

State Bar Court of California
Hearing Department
Los Angeles

<p>Counsel For The State Bar</p> <p>Eli D. Morgenstern Deputy Trial Counsel 1149 S. Hill Street Los Angeles, CA 90015-2299 Telephone: (213) 765-1334</p> <p>Bar # 190560</p>	<p>Case Number (s)</p> <p>03-O-02066 - DFM [04-O-14885]</p>	<p>(for Court's use)</p> <p>PUBLIC MATTER</p> <p>FILED</p> <p>AUG 08 2007 <i>[Signature]</i></p> <p>STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent</p> <p>Arthur L. Margolis MARGOLIS & MARGOLIS, LLP 2000 Riverside Drive Los Angeles, CA 90039-3758 Telephone: (323) 953-8996</p> <p>Bar # 57703</p>	<p>Submitted to: Assigned Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p>ACTUAL SUSPENSION</p> <p><input checked="" type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter Of:</p> <p>ANTHONY I. LOPEZ</p> <p>Bar # 149788</p> <p>A Member of the State Bar of California (Respondent)</p>		

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 4, 1990.
- (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 16 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".



Actual Suspension

- (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 284, Rules of Procedure.
 - costs to be paid in equal amounts prior to February 1 for the following ~~number of years~~: three (3) billing cycles following the effective date of the Supreme Court Order. Please see page 13 for further discussion regarding payment of disciplinary costs.
(hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
 - costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
 - costs entirely waived

B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.

- (1) Prior record of discipline [see standard 1.2(f)]
- (a) State Bar Court case # of prior case 95-C-10157
 - (b) Date prior discipline effective June 27, 1996
 - (c) Rules of Professional Conduct/ State Bar Act violations: Business & Professions Code Section 6106 based on a conviction of Penal Code Section 243(A), sexual battery.
 - (d) Degree of prior discipline one (1) year suspension, stayed, three (3) years probation with conditions including six (6) months actual suspension.
 - (e) If Respondent has two or more incidents of prior discipline, use space provided below.
- (2) **Dishonesty:** Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3) **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.
- (4) **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice.
- (5) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6) **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.

- (7) **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.
- (8) **No aggravating circumstances are involved.**

Additional aggravating circumstances:

C. Mitigating Circumstances [see standard 1.2(e)]. 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 deemed serious.
- (2) **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3) **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
- (4) **Remorse:** Respondent promptly took objective steps spontaneously demonstrating 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 in good faith.
- (8) **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical 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 Respondent no longer suffers from such difficulties or disabilities.
- (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 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

D. Discipline:

(1) Stayed Suspension:

(a) Respondent must be suspended from the practice of law for a period of three (3) years..

- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) 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 **three (3) years**, 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 **six (6) months**.

- i. and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), 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 learning and ability in general law, pursuant to standard 1.4(c)(ii), 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:
- (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) The following conditions are attached hereto and incorporated:
 - Substance Abuse Conditions Law Office Management Conditions
 - Medical Conditions 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 321(a)(1) & (c), 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:**

doc # 84253

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: ANTHONY I. LOPEZ

CASE NUMBER(S): 03-O-02066-DFM
 [04-O-14885]

FACTS AND CONCLUSIONS OF LAW.

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

Case No. 03-O-02066

Facts

1. On or about April 29, 2002, Leticia Valdez (“Valdez”) employed Respondent to represent her and her son Gabriel Garcia (“Garcia”) in matters relating to an automobile accident involving Elie Joseph, Jr. (“Joseph”), which occurred on or about April 24, 2002.

2. At all times pertinent to these stipulated facts, Respondent owned and operated Lawyers’ Group, LLP (“Lawyers’ Group”).

3. At all times pertinent to these stipulated facts, Erin A. Merritt (“Merritt”) was employed by Respondent as a non-attorney employee and agent for Respondent and Lawyers’ Group.

4. At all times pertinent to these stipulated facts, ELCO Administrative Services (“ELCO”) provided liability claims services for Joseph relating to the underlying automobile accident.

5. By a letter dated October 10, 2002 (“Valdez demand letter”), Merritt communicated to ELCO a written offer to settle Valdez’s claims for policy limits.

6. By a another letter dated October 10, 2002 (“Garcia demand letter”), Merritt communicated to ELCO a written offer to settle Garcia’s claims for \$15,000.

7. Merritt signed the Valdez and Garcia demand letters as “Erin A. Merritt for

LAWYERS' GROUP, LLP." In so doing, Merritt failed to clarify whether she was an attorney or a non-attorney employee of Lawyers' Group. Neither the contents of the Valdez and Garcia demand letters nor the letterhead of the letters identified Respondent as the owner of Lawyers' Group or the identity of any other lawyer employed at Lawyers' Group. Respondent reviewed the contents of the Valdez and Garcia demand letters for grammar and content.

8. Respondent failed to adequately supervise Merritt, thereby allowing her to sign the Valdez and Garcia demand letters without specifying her job title. In so doing, Respondent permitted Merritt to create the impression that she was a member of the California State Bar entitled to practice law in the state of California.

Legal Conclusion

By allowing Merritt to sign and mail the Valdez and Garcia demand letters without specifying her job title and without identifying the lawyers employed at Lawyers' Group, Respondent wilfully violated rule 1-300(A) of the Rules of Professional Conduct.

Case No. 04-O-14885

Facts

1. On or about May 20, 2002, Andrea Love ("Love") employed Lawyers' Group, LLP ("Lawyers' Group") to represent her in matters relating to personal injuries which occurred as a result of a slip and fall on or about May 18, 2002, at Knott's Berry Farm ("Knott's"), a theme park in California.

2. At the time that Love employed Lawyers' Group, Lawyers' Group was owned and operated by Respondent.

3. At the time that Love employed Lawyers' Group, Michael T. Phillips ("Phillips") was employed by Respondent as a non-attorney employee and agent for Respondent and Lawyers' Group.

4. In or about April 2003, Respondent was closing Lawyers' Group and he was giving up the firm's cases, and intended to give up Love's case.

5. Prior to Respondent closing Lawyers' Group, he would occasionally refer cases to the law firm of Gibson & Hughes ("Gibson & Hughes"), sometimes for Gibson & Hughes' independent handling of the cases in their entirety and other times for Gibson & Hughes to handle the formal court litigation while Lawyers' Group continued to work on the cases by negotiating the matters.

6. On or about April 11, 2003, Gibson & Hughes filed a complaint for damages against Knott's in an action entitled *Andrea Toia Love v. Knott's Berry Farm*, Orange County Superior Court, case no. 03CC00945 ("the Love lawsuit").

7. By a letter dated May 8, 2003, Phillips, on behalf of Lawyers' Group, communicated to Knott's an offer to settle the Love lawsuit for \$210,000.

8. Phillips signed the May 8, 2003 demand letter as "Michael T. Phillips For LAWYERS' GROUP, LLP." In so doing, Phillips failed to clarify whether he was an attorney or a non-attorney employee of Lawyers' Group. Neither the contents of May 8, 2003 demand letter nor the letterhead identified Respondent as the owner of Lawyers' Group or the identity of any other lawyer employed at Lawyers' Group. Respondent reviewed the contents of the May 8, 2003 demand letters for grammar and content.

9. Respondent failed to adequately supervise Phillips, thereby permitting him to sign the May 8, 2003 demand letter without specifying his job title. In so doing, Respondent permitted Phillips to create the impression that he was a member of the California State Bar entitled to practice law in the state of California.

10. By no later than May 17, 2003, Respondent had intended to transferred the Love lawsuit in its entirety to Gibson & Hughes. However, Respondent did not make clear to Gibson & Hughes that it was his intent to transfer the Love lawsuit in its entirety and that Respondent would have no further connection with it. Because of this lack of clarity, Gibson & Hughes expected Lawyers' Group to remain involved by negotiating the case. Respondent was not aware of that confusion, and, when he closed Lawyers' Group in or about the end of May 2003, he intended for Lawyers' Group to have no further activity on the Love lawsuit.

11. By the end of May 2003, Phillips was no longer employed by Respondent and Lawyers' Group. At or about this time, Phillips was employed by Consumers' Law Group Inc. ("Consumers' Law Group"). Consumers' Law Group took over the office space occupied by Lawyers' Group. By the end of May 2003, Lawyers' Group cases had either been resolved, dismissed, or transferred to other attorneys. In an effort to expedite the resolution of the transferred cases, Phillips and other former employees of Lawyers' Group who had been hired by Consumers' Law Group assisted some of the attorneys who had received transferred cases from Lawyers' Group.

12. By June 10, 2003, Phillips, on behalf of Love, agreed with Knott's to settle Love's claim for injuries in the amount of \$44,000. On or about the same day, Knott's sent a "Release of All Claims" to Phillips; and on or about June 12, 2003, Love signed the Release.

13. By June 25, 2003, Phillips deposited the settlement draft from Knott's in the sum of

\$44,000 into the Lawyers' Group client trust account at Union Bank of California, account no. 0631469954 ("Respondent's CTA"). The check was made payable to Andrea Love and Lawyers' Group. In handwriting, Phillips endorsed the check with the words "Andrea Love with authority by Lawyers' Group." No further funds were received from Knott's, or from any other entity, for Love.

14. Respondent did not authorize Phillips to endorse the settlement draft, deposit the draft into Respondent's CTA, or use Respondent's CTA in the manner described below in paragraphs 15, 16, 20, and 21. Respondent was not aware that Phillips had resolved the Love lawsuit, received a settlement draft on behalf of Love, endorsed the draft, deposited the draft into Respondent's CTA, or used Respondent's CTA in the manner described below in paragraphs 15, 16, 20, and 21. Respondent should have exercised more control over his CTA, and with adequate supervision should have been able to discover that the settlement draft for the Love lawsuit was deposited into Respondent's CTA, and that Phillips was using Respondent's CTA without his authorization.

15. On or about June 25, 2003, Phillips issued check no. 23987 from Respondent's CTA in the amount of \$15,697.50 to "LAWYERS GROUP, LLP" for its share of the fees. The check was signed using a stamp of Respondent's signature.

16. On or about June 26, 2003, Phillips issued no. 23989 from Respondent's CTA in the amount of \$17,500 to Andrea T. Love as her share of the settlement proceeds. The check was signed using a stamp of Respondent's signature.

17. On June 26, 2003, Gibson & Hughes filed a Request for Dismissal of the Love lawsuit.

18. In or about July 2003, after Love received her portion of the settlement proceeds, she spoke with Phillips who stated to her that her medical expenses would be promptly paid out of the settlement proceeds.

19. Subsequently, Love received collection notices from some of her medical providers. Love again spoke with Phillips who once again assured her that her medical bills would be paid from the settlement funds.

20. On or about July 2, 2003, Phillips issued check no. 24076 from Respondent's CTA in the amount of \$802.50 to Robert Gibson of Gibson & Hughes "IN FULL SETTLEMENT OF LOVE, ANDREA." The check was for the purpose of paying the attorney's fees for Gibson & Hughes and was signed using a stamp of Respondent's signature.

21. On or about August 29, 2003, Phillips issued check no. 24173 from Respondent's

CTA in the amount of \$8,100 to Kaiser "IN FULL SETTLEMENT OF LOVE, ANDREA." The check was signed using a stamp of Respondent's signature.

22. By on or about August 29, 2003, the four above- mentioned checks had been drawn against funds held in trust for Love, totaling \$42,100.

23. Respondent stopped his involvement in the Love lawsuit by on or about May 17, 2003, when he believed that Gibson & Hughes took over the matter. However, in or about March 2004, he became aware that Love was complaining about medical liens that had not been paid and that she believed that Lawyers' Group was still involved in the case. Gibson & Hughes also believed that Lawyers' Group remained active in the case because Lawyers' Group was holding and distributing the funds from the Love lawsuit. Respondent reviewed the situation and directed that the remaining liens be satisfied.

24. On or about March 17, 2004, only \$1,900 in funds attributable to Love remained in Respondent's CTA.

25. On or about March 17, 2004, Respondent caused six checks totaling \$2,116.19 to be issued to pay Love's expenses, thereby using \$216.19 of funds being held in Respondent's CTA which did not belong to Love. Respondent did not intend to misapply the funds.

Legal Conclusions

By allowing Phillips to sign and mail the May 8, 2003 demand letter without specifying his job title and without identifying the lawyers employed at Lawyers' Group, Respondent wilfully violated rule 1-300(A) of the Rules of Professional Conduct.

By failing to make clear to Gibson & Hughes that he had intended to be no longer involved in the Love lawsuit, and by causing Gibson & Hughes to believe that they could rely upon Lawyers' Group to receive and disburse the proceeds from the settlement funds of the Love lawsuit, causing a delay in the payment of Love's medical liens, Respondent wilfully violated rule 3-110(A) of the Rules of Professional Conduct.

By failing to exercise adequate control and supervision of Respondent's CTA, thereby allowing Respondent's CTA to be used without his authority, and by unintentionally using \$216.19 in funds not belonging to Love to pay Love's expenses, Respondent wilfully violated rule 4-100(A) of the Rules of Professional Conduct.

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PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A.(7), was July 30, 2007.

DISMISSALS.

The parties respectfully request the Court to dismiss the following alleged violations in the interest of justice:

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
03-O-02066	ONE	Business and Professions Code § 6068(m)
03-O-02066	TWO	Business and Professions Code § 6068(m)
03-O-02066	THREE	rule 3-110(A) of the Rules of Professional Conduct
03-O-02066	FOUR	rule 3-110(A) of the Rules of Professional Conduct
03-O-02066	SEVEN	rule 1-300 (A) of the Rules of Professional Conduct
03-O-02066	EIGHT	rule 1-300 (A) of the Rules of Professional Conduct
03-O-02066	NINE	Business and Professions Code § 6106
04-O-14885	TEN	Business and Professions Code § 6106
04-O-14885	TWELVE	Business and Professions Code § 6106
04-O-14885	THIRTEEN	rule 3-110(A) of the Rules of Professional Conduct
04-O-14885	FOURTEEN	rule 4-100(B)(4) of the Rules of Professional Conduct
04-O-14885	SIXTEEN	rule 4-100(B)(3) of the Rules of Professional Conduct

OTHER FACTORS IN CONSIDERATION.

On or about December 31, 2003, Lawyers' Group was dissolved. Respondent is

currently not practicing law.

ADDITIONAL MITIGATING CIRCUMSTANCES.

Respondent has demonstrated to the State Bar remorse over the manner in which Love's lawsuit was handled.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed Respondent that as of July 30, 2007, the estimated prosecution costs in this matter are \$3,056.51. The costs are to be paid in equal amounts prior to February 1 for the following three billing cycles following the effective date of the Supreme Court Order.

If Respondent fails to pay any installment within the time provided herein or as may be modified by the State Bar Court pursuant to section 6086.10, subdivision (c), the remaining balance of the costs is due and payable immediately and enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment unless relief has been granted under the Rules of Procedure of the State Bar of California. (Rules Proc. of State Bar, rule 286.)

AUTHORITIES SUPPORTING DISCIPLINE.

Standards

The appropriate level of discipline for the culpability of a member who violates rule 1-300 of the Rules of Professional Conduct is not specified in the Standards.

Consequently, pursuant to Standard 2.10 of the Standards for Attorney Sanctions for Professional Misconduct ("Standard(s)"), the appropriate level of discipline for a violation of rule 1-300 is a reproof or suspension, according to the gravity of the offense or the harm, if any, to the victim, with due regard for the purposes of imposing discipline set forth in Standard 1.3.

Standard 2.4(b) provides that culpability of wilfully failing to perform services in an individual matter or matters not demonstrating a pattern of misconduct or culpability of wilfully failing to communicate with a client shall result in reproof or suspension depending upon the extent of the misconduct and the degree of harm to the client.

Standard 2.2(b) provides that commingling of entrusted funds or property with personal property or the commission of another violation of rule 4-100 of the Rules of Professional Conduct, none of which offenses result in the wilful misappropriation of entrusted funds or

property, shall result in at least a three month actual suspension from the practice of law, irrespective of mitigating circumstances. The reference to a three month suspension has been viewed by the Court as non-mandatory. (*See, Dudugjian v. State Bar* (1991) 52 Cal.3d 1092 [public reproof].)

Standard 1.7(a) provides that:

“If a member is found culpable of professional misconduct in any proceeding in which discipline may be imposed and the member has a record of one prior imposition of discipline as defined by standard 1.2(f), the degree of discipline imposed in the current proceeding shall be greater than that imposed in the prior proceeding unless the prior discipline imposed was so remote in time to the current proceeding and the offense for which it was imposed was so minimal in severity that imposing greater discipline in the currently proceeding would be manifestly unjust.”

Respondent has a prior record of discipline. On or about April 20, 1995, Respondent pled guilty to sexual battery in violation of Penal Code section 243(A).

In mitigation, Respondent arranged for therapy for the victim, sought counseling for himself, and showed remorse and complied with conditions of his criminal probation.

In the related State Bar conviction referral proceeding, Respondent was suspended for one year, stayed, and placed on three years probation with an actual suspension of six months. The present matter involves a greater degree of discipline: a suspension of three years, stayed, with a probation of three years and an actual suspension of six months.

The parties accounted for Respondent's disciplinary record in the process of reaching an agreement as to the appropriate level of discipline herein. Although Respondent's prior record of discipline is serious (Respondent stipulated that the misconduct involved moral turpitude), it is not recent in time and not related to the practice of law.

Respondent's misconduct herein does not involve moral turpitude. Instead, the misconduct resulted from Respondent's inadequate supervision of his employees; and in regard to the misconduct committed in Case No. 04-O-14885 (Complaining Witness Andrea Love), inadequate oversight and control of his trust account, as well as a misunderstanding with Gibson & Hughes created by poor communication. The misunderstanding occurred while Respondent was transferring his cases as he closed his law practice. And although the misapplication of trust funds was wilful, Respondent did not intend to use the funds for his personal use, or for any improper purpose.

In summary, the Standards and case law make clear that the Standards are to be used in a way that is consistent with serving the purposes of discipline. (*In the Matter of Blecker* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 113, 126.) It appears that, given the totality of the circumstances, the degree of discipline stated here will adequately serve the purposes of discipline.

STATE BAR ETHICS SCHOOL.

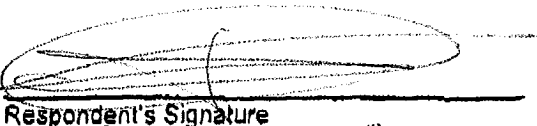

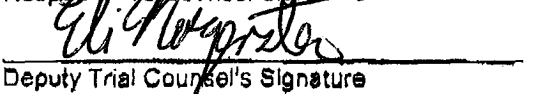
Because Respondent has agreed to attend State Bar Ethics School as part of this stipulation, respondent may receive Minimum Continuing Legal Education credit upon the satisfactory completion of State Bar Ethics School.

(Do not write above this line.)

In the Matter of ANTHONY I. LOPEZ	Case number(s): 03-O-02066 - DFM [04-O-14885]
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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 Fact, Conclusions of Law and Disposition.

<u>July 31, 07</u> Date	 Respondent's Signature	<u>ANTHONY I. LOPEZ</u> Print Name
<u>August 2, 2007</u> Date	 Respondent's Counsel Signature	<u>ARTHUR MARGOLIS</u> Print Name
<u>8/6/07</u> Date	 Deputy Trial Counsel's Signature	<u>ELI D. MORGENSTERN</u> Print Name

(Do not write above this line.)

In the Matter Of ANTHONY I. LOPEZ	Case Number(s): 03-O-02066 - DFM [04-O-14885]
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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.

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 135(b), 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.)**

8/8/07
Date



Judge of the State Bar Court
DONALD F. MILES

CERTIFICATE OF SERVICE
[Rule 62(b), Rules Proc.; 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 August 8, 2007, 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:

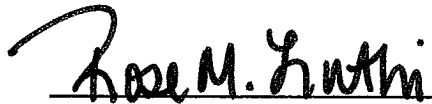
- [X] by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**ARTHUR LEWIS MARGOLIS, ESQ.
MARGOLIS & MARGOLIS LLP
2000 RIVERSIDE DR
LOS ANGELES, CA 90039**

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

ELI MORGENSTERN, ESQ., Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on August 8, 2007.



Rose M. Luthi
Case Administrator
State Bar Court