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<b>State Bar Court of California</b> <b>Hearing Department</b> <b>Los Angeles</b> <b>ACTUAL SUSPENSION</b>		
PUBLIC MATTER		
Counsel For The State Bar  <b>Jamie Kim</b> Deputy Trial Counsel 845 S. Figueroa St. Los Angeles, CA 90017 (213) 765-1182  Bar # 281574	Case Number(s): <b>09-C-14093-YDR</b>	For Court use only  <div style="font-size: 1.5em; font-weight: bold;">FILED</div> <div style="font-size: 1.5em; font-weight: bold;">MAR 16 2017</div> <div style="font-size: 0.8em; font-weight: bold;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</div>
Counsel For Respondent  <b>Arthur Margolis</b> Margolis & Margolis LLP 2000 Riverside Dr Los Angeles, CA 90039 (323) 953-8996  Bar # 57703	Submitted to: <b>Assigned Judge</b>  STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING	
In the Matter of: <b>MARGARITA MKRTCHYN</b>  Bar # 230191  A Member of the State Bar of California (Respondent)	<b>ACTUAL SUSPENSION</b>  <input checked="" 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 **March 5, 2004**.
- (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 **13** pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."



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- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (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: **three billing cycles following the effective date of the Supreme Court order.** (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
  - (b)  Date prior discipline effective
  - (c)  Rules of Professional Conduct/ State Bar Act violations:
  - (d)  Degree of prior discipline
  - (e)  If Respondent has two or more incidents of prior discipline, use space provided below.
- (2)  **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.

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- (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.
- (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.
- (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

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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.
- (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:**

**No Prior Discipline, see attachment, page 9.**  
**Good Character, see attachment, page 9.**  
**Pretrial Stipulation, see attachment, page 9.**

**D. Discipline:**

- (1)  **Stayed Suspension:**
- (a)  Respondent must be suspended from the practice of law for a period of **two years**.
- 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 **two 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 **eighteen (18) months**.
- 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

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- 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: \_\_\_\_\_

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- (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:
- |   |   |
|---|---|
| <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: **August 8, 2016.**
- (5)  **Other Conditions:**

**ATTACHMENT TO**  
**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

IN THE MATTER OF:                    MARGARITA MKRTCHYAN  
CASE NUMBER:                        09-C-14093-YDR

**FACTS AND CONCLUSIONS OF LAW.**

Respondent admits that the following facts are true and that the facts and circumstances surrounding the offense for which she was convicted involved moral turpitude.

Case No. 09-C-14093-YDR (Conviction Proceedings)

**PROCEDURAL BACKGROUND IN CONVICTION PROCEEDING:**

1. This is a proceeding pursuant to sections 6101 and 6102 of the Business and Professions Code and rule 9.10 of the California Rules of Court.

2. On July 24, 2009, the Office of the United States Attorney filed a complaint in case number 8:2009mj00347, charging respondent with one count of violation 18 U.S.C. § 1505 [obstruction of proceedings before departments, agencies and committees], a felony, in the Central District of California, Southern Division, of the United States District Court. Specifically, the complaint charged that respondent's misconduct began prior to and until July 22, 2009.

3. On August 12, 2009, respondent was indicted by a Federal Grand Jury in the Central District of California for two felony counts of violating 18 U.S.C. § 1505 [obstruction of proceedings before departments, agencies and committees].

4. On January 10, 2014, the Office of the United States Attorney filed a new complaint in case number 8:2009mj00347, charging respondent with one count of violating 18 U.S.C. § 1509 [obstruction of justice] in the Central District of California, Southern Division, of the United States District Court. The complaint charged that from June 17, 2008 to July 27, 2009, respondent, by threat or force, willfully attempted to prevent, obstruct, impede, or interfere with, the performance of duties by Immigration and Customs Enforcement ("ICE").

5. On February 1, 2016, respondent pled guilty to one misdemeanor violation of 18 U.S.C. § 1509 [obstruction of justice]. The court found respondent guilty of violating 18 U.S.C. § 1509 [obstruction of justice], a misdemeanor, and sentenced respondent to two years of probation. The underlying Indictment Order was dismissed.

6. On July 15, 2016, in State Bar case number 09-C-14093, the Review Department referred respondent's conviction for violating 18 U.S.C. § 1509 [obstruction of justice], for a hearing and decision recommending the discipline to be imposed for the offense for which respondent was convicted which the Review Department determined involved moral turpitude as a matter of law. The Review Department also placed respondent on interim suspension, effective August 8, 2016, and ordered respondent to comply with rule 9.20 of the California Rules of Court.

FACTS:

7. In October 2007, ICE received notice that respondent was soliciting her ability to obtain Letters of Refusal from a consulate employee, who was working for the Armenian Consulate in Los Angeles. Respondent's Letter of Refusal, which were issued by an embassy/consulate to an alien facing deportation from the United States, indicated that the foreign nation would not accept the alien as a citizen. After the issuance of a Letter of Refusal, ICE would generally release the alien on terms of supervision provided that a determination was made that the alien did not pose a danger or significant risk of flight pending removal proceedings ICE was also notified that respondent was charging approximately \$20,000 for Letters of Refusal.

8. From June 11, 2008 to July 8, 2008, respondent communicated with an ICE undercover agent ("UC1") regarding UC1's alleged relative ("Mr. D"), an Armenian citizen, who was held in the custody of ICE pending deportation to Armenia. Respondent advised UC1 that in order for Mr. D to remain in the United States, the immigration case would have to be appealed or the deportation refused by Armenia. UC1 advised respondent that refusal was the preferred option.

9. On June 19, 2008, respondent contacted UC1 telephonically and advised UC1 that everything was "in order" to refuse Mr. D. Respondent demanded immediate payment of fees, in full, as soon as possible.

10. On July 8, 2008, UC1 contacted respondent telephonically and advised her that \$15,000 was available for payment and that a second payment of \$20,000 would be available by July 11, 2008.

11. On July 9, 2008, UC1 and respondent met in person in Glendale, at which time UC1 paid respondent \$15,000 in cash. Respondent requested that the remaining payment of \$20,000 be paid by the morning of July 14, 2008.

12. On July 14, 2008, UC1 and respondent met in person in Glendale, at which time UC1 paid respondent \$20,000 in cash. Respondent advised UC1 that it would take one to two weeks for the Armenian Consulate in Los Angeles to issue a Letter of Refusal, which would be submitted directly from the consulate to ICE.

13. On July 21, 2008, ICE received a Letter of Refusal regarding Mr. D from the Armenian Consulate in Los Angeles, dated July 17, 2008. The Letter of Refusal stated that there was an absence of records proving Armenian citizenship for Mr. D.

14. On July 10, 2009, UC1 introduced a second ICE undercover agent ("UC2") to respondent and advised her that UC2 was in need of immigration services to prevent the deportation of a relative ("Mr. M") currently detained by ICE. Respondent advised UC1 that in order for Mr. M to remain in the United States, the immigration case would have to be reopened to file a stay of removal, or the deportation would have to be refused by Armenia, the nation to which Mr. M would be sent from the United States. If refused by Armenia, respondent explained that Mr. M would be released by ICE and permitted to remain in the United States. UC2 assured respondent that he would be able to pay her the requested amount. Respondent represented that she would communicate with her contact that night and advise UC2 as to whether she would be able to assist Mr. M. Respondent stated that she does not profit from these services, but does so to help future clients.



15. On July 14, 2009, respondent contacted UC2 by telephone and advised him that she had checked with her contact who was not aware of Mr. M and asked for Mr. M's date of arrest. UC2 represented that Mr. M had been arrested on June 25, 2009. Respondent stated that it might be too early to proceed with obtaining a Letter of Refusal, but that the price would be the same. She advised UC2 to be ready to make the remaining payment to respondent.

16. On July 20, 2009, ICE submitted a request for a travel document package for Mr. M to the Armenian Consulate in Los Angeles.

17. On July 21, 2009, the Armenian Consulate confirmed receipt of the request for a travel document package re Mr. M.

18. On July 27, 2009, respondent received \$15,000 from UC2. Respondent was then arrested by the U.S. Department of Homeland Security for a violation of 18 U.S.C. § 1505.

#### CONCLUSIONS OF LAW:

19. As determined by the Review Department in its order referring this matter for hearing, the above-described violations involved moral turpitude.

#### ADDITIONAL FACTS RE MITIGATING CIRCUMSTANCES.

**No Prior Discipline:** Respondent was admitted to the practice of law on March 5, 2004. At the time of the misconduct, she had practiced law for four years. While respondent's conduct is serious, she is entitled to nominal mitigation for practicing for a short period of time without a record of discipline. (*In the Matter of Duxbury* (Review Dept. 1999) 4 Cal. State Bar Ct. Rptr. 61, 66 [five years of discipline free practice entitled to nominal weight in mitigation].)

**Good Character:** Six character references who have knowledge of the instant misconduct attested to respondent's good character. The character references have known respondent for a period spanning one to 40 years. Two of the references are attorneys and one is a banker. (*In the Matter of Duxbury* (Review Dept. 1992) 4 Cal. State Bar Ct. Rptr. 61, 67 [four character references entitled to some mitigation].)

**Pretrial Stipulation:** By entering into this stipulation, respondent has acknowledged her misconduct and is entitled to mitigation for 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 Silverton* (2005) 36 Cal.4th 81, 92, quoting *In re Brown* (1995) 12 Cal.4th 205, 220 and *In re Young* (1989) 49 Cal.3d 257, 267, fn. 11.) Adherence to the standards in the great majority of cases serves the valuable purpose of eliminating disparity and assuring consistency, that is, the imposition of similar attorney discipline for instances of similar attorney misconduct. (*In re Naney* (1990) 51 Cal.3d 186, 190.) If a recommendation is at the high end or low end of a standard, an explanation must be given as to how the recommendation was reached. (Std. 1.1.) “Any disciplinary recommendation that deviates from the Standards must include clear reasons for the departure.” (Std. 1.1; *Blair v. State Bar* (1989) 49 Cal.3d 762, 776, fn. 5.)

In determining whether to impose a sanction greater or less than that specified in a given standard, in addition to the factors set forth in the specific standard, consideration is to be given to the primary purposes of discipline; the balancing of all aggravating and mitigating circumstances; the type of misconduct at issue; whether the client, public, legal system or profession was harmed; and the member’s willingness and ability to conform to ethical responsibilities in the future. (Stds. 1.7(b) and (c).)

Standard 2.15(c) provides that disbarment or actual suspension is appropriate for a final conviction of a misdemeanor involving moral turpitude. Moral turpitude has been defined as “an act of baseness, vileness or depravity in the private and social duties which a man owes to his fellowmen, or to society in general, contrary to the accepted and customary rule of right and duty between man and man.” (*In re Fahey* (1973) 8 Cal.3d 842, 849.) A conviction for obstruction of justice involves moral turpitude *per se*. (*In the Matter of Smith* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 261 [obstruction of justice involves moral turpitude]; *In the Matter of Sullivan* (Review Dept. 2010) 5 Cal. State Bar Ct. Rptr. 189 [misdemeanor conspiracy to obstruct justice is a crime involving moral turpitude *per se*].)

In this matter, respondent was convicted of a misdemeanor for obstruction of justice which involves moral turpitude. Respondent orchestrated with a diplomat in the Armenian Consulate to obtain Letters of Refusal for clients in immigration matters, regardless of their actual citizenship. Respondent engaged in these dishonest acts, so as to ensure that her clients, who were facing deportation from the United States to Armenia, would be released by ICE from deportation proceedings and permitted to stay in the United States.

Respondent is entitled to nominal mitigation for the absence of a record of discipline as respondent had been practicing law for four years prior the misconduct. (*In the Matter of Duxbury, supra*, 4 Cal. State Bar Ct. Rptr. at 66.) Respondent is also entitled to some mitigation for good character. Respondent is further entitled to mitigation for entry into a pretrial stipulation. In light of the seriousness of respondent’s misconduct, which took place over an extended period of time spanning approximately one year, discipline consisting of a two-years’ stayed suspension, two-years’ probation with conditions, including an 18-month actual suspension and until respondent complies with Standard 1.2(c)(1), is appropriate to protect the public, courts and legal profession; maintain high professional standards by attorneys; and preserve public confidence in the legal profession. (Std. 1.1.)

This level of discipline is consistent with case law. In *Chadwick v. State Bar* (1989) 49 Cal.3d 103, the Supreme Court imposed discipline consisting of a five-years’ stayed suspension, five-years’ probation with conditions, including a one-year actual suspension for acts of moral turpitude by an attorney

including illegal purchases of stock options, agreeing to lie to the Securities and Exchange Commission (SEC) and then actually lying to the SEC. While the disciplinary matter did not stem from a conviction referral, the attorney had been convicted of a misdemeanor violation of federal statutes prohibiting insider trading and fined \$10,000 without any jail time imposed. The attorney had recovered a profit of \$53,310.79 from the misconduct after buying securities upon receipt of material, nonpublic information, regarding the acquisition of a corporation. The attorney, after purchasing securities for himself, contacted a coworker, disclosed the material, nonpublic information previously received, and arranged for the two of them to purchase additional securities on a partnership basis. The attorney and his coworker then promised to conceal from the SEC the fact that the purchases had been made after receipt of material, nonpublic information. When contacted by the SEC, the attorney then made a misrepresentation that he had communicated with his coworker about the corporation prior to the purchase of securities. The attorney was found to have considerable mitigation for spontaneous candor and cooperation with the State Bar, remorse and recognition of wrongdoing, considerable passage of time since the misconduct, absence of a prior record of discipline of approximately eight years and good character. The misconduct was aggravated by the attorney's multiple acts.

The case *In the Matter of Sawyer* (Review Dept. 1997) 3 Cal. State Bar Ct. Rptr. 765, also supports the level of discipline. In *Sawyer*, the attorney had been convicted of a misdemeanor for violating 18 U.S.C. section 3 for submitting a loan application containing false statements, in violation of a prohibition on false or fraudulent statements in banking transactions as provided for in 18 U.S.C. section 1014. The false information consisted of Sawyer's purported tax returns which were presented to the bank to obtain a loan when, in fact, those returns had not been filed with the IRS. The attorney's misconduct was found to have significantly harmed the bank because the loan given, based on the attorney's misrepresentation, went into default. The attorney's misconduct was aggravated by her lack of remorse and mitigated by 16-years of discipline-free practice. The Supreme Court imposed discipline consisting of a three-years' stayed suspension with an 18-months' actual suspension.

Like in *Chadwick* and *Sawyer*, respondent has been convicted of a misdemeanor for a crime involving moral turpitude. The misconduct that respondent engaged in is also similar to that in *Chadwick* and *Sawyer*, as respondent's misconduct pertained to acts of moral turpitude involving a government agency. Unlike *Chadwick* and *Sawyer*, respondent has only nominal mitigation for her four years of discipline free practice, as opposed to the eight years and 16 years in *Chadwick* and *Sawyer*. While, respondent has mitigation for good character and entry into a pretrial stipulation, she has less mitigation than in *Chadwick*. Given the similarities between the misconduct by respondent and *Chadwick*, and the fact that there was more mitigation in *Chadwick*, discipline here should be more severe than in *Chadwick*. While respondent's misconduct was not found to have caused significant harm, the misconduct did last for an extended period of time. Therefore, a two-years' stayed suspension, two-years' probation with conditions including an 18-month actual suspension and until respondent complies with Standard 1.2(c)(1), will serve to protect the public, the courts and the legal profession; maintain high professional standards; and preserve public confidence in the legal profession.

#### **COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of February 3, 2017, the discipline costs in this matter are \$2,567. 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 MINIMUM CONTINUING LEGAL EDUCATION (“MCLE”) CREDIT**



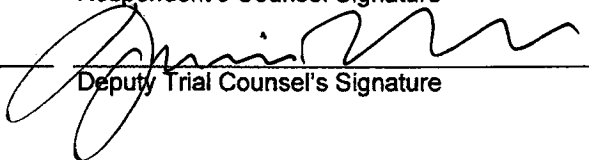
Respondent may not receive MCLE credit for completion of State Bar Ethics School. (Rules Proc. of State Bar, rule 3201.)

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In the Matter of: <b>MARGARITA MKRTCHYN</b>	Case number(s): <b>09-C-14093-YDR</b>
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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>02/10/2017</u> Date	 Respondent's Signature	<u>Margarita Mkrtchyan</u> Print Name
<u>2/18/2017</u> Date	 Respondent's Counsel Signature	<u>Arthur Margolis</u> Print Name
<u>2/23/2017</u> Date	 Deputy Trial Counsel's Signature	<u>Jamie Kim</u> Print Name

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In the Matter of: MARGARITA MKRTCHYN	Case Number(s): 09-C-14093-YDR
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**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.

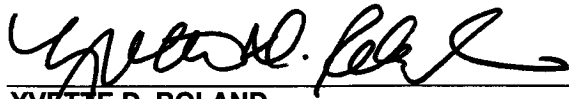
On pages 1 and 13 of the Stipulation, in the caption, "Mkrtchyn" is deleted and "Mkrtchyan" is inserted.

On the Actual Suspension Order, in the caption, "Mkrtchyn" is deleted and "Mkrtchyan" is inserted.

On page 7, paragraph 2, line 2, "violation" is deleted and "violating" 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.)**

March 9, 2017  
Date

  
YVETTE D. ROLAND  
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 March 16, 2017, 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:

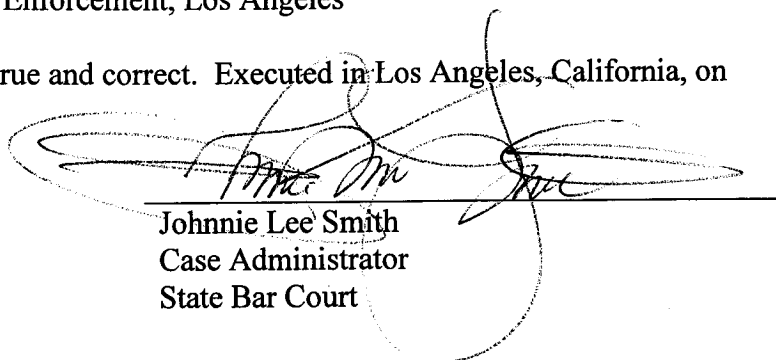
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

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

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

**JAMIE KIM, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on March 16, 2017.



Johnnie Lee Smith  
Case Administrator  
State Bar Court