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STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

10 **STATE BAR COURT**
11 **HEARING DEPARTMENT - LOS ANGELES**

13 In the Matter of:) Case Nos. 07-O-14877, 09-O-12065,
14 **SHELLI J. LEWIS-GONZALES,**) 09-O-12868
15 No. 170161,)
16 A Member of the State Bar) **STIPULATION AS TO FACTS AND CONCLUSIONS OF LAW**

17 IT IS HEREBY STIPULATED by and between the Office of the Chief Trial Counsel of
18 the State Bar of California (the "State Bar"), by and through Deputy Trial Counsel
19 ELI D. MORGENSTERN, and SHELLI J. LEWIS-GONZALES, ("Respondent"), and
20 Respondent's Counsel PAUL J. VIRGO, as follows:

21 **A. JURISDICTION**

22 Respondent was admitted to the practice of law in the State of California on June 1, 1994,
23 , and since that time has been a member of the State Bar of California.

24 **B. WAIVERS AND UNDERSTANDING OF THE PARTIES**

25 It is understood and acknowledged by the parties to this stipulation that:

- 26 1. This Stipulation As To Facts and Conclusions of Law is binding upon the parties.
27 2. The stipulated facts and conclusions of law contained in this stipulation constitute
28 admissions of fact and may not be withdrawn by either party, except with Court approval.

1 3. The parties agree that either party may seek to admit evidence at a future
2 reinstatement trial as to facts relating to the above captioned cases that are not contained in this
3 stipulation so long as the evidence does not contradict these stipulated facts and conclusions of
4 law. The parties agree that any additional facts proven at a reinstatement trial with respect to the
5 above captioned cases may establish additional conclusions of law not contained herein. Neither
6 party waives the right to submit and present evidence relating to mitigation or relating to
7 aggravation at any future trial.

8 4. Respondent acknowledges the provisions of Business and Professions Code sections
9 6086.10 and 6140.7; and

10 5. Respondent has been advised in writing in a separate document as of
11 February 4, 2009, of any investigations or proceedings pending at the time of execution of this
12 Stipulation As To Facts and Conclusions of Law that are not resolved by this Stipulation except
13 for investigations, if any, by criminal law enforcement agencies, identified by investigative case
14 number or proceeding case number, and complaining witness name(s).

15 **C. STATEMENT OF STIPULATED FACTS AND CONCLUSIONS OF LAW**

16 **Case No. 07-O-14877**

17 **Facts**

18 Respondent pleads nolo contendere to the following facts and violations:

19 1. On or about December 28, 2006, Hey Ook Hong ("Hong") employed Respondent to
20 represent her in a marital dissolution proceeding. Hong's husband had initiated the proceeding
21 and obtained a default judgment for dissolution of the marriage in 2003. At the time that Hong
22 employed Respondent, Hong and her former husband were involved in the sale of real property
23 in the State of Washington and had a dispute about the disposition of the proceeds.

24 2. On or about January 9, 2007, Respondent received on behalf of Hong from an escrow
25 on the sale of the real property the sum of \$3,500 as advanced fees for her representation of
26 Hong.

27 3. Also on or about January 9, 2007, Respondent received on behalf of Hong and/or her
28 former husband the sum of \$134,038.73 from the escrow on the sale of the real property to hold

1 in trust pending a resolution of the dispute between Hong and her former husband. Respondent
2 received the funds by wire transfer to her business checking account with Citibank. On or about
3 January 11, 2007, Respondent transferred \$134,038.75 (the "trust funds") from the business
4 account by check no. 1751 to a client trust account with Citibank, account no. XXXXXXXX980¹
5 ("CTA").

6 4. On November 2, 2007, Stephen Gonzales ("Gonzales"), Respondent's paralegal, sent
7 an e-mail to Anthony Hong, one of Hong's sons, stating that Respondent: (i) intended to send
8 Hong a bill by November 5, 2007; (ii) was not billing against the trust funds; and (iii) would not
9 remove the trust funds from the CTA without the express permission "of the parties involved."
10 Anthony Hong provided Hong with a hard-copy of the e-mail.

11 5. On November 16, 2007, Hong sent a letter to Respondent terminating her
12 representation and instructing her to send a refund of fees and the trust funds to Hong's new
13 counsel. Respondent received the letter. On November 27, 2007, Hong sent a letter to
14 Respondent instructing Respondent to provide Hong with the account information where the
15 trust funds were deposited and an itemized billing for her services. Respondent received the
16 letter.

17 6. On or about November 21, 2007, the balance in the CTA was \$47,518.32.
18 Respondent had not made any disbursement from the CTA to or on behalf of Hong prior to that
19 date. At no time did Respondent have the authorization of Hong, or Hong's former husband, to
20 disburse any of the trust funds from the CTA.

21 7. On or about November 26, 2007, Respondent disbursed \$40,518.32 from the CTA by
22 check no. 5379 to Hong. Respondent made no other disbursement from the CTA on behalf of
23 Hong. On December 17, 2007, the balance in the CTA dropped to \$10 without any further
24 disbursement having been made to or on behalf of Hong.

25 8. At no time did Respondent provide any statement to Hong itemizing services
26 performed or otherwise account for the advanced fees as requested by Hong when terminating
27 Respondent's services.

28 _____
¹ The complete account number has been omitted due to privacy concerns.

1 **Case No. 07-O-14877**

2 **Conclusions of Law**

3 By not maintaining the entire \$134,038.73 received on behalf of Hong in the CTA until
4 disbursed on behalf of Hong, Respondent failed to maintain client funds deposited in trust, in
5 willful violation of rule 4-100(A) of the Rules of Professional Conduct.

6 By misappropriating approximately \$93,520.41 of Hong's funds, Respondent committed
7 an act involving moral turpitude, dishonesty or corruption, in willful violation of Business and
8 Professions Code section 6106.

9 **Case No. 09-O-12065**

10 Respondent pleads nolo contendere to the following facts and violations:

11 **Facts**

12 The parties hereby stipulate that the following facts are true:

13 1. On June 6, 2006, Anna M. Chacon ("Chacon") employed Respondent to represent her
14 in a marital dissolution. Pursuant to the retainer agreement signed by Chacon and Respondent,
15 Chacon also paid Respondent \$4,000 in advanced fees on June 6, 2006.

16 2. On July 7, 2006, Chacon wrote Respondent a letter requesting a written accounting.
17 Respondent received the letter; however, Respondent did not provide an accounting to Chacon. On
18 July 13, 2006, Respondent left a message on Chacon's cell phone indicating that as of that date,
19 she had earned \$2,600 of the \$4,000 advanced fee. On July 13, 2006, Chacon wrote Respondent
20 a letter disputing the amount of money Respondent claimed to have earned and requesting that
21 Respondent provide her with a written accounting. Respondent received the letter; however, at
22 no time did Respondent provide Chacon with an accounting.

23 3. On October 13, 2006, Jose Chacon, Chacon's husband, filed a petition for dissolution
24 of marriage in a matter titled, *Chacon v. Chacon*, San Bernardino County Superior Court case
25 no. SBFSS 096134 (the "first Chacon dissolution of marriage"). On or about April 16, 2007,
26 Jose Chacon served the petition for dissolution on Respondent; Respondent never filed an
27 Answer to the petition for dissolution on behalf of Chacon.

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1 4. On July 20, 2007, the court dismissed the petition for dissolution in the first Chacon
2 dissolution of marriage for lack of prosecution.

3 5. On June 26, 2008, Jose Chacon filed a second petition for dissolution of marriage in a
4 matter titled, *Chacon v. Chacon*, San Bernardino County Superior Court case no. FAMSS
5 803424 (the "second Chacon dissolution of marriage"). On August 12, 2008, Jose Chacon
6 served Chacon with the petition in the second Chacon dissolution of marriage. In or about
7 August 2008, Chacon employed Respondent to represent her in the second Chacon dissolution of
8 marriage. Respondent did not prepare a new retainer agreement with respect to her
9 representation of Chacon in the second Chacon dissolution of marriage.

10 5. On September 17, 2008, Respondent and Chacon appeared on an order to show cause
11 for control of the community rental properties. At that hearing, the parties entered into a
12 stipulation regarding payment of Chacon's expenses and all issues regarding the control and
13 accounting of the c rental properties. A hearing regarding a review of the September 17, 2008
14 order to show cause was set for December 16, 2008. Respondent was properly served with
15 notice of the December 16, 2008, hearing.

16 6. Respondent failed to appear on behalf of Chacon in the second Chacon dissolution of
17 marriage after September 17, 2008. Respondent failed to inform Chacon of all future court dates
18 in the second Chacon dissolution of marriage after September 17, 2008.

19 7. On December 3, 2008, Chacon paid Respondent \$2,000. After on or about December
20 3, 2008, Respondent ceased all further communication with Chacon.

21 8. On December 16, 2008, Respondent and Chacon failed to appear at the December 16,
22 2008, hearing regarding the review of the order to show cause dated September 17, 2008. The
23 court set a case management conference for January 12, 2009. Respondent was properly served
24 with notice of the January 12, 2009, case management conference.

25 9. On January 12, 2009, Respondent and Chacon failed to appear at the case
26 management conference. The court also set an order to show cause re Respondent's failure to
27 appear for February 11, 2009. Respondent was properly served with notice of the February 11,
28 2009, order to show cause.

1 10. Respondent failed to appear at the February 11, 2009, order to show cause. The
2 court ordered that Chacon's response to the petition in the second Chacon marital dissolution be
3 stricken and Jose Chacon to proceed by way of default. On or about March 6, 2009, a default
4 judgment was entered against Chacon.

5 11. In or about February 2009, Chacon hired attorney Sohelia Azizi ("Azizi") to
6 represent her in the second Chacon marital dissolution. On February 25, 2009, Azizi sent
7 Respondent a letter advising Respondent that she had been retained to represent Chacon in the
8 second marital dissolution, and requested that Respondent sign and return the enclosed
9 substitution of attorney form and provide Azizi with Chacon's file. Respondent received the
10 letter; however, at no time did Respondent provide Azizi or Chacon with Chacon's file.

11 12. On March 2, 2009, Chacon wrote Respondent a letter in which she requested a
12 written accounting and a refund of all unearned fees. Respondent received the letter; however, at
13 no time did Respondent provide Chacon with an accounting. Respondent never provided
14 Chacon with an accounting of the services she performed on behalf of Chacon during her
15 representation of Chacon in the first and second marital dissolutions.

16 13. On April 1, 2009, Azizi filed a motion to aside the default judgment entered on
17 March 6, 2009. The court subsequently granted the motion. The second Chacon dissolution of
18 marriage is currently pending.

19 **Conclusions of Law**

20 By failing to appear in court on behalf of Chacon in the second Chacon dissolution of
21 marriage on December 16, 2008, January 12, 2009, and February 11, 2009, and by permitting a
22 default judgment to be entered against Chacon in the second Chacon dissolution of marriage,
23 Respondent intentionally, recklessly, or repeatedly failed to perform legal services with
24 competence, in willful violation of rule 3-110(A) of the Rules of Professional Conduct.

25 By failing to advise Chacon of the December 16, 2008, January 12, 2009, and February
26 11, 2009, hearing dates, Respondent failed to keep a client reasonably informed of significant
27 developments in a matter in which Respondent had agreed to provide legal services, in willful
28 violation of Business and Professions Code section 6068(m).

1 By failing to respond to Chacon's requests for a written accounting, Respondent failed to
2 render an appropriate accounting to a client in willful violation of rule 4-100(B)(3) of the Rules
3 of Professional Conduct.

4 By not releasing the client file to Chacon or Azizi, Respondent failed, upon termination
5 of employment, to release to a client, at the request of the client, all the client papers, in willful
6 violation of rule 3-700(D)(1) of the Rules of Professional Conduct.

7 **Case No. 09-O-12868**

8 **Facts**

9 Respondent pleads nolo contendere to the following facts and violations:

10 1. On January 16, 2007, Stephanie Tavasci ("Tavasci") employed Respondent to
11 represent her in a marital dissolution titled, *Tavasci v. Tavasci*, Orange County Superior Court
12 case no. 06D005173 (the "Tavasci dissolution matter"). On that date, Tavasci paid Respondent
13 \$1,000 in advanced fees.

14 2. On July 27, 2007, Respondent filed a response to the petition in the Tavasci
15 dissolution matter; and on July 29, 2007, Tavasci paid Respondent an additional \$2,500 in
16 attorney fees.

17 3. On October 21, 2008, the attorney for Tyrone Tavasci, Tavasci's husband, served on
18 Respondent a preliminary income and expense declaration. Respondent did not prepare a
19 preliminary income and expense declaration on behalf of Tavasci, or a proposed judgment, or
20 perform any legal services of value on behalf of Tavasci after filing the response to the petition
21 in the Tavasci dissolution matter on July 27, 2007.

22 4. On July 31, 2009, Tavasci wrote Respondent a letter terminating her employment, and
23 requesting that Respondent return the client file. Tavasci sent the letter via certified mail to
24 Respondent's former official membership records address at 11721 Whittier Blvd., #334,
25 Whittier, California 90601 (the "Whittier address"). On July 21, 2009, Respondent's official
26 membership records address changed to 1611 Pomona Road, #C, Corona, California 92880.
27 Respondent did not receive Tavasci's July 31, 2009, letter.

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1 5. On August 10, 2009, Tavasci sent Respondent another letter terminating Respondent's
2 employment. Tavasci again sent the letter to via certified mail to Respondent's Whittier address.
3 Respondent did not receive the letter.

4 6. Subsequently, Tavasci left a voice mail message on Respondent's cell phone advising
5 Respondent that Tavasci was terminating her employment, and requesting a written accounting
6 and the client file. Respondent received the message; however, at no time did Respondent
7 provide Tavasci with an accounting or the complete client file.

8 **Conclusions of Law**

9 By failing to perform any services of value for Tavasci after filing the response to the
10 petition in the Tavasci marital dissolution, including failing to preparing a proposed income and
11 expense declaration and a proposed judgment, Respondent intentionally, recklessly, or
12 repeatedly failed to perform legal services with competence, in willful violation of rule 3-110(A)
13 of the Rules of Professional Conduct.

14 By failing to respond to Tavasci's request for a written accounting, Respondent failed to
15 render an appropriate accounting to a client in willful violation of rule 4-100(B)(3) of the Rules
16 of Professional Conduct.

17 By not releasing the client file to Tavasci, Respondent failed, upon termination of
18 employment, to release to a client, at the request of the client, all the client papers, in willful
19 violation of rule 3-700(D)(1) of the Rules of Professional Conduct.

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[NOLO CONTENDERE PLEA TO STIPULATION AS TO FACTS, CONCLUSIONS OF LAW]
follows

In the Matter of
SHELLI J. LEWIS-GONZALES
Member #170161
A Member of the State Bar

Case number(s):
07-O-14877; 09-O-12065; 09-O-12868

NOLO CONTENDERE PLEA TO STIPULATION AS TO FACTS, CONCLUSIONS OF LAW AND DISPOSITION

Bus. & Prof. Code § 6085.5 Disciplinary Charges; Pleas to Allegations

There are three kinds of pleas to the allegations of a Notice of Disciplinary Charges or other pleading which initiates a disciplinary proceeding against a member:

- (a) Admission of culpability.
- (b) Denial of culpability.
- (c) **Nolo contendere**, subject to the approval of the State Bar Court. The court shall ascertain whether the member completely understands that a plea of nolo contendere shall be considered the same as an admission of culpability and that, upon a plea of nolo contendere, the court shall find the member culpable. The legal effect of such a plea shall be the same as that of an admission of culpability for all purposes, except that the plea and any admission required by the court during any inquiry it makes as to the voluntariness of, or the factual basis for, the pleas, may not be used against the member as an admission in any civil suit based upon or growing out of the act upon which the disciplinary proceeding is based. (Added by Stats. 1996, ch. 1104.) (emphasis supplied)

Rule 133, Rules of Procedure of the State Bar of California STIPULATION AS TO FACTS, CONCLUSIONS OF LAW AND DISPOSITION

(a) A proposed stipulation as to facts, conclusions of law, and disposition must set forth each of the following:

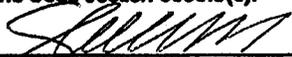
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- (5) a statement that Respondent either
 - (i) admits the facts set forth in the stipulation are true and that he or she is culpable of violations of the specified statutes and/or Rules of Professional Conduct or
 - (ii) pleads nolo contendere to those facts and violations. If the Respondent pleads nolo contendere, the stipulation shall include each of the following:
 - (a) an acknowledgement that the Respondent completely understands that the plea of nolo contendere shall be considered the same as an admission of the stipulated facts and of his or her culpability of the statutes and/or Rules of Professional Conduct specified in the stipulation; and
 - (b) if requested by the Court, a statement by the Deputy Trial Counsel that the factual stipulations are supported by evidence obtained in the State Bar investigation of the matter (emphasis supplied)

I, the Respondent in this matter, have read the applicable provisions of Bus. & Prof. Code § 6085.5 and rule 133(a)(5) of the Rules of Procedure of the State Bar of California. I plead nolo contendere to the charges set forth in this stipulation and I completely understand that my plea must be considered the same as an admission of culpability except as state in Business and Professions Code section 6085.5(c).

Date

Signature



SHELLI J. LEWIS-GONZALES
Print Name

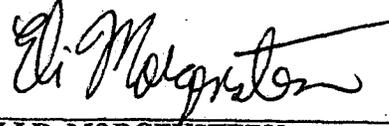
(Nolo Contendere Plea form approved by SBC Executive Committee 10/22/1997. Revised 12/16/2004; 12/13/2008.)

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Respectfully submitted,

**THE STATE BAR OF CALIFORNIA
OFFICE OF THE CHIEF TRIAL COUNSEL**

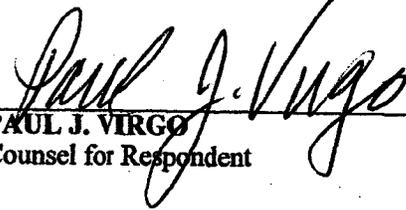
Dated: 2-12-10

BY: 
ELI D. MORGENSTERN
Deputy Trial Counsel

Dated: 2-9-2010


SHELLI J. LEWIS-GONZALES
Respondent

Dated: 2/12/2010


PAUL J. VIRGO
Counsel for Respondent

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DECLARATION OF SERVICE BY REGULAR MAIL

CASE NUMBER(s): 07-O-14877; 09-O-12065; 09-O-12868

I, the undersigned, over the age of eighteen (18) years, whose business address and place of employment is the State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, 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

STIPULATION RE FACTS AND CONCLUSIONS OF LAW

in a sealed envelope placed for collection and mailing at Los Angeles, on the date shown below, addressed to:

By United States Mail	Courtesy Copy By Facsimile
PAUL J. VIRGO POST OFFICE BOX 67682 LOS ANGELES, CALIFORNIA 90067-0682	

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 12, 2010

SIGNED: 
BERNARD PIMENTEL
Declarant