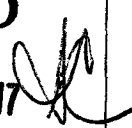


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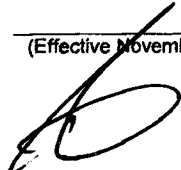
State Bar Court of California Hearing Department Los Angeles DISBARMENT		
<p>Counsel For The State Bar</p> <p>Anthony J. Garcia Supervising Senior Trial Counsel 845 Figueroa Street Los Angeles, CA 90017 213-765-1000</p> <p>Bar # 171419</p>	<p>Case Number(s): 12-O-10652-YDR</p>	<p>For Court use only</p> <p style="text-align: center; font-size: 1.2em;">FILED</p> <p style="text-align: center; font-size: 1.1em;">JAN 18 2017 </p> <p style="text-align: center; font-size: 0.9em;">STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>In Pro Per Respondent</p> <p>Bruce Howard Haglund 20 Foxboro Irvine, CA 92614 714-801-3000</p> <p>Bar # 92683</p>	<p style="font-size: 1.5em; font-weight: bold;">PUBLIC MATTER</p>	
<p>In the Matter of: BRUCE HOWARD HAGLUND</p> <p>Bar # 92683</p> <p>A Member of the State Bar of California (Respondent)</p>	<p>Submitted to: Assigned Judge</p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT</p> <p>DISBARMENT</p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	

Note: All information required by this form and any additional information which cannot be provided in the space provided, must be set forth in an attachment to this stipulation under specific headings, e.g., "Facts," "Dismissals," "Conclusions of Law," "Supporting Authority," etc.

A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted **May 30, 1980**.
- (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 resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of **(10)** 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."

(Effective November 1, 2015)



(Do not write above this line.)

- (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):
- Costs to be awarded to the State Bar.
 - Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
 - Costs are entirely waived.
- (9) **ORDER OF INACTIVE ENROLLMENT:**
The parties are aware that if this stipulation is approved, the judge will issue an order of inactive enrollment under Business and Professions Code section 6007, subdivision (c)(4), and Rules of Procedure of the State Bar, rule 5.111(D)(1).

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.

(Do not write above this line.)

- (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. **See attachment, page 8.**
- (9) **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (10) **Lack of Candor/Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct, or to the State Bar during disciplinary investigations or proceedings.
- (11) **Multiple Acts:** Respondent's current misconduct evidences multiple acts of wrongdoing. See attachment, page 8.
- (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

(Do not write above this line.)

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

Additional mitigating circumstances:

No prior discipline, see page 8;

Pre-trial Stipulation, see page 8.

(Do not write above this line.)

D. Discipline: Disbarment.

E. Additional Requirements:

- (1) **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.

- (2) **Restitution:** Respondent must make restitution to _____ in the amount of \$ _____ plus 10 percent interest per year from _____. If the Client Security Fund has reimbursed _____ for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than _____ days from the effective date of the Supreme Court order in this case.

- (3) **Other:** Respondent must comply with the District Court disgorgement and civil penalty order filed December 12, 2012, affirmed by the Ninth Circuit Court of Appeals on October 3, 2016, and disgorge the funds and pay the civil penalty as required by the district court order. See attached page 7, paragraph 20.

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: Bruce Howard Haglund

CASE NUMBER: 12-O-10652

FACTS AND CONCLUSIONS OF LAW

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

Case No. 12-O-10652 (State Bar Investigation)

FACTS:

1. On February 24, 2011, the United States Securities and Exchange Commission (SEC) filed a complaint against Respondent, several co-defendants, and the co-defendants' associated business entities, *United States Securities and Exchange Commission vs. Francis E. Wilde, et al.*, 8:11-cv-00315-DOC-AJW (*SEC v. Wilde, et al.*).

2. The complaint alleged, among other things, that Francis Wilde (Wilde), Steven Woods (Woods), and Mark Gelazela (Gelazela) (the co-defendants) orchestrated two fraudulent investment schemes that falsely promised outsized returns. The complaint also alleged that Respondent aided and abetted the co-defendants.

3. On September 4, 2012, the SEC filed a Motion for Summary Judgment in *SEC v. Wilde, et al.*

4. On December 17, 2012, the federal District Court granted the SEC's Motion for Summary Judgment against all defendants including Respondent.

5. The co-defendants raised more than \$11 million from investors through "prime bank" or "high yield" investment programs. Prime bank investment schemes are common frauds in which the perpetrators solicit investments by telling prospective investors that the investors' money will be invested in high-yield bank-issued securities that are not available or even known to the general public.

6. At Wilde's direction, Respondent served as the escrow attorney for a trust account used in one of the schemes referred to as the Bank Guarantee Program.

7. Respondent allowed Wilde and the other co-defendants to tell the investors that their funds would be placed into Respondent's client trust account (CTA), until they were used to purchase the named financial instruments.

8. By using Respondent's name and Respondent's CTA, the co-defendants were able to give an air of legitimacy to the Bank Guarantee Program and gave the investors a false sense of security.

9. The investors believed that their money would remain in Respondent's CTA until the financial instruments were obtained.

10. Respondent's participation in the Bank Guarantee Program was a critical reason that the investment scheme was successful.

11. Between October 2009 and March 2010, Respondent accepted payments of approximately \$6.3 million from at least 24 investors and deposited them into the CTA that he set up for the Bank Guarantee Program. At Wilde's direction, Respondent wired each of the investors' money out of the trust account soon after it arrived. He did not maintain the investors' funds in the CTA until the financial instruments were purchased as investors had been promised.

12. The investment schemes were investment contracts and so, as a matter of law, they were "securities" which were regulated by the Securities Act of 1933 (Securities Act) and the Securities Exchange Act of 1934 (Exchange Act).

13. The co-defendants promoted the investment schemes and made material misrepresentations to the investors regarding the nature of their investments, in violation of the anti-fraud provisions of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act, and SEC Rule 10b-5.

14. Respondent aided and abetted the investment scheme by knowingly providing substantial assistance to the co-defendants who committed the primary violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act, and SEC Rule 10b-5.

15. No financial instruments were ever purchased with the investors' money. Instead, Respondent personally wired large sums of the investors' funds from the CTA to himself, Wilde, Woods, Gelazela, and their associated business entities.

16. Respondent disbursed \$472,500 to himself as fees for "legal services" for making wire transfers and payments that were not disclosed to investors.

17. Respondent knew that the investment schemes were fraudulent, because in 2007, Respondent participated in a similar investment scheme that failed and resulted in nearly all of the investors losing all of their money.

18. In addition, Respondent testified in a deposition that he participated in a Ponzi-like scheme by using much of the \$472,500 that he withdrew for himself from the CTA to repay investors from the failed 2007 investment scheme.

19. In its December 17, 2012 order granting the SEC's Motion for Summary Judgment against all defendants including Respondent, the District Court found each of the stipulated facts set forth above in paragraphs 1 through 18 and held that Respondent aided and abetted the illegal acts of the co-defendants in violation of Section 10(b) of the Exchange Act and SEC Rule 10b-5.

20. The District Court permanently barred Respondent from serving as an officer or director of a public company, ordered Respondent, Gelazela and Woods, jointly and severally, to disgorge \$6,744.083.49, and ordered Respondent to pay a civil penalty of \$6,744.083.49.

21. On October 3, 2016, the United States Court of Appeals for the Ninth Circuit affirmed the District Court's order granting summary judgment on the SEC's fraud claims and found that the District Court acted within its discretion by ordering disgorgement of the ill-gotten gains.

CONCLUSION OF LAW:

22. By knowingly aiding and abetting a fraudulent investment scheme, Respondent committed an act or acts involving moral turpitude in willful violation of California Business and Professions Code, section 6106.

ADDITIONAL FACTS RE AGGRAVATING CIRCUMSTANCES.

Multiple Acts of Misconduct (Std. 1.5(b)): Respondent's misconduct evidences multiple acts of misconduct. Respondent participated in a fraudulent investment scheme by setting up a CTA for the Bank Guarantee Program, making multiple deposits and making multiple disbursements of client funds from the CTA. In addition Respondent used funds that he obtained from the fraudulent investment scheme to repay investors who lost their money in a prior investment scheme. Respondent's misconduct therefore involved multiple acts of misconduct.

Significant Harm (Std. 1.5(j)): Respondent's participation in a fraudulent investment scheme caused significant monetary harm to the investors. The use of an attorney and use of the attorney's trust account provided an air of legitimacy to the operation and gave the investors a false sense of security. The investors believed that their money would remain in the trust account until the financial instruments were obtained, and that Respondent's participation was a critical reason that the investment schemes were successful.

ADDITIONAL FACTS RE MITIGATING CIRCUMSTANCES.

No Prior Discipline: Respondent has been practicing law since 1980 with no prior record of discipline. He is entitled to some mitigating credit for no prior discipline even where the underlying conduct is found to be serious or significant. (*In the Matter of Stamper* (Review Dept. 1990) 1 Cal. State Bar Ct. Rptr. 96, 106, fn.13.)

Pre-trial Stipulation: Respondent is entitled to mitigation for entering into a full stipulation with the Office of the Chief Trial Counsel prior to trial, thereby saving State Bar Court time and resources. (*Silva-Vidor v. State Bar* (1989) 49 Cal.3d 1071, 1079 [where mitigation credit was given for entering into a stipulation as to facts and culpability].)

AUTHORITIES SUPPORTING DISCIPLINE.

The Standards for Attorney Sanctions for Professional Misconduct provide a "process of fixing discipline" pursuant to a set of written principles to "better discharge the purposes of attorney discipline as announced by the Supreme Court." (Rules Proc. of State Bar, tit. IV, Stds. for Atty. Sanctions for Prof. Misconduct, Introduction (all further references to standards are to this source).) The primary purposes of disciplinary proceedings and of the sanctions imposed 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." (*In re Morse* (1995) 11 Cal.4th 184, 205; std. 1.3.)

Although not binding, the standards are entitled to “great weight” and should be followed “whenever possible” in determining level of discipline. (*In re Silvertown* (2005) 36 Cal.4th 81, 92, quoting *In re Brown* (1995) 12 Cal.4th 205, 220 and *In re Young* (1989) 49 Cal.3d 257, 267, fn. 11.) Adherence to the standards in the great majority of cases serves the valuable purpose of eliminating disparity and assuring consistency, that is, the imposition of similar attorney discipline for instances of similar attorney misconduct. (*In re Naney* (1990) 51 Cal.3d 186, 190.) Any discipline recommendation different from that set forth in the applicable standards should clearly explain the reasons for the deviation. (*Blair v. State Bar* (1989) 49 Cal.3d 762, 776, fn. 5.)

The sanction applicable to Respondent’s misconduct is found in standard 2.11, which applies to Respondent’s violation of California Business and Professions Code, section 6106.

Standard 2.11 provides that disbarment or actual suspension is the presumed sanction for an act of moral turpitude, dishonesty, fraud, or corruption. The degree of sanction depends on the magnitude of the misconduct, the extent to which the misconduct harmed or misled the victim, the impact on the administration of justice, if any, and the extent to which the misconduct related to the member's practice of law.

In this matter, the magnitude of Respondent’s misconduct was significant and serious. His misconduct caused significant harm to at least 24 investors. Respondent was a knowing participant in a scheme that was intended to, and did in fact, defraud investors. Respondent participated in the scheme for his own enrichment. Respondent’s knowing participation in the scheme was a critical reason that the investment scheme was successful. Respondent’s misconduct was directly related to the practice of law.

For these reasons, Respondent’s misconduct rose to the highest level of moral turpitude, and disbarment is the appropriate discipline for Respondent’s misconduct.

PENDING PROCEEDINGS

The disclosure date referred to on page 2, paragraph A(7), was December 2, 2016.

COSTS OF DISCIPLINARY PROCEEDINGS.

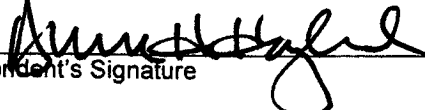
Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of December 2, 2016, the prosecution costs will be approximately \$5,816. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

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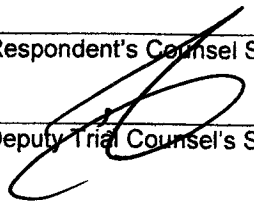
In the Matter of: BRUCE HOWARD HAGLUND	Case number(s): 12-O-10652
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SIGNATURE OF THE PARTIES

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.

16 DECEMBER 2014  Bruce Howard Haglund
Date Respondent's Signature Print Name

Date Respondent's Counsel Signature Print Name

12/21/16  Anthony J. Garcia
Date Deputy Trial Counsel's Signature Print Name

(Do not write above this line.)

In the Matter of: BRUCE HOWARD HAGLUND	Case Number(s): 12-O-10652
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DISBARMENT ORDER

Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.
- All Hearing dates are vacated.

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 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.)**

Respondent Bruce Howard Haglund is ordered transferred to involuntary inactive status pursuant to Business and Professions Code section 6007, subdivision (c)(4). Respondent's inactive enrollment will be effective three (3) calendar days after this order is served by mail and will terminate upon the effective date of the Supreme Court's order imposing discipline herein, or as provided for by rule 5.111(D)(2) of the Rules of Procedure of the State Bar of California, or as otherwise ordered by the Supreme Court pursuant to its plenary jurisdiction.

January 13, 2017
Date

Yvette D. Roland
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 January 18, 2017, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING, ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

in a sealed envelope for collection and mailing on that date as follows:

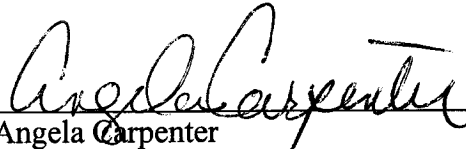
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

BRUCE HOWARD HAGLUND
BRUCE H HAGLUND PLC
20 FOXBORO
IRVINE, CA 92614

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

Anthony J. Garcia, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 18, 2017.



Angela Carpenter
Case Administrator
State Bar Court