

STATE BAR COURT OF CALIFORNIA
HEARING DEPARTMENT - LOS ANGELES

In the Matter of) Case Nos.: **11-O-18390-RAH**
) (11-O-18575; 11-O-18719;
STEPHEN LYSTER SIRINGORINGO,) 11-O-18819; 11-O-19467;
) 11-O-19573; 12-O-10073;
Member No. 264161,) 12-O-10594; 12-O-10937;
) 12-O-12152; 12-O-12162;
A Member of the State Bar.) 12-O-12421; 12-O-12812;
) 12-O-12832; 12-O-13035;
) 12-O-13419; 12-O-13881;
) 12-O-14080; 12-O-14514;
) 12-O-14632)
)
) **DECISION**
)
_____)

Introduction¹

Soon after entering the practice of law, respondent Stephen Lyster Siringoringo began performing loan modifications. He affiliated his firm with Clausen & Cobb Management, Inc. (CCMI). The loan modifications respondent performed violated SB 94, the California legislation precluding receipt of advance fees by attorneys providing loan modification services.

Additionally, the Office of the Chief Trial Counsel of the State Bar of California (State Bar) argued that CCMI was engaged in the unauthorized practice of law and that respondent entered into an improper partnership with non-lawyers, shared fees with non-lawyers, and aided and abetted the unauthorized practice of law. Further, the State Bar alleged that these acts

¹ Unless otherwise indicated, all references to rules refer to the State Bar Rules of Professional Conduct. Furthermore, all statutory references are to the Business and Professions Code, unless otherwise indicated.

constitute moral turpitude, in that: (1) they misled his clients into thinking that he was really in charge of the law firm, when in fact he was not, and (2) he received fees for his legal services when these services were actually provided by others, including non-attorneys.

While the court finds respondent culpable of receiving advance fees in twenty client matters in violation of SB 94 and *In the Matter of Taylor* (Review Dept. 2012) 5 Cal. State Bar Ct. Rptr. 221, the State Bar has failed to produce clear and convincing evidence of the impropriety of his relationship with CCMI. In particular, it was not established by clear and convincing evidence that respondent's conduct involved moral turpitude. As such, the court has found culpability for counts one through twenty, and dismissed with prejudice, counts twenty-one through twenty-five, as is more specifically described below.

Significant Procedural History

The Notice of Disciplinary Charges was filed in this matter on October 10, 2012. Trial commenced on March 26, 2013. Deputy Trial Counsel Ashod Mooradian represented the State Bar, and Edward O. Lear of Century Law Group represented respondent.

During the pendency of the trial in this matter, on June 10, 2013, the State Bar filed a proceeding against respondent involving unrelated client matters, identified as *In the Matter of Stephen Lyster Siringoringo*, case no. 13-TE-12378 (The TE matter). In the TE matter, the State Bar sought the inactive enrollment of respondent for his continued violations of SB 94. That petition was granted on July 26, 2013. On August 14, 2013, respondent filed a petition to terminate the inactive enrollment, asserting that he had changed his business model to one that complied with SB 94, and had provided refunds to all of the clients in the TE matter. By this court's decision filed on October 8, 2013, in State Bar Court case no. 13-ZE-14551, respondent was allowed to return to active practice after sufficient proof that the circumstances warranting the original inactive enrollment no longer existed. As such, the court found that transferring

respondent to active status would not create a substantial threat of harm to his clients or the public.

Relevant Legislation²

In 2009, state laws were enacted to protect homeowners facing foreclosures. California Legislators sought to curb abuses by “a cottage industry that has sprung up to exploit borrowers who are having trouble affording their mortgages, and are facing default, and possible foreclosure, if they are unable to negotiate a loan modification or any other form of mortgage loan forbearance with their lender.” (Sen. Com. on Banking, Finance, and Insurance, Analysis of Sen. Bill No. 94 (2009 Reg. Sess.) as amended Mar. 23, 2009, pp. 6-7.)

SB 94 was one such law. When SB 94 became effective on October 11, 2009, it provided the following two safeguards to anyone looking for help in obtaining a home-mortgage-loan modification or other form of home-mortgage-loan forbearance: (1) a requirement that the homeowner-borrower be given a separate written consumer notice that it is not necessary to pay a third party to negotiate a loan modification or forbearance (Civ. Code, § 2944.6);³ and (2) a proscription of advance compensation for loan modification or forbearance services, i.e., no fees

² Much of the discussion in this section on legislation regulating providers of home-mortgage-loan-modification services is taken directly from the review department’s opinion, *In the Matter of Taylor, supra*, 5 Cal. State Bar Ct. Rptr. 221.

³ Civil Code section 2944.6, subdivision (a) requires that before entering into a fee agreement, a person attempting to negotiate or arrange a loan modification or forbearance for a fee or other compensation must provide the borrower with the following information in at least a 14-point font “as a separate statement”:

It is not necessary to pay a third party to arrange for a loan modification or other form of forbearance from your mortgage lender or servicer. You may call your lender directly to ask for a change in your loan terms. Nonprofit housing counseling agencies also offer these and other forms of borrower assistance free of charge. A list of nonprofit housing counseling agencies approved by the United States Department of Housing and Urban Development (HUD) is available from your local HUD office or by visiting www.hud.gov.

can be charged or collected from a homeowner-borrower until all loan modification or loan forbearance services are completed (Civ. Code, § 2944.7).⁴ SB 94 was written in an attempt to “prevent persons from charging borrowers an up-front fee, providing limited services that fail to help the borrower, and leaving the borrower worse off than before he or she engaged the services of a loan modification consultant.” (Sen. Com. on Banking, Finance, and Insurance, Analysis of Sen. Bill No. 94 (2009 Reg. Sess.) as amended Mar. 23, 2009, p. 7.) A violation of either of these safeguard provisions is a misdemeanor (Civ. Code, §§ 2944.6, subd. (c); 2944.7, subd. (b)) and, at least until January 1, 2017, subjects an offending attorney to discipline (§ 6106.3).

In *In the Matter of Taylor*, *supra*, 5 Cal. State Bar Ct. Rptr. at page 232, the review department held that Civil Code section 2944.7’s proscription of advanced compensation is unambiguous and clearly applies to attorneys when they perform home-mortgage-loan-modification or other forms of home-mortgage-loan-forbearance services. Specifically, the review department held:

The language of Civil Code section 2944.7, subdivision (a), plainly prohibits *any person* engaging in loan modifications from collecting *any fees* related to such modifications until *each and every* service contracted for has been completed. (*In the Matter of Jaurequi* (Review Dept. 1999) 4 Cal. State Bar Ct. Rptr. 56, 59 [plain language of statute controlled where meaning lacked ambiguity, doubt, or uncertainty].) [Fn. omitted.] We find nothing ambiguous about the statute’s language, or the legislative history, which provides that “legal

⁴ Civil Code section 2944.7, subdivision (a)(1) reads:

(a) Notwithstanding any other provision of law, it shall be unlawful for any person who negotiates, attempts to negotiate, arranges, attempts to arrange, or otherwise offers to perform a mortgage loan modification or other form of mortgage loan forbearance for a fee or other compensation paid by the borrower, to do any of the following:

(1) Claim, demand, charge, collect, or receive any compensation until after the person has fully performed each and every service the person contracted to perform or represented that he or she would perform.

* * *

professionals” are one of the groups the bill was designed to reach. [Fn. omitted.] (See 4 Miller & Starr, Cal. Real Estate (3d ed. 2011) § 10:145.10 [statute directed at brokers and attorneys who, as self-styled consultants, were holding themselves out as able to facilitate loan modifications, “but usually produced no worthwhile results after collecting substantial advance fees from desperate homeowners”].)

(*In the Matter of Taylor, supra*, 5 Cal. State Bar Ct. Rptr. at p. 232.) The review department’s interpretation of Civil Code section 2944.7, subdivision (a), is, of course, binding on this court. (Rules Proc. of State Bar, rule 5.159(B).)

Findings of Fact and Conclusions of Law

Respondent was admitted to the practice of law in California on July 28, 2009, and has been a member of the State Bar of California at all times since that date.

Applicant’s Background

Respondent received his undergraduate degree from the University of California, Berkeley, and his law degree from Whittier Law School. After respondent was admitted to practice, he worked for a firm in Irvine that was a “designated” law firm by the Federal Home Loan Mortgage Corporation (FHLMC, also known as Freddie Mac) and the Federal National Mortgage Association (FNMA, also known as Fanny Mae). Both of these government sponsored enterprises seek to expand the secondary mortgage market in the United States. At this firm, he learned bank loan transactional work, and decided that he had an interest and aptitude in this area of law. After he left this firm, he opened his own practice in Garden Grove, California, with the assistance of a former classmate, John Nguyen. His practice primarily served the Vietnamese community. As business increased, he opened another office in Ontario, California. After a brief period in general practice, he began to focus his practice on loan modification. He handled his first loan modification case in 2010. Seeking to expand into a higher volume practice, he explored various avenues of advertising.

Respondent received an email from CCMI regarding advertising services they could perform for his firm. He met with the owners, Joshua Cobb and Alfred Clausen, in October or November 2010. Clausen and Cobb were not attorneys, but they had knowledge and a background in advertising attorney loan modification and personal injury practices. After looking into their backgrounds, respondent learned that Clausen had been involved with an attorney that had previous run-ins with the State Bar. Respondent confronted Clausen with this issue, and told him that his (respondent's) interest was only in advertising. The parties continued to discuss the potential relationship, and eventually arrived at an agreement as to the role of CCMI in respondent's firm.

Respondent's Relationship with Clausen & Cobb Management, Inc.

Respondent entered into a management agreement with CCMI. As part of this agreement, CCMI provided advertising for respondent's firm. In addition, CCMI provided all the office space and fixtures of the offices, including computers, telephones, and employees.⁵ They also provided all associated functions of administrative and human resources support for the staff. To pay for this rather extensive service, respondent agreed to compensate CCMI thirty dollars per hour for each employee it provided.

The practice grew and was rather successful. Respondent opened further offices and, at one point, he was operating in Glendale, Upland, and Rancho Cucamonga. Respondent took on the responsibility of training the staff on legal issues associated with loan modification. He would conduct seminars for his staff on a regular basis at each of the locations. When the staff would fail to follow his directives, he would discipline the employees.

⁵ Michael Cobb, Joshua Cobb's father, owned some or all of the buildings used by respondent's firm. Respondent was not involved in negotiating the lease between CCMI and the building owner(s). Rather, respondent was acting as a subtenant of CCMI, who held a lease from the owner of each building.

Respondent attempted to split his time evenly among each of the offices. However, all of the files from each office were also held electronic form. He implemented a sophisticated computer system that allowed him access from anywhere to every file at any of the offices. In that way, he could look in on the status of cases without having to always visit the location to examine a paper file. Further, the program would flag certain key events (e.g., a pending trustee's sale or a request to file a bankruptcy or other legal proceeding) which would prompt him to examine the particular file concerned and intervene when necessary. As a result, the voluminous evidence produced by respondent at trial included extensive logs reflecting actions taken by respondent's firm in processing the files.⁶

Respondent established policies and standards designed to keep him informed of the status of cases being processed, and with how efficiently the cases were being processed. In addition to the computer contact respondent had, he would travel to each office on a regular basis, meeting with the supervisors and other staff members about the legal and business issues they faced.⁷

⁶ For each client, such a log was prepared. (See, for example, Exhibit O, pages 3-26; Exhibit Q, pages 2-14; and Exhibit T, pages 2-31.)

⁷ The credible evidence presented at trial was not that respondent was an absentee lawyer in the firm, or "renting" out his license for a percentage of "the take." The only evidence presented by the State Bar in this vein was testimony of two former employees who had been terminated for misconduct. One, Mary Henderson, a former bookkeeper in the office (and later, given the title of "Office Manager") testified that respondent almost never appeared at the offices and was being paid 5% of the income. The other, Iliana Del Salto, a manager in the processing department at one location, testified that she "heard" respondent and CCMI compared to a "Rent-a-Broker" arrangement in the real estate area. Both of these former employees were clearly bitter at being fired, and angrily lashed out at respondent during the trial in what appeared to be an attempt at revenge. The court finds their substantive testimony lacks credibility, in part because of their obvious enmity against respondent, but primarily because neither had ready access to sufficient information to justify her conclusions. As an example, the former office manager concluded that respondent's "deal" with CCMI was for 5% of the income, with the rest going to CCMI. However, no clear and convincing evidence was produced at trial to justify this conclusion, except that over a few months, the amount of respondent's income ranged from between 1½% and 9¼% of sales. In essence, she divided respondent's income by the sales, and

Respondent's Business Model at the Relevant Time Period⁸

By respondent's estimates, the Siringoringo Law Firm has assisted thousands of distressed homeowners and obtained over 4,300 loan modifications. After the passage of SB 94, the Siringoringo Law Firm devised a retainer agreement splitting the loan modification representation into "stages." Stages 1 and 2 involved pre-qualification and completing a loan modification application. Stage 3 involved submitting the client's loan modification application, communicating with the lender, and negotiating on the client's behalf.

Clients would be required to pay the Siringoringo Law Firm a flat fee upon completion of the services rendered in stages 1 and 2. These services could be completed in as little as one day. The amount of the stages 1 and 2 fee varied considerably.

Stage 3 was described in the retainer agreement as "optional." In stage 3, a flat fee of usually \$495 (which sometimes varied by client) would be collected from the client every 30 days. The retainer agreement stated that the client agreed to pay the stage 3 fee once the 30-day period had concluded or upon acceptance/rejection of modification. If the client elected to cancel the "optional" services of stage 3, he or she would need to do so in writing within three

came up with a perceived "trend," and drew her conclusions from there. Significantly, the State Bar never subpoenaed Clausen or Cobb to explain their understanding of the arrangement. Presumably, these critical witnesses were not called to testify because their testimony would not have been favorable to the State Bar. Nor did the State Bar produce any agreement showing such a split of profits. (*Breland v. Traylor Engineering & Manufacturing Co.* (1942) 52 Cal. App.2d 415, 426 [when a party failed to introduce evidence that would naturally have been produced, the trier of fact may properly infer that the evidence is adverse to the party].)

⁸ The court is aware that respondent has since changed his business model in an attempt to conform with SB 94. However, the court does not consider this change in the culpability findings of this decision, since, at the time of these client matters, the former model as described herein was in effect.

days after signing the retainer agreement. If stage 3 was canceled, a “fee of \$250 per hour worked on the file [would] be due.”⁹

In the present matter, none of the clients sought to cancel stage 3 within three days of the engagement letter/retainer agreement. Therefore, even if respondent performed all of the services contained in stages 1 and 2 prior to charging the client a fee, respondent’s contracted loan modification services also included the services listed in stage 3. In each of the client matters, respondent was to be paid upon preparing the loan modification application and completing stages 1 and 2. He then continued to receive the monthly payments after each 30-day period while awaiting a decision by the lender.

Restitution Payments Made

The parties stipulated that respondent has refunded all of the money he received from each of the clients referred to in this decision. (See Exhibit U.)

Case No. 11-O-18390 – The Carvajal Matter

Facts

On May 26, 2011, Manuel Carvajal (Carvajal) signed an engagement agreement employing respondent to perform loan modification services. Also on May 26, 2011, Carvajal paid respondent \$1,995. On June 22, July 22, August 25, and September 23, 2011, Carvajal paid respondent \$300 on each date as legal fees pursuant to the agreement. On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Carvajal.

After respondent was aware that Carvajal had submitted a complaint to the State Bar against him, respondent issued Carvajal a full refund.

⁹ This language was in respondent’s retainer agreement, but its meaning is unclear. It implies that additional fees could be due even if the client cancels stage 3.

Conclusions

Count One – [Advanced Fees for Loan Modification Services]

Section 6106.3 provides that an attorney must not engage in any conduct in violation of section 2944.7 of the Civil Code. Civil Code section 2944.7 provides, in pertinent part, that notwithstanding any other provision of law, it shall be unlawful for any person who negotiates, attempts to negotiate, arranges, attempts to arrange, or otherwise offers to perform a mortgage loan modification or other form of mortgage loan forbearance for a fee or other compensation paid by the borrower, to claim, demand, charge, collect, or receive any compensation until after the person has fully performed each and every service the person contracted to perform or represented that he or she would perform.

By charging and receiving advanced fees from Carvajal after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 11-O-18575 – The Rodriguez Matter

Facts

On April 30, 2011, Federico Rodriguez (Rodriguez) signed an engagement agreement employing respondent to perform loan modification services. That same day, Rodriguez paid respondent \$1,000 and gave him two post-dated checks in the amounts of \$495 and \$500, respectively, as legal fees pursuant to the agreement. On May 13, 2011, respondent deposited or caused to be deposited Rodriguez's check previously post-dated for May 13, 2011, in the amount of \$495. On July 2, 2011, respondent deposited or caused to be deposited Rodriguez's check previously post-dated for July 2, 2011, in the amount of \$500.

On each date a payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Rodriguez.

After respondent was aware that Rodriguez had submitted a complaint to the State Bar against him, respondent issued Rodriguez a full refund.

Conclusions

Count Two - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Rodriguez after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 11-O-18719 – The Davis Matter

Facts

On August 27, 2011, Joseph J. Davis (Davis) signed an engagement agreement employing respondent to perform loan modification services. That same day, Davis paid respondent \$200 and gave him two post-dated checks in the amounts of \$1,000 and \$800, respectively, as legal fees pursuant to the agreement. On September 9, 2011, respondent deposited or caused to be deposited Davis's check previously post-dated for September 9, 2011, in the amount of \$1,000. On October 6, 2011, respondent deposited or caused to be deposited Davis's check previously post-dated for October 5, 2011, in the amount of \$800.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Davis.

After respondent was aware that Davis had submitted a complaint to the State Bar against him, respondent issued Davis a full refund.

Conclusions

Count Three - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Davis after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 11-O-18819 – The Haro Matter

Facts

On July 11, 2011, Herminio Haro (Haro) signed an engagement agreement employing respondent to perform loan modification services. On July 18, 2011, Haro paid respondent \$500 as legal fees pursuant to the agreement. On August 3, 2011, Haro paid respondent \$495 as legal fees pursuant to the agreement. On or about August 10, 2011, Haro paid respondent \$1,000 as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Haro.

After respondent was aware that Haro had submitted a complaint to the State Bar against him, respondent issued Haro a full refund.

Conclusions

Count Four - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Haro after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 11-O-19467 – The Marquez Matter

Facts

On May 24, 2011, Herminio Marquez (Marquez) signed an engagement agreement employing respondent to perform loan modification services. That same day, Marquez paid respondent \$2,495 as legal fees pursuant to the agreement. On June 24, 2011, Marquez paid respondent \$295 as legal fees pursuant to the agreement. On July 27, 2011, Marquez paid respondent \$295 as legal fees pursuant to the agreement. In August 2011, Marquez paid respondent \$295 as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Marquez.

After respondent was aware that Marquez had submitted a complaint to the State Bar against him, respondent issued Marquez a full refund.

Conclusions

Count Five - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Marquez after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 11-O-19573 – The Hargrove Matter

Facts

On March 7, 2011, Randy and Ellen Hargrove (the Hargroves) signed an engagement agreement employing respondent to perform loan modification services. On March 10, 2011, the Hargroves paid respondent \$2,000 as legal fees pursuant to the agreement. On April 14, May 11,

June 21, July 19, August 11, and September 13, 2011, the Hargroves paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with the Hargroves.

After respondent was aware that the Hargroves had submitted a complaint to the State Bar against him, respondent issued the Hargroves a full refund.

Conclusions

Count Six - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from the Hargroves after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-10073 – The Dobias Matter

Facts

On August 1, 2011, Scott and Vicky Dobias (the Dobiases) signed an engagement agreement employing respondent to perform loan modification services. The Dobiases paid respondent \$2,500 in five \$500 installments on August 4, August 5, August 17, September 2, and September 6, 2011, as legal fees pursuant to the agreement. On September 6, September 12, October 17, and November 14, 2011, the Dobiases paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with the Dobiases.

After respondent was aware that the Dobiases had submitted a complaint to the State Bar against him, respondent issued the Dobiases a full refund.

Conclusions

Count Seven - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from the Dobiases after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-10594 – The Walsh Matter

Facts

On July 24, 2011, Sam Walsh (Walsh) signed an engagement agreement employing respondent to perform loan modification services. On August 2 and September 1, 2011, Walsh paid respondent \$1,000 on each such date as legal fees pursuant to the agreement. On September 17, October 17, and November 17, 2011, Walsh paid respondent \$295 on each such date as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with Walsh.

After respondent was aware that Walsh had submitted a complaint to the State Bar against him, respondent issued Walsh a full refund.

Conclusions

Count Eight - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Walsh after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-10937 – The Townley Matter

Facts

On July 29, 2011, Evelyn Townley (Townley) signed an engagement agreement employing respondent to perform loan modification services. That same day, Townley paid respondent \$1,000 and gave him two post-dated checks, in the amounts of \$1,000 and \$250, respectively, as legal fees pursuant to the agreement. On August 19, 2011, respondent deposited or caused to be deposited Townley's check previously post-dated for August 19, 2011, in the amount of \$1,000. On August 25, 2011, respondent deposited or caused to be deposited Townley's check previously post-dated for August 25, 2011, in the amount of \$250. On September 30, 2011, Townley paid respondent \$495 as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Townley.

After respondent was aware that Townley had submitted a complaint to the State Bar against him, respondent issued Townley a full refund.

Conclusions

Count Nine - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Townley after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-12152 – The Johnston Matter

Facts

On September 16, 2011, Charles E. Johnston (Johnston) signed an engagement agreement employing respondent to perform loan modification services. That same day, Johnston paid

respondent \$2,000 and gave respondent a post-dated check, in the amount of \$1,000, as legal fees pursuant to the agreement. On October 10, 2011, respondent deposited or caused to be deposited Johnston's check previously post-dated for October 10, 2011, in the amount of \$1,000. In October and November 2011, Johnston paid respondent \$495 during each month as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with Johnston.

After respondent was aware that Johnston had submitted a complaint to the State Bar against him, respondent issued Johnston a full refund.

Conclusions

Count Ten - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Johnston after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-12162 – The McAlpine Matter

Facts

On September 30, 2011, Barbara McAlpine (McAlpine) signed an engagement agreement employing respondent to perform loan modification services. That same day, McAlpine paid respondent \$1,000 as legal fees pursuant to the agreement. On October 1, 2011, McAlpine paid respondent \$995 as legal fees pursuant to the agreement. On October 31 and December 8, 2011, McAlpine paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with McAlpine.

After respondent was aware that McAlpine had submitted a complaint to the State Bar against him, respondent issued McAlpine a full refund.

Conclusions

Count Eleven - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from McAlpine after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-12421 – The Ibanez Matter

Facts

On July 16, 2011, Pedro N. Ibanez (Ibanez) signed an engagement agreement employing respondent to perform loan modification services. That same day, Ibanez paid respondent \$1,000 as legal fees pursuant to the agreement. On August 13, 2011, Ibanez paid respondent \$995 as legal fees pursuant to the agreement. On September 7 and September 30, 2011, Ibanez paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with Ibanez.

After respondent was aware that Ibanez had submitted a complaint to the State Bar against him, respondent issued Ibanez a full refund.

Conclusions

Count Twelve - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Ibanez after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil

Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-12812 – The Castro Matter

Facts

On May 25, 2011, Rosario S. Castro (Castro) signed an engagement agreement employing respondent to perform loan modification services. On June 24, 2011, Castro paid respondent \$1,500 as legal fees pursuant to the agreement. On August 8, 2011, Castro paid respondent \$400 as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Castro.

After respondent was aware that Castro had submitted a complaint to the State Bar against him, respondent issued Castro a full refund.

Conclusions

Count Thirteen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Castro after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-12832 – The Salay Matter

Facts

On February 24, 2011, John G. Salay (Salay) signed an engagement agreement employing respondent to perform loan modification services. That same day, Salay paid respondent \$750 as legal fees pursuant to the agreement. On March 24, 2011, Salay paid

respondent \$745 as legal fees pursuant to the agreement. On May 13, 2011, Salay paid respondent \$480 as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Salay.

After respondent was aware that Salay had submitted a complaint to the State Bar against him, respondent issued Salay a full refund.

Conclusions

Count Fourteen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Salay after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-13035 – The Van Vranken Matter

Facts

On November 4, 2011, Teresa L. Van Vranken (Van Vranken) signed an engagement agreement employing respondent to perform loan modification services. On November 9, 2011, Van Vranken paid respondent \$2,500 as legal fees pursuant to the agreement. On December 4, 2011; and January 5, February 5, and March 4, 2012, Van Vranken paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with Van Vranken.

After respondent was aware that Van Vranken had submitted a complaint to the State Bar against him, respondent issued Van Vranken a full refund.

Conclusions

Count Fifteen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Van Vranken after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-13419 - The Griffin Matter

Facts

On April 2, 2011, Veronica Griffin (Griffin) signed an engagement agreement employing respondent to perform loan modification services. That same day, Griffin paid respondent \$1,495 as legal fees pursuant to the agreement. On April 29, 2011, Griffin paid respondent \$495 as legal fees pursuant to the agreement.

On each date payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Griffin.

After respondent was aware that Griffin had submitted a complaint to the State Bar against him, respondent issued Griffin a full refund.

Conclusions

Count Sixteen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Griffin after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-13881 – The Orellana Matter

Facts

On April 26, 2011, David Orellana (Orellana) signed an engagement agreement employing respondent to perform loan modification services. That same day, Orellana paid respondent \$2,990 as legal fees pursuant to the agreement. On May 25, June 28, and July 25, 2011, Orellana paid respondent \$495 as legal fees pursuant to the agreement.

On each of the above-listed dates, respondent had not completed all the contracted-for services described in the engagement agreement with Orellana.

After respondent was aware that Orellana had submitted a complaint to the State Bar against him, respondent issued Orellana a full refund.

Conclusions

Count Seventeen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Orellana after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-14080 – The Sosa Matter

Facts

On September 7, 2011, William and Irene Sosa (the Sosas) signed an engagement agreement employing respondent to perform loan modification services. That same day, the Sosas paid respondent \$900 as legal fees pursuant to the agreement. On September 21, 2011, the Sosas paid respondent \$1,600 as legal fees pursuant to the agreement. On October 6, November 7, and December 8, 2011; and January 6 and February 1, 2012, the Sosas paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each of the dates payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with the Sosas.

After respondent was aware that the Sosas had submitted a complaint to the State Bar against him, respondent issued the Sosas a full refund.

Conclusions

Count Eighteen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from the Sosas after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-14514 – The Williams Matter

Facts

On December 9, December 13, and December 15, 2011, Juan Williams, Sr. (Williams) signed three separate engagement agreements employing respondent to perform loan modification services regarding three separate properties. On December 15, 2011, Williams paid respondent \$1,000 as legal fees pursuant to the agreements. On December 22, 2011, Williams paid respondent \$1,500 as legal fees pursuant to the agreements. On January 4, January 24, and January 30, 2012, Williams paid respondent \$1,000 on each date as legal fees pursuant to the agreements. On March 14, March 15, and April 16, 2012, Williams paid respondent \$1,485 as an advanced fee on each date as legal fees pursuant to the agreements.

On each of the dates payment was made, respondent had not completed all the contracted-for services described in the engagement agreements with Williams.

After respondent was aware that Williams had submitted a complaint to the State Bar against him, respondent issued Williams a full refund.

Conclusions

Count Nineteen - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Williams after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case No. 12-O-14632 – The Ross Matter

Facts

On November 19, 2011, Dennis Ross (Ross) signed an engagement agreement employing respondent to perform loan modification services. On December 30, 2011, Ross paid respondent \$1,490 as legal fees pursuant to the agreement. On January 9, 2012, Ross paid respondent \$300 as legal fees pursuant to the agreement. On March 1, 2012, Ross paid respondent \$600 as legal fees pursuant to the agreement. On April 9, 2012, Ross paid respondent \$400 as legal fees pursuant to the agreement. On May 1, 2012, Ross paid respondent \$790. In January, February, March, and April 2012, Ross paid respondent \$495 on each date as legal fees pursuant to the agreement.

On each of the dates payment was made, respondent had not completed all the contracted-for services described in the engagement agreement with Ross.

After respondent was aware that Ross had submitted a complaint to the State Bar against him, respondent issued Ross a full refund.

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Conclusions

Count Twenty - [Advanced Fees for Loan Modification Services]

By charging and receiving advanced fees from Ross after October 11, 2009, in exchange for agreeing to perform loan modification services in violation of California Civil Code section 2944.7, subdivision (a)(1), respondent willfully violated Business and Professions Code section 6106.3.

Case Nos. 11-O-18819, et al. – Forming a Partnership & Sharing Fees with Non-lawyers

Facts

The State Bar presented evidence from two former employees that, it is claimed, establishes clear and convincing evidence that respondent formed a partnership with CCMI to practice law or that they shared fees. Both employees were terminated for misconduct, and, thereafter, each claimed that respondent was engaged in improper conduct in the manner in which he managed his law firm.

One of the employees was Mary Henderson (Henderson), a relatively low-level bookkeeper who later was given the title of “Office Manager.” She was an employee of CCMI for approximately one year. She claimed that there was an arrangement between CCMI and respondent calling for respondent to receive 5% of sales, with the balance going to CCMI. In support of her conclusion, she pointed to bank statements for a few months that “roughly” resulted in respondent receiving 5% of the income. Even assuming her “rough” calculation (which was essentially “backed out” of the bank statements) was a proper way to prove fee sharing, the amount respondent received varied dramatically from her “average” of 5%. The State Bar had no other information to support its claim that a 5% agreement existed.

Another employee, Iliana Del Salto (Del Salto), also testified as to this issue, though not as extensively or with as much enthusiasm as Henderson. As a processing manager, she was

responsible for handling the files after the clients had been interviewed. She was required to assure that all of the required information was obtained prior to submission. Del Salto was very knowledgeable regarding the requirements for processing loans, since she had worked in the home loan business for many years. Her contribution to the issue of the alleged partnership or fee-sharing issue was minimal, however. She could only say that respondent was not around very often, and that she had “heard” that he was akin to a “Rent-a-Broker” as that term is used in the area of real estate sales. Her conclusion from those observations was that respondent was a lawyer in name only, and not conducting an active practice.

Neither Henderson nor Del Salto was credible. At trial, they exhibited clear hostility for having been disciplined by respondent. More importantly, however, neither had sufficient access to information to permit them to make the conclusions they made and on which the State Bar bases its case. Henderson was a low level employee during most, if not all, of her tenure. Although given the title of “Office Manager,” it appears her responsibilities included balancing the bank accounts, monitoring the accounts payable, and handling some hiring with the assistance of either Clausen or Cobb. She was not involved in any way in the operation of respondent’s law firm, nor was she in a direct supervisory role of anyone other than perhaps the bookkeeper who took her place when Henderson became an “Office Manager.”

Del Salto may credibly say that respondent did not visit her station frequently. But given the electronic access respondent had to the files, she is unable to credibly state that he never looked at or was not familiar with the files.

Finally, to the extent that either Henderson or Del Salto claim that respondent was never present in the offices or did not train his employees, their testimony is contradicted by the credible testimony of respondent, and other employees, including Philip Oh, Stanley

Siringoringo, Lizette Alvarez, Givonnie Rodriguez, Jeannette Torres, Claudia Aragon, attorney Jennifer M. Grant, Carina Vega, and Matt Casas.

Conclusions

Count Twenty-One - (Rule 1-310 [Forming a Partnership with a Non-Lawyer])

Rule 1-310 provides that an attorney must not form a partnership with a non-lawyer if any of the activities of the partnership consist of the practice of law. The evidence before the court does not establish, by clear and convincing evidence, a violation of rule 1-310.

Accordingly, Count Twenty-One is dismissed with prejudice.

Count Twenty-Two - (Rule 1-320(A) [Sharing Fees with Non-Lawyers])

Rule 1-320(A) provides, with limited exceptions, that an attorney must not directly or indirectly share legal fees with a non-lawyer. The evidence before the court does not establish, by clear and convincing evidence, a violation of rule 1-320(A). Accordingly, Count Twenty-Two is dismissed with prejudice.

Case Nos. 11-O-18819, et al. – Aiding the Unauthorized Practice of Law

Facts

The State Bar asserted that respondent's alleged lack of supervision of the staff and absence from the workplace resulted in him aiding and abetting the unauthorized practice of law. The evidence for this assertion came from Henderson and Del Salto, as well as a few contract managers who testified that they were not trained by respondent, but by others.

There was substantial evidence of respondent's active role in the organization. The testimony and declarations of Philip Oh, Stanley Siringoringo, Lizette Alvarez, Givonnie Rodriguez, Jeannette Torres, Claudia Aragon, attorney Jennifer M. Grant, Carina Vega, and Matt Casas all consistently state that respondent was an active participant in the management of the law firm and the supervision of the employees. In a large organization with several branches, it

is possible that only senior managers are trained by the attorney, leaving it to be the manager's responsibility to train those he or she supervises. Further, given respondent's ability to remotely review files, it is also possible that these employees were not aware that respondent was examining their work. Also, in a document-driven, high volume practice such as exists in the loan modification area, it is not surprising that respondent would not have the close contact with clients that exists in other types of practices.

Conclusions

Count Twenty-Three - (Rule 1-300(A) [Aiding the Unauthorized Practice of Law])

Rule 1-300(A) provides that an attorney must not aid any person or entity in the unauthorized practice of law. The evidence before the court does not establish, by clear and convincing evidence, a violation of rule 1-300(A). Accordingly, Count Twenty-Three is dismissed with prejudice.

Case Nos. 11-O-18819, et al. – Moral Turpitude

Facts

The State Bar alleges that respondent committed moral turpitude by misleading the public into thinking that he was providing legal services to his clients, when he was not. The State Bar further alleges respondent committed another act of moral turpitude by habitually disregarding his loan modification practice.

As noted above, the State Bar has failed to clearly and convincingly prove that respondent did not provide legal services. Therefore, respondent's assertions that he did provide such services were not misleading. The testimony of Henderson and Del Salto, as noted above, was not credible. Other low level employees who claim to have not seen respondent come by the office where they worked are discredited by the access respondent had electronically to the very files they were working on. Further, many witnesses provided credible evidence to the contrary.

The testimony and declarations of respondent, Philip Oh, Stanley Siringoringo, Lizette Alvarez, Givonnie Rodriguez, Jeannette Torres, Claudia Aragon, Attorney Jennifer M. Grant, Carina Vega, and Matt Casas all consistently state that respondent was an active participant in the management of the law firm and the supervision of the employees.

Similarly, the evidence before the court does not establish that respondent habitually disregarded his loan modification practice. To the contrary, the evidence indicates that respondent was actively involved in the operation of the practice.

Conclusions

Counts Twenty-Four and Twenty-Five - (Section 6106 [Moral Turpitude])

Section 6106 provides, in part, that the commission of any act involving dishonesty, moral turpitude, or corruption constitutes cause for suspension or disbarment. The evidence before the court does not establish, by clear and convincing evidence, a violation of section 6106. Accordingly, Counts Twenty-Four and Twenty-Five are dismissed with prejudice.

Aggravation¹⁰

Multiple Acts/Pattern of Misconduct (Std. 1.2(b)(ii).)

Respondent has taken advance fees in violation of SB 94 with respect to multiple clients. This is an aggravating circumstance.

Harm to Client/Public/Administration of Justice (Std. 1.2(b)(iv).)

Respondent provided services to his clients in this matter, albeit after receiving improper advance fees. While the court finds significant harm to respondent's clients, it recognizes that the extent of his harm may not be as great as claimed. All too often, when clients were asked what harm they have suffered as a result of respondent's action or inaction, they attributed all of

¹⁰ All references to standards (Std.) are to the Rules of Procedure of the State Bar, title IV, Standards for Attorney Sanctions for Professional Misconduct.

their problems to respondent's firm, indicating that because of him, they lost their home. In reality, blame is seldom so clearly attributable to one person or firm. Clients often arrived at respondent's office at the last minute before their house was to be foreclosed. Many times, they had not paid their mortgage for several months or even years. Sometimes, respondent was able to unwind this tangled mess and obtain a loan modification or, at least, a delay in the trustee's sale date. Other times, however, the prior default by the client was either too great, or the lender too uncooperative, for respondent to be able to reach a satisfactory result.

That being said, respondent improperly took fees from many clients at a time when they were most financially vulnerable. While respondent has since refunded all of these fees, these clients were deprived of their funds during an extended period of time while they faced foreclosure. Consequently, respondent's misconduct resulted in significant financial harm to his clients.

Further, respondent's repeated violations of the law in taking improper advance fees has harmed the administration of justice. The court finds that this also warrants some consideration in aggravation.

Mitigation

No Prior Record (Std. 1.2(e)(i).)

Respondent has never been disciplined. However, his less than two years in practice prior to the present misconduct is insufficient to constitute mitigation. (*In the Matter of Hertz* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 456, 473 [less than five years of no prior discipline before misconduct was insufficient time period for mitigative evidence].) As such, the court finds that this is not a mitigating circumstance.

Candor/Cooperation to Victims/State Bar (Std. 1.2(e)(v).)

Respondent has entered into a stipulation as to facts in this proceeding. He is entitled to mitigation for this cooperation.

Good Character (Std. 1.2(e)(vi).)

Respondent has presented evidence of his good character by both testimony and declarations of several witnesses, representing a broad cross-section of the legal and general communities. As such, the court finds significant mitigation from the testimony these witnesses.

All of the witnesses spoke highly of respondent's moral character and honesty. In the case of the several declarants who were former clients, all noted the excellent service they received from the Siringoringo Law Firm, and uniformly stated that they would not hesitate to recommend him to their friends that needed loan modification services. Each of these declarants reflected a very different experience than the complaining parties in this matter, showing that in many cases, respondent's firm performed the services properly and reached a result satisfactory to the client.

Respondent is very active in his community and his church, the Loma Linda Indonesian Seventh-day Adventist Church. He has contributed extensively to various foundations assisting the Indonesian community in southern California, working with children and adults on various legal and ethical topics, including lending practices, immigration law, family law, and religious liberty. He is also involved with the Friends of Indonesia Society, working closely with the Indonesian consulate in Los Angeles to assist those facing challenges in transitioning to American culture and values.

He is the head elder at his church, assisting the pastor in ministering to the 450 congregants. As the head elder, he is the administrative leader of the church, and also

contributes in the areas of religious training and pastoral care. The position of head elder is a highly respected office, requiring unquestioned trust, honesty, and integrity.

Remorse/Recognition of Wrongdoing (Std. 1.2(e)(vii).)

Respondent has revised his business model and no longer accepts fees until each and every contracted-for service has been performed.¹¹ Respondent's recognition of wrongdoing and remorse are further illustrated by the full refunds he has made to all of the aforementioned clients, albeit these refunds occurred after the State Bar became involved. On the whole, respondent's remorse and recognition of wrongdoing warrant some consideration in mitigation.

Discussion

In determining the appropriate discipline to recommend in this matter, the court looks at the purposes of disciplinary proceedings and sanctions. Standard 1.3 provides that the primary purposes of disciplinary proceedings "are the protection of the public, the courts, and the legal profession; the maintenance of high professional standards by attorneys and the preservation of public confidence in the legal profession."

Standard 2.10 is applicable to the misconduct in this matter. Standard 2.10 provides that culpability of a member of a violation of section 6106.3 shall result in reproof or suspension according to the gravity of the offense or the harm, if any, to the victim.

The Supreme Court gives the standards "great weight" and will reject a recommendation consistent with the standards only where the court entertains "grave doubts" as to its propriety.

(*In re Silverton* (2005) 36 Cal.4th 81, 91-92; *In re Naney* (1990) 51 Cal.3d 186, 190.) As the standards are not mandatory, they may be deviated from when there is a compelling, well-

¹¹ The court takes judicial notice of this court's decision in *In the Matter of Stephen Lyster Siringoringo*, State Bar Court case no. 13-ZE-14551, which terminated respondent's inactive enrollment under Business and Professions Code section 6007, subdivision (c)(1), and acknowledges that respondent has sufficiently modified his business model such that he no longer poses a substantial threat of harm to the interests of his clients or the public.

defined reason to do so. (*Bates v. State Bar* (1990) 51 Cal.3d 1056, 1061, fn.2; *Aronin v. State Bar* (1990) 52 Cal.3d 276, 291.)

The court also looked to the case law for guidance. The court found *In the Matter of Taylor* (Review Dept. 2012) 5 Cal. State Bar Ct. Rptr. 221, to be helpful.

In *Taylor*, the attorney, in eight client matters, was found culpable of charging illegal fees in violation of section 6106.3. No moral turpitude was involved. In aggravation, the attorney committed multiple acts of misconduct, caused significant harm, and demonstrated indifference. In mitigation, the attorney presented good character evidence. The Review Department recommended that the attorney be suspended for a period of two years, with the execution stayed, and that he be placed on probation for two years including a six-month period of actual suspension and/until full payment of restitution.

The present case is similar to *Taylor*, however, it is on a grander scale as it involves considerably more clients. The court tempers this fact with the fact that *Taylor* involved more aggravation and less mitigation than the present matter. Specifically, the court acknowledges respondent's demonstration of remorse, his recognition of the present misconduct, and the corresponding changes he has made to his legal practice.

While the court is encouraged by the efforts respondent has taken to bring his law office into compliance, respondent's extensive misconduct still warrants a significant period of actual suspension. Therefore, the court recommends, among other things, that respondent be suspended from the practice of law for three years, that execution of that period of suspension be stayed, and that he be placed on probation for four years, including an eighteen-month period of actual suspension.

Recommendations

Accordingly, it is recommended that respondent **Stephen Lyster Siringoringo**, State Bar Number 264161, be suspended from the practice of law in California for three years, that execution of that period of suspension be stayed, and that he be placed on probation for a period of four years subject to the following conditions:

1. Respondent Stephen Lyster Siringoringo is suspended from the practice of law for the first eighteen months of probation.
2. Respondent must comply with the provisions of the State Bar Act, the Rules of Professional Conduct, and all of the conditions of respondent's probation.
3. Within 10 days of any change in the information required to be maintained on the membership records of the State Bar pursuant to Business and Professions Code section 6002.1, subdivision (a), including respondent's current office address and telephone number, or if no office is maintained, the address to be used for State Bar purposes, respondent must report such change in writing to the Membership Records Office and the State Bar's Office of Probation.
4. During the probation period, respondent must report in writing quarterly to the Office of Probation. The reports must be postmarked no later than each January 10, April 10, July 10, and October 10 of the probation period. Under penalty of perjury, respondent must state in each report whether respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all of respondent's probation conditions during the preceding calendar quarter or applicable reporting period. If the first report would cover less than 30 days, no report is required at that time; however, the following report must cover the period of time from the commencement of probation to the end of that next quarter. In addition to all quarterly reports, a final report must be postmarked no earlier than 10 days before the last day of the probation period and no later than the last day of the probation period.
5. Within 30 days after 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.

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6. Subject to the assertion of applicable privileges, respondent must answer fully, promptly, and truthfully, any inquiries of the Office of Probation, which are directed to him personally or in writing, relating to whether he is complying or has complied with the conditions contained herein.
7. Within one year after the effective date of the discipline herein, respondent must submit to the Office of Probation satisfactory evidence of completion of the State Bar's Ethics School and passage of the test given at the end of that session. This requirement is separate from any Minimum Continuing Legal Education (MCLE) requirement, and respondent will not receive MCLE credit for attending Ethics School. (Rules Proc. of State Bar, rule 3201.)
3. At the expiration of the period of this probation, if respondent has complied with all the terms of probation, the order of the Supreme Court suspending respondent from the practice of law for three years will be satisfied and that suspension will be terminated.

At the expiration of the period of this probation, if respondent has complied with all the terms of probation, the order of the Supreme Court suspending respondent from the practice of law for three years will be satisfied and that suspension will be terminated.

Multistate Professional Responsibility Examination

It is further recommended that respondent be ordered to take and pass the Multistate Professional Responsibility Examination given by the National Conference of Bar Examiners and provide proof of passage to the Office of Probation during the period of his actual suspension. Failure to do so may result in suspension. (Cal. Rules of Court, rule 9.10(b).)

California Rules of Court, Rule 9.20

It is further recommended that respondent be ordered to comply with the California Rules of Court, rule 9.20 and to 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 order in this matter.¹²

¹² Respondent is required to file a rule 9.20 affidavit even if he has no clients to notify on the date the Supreme Court files its order in this proceeding. (*Powers v. State Bar* (1998) 44 Cal.3d 337, 341.)

Costs

It is recommended that costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10, and are enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment.

Dated: December _____, 2013

RICHARD A. HONN
Judge of the State Bar Court