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State Bar Court of California Hearing Department Los Angeles ACTUAL SUSPENSION		
Counsel For The State Bar Jaymin Vaghshia Deputy Trial Counsel 845 South Figueroa Street Los Angeles, CA 90017 (213) 765-1209 Bar # 269369	Case Number(s): 17-H-03756-DFM	For Court use only <div style="text-align: center;">PUBLIC MATTER</div> <div style="text-align: center;">FILED</div> <div style="text-align: center;">  FEB -2 2018 </div> <div style="text-align: center;"> STATE BAR COURT CLERK'S OFFICE LOS ANGELES </div>
In Pro Per Respondent Stephen Henry Verchick 6320 Canoga Ave, Ste 1500 Woodland Hills, CA 91367 (818) 705-8900 Bar # 46097	kwiktag® 237 300 203 	
In the Matter of: STEPHEN HENRY VERCHICK Bar # 46097 A Member of the State Bar of California (Respondent)	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	

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 **January 15, 1970**.
- (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 **11** 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."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".

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- (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):
- Until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 5.130, Rules of Procedure.
 - Costs are to be paid in equal amounts prior to February 1 for the following membership years: **one (1) billing cycle immediately following the effective date of the Supreme Court order in this matter.** (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.
 - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
 - Costs are entirely waived.

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

- (1) **Prior record of discipline**
- (a) State Bar Court case # of prior case **15-O-11104 (see page 8 and Exhibit 1)**
 - (b) Date prior discipline effective **June 16, 2016**
 - (c) Rules of Professional Conduct/ State Bar Act violations: **Business and Professions Code section 6106 [Moral Turpitude].**
 - (d) Degree of prior discipline **Public Reproval**
 - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (2) **Intentional/Bad Faith/Dishonesty:** Respondent's misconduct was dishonest, intentional, or surrounded by, or followed by bad faith.
- (3) **Misrepresentation:** Respondent's misconduct was surrounded by, or followed by, misrepresentation.
- (4) **Concealment:** Respondent's misconduct was surrounded by, or followed by, concealment.
- (5) **Overreaching:** Respondent's misconduct was surrounded by, or followed by, overreaching.
- (6) **Uncharged Violations:** Respondent's conduct involves uncharged violations of the Business and Professions Code, or the Rules of Professional Conduct.
- (7) **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.

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- (8) **Harm:** Respondent's misconduct harmed significantly a client, the public, or the administration of justice.
- (9) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (10) **Candor/Lack of 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. See page 9.
- (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.

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.
- (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.

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- (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 convincing proof of subsequent rehabilitation.
- (13) **No mitigating circumstances** are involved.

Additional mitigating circumstances:

Prefiling Stipulation, see page 8.

D. Discipline:

- (1) **Stayed Suspension:**
- (a) Respondent must be suspended from the practice of law for a period of **one (1) year**.
- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and fitness to practice and present learning and ability in the general law pursuant to standard 1.2(c)(1) Standards for Attorney Sanctions for Professional Misconduct.
- ii. and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. and until Respondent does the following:
- (b) The above-referenced suspension is stayed.
- (2) **Probation:**
- Respondent must be placed on probation for a period of **one (1) year**, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)
- (3) **Actual Suspension:**
- (a) Respondent must be actually suspended from the practice of law in the State of California for a period of **thirty (30) days**.
- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and fitness to practice and present learning and ability in the general law pursuant to standard 1.2(c)(1), Standards for Attorney Sanctions for Professional Misconduct
- ii. and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. and until Respondent does the following:

E. Additional Conditions of Probation:

- (1) If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and present learning and ability in the general law, pursuant to standard 1.2(c)(1), Standards for Attorney Sanctions for Professional Misconduct.
- (2) During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (3) Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4) Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
- (5) Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

- (6) Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (7) Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.
- (8) Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.
 No Ethics School recommended. Reason: **Respondent attended Ethics School on February 7, 2017 and passed the test given at the end of the session. (See rule 5.135(A), Rules Proc. of State Bar [attendance at Ethics School not required where the attorney completed Ethics School within the prior two years].).**
- (9) Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.

(Do not write above this line.)

- (10) The following conditions are attached hereto and incorporated:
- | | |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions | <input type="checkbox"/> Financial Conditions |

F. Other Conditions Negotiated by the Parties:

- (1) **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. **Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 5.162(A) & (E), Rules of Procedure.**
- No MPRE recommended. Reason:
- (2) **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.
- (3) **Conditional Rule 9.20, California Rules of Court:** If Respondent remains actually suspended for 90 days or more, he/she 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 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (4) **Credit for Interim Suspension [conviction referral cases only]:** Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension:
- (5) **Other Conditions:** Respondent is currently scheduled and registered to take the MPRE on March 24, 2018. Proof of passage of the test prior to the effective date of the Supreme Court order approving the stipulation, shall be deemed to comply with Section F(1).

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: STEPHEN HENRY VERCHICK

CASE NUMBERS: 17-H-03756-DFM

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. 17-H-03756

FACTS:

1. On May 19, 2016, respondent entered into a Stipulation Re Facts, Conclusions of Law and Disposition (“Stipulation”) with the State Bar of California in case number 15-O-11104.
2. On May 26, 2016, the Hearing Department of the State Bar Court filed an Order Approving the Stipulation, which ordered that respondent be publicly reprovved with conditions including submitting quarterly reports and a final report, provide proof of attendance and passage to Ethics School and the Multistate Professional Responsibility Examination (“MPRE”) within one year of the effective date of discipline. On June 16, 2016, the public reprovval became effective.
3. On June 3, 2016, respondent’s assigned probation deputy from the Office of Probation sent a reminder letter to respondent’s official State Bar membership address, which included a copy of relevant portions of the Stipulation and outlined the various tasks respondent was responsible for completing by specific deadlines. Respondent received the letter.
4. On July 18, 2016, respondent completed a telephonic probation meeting with the probation deputy in which they reviewed the terms of the stipulation. The probation deputy emailed respondent the reprovval meeting record. Respondent received the record.
5. On November 23, 2016, respondent filed his first quarterly report. The report was untimely as the due date was October 10, 2016.
6. On April 11, 2017, respondent filed his third quarterly report. The report was untimely as the due date was April 10, 2017.
7. On June 23, 2017, the probation deputy emailed and mailed a letter to respondent outlining his non-compliance with the conditions of the reprovval, including his outstanding final report due on June 16, 2017, and proof of passage of the MPRE. Respondent received the letter.
8. On July 10, 2017, respondent filed his final report. The report was untimely as the due date was June 16, 2017.

9. During the period of probation, respondent failed to provide proof of passage of the MPRE by the deadline of June 16, 2017.

CONCLUSION OF LAW:

10. By failing to timely submit two written quarterly reports and a final report to the Office of Probation and by failing to provide proof of passage of the MPRE to the Office of Probation, respondent failed to comply with conditions attached to his public reprobation conditions in State Bar case number 15-O-11104, in willful violation of Rules of Professional Conduct, rule 1-110.

AGGRAVATING CIRCUMSTANCES.

Prior Record of Discipline (Std. 1.5(a)): Respondent has one (1) prior record of discipline. (A copy of respondent's prior record of discipline is attached hereto as Exhibit 1.) Effective June 16, 2016, respondent stipulated to a public reprobation in case number 15-O-11104. Respondent, under penalty of perjury, affirmed Minimum Continuing Legal Education ("MCLE") compliance during the period from February 1, 2011 through January 31, 2014 when he had not checked his records and was grossly negligent in not knowing that he was not in compliance with the MCLE requirement; and violated Business and Professions Code section 6106. No aggravating circumstances were found. In mitigation, respondent had no prior record of discipline, provided evidence of good character and pro bono work/community service, had remorse/recognition of wrongdoing, had financial problems, and entered into a pretrial stipulation.

Multiple Acts of Wrongdoing (Std. 1.5(b)): Respondent failed to timely submit three reports to the Office of Probation and failed to provide proof of passage of the MPRE.

MITIGATING CIRCUMSTANCES.

Prefiling Stipulation: While some of the facts are easily provable, by entering into this stipulation, respondent has acknowledged misconduct and is entitled to mitigation for recognition of wrongdoing and saving the State Bar significant resources and time. (*Silva-Vidor v. State Bar* (1989) 49 Cal.3d 1071, 1079 [where mitigative credit was given 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].)

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 Silvertown* (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).)

By failing to comply with the conditions attaches to his public reproof, respondent willfully violated Rules of Professional Conduct, rule 1-110. Standard 2.14 provides that actual suspension is appropriate for failing to comply with a condition of discipline. The degree of sanction depends on the nature of the condition violated and the member's unwillingness or inability to comply with disciplinary orders.

Here, Respondent has failed to comply with four conditions of probation with untimely submissions of three reports to the Office of Probation and his failure to pass the MPRE. Although respondent’s actions are aggravated by his multiple acts of wrongdoing and his prior record of discipline, his misconduct is surrounded by mitigating circumstances, which diminish the weight of those aggravating circumstances. By admitting to his conduct and agreeing to be disciplined by entering into a pre-filing stipulation, respondent has shown cooperation and an understanding of the seriousness of his misconduct. In addition, respondent is scheduled to take the next MPRE in an attempt to satisfy his one outstanding condition of probation. Respondent’s acceptance of culpability and efforts to satisfy outstanding conditions demonstrate his willingness and ability to conform to his ethical responsibilities in the future, and therefore his misconduct is unlikely to recur. Accordingly, discipline at the low end of the range provided in Standard 2.14 is warranted in the present matter, and a one-year stayed suspension with one year of probation with conditions, including a 30-day actual suspension is appropriate.

Case law also supports this level of discipline. In *Conroy v. State Bar* (1990) 51 Cal. 3d 799, the attorney received a private reproof with conditions, including the condition to take and pass the Professional Responsibility Examination (PRE) within one year of the effective date of the reproof. The attorney failed to do so, but completed the examination at the first opportunity thereafter. (*Id.* at p. 804.) The misconduct was aggravated by the attorney’s one prior record of discipline, as well as his failure to participate in the disciplinary proceedings at the Hearing Department level, where he defaulted. The misconduct was mitigated by his eventual, untimely fulfillment of the PRE requirement. (*Id.* at p. 805.) The California Supreme Court imposed discipline consisting of one year of stayed suspension and one year of probation with conditions including sixty days of actual suspension. (*Id.* at p. 806.)

Here, Respondent has participated in his disciplinary proceedings and has entered into a Stipulation as to Facts and Conclusions of Law. As such, less discipline is warranted than the discipline imposed in *Conroy*.

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COSTS OF DISCIPLINARY PROCEEDINGS.

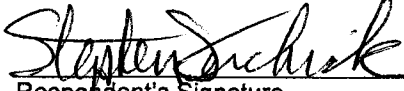
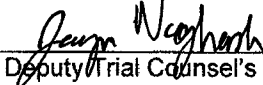
Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of January 8, 2018, the discipline costs in this matter are \$2,518.00. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

(Do not write above this line.)

In the Matter of: Stephen Henry Verchick	Case number(s): 17-H-03756
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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.

<u>1/10/18</u> Date	<u></u> Respondent's Signature	<u>Stephen Verchick</u> Print Name
<u>1/19/18</u> Date	<u></u> Deputy Trial Counsel's Signature	<u>Jaymin Vaghashia</u> Print Name

(Do not write above this line.)

In the Matter of:
Stephen Henry Verchick

Case Number(s):
17-H-03756

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.
- On page 3 of the Stipulation, at paragraph (11), "page 9" is deleted, and "page 8" is inserted.
 - On page 6 of the Stipulation, at paragraph F. (1):
 - the "X" in the box is deleted to remove the MPRE requirement;
 - an "X" is inserted into the box next to "No MPRE recommended;" and
 - the following is inserted after "No MPRE recommended. Reason:" "It is not recommended that respondent be ordered to take and pass the MPRE, as he has recently been ordered to do so on May 26, 2016, by the Hearing Department in case No. 15-O-11104, and he is scheduled to take the MPRE on March 24, 2018."
 - On page 6 of the Stipulation, at paragraph F. (5), the "X" in the box and all of the text following "Other Conditions" are deleted.
 - On page 8 of the Stipulation, at paragraph 10., line 3 after "public reproof," the word "conditions" is deleted.
 - On page 9 of the Stipulation, at paragraph 3, line 8 after "outstanding condition of," the word "probation" is deleted and "the public reproof" is inserted.

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.)**

Date

2/2/18


DONALD F. MILES
Judge of the State Bar Court

ORIGINAL

(Do not write above this line.)

State Bar Court of California Hearing Department Los Angeles REPROVAL			PUBLIC MATTER
Counsel For The State Bar Heather Meyers Contract Deputy Trial Counsel 845 South Figueroa Street Los Angeles, CA 90017 (213) 765-1075 Bar # 302264	Case Number(s): 15-O-11104	For Court use only FILED MAY 26 2016 P.B. STATE BAR COURT CLERK'S OFFICE LOS ANGELES	
In Pro Per Respondent Stephen Henry Verchick The Verchick Law Firm 6302 Canoga Ave., #1500 Woodland Hills, CA 91367 (818) 425-8100 Bar # 46097	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING		
In the Matter of: Stephen Henry Verchick Bar # 46097 A Member of the State Bar of California (Respondent)	PUBLIC REPROVAL <input type="checkbox"/> PREVIOUS STIPULATION REJECTED		

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- (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 are added to membership fee for calendar year following effective date of discipline (public reproof).
 - Case ineligible for costs (private reproof).
 - Costs are to be paid in equal amounts prior to February 1 for the following membership years: **three billing cycles following the effective date of the discipline.** (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.
 - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
 - Costs are entirely waived.
- (9) The parties understand that:
- (a) A private reproof imposed on a respondent as a result of a stipulation approved by the Court prior to initiation of a State Bar Court proceeding is part of the respondent's official State Bar membership records, but is not disclosed in response to public inquiries and is not reported on the State Bar's web page. The record of the proceeding in which such a private reproof was imposed is not available to the public except as part of the record of any subsequent proceeding in which it is introduced as evidence of a prior record of discipline under the Rules of Procedure of the State Bar.
 - (b) A private reproof imposed on a respondent after initiation of a State Bar Court proceeding is part of the respondent's official State Bar membership records, is disclosed in response to public inquiries and is reported as a record of public discipline on the State Bar's web page.
 - (c) A public reproof imposed on a respondent is publicly available as part of the respondent's official State Bar membership records, is disclosed in response to public inquiries and is reported as a record of public discipline on the State Bar's web page.

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

- (1) Prior record of discipline
- (a) State Bar Court case # of prior case
 - (b) Date prior discipline effective
 - (c) Rules of Professional Conduct/ State Bar Act violations:
 - (d) Degree of prior discipline

(Do not write above this line.)

- (e) If Respondent has two or more incidents of prior discipline, use space provided below or a separate attachment entitled "Prior Discipline."
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- (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.
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- (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.

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. **See Attachment page 8.**
- (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 investigation and proceedings.

(Do not write above this line.)

- (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. **See Attachment page 9.**
- (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.
- (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. **See Attachment page 9.**
- (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. **See Attachment page 8.**
- (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:

**Pro Bono/Community Service Work. See Attachment page 8.
Pretrial Stipulation. See Attachment page 9.**

D. Discipline:

- (1) **Private reproof (check applicable conditions, if any, below)**
- (a) Approved by the Court prior to initiation of the State Bar Court proceedings (no public disclosure).
- (b) Approved by the Court after initiation of the State Bar Court proceedings (public disclosure).

or

- (2) **Public reproof (Check applicable conditions, if any, below)**

E. Conditions Attached to Reproof:

- (1) Respondent must comply with the conditions attached to the reproof for a period of one (1) year.

(Do not write above this line.)

- (2) During the condition period attached to the reproof, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (3) Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4) Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of reproof. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the reproof conditions period, Respondent must promptly meet with the probation deputy as directed and upon request.
- (5) Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the condition period attached to the reproof. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of the reproof during the preceding calendar quarter. Respondent must also state in each report whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 (thirty) days, that report must be submitted on the next following quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the condition period and no later than the last day of the condition period.

- (6) Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of reproof with the probation monitor to establish a manner and schedule of compliance. During the reproof conditions period, Respondent must furnish such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the monitor.
- (7) Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the conditions attached to the reproof.
- (8) Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.
- No Ethics School recommended. Reason: .
- (9) Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.
- (10) Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation within one year of the effective date of the reproof.
- No MPRE recommended. Reason:

- (11) The following conditions are attached hereto and incorporated:

(Do not write above this line.)

Substance Abuse Conditions

Law Office Management Conditions

Medical Conditions

Financial Conditions

F. Other Conditions Negotiated by the Parties:

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: STEPHEN HENRY VERCHICK
CASE NUMBER: 15-O-11104

FACTS AND CONCLUSIONS OF LAW.

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

Case No. 15-O-11104 (State Bar Investigation)

FACTS:

1. As a member of the State Bar, respondent was required to complete 25 hours of Minimum Continuing Legal Education ("MCLE") during the period commencing on February 1, 2011, and ending on January 31, 2014 (the "compliance period").
2. On June 24, 2014, respondent reported to the State Bar, under penalty of perjury, that he had completed all 25 required MCLE hours during the compliance period.
3. In fact, respondent was only able to provide proof that he completed six hours of MCLE during the compliance period.
4. When respondent affirmed MCLE compliance, he mistakenly believed he was in compliance with the MCLE requirements. However, when he made his affirmation under penalty of perjury, he did not check his records to confirm that he was indeed in compliance with his MCLE obligations, relying instead on his memory. When respondent reported his MCLE compliance to the State Bar, respondent was grossly negligent in not knowing that he was not in compliance with the MCLE requirements.
5. After being contacted on July 7, 2014, by the State Bar's Office of Member Records and Compliance regarding an audit of MCLE compliance, respondent subsequently completed the required 25 hours of MCLE courses and paid applicable penalties.

CONCLUSIONS OF LAW:

6. By reporting under penalty of perjury to the State Bar that he was in compliance with the MCLE requirements, when he was grossly negligent in not knowing that he was not in compliance with the MCLE requirements, respondent committed an act involving moral turpitude, dishonesty or corruption, in wilful violation of Business and Professions Code section 6106.

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MITIGATING CIRCUMSTANCES.

No Prior Discipline (Std. 1.6(a)): Respondent was admitted to practice on January 15, 1970. At the time of the misconduct, respondent had practiced law for approximately 44 years without a record of discipline. Respondent's 44 years of discipline free practice prior to the misconduct indicates that the present misconduct is an aberration and not likely to recur. While respondent's conduct is serious, he is entitled to substantial mitigation for a discipline-free record after a significant number of years of practicing law. (*Hawes v. State Bar*, (1990) 51 Cal.3d 587, 596 [gave significant weight in mitigation to attorney practicing 10 years without discipline]; *In the Matter of Riordan* (Review Dept. 2007) 5 Cal. State Bar Ct. Rptr. 41 [mitigation credit for many years of discipline free practice given even when conduct is serious].)

Good Character: Respondent provided character evidence from 12 character witnesses, including six attorneys. The letters include, among others, former clients, his former office manager, an insurance broker, a family friend, a woman whom respondent allowed to live in his home for over a year as she left an abusive relationship, and the current president of the Los Angeles County Bar Association. All six of the attorney letters make explicit mention of knowledge of the respondent's alleged misconduct. (*In the Matter of Wells* (Review Dept. 2006) 4 Cal. State Bar Ct. Rptr. 896, 912-13 [providing mitigation for evidence of good character].) All speak highly of respondent's character and generosity, and many make mention of his excellent legal work and professionalism. Several mention having personal knowledge of respondents extensive philanthropic and charitable work. Additionally, significant consideration is given to attorney attestations of good character because they have a "strong interest in maintaining the administration of justice." (*In the Matter of Brown* (Review Dept. 1993) 2 Cal. State Bar Ct. Rptr. 309, 319). It should be noted that two of the writers are respondent's family members, and therefore those two letters should be given less weight. (*In the Matter of Fandey* (Review Dept. 1994), 2 Cal. State Bar Ct. Rptr 767 [giving little weight to good character attested to by family members].)

Pro Bono Work/Community Service: Pro Bono and community service may mitigate an attorney's misconduct. (*Calvert v. State Bar* (1991) 54 Cal.3d 765, 785.) Respondent submitted a list outlining the various organizations he has volunteered for in various capacities, including the Jewish Home for the Aging and Free Arts for Abused Children from 1998 to 2007. Respondent's former office manager wrote a letter and stated respondent would often do free work for clients in a variety of matters. She also wrote of his various charity to church groups, youth baseball teams and lecturing to students on Law Day. Respondent's friend also notes in his letter his personal knowledge of respondent's work with many charitable organizations and the volunteering of his time. An additional reference and a member of the California bar, writes of participating with respondent in many community and philanthropic events. Several letters make reference to respondent opening his home to a homeless woman and daughter. The woman taken in also wrote to explain that respondent (and his wife) invited her and her daughter to live with them for over a year in 2013 while she left an abusive relationship. She states that respondent went with her to court and provided emotional support during this difficult time. Respondent also submitted an email confirmation from Los Angeles Trial Lawyers Charities that respondent has volunteered at several of their events over the past year. Additionally, respondent submitted a certificate of appreciation for his volunteer work as an alternative dispute resolution neutral in Los Angeles Superior Court in 2011. Respondent's clear and continued commitment to the community warrants strong mitigation. (See *In the Matter of John Young Song* (Review Dept. 2013) 5 Cal. State Bar Ct. Rptr. 273, finding that an extensive history of community service and pro bono work merited significant mitigation).

Remorse/Recognition of Wrongdoing: Respondent has acknowledged that he erroneously relied on his memory in affirming compliance. Respondent submitted a declaration, under penalty of perjury, that he has committed to keeping better records of his MCLE compliance. This includes creating a computer backup for calendaring and document storage. He also plans to attend Consumer Attorneys Association of Los Angeles (“CAALA”), Consumer Attorneys of California and Rutter Group events for MCLE credit, and will ensure that he maintains adequate records of his attendance. He has also submitted proof of attending some CAALA seminars and registering for others for the current compliance period. (*In the Matter of Yee* (Review Dept. 2014) 5 Cal. State Bar Ct. Rptr. 330 [mitigative credit given for acknowledging insufficient record-keeping practices and changing them].)

Financial Problems: Financial difficulties can be a factor in mitigation. (*In re Naney* (1990) 51 Cal.3d 186, 196-97, stating that such “financial pressures are given greater weight in mitigation if they are extreme and result from circumstances that are not reasonably foreseeable or that are beyond the attorney’s control.”) Respondent and his wife filed for Chapter 7 bankruptcy (case number 1:10-bk-11074) in 2010, which was discharged in May 2013, and were in the process of having their family home foreclosed on beginning in late 2013. Respondent was receiving bank notices regarding possible foreclosure throughout early 2014, which was the same time period as he reported compliance. Respondent explains that the stress of potentially losing his family’s home of 42 years affected his ability to think clearly and function fully during this time period. Respondent has now sold his home and moved into an apartment. Respondent’s stressor of personal bankruptcy and foreclosure are behind him. He has a 44 year discipline-free record supporting the notion that this misconduct was a momentary lapse in good judgment as a result of the extreme stress of his financial situation, and thus, he should be given some mitigation for his financial difficulties.

Pretrial Stipulation: Respondent is entitled to mitigation for entering into this stipulation prior to trial, thereby preserving State Bar Court time and resources. (*Silva-Vidor v. State Bar* (1989) 49 Cal.3d 1071, 1079 [where mitigative credit was given for entering into a stipulation as to facts and culpability].) Respondent has also acknowledged his misconduct by entering into this stipulation.

Aggravating Circumstances:

None

Analysis:

The Standards “set forth a means for determining the appropriate disciplinary sanction in a particular case and to ensure consistence across cases dealing with similar misconduct and surrounding circumstances.” (Std. 1.1) The Standards help fulfill the primary purpose 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” (*In re Silvertown* (2005) 36 Cal 4th 81, 92, quoting *In re Brown* (1995) 12 Cal.4th 205, 220) as they “promote the consistent and uniform application of disciplinary measures” (*In re Silvertown* at 91). As a result, the Standards should be followed “whenever possible” (*Id.* at 92, quoting *In re Young* (1989) 49 Cal.3d 257, 267) and deviations from the discipline stated in the Standards “should be elaborated with care.” (*Id.* at 92).

In determining whether to impose a sanction greater or less than the specified in a given Standard, attention should be paid to the factors set forth in the specific Standard, as well as the primary purposes of discipline; the balancing of all mitigating and aggravating circumstances; the type of misconduct at issue; whether and to what extent 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 2.11 applies to respondent's acts of moral turpitude. Standard 2.11 states that the presumed discipline for an act of moral turpitude is disbarment or actual suspension. Standard 2.11 further states, "[t]he degree of sanction depends on the magnitude of misconduct; the extent to which the misconduct harmed or misled the victim, which may include the adjudicator; the impact on the administration of justice, if any; and the extent to which the misconduct related to the member's practice of law."

While Standard 2.11 calls for actual suspension, Standard 1.7(c) indicates that mitigating factors should be considered and may demonstrate the need for a lesser sanction than called for by the Standards. Here, respondent made a grossly negligent misrepresentation, under penalty of perjury, that he completed the required 25 hour MCLE requirement when he had in fact only completed six hours during the compliance period. Respondent's misconduct circumvented the continuing legal education requirements established for the purpose of enhancing attorney competence and protecting the public. However, respondent has offered significant mitigation that tends to indicate that his misconduct is an aberration and unlikely to recur. Of note, respondent's 44 years discipline free practice provides substantial mitigation. Further, he submitted proof of good character through 12 letters of reference. These letters, along with additional evidence, also serve to verify respondent's substantial service to the community through volunteer and pro bono work. Additionally, respondent showed remorse and accepted responsibility for his wrongdoing. Finally, respondent provided proof of significant personal and financial issues, including personal bankruptcy and potential foreclosure of his family home of 42 years, that have had an impact on his daily life during this time. Further, there are no aggravating factors present. Therefore, a deviation from Standard 2.11 is warranted, and discipline of a public reproof is appropriate in this matter.

Case law also supports this outcome. It is important to also consider the Review Department decision *In the Matter of Yee* (Review Dept. 2014) 5 Cal. State Bar Ct. Rptr. 330. Attorney Yee submitted her MCLE compliance card and affirmed that she had completed the requisite 25 hours during her compliance period. However, during a subsequent audit and State Bar investigation, Yee was unable to produce any record of compliance. The Review Department found that "Yee's failure to verify her MCLE compliance before affirming it constitutes gross negligence amounting to moral turpitude for discipline purposes" (*Yee* at 334), but declined to find she had misrepresented her MCLE compliance intentionally. The Review Department found strong mitigation in Yee's case. In particular, the Review Department noted Yee's: (1) 10 and one half years of discipline-free practice; (2) her candor and cooperation with the State Bar during the investigation; (3) her good character as evidenced by the testimony of eleven witnesses; (4) her immediate recognition of wrongdoing and creation of a plan to avoid such issues in the future; and, (5) her significant amount of pro bono work and service to the community. *Id.* at 335-36. In *Yee*, the Review Department imposed discipline consisting of a public reproof.

Using *Yee* as a guide, respondent is afforded substantial mitigation for his approximately 44 years of practice without a record of discipline. Respondent also provided 12 letters attesting to respondent's good character and charitable deeds, including letters from six attorneys. Further, respondent provided substantial evidence of exemplary community service and pro bono work, the depth and breadth of

which exceeds that offered by Yee. Respondent's history of community service and pro bono work is pervasive over his 44 year long career. Additionally, unlike Yee who had completed no hours of MCLE credit, respondent was able to provide proof of six hours during the compliance period. Respondent also showed remorse and accepted responsibility for his wrongdoing. Respondent also provided documentation of his bankruptcy proceeding and possible foreclosure on his home during the compliance period, which brought a good deal of stress and chaos to his personal life. Additionally, by entering into a pretrial stipulation, respondent is entitled to mitigative credit for saving State Bar time and resources. Therefore, the application of the Standards and the findings in *Yee* support an outcome comparable to the public discipline imposed in *Yee*.

In light of the totality of the facts and circumstances presently available, including the mitigation of good character, financial difficulties, exemplary community service, remorse and recognition of wrongdoing, and a long discipline-free record, discipline consisting of a public reproof is appropriate to protect the public, courts and the legal profession, to maintain high professional standards by attorneys, and to preserve public confidence in the legal profession.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of April 19, 2016, the prosecution costs in this matter are approximately \$3,584. 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.

EXCLUSION FROM MCLE CREDIT.

Pursuant to rule 3201, respondent may not receive MCLE credit for completion of the ethics courses ordered as a condition of his probation. (Rules Proc. of State Bar, rule 3201.)

(Do not write above this line.)

In the Matter of: STEPHEN HENRY VERCHICK	Case number(s): 15-O-11104
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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.

5/19/16 *Stephen Verchick* Stephen Henry Verchick
Date Respondent's Signature Print Name

5/25/16 *H. Meyers* Heather Meyers
Date Deputy Trial Counsel's Signature Print Name

(Do not write above this line.)

In the Matter of: STEPHEN HENRY VERCHICK	Case Number(s): 15-O-11104
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REPROVAL ORDER

Finding that the stipulation protects the public and that the interests of Respondent will be served by any conditions attached to the reprovial, 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 REPROVAL IMPOSED.
- The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the REPROVAL IMPOSED.
- All court dates in the Hearing Department are vacated.

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.) **Otherwise the stipulation shall be effective 15 days after service of this order.**

Failure to comply with any conditions attached to this reprovial may constitute cause for a separate proceeding for willful breach of rule 1-110, Rules of Professional Conduct.

5/26/14
Date


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 May 26, 2016, 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:

**STEPHEN HENRY VERCHICK
STEPHEN VERCHICK, PC &
ASSOCIATES
6320 CANOGA AVE #1500
WOODLAND HILLS, CA 91367**

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

HEATHER L. MEYERS, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on May 26, 2016.

Paul Barona

Paul Barona
Case Administrator
State Bar Court

1 STATE BAR OF CALIFORNIA
OFFICE OF CHIEF TRIAL COUNSEL
JAYNE KIM, No. 174614
2 CHIEF TRIAL COUNSEL
JOSEPH R. CARLUCCI, No. 172309
3 DEPUTY CHIEF TRIAL COUNSEL
MIA R. ELLIS, No. 228235
4 ACTING ASSISTANT CHIEF TRIAL COUNSEL
MICHAEL J. GLASS, No. 102700
5 SUPERVISING SENIOR TRIAL COUNSEL
HEATHER MEYERS, No. 302264
6 CONTRACT DEPUTY TRIAL COUNSEL
845 South Figueroa Street
7 Los Angeles, California 90017-2515
Telephone: (213) 765-1075
8

FILED
FEB 01 2016
STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

PUBLIC MATTER

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10 STATE BAR COURT
HEARING DEPARTMENT - LOS ANGELES
11

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13 In the Matter of:) Case No. 15-O-11104
14 STEPHEN VERCHICK,)
No. 46097,) NOTICE OF DISCIPLINARY CHARGES
15)
16 A Member of the State Bar)

NOTICE - FAILURE TO RESPOND!

17
18 **IF YOU FAIL TO FILE A WRITTEN ANSWER TO THIS NOTICE
WITHIN 20 DAYS AFTER SERVICE, OR IF YOU FAIL TO APPEAR AT
THE STATE BAR COURT TRIAL:**

- 19
20 (1) YOUR DEFAULT WILL BE ENTERED;
21 (2) YOUR STATUS WILL BE CHANGED TO INACTIVE AND YOU
WILL NOT BE PERMITTED TO PRACTICE LAW;
22 (3) YOU WILL NOT BE PERMITTED TO PARTICIPATE FURTHER IN
THESE PROCEEDINGS UNLESS YOU MAKE A TIMELY MOTION
AND THE DEFAULT IS SET ASIDE, AND;
23 (4) YOU SHALL BE SUBJECT TO ADDITIONAL DISCIPLINE.
SPECIFICALLY, IF YOU FAIL TO TIMELY MOVE TO SET ASIDE
24 OR VACATE YOUR DEFAULT, THIS COURT WILL ENTER AN
ORDER RECOMMENDING YOUR DISBARMENT WITHOUT
25 FURTHER HEARING OR PROCEEDING. SEE RULE 5.80 ET SEQ.,
RULES OF PROCEDURE OF THE STATE BAR OF CALIFORNIA.
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The State Bar of California alleges:

JURISDICTION

1. Stephen Verchick ("respondent") was admitted to the practice of law in the State of California on January 15, 1970, was a member at all times pertinent to these charges, and is currently a member of the State Bar of California.

COUNT ONE

Case No. 15-O-11104

Business and Professions Code section 6106

[Moral Turpitude – Misrepresentation of MCLE Compliance]

2. On or about June 24, 2014, respondent falsely reported under the penalty of perjury to the State Bar that respondent had fully complied with respondent's minimum continuing legal education ("MCLE") requirements for the period of February 1, 2011 to January 31, 2014 ("compliance period"), when respondent knew, or was grossly negligent in not knowing, that respondent had failed to complete the MCLE requirements for the compliance period, and thereby committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code section 6106.

NOTICE - INACTIVE ENROLLMENT!

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

NOTICE - COST ASSESSMENT!

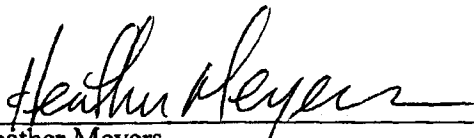
IN THE EVENT THESE PROCEDURES RESULT IN PUBLIC DISCIPLINE, YOU MAY BE SUBJECT TO THE PAYMENT OF COSTS INCURRED BY THE STATE BAR IN THE INVESTIGATION, HEARING AND REVIEW OF THIS MATTER PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 6086.10.

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Respectfully submitted,

THE STATE BAR OF CALIFORNIA
OFFICE OF CHIEF TRIAL COUNSEL

DATED: February 2, 2016

By: 
Heather Meyers
Contract Deputy Trial Counsel

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DECLARATION OF SERVICE BY CERTIFIED MAIL

CASE NUMBER: 15-O-11104

I, the undersigned, over the age of eighteen (18) years, whose business address and place of employment is the State Bar of California, 845 South Figueroa Street, Los Angeles, California 90017, declare that I am not a party to the within action; that 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; that 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; that I am aware that on motion of 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; and that 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, on the date shown below, a true copy of the within

NOTICE OF DISCIPLINARY CHARGES

in a sealed envelope placed for collection and mailing as certified mail, return receipt requested, Article No.: 9414 7266 9904 2010 0832 90, at Los Angeles, on the date shown below, addressed to:

**Stephen Henry Verchick
Stephen Verchick,PC & Associates
6320 Canoga Ave #1500
Woodland Hills, CA 91367**

And regular US mail to:

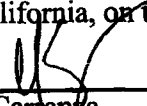
**Stephen Henry Verchick
Stephen Verchick,PC & Associates
6320 Canoga Ave #1500
Woodland Hills, CA 91367**

in an inter-office mail facility regularly maintained by the State Bar of California addressed to:

N/A

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: February 1, 2016

Signed: 
Max Carranza
Declarant



The document to which this certificate is affixed is a full, true and correct copy of the original on file and of record in the State Bar Court.

ATTEST July 20, 2017

State Bar Court, State Bar of California,
Los Angeles

By _____
Clerk

A handwritten signature in cursive script, appearing to read "Gretchen Dethlefs", is written over a horizontal line.

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 February 2, 2018, 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:

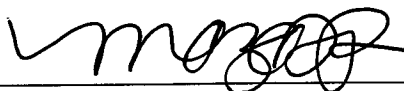
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

STEPHEN HENRY VERCHICK
THE VERCHICK LAW FIRM
6320 CANOGA AVE STE 1500
WOODLAND HILLS, CA 91367 - 2517

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

JAYMIN M. VAGHASHIA, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on February 2, 2018.



Mazie Yip
Case Administrator
State Bar Court