearing on April 5, 2017, of which respondent had notice, 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.

AGGRAVATING CIRCUMSTANCES.

Multiple Acts of Wrongdoing (Std. 1.5(b)): Between April 2015 and December 2017, respondent committed multiple acts of misconduct by failing to perform, communicate, account, return unearned fees, return a client file, and cooperate in a State Bar investigation, in addition to committing an act of moral turpitude.

Significant Harm to Client (Std. 1.5(j)): Respondent's misconduct caused harm to each of his clients. In the Borek matter, respondent's failure to perform caused his client to be sanctioned. Thereafter, he failed to return fees he did not earn. In the Lezine matter, where respondent was hired to seek a restraining order, respondent's failure to perform caused a lapse in time that cost the client his cause of action. In the Goharizi matter, respondent charged an exorbitant fee for the work quality and difficulty of work performed. In the Janamian matter, respondent's failure to perform caused the dismissal of his client's case; thereafter, respondent failed to re-file the complaint as agreed and failed to return unearned fees to his client. Accordingly, respondent's conduct caused significant harm to his clients.

MITIGATING CIRCUMSTANCES.

No Prior Discipline: Respondent was admitted to practice in California on December 21, 1977. Respondent practiced law in California since 1977 without any record of misconduct. Respondent will be entitled to significant mitigation credit for approximately 38 years of practice without discipline prior to the misconduct. (Hawes v. State Bar (1990) 51 Cal.3d 587, 596 [over ten years of discipline-free practice entitled to significant weight in mitigation].)

Pretrial Stipulation: Respondent is entitled to mitigation for acknowledging his misconduct and entering into this pretrial stipulation as to facts and conclusions of law, thereby obviating the need for trial and saving State Bar time and resources. (Silva v. State Bar (1989) 49 Cal.3d 1071, 1079 [where mitigation credit was given for entering into a stipulation as to facts and culpability].)

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).)

In this matter, respondent admits to committing multiple acts of professional misconduct. Standard 1.7(a) requires that where a respondent "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 standard 2.11, which applies to respondent's violation(s) of Business and Professions Code, section 6106. Standard 2.11 provides that disbarment or actual suspension is the presumed sanction for an act of moral turpitude, dishonesty, fraud, corruption, intentional or grossly negligent misrepresentation, or concealment of a material fact. The degree of sanction depends on the magnitude of the misconduct, among other factors.

Here, respondent's act of moral turpitude is limited to his improper billing statement that contained fabricated charges and contradicted the flat-fee agreement with his client. However, respondent committed a multitude of other misconduct including failures to perform, communicate, return unearned fees, account, return the client file, and cooperate in a State Bar investigation. The array of misconduct committed between four client matters is serious and indicates that respondent is either unwilling or unable to conform with ethical norms.

In aggravation, respondent committed multiple acts of misconduct and caused significant harm to his clients; however, he is entitled to significant mitigation for his 38 years of discipline-free practice prior to the misconduct. Nonetheless, in light of the severity and range of respondent's misconduct, a substantial period of actual suspension is warranted. Accordingly, discipline consisting of two years of stayed suspension, two years of probation with conditions, including the condition that respondent be suspended for six months would best serve the goals of protection of the public, the courts, and the legal profession.

This outcome is consistent with case law. In Matthew v. State Bar (1989) 49 Cal. 3d 784, the attorney failed to perform services and return unearned fees in two client matters. In another client matter, the attorney failed to complete services until four years after he was retained, and only after the client complained to the State Bar. The Court noted that Matthew's misconduct was not trivial, his clients suffered harm, and he demonstrated indifference toward rectification. The Court did not consider lack of prior discipline as a mitigating factor given Matthew's brief three-year career. The Supreme Court imposed three years of stayed suspension and three years of probation with conditions, including the condition that the attorney be actually suspended for 60 days.

Like the attorney in *Matthew*, respondent failed to perform services, failed to return unearned fees, and cause client harm. However, respondent committed additional misconduct by failing to communicate, failing to return a client file, and failing to cooperate in a State Bar investigation. Respondent also committed an act of moral turpitude by sending his client an exorbitant bill with fabricated charges in contradiction to their written flat-fee agreement. Therefore, it is appropriate to impose a longer period of actual suspension in this matter.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of January 14, 2019, the discipline costs in this matter are \$7,016. 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.

Case number(s): 16-O-16759-CV, 17-O-01631, 17-O-06724, 17-O-03350

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.

1-24-19 Date	Respondent's Signature	Michael Stuart Paxton Print Name
1-31-2019 Date	Deputy Trial Counsel's Signature	Stacia L. Johns Print Name

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 page 11 of the stipulation, underneath the heading "FACTS AND CONCLUSIONS OF LAW," the following is inserted: "All references to the Rules of Professional Conduct are to the former rules.";
- 2. On page 11 of the stipulation, numbered paragraph 10, "Bored paid Respondent" is deleted, and in its place is inserted "Borek paid Respondent";
- 3. On page 13 of the stipulation, numbered paragraph 26, "upon his termination on of employment" is deleted, and in its place is inserted "upon his termination of employment"; and
- 4. On page 13 of the stipulation, numbered paragraph 27, "upon respondent's termination on of employment" is deleted, and in its place is inserted "upon respondent's termination of employment".

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).)

Fubruery 14, 2019

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 February 14, 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:

MICHAEL STUART PAXTON LAW OFFICE OF MICHAEL S. PAXTON 1305 E. PALMDALE BLVD STE 4 PALMDALE, CA 93550-4853

MICHAEL STUART PAXTON C/O RETIREMENT VILLA 44523 15TH STREET WEST LANCASTER, CA 93534

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

STACIA L. JOHNS, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on February 14, 2019.

Paul Barona

Court Specialist State Bar Court