
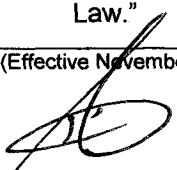


<b>PUBLIC MATTER</b> State Bar Court of California Hearing Department Los Angeles DISBARMENT		
Counsel For The State Bar  <b>Drew Massey</b> Deputy Trial Counsel 845 S. Figueroa St. Los Angeles, CA 90017 Tel: (213) 765-1204  Bar # 244350	Case Number(s): <b>15-O-15106-YDR</b> <b>15-O-15107</b> <b>15-O-15108</b> <b>15-O-15543</b> <b>16-O-13407 (inv)</b>	For Court use only  <div style="text-align: right;"> <b>FILED</b>    <b>OCT 17 2016</b>          STATE BAR COURT          CLERK'S OFFICE          LOS ANGELES       </div>
In Pro Per Respondent  <b>David Q. Meyer</b> 101 W. Broadway, Suite 1770 San Diego, CA 92101 Tel: (657) 222-0272  Bar # 287761	Submitted to: <b>Settlement Judge</b>  STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT  <b>DISBARMENT</b>  <input type="checkbox"/> PREVIOUS STIPULATION REJECTED	
In the Matter of: <b>DAVID Q. MEYER</b>  Bar # 287761  A Member of the State Bar of California (Respondent)		

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

**A. Parties' Acknowledgments:**

- (1) Respondent is a member of the State Bar of California, admitted **December 10, 2012**.
- (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 **(18)** pages, not including the order.
- (4) A statement of acts or omissions acknowledged by respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."




- (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.
- (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.

(Do not write above this line.)

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- (8)  **Harm:** Respondent's misconduct harmed significantly a client, the public, or the administration of justice. **See page 14.**
- (9)  **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct. **See page 15.**
- (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 page 14.
- (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:**                      **Inability to account for entrusted funds. See page 14.**

**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 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.

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- (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: Pretrial stipulation. See page 15.**

**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: Restitution. See pages 6 and 17.**

(Do not write above this line.)

In the Matter of: <b>DAVID Q. MEYER</b>	Case Number(s): <b>15-O-15106; 15-O-15107; 15-O-15108; 15-O-15543; 16-O-13407 (inv)</b>
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## Financial Conditions

### a. Restitution

- Respondent must pay restitution (including the principal amount, plus interest of 10% per annum) to the payee(s) listed below. If the Client Security Fund ("CSF") has reimbursed one or more of the payee(s) for all or any portion of the principal amount(s) listed below, Respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

Payee	Principal Amount	Interest Accrues From
<b>Parray &amp; Wallen Group</b>	<b>\$102,500</b>	<b>August 26, 2015</b>
<b>Hayside Consulting Ltd.</b>	<b>\$102,446</b>	<b>June 5, 2015</b>
<b>Amitkainth Ltd.</b>	<b>\$102,500</b>	<b>August 26, 2015</b>
<b>AMP</b>	<b>\$12,500</b>	<b>August 25, 2015</b>

- Respondent must pay above-referenced restitution and provide satisfactory proof of payment to the Office of Probation not later than

### b. Installment Restitution Payments

- Respondent must pay the above-referenced restitution on the payment schedule set forth below. Respondent must provide satisfactory proof of payment to the Office of Probation with each quarterly probation report, or as otherwise directed by the Office of Probation. No later than 30 days prior to the expiration of the period of probation (or period of reprobation), Respondent must make any necessary final payment(s) in order to complete the payment of restitution, including interest, in full.

Payee/CSF (as applicable)	Minimum Payment Amount	Payment Frequency

- 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.

### c. Client Funds Certificate

1. If Respondent possesses client funds at any time during the period covered by a required quarterly report, Respondent must file with each required report a certificate from Respondent and/or a certified public accountant or other financial professional approved by the Office of Probation, certifying that:
- Respondent has maintained a bank account in a bank authorized to do business in the State of California, at a branch located within the State of California, and that such account is designated as a "Trust Account" or "Clients' Funds Account";

b. Respondent has kept and maintained the following:

- i. A written ledger for each client on whose behalf funds are held that sets forth:
  1. the name of such client;
  2. the date, amount and source of all funds received on behalf of such client;
  3. the date, amount, payee and purpose of each disbursement made on behalf of such client; and,
  4. the current balance for such client.
- ii. a written journal for each client trust fund account that sets forth:
  1. the name of such account;
  2. the date, amount and client affected by each debit and credit; and,
  3. the current balance in such account.
- iii. all bank statements and cancelled checks for each client trust account; and,
- iv. each monthly reconciliation (balancing) of (i), (ii), and (iii), above, and if there are any differences between the monthly total balances reflected in (i), (ii), and (iii), above, the reasons for the differences.

c. Respondent has maintained a written journal of securities or other properties held for clients that specifies:

- i. each item of security and property held;
- ii. the person on whose behalf the security or property is held;
- iii. the date of receipt of the security or property;
- iv. the date of distribution of the security or property; and,
- v. the person to whom the security or property was distributed.

2. If Respondent does not possess any client funds, property or securities during the entire period covered by a report, Respondent must so state under penalty of perjury in the report filed with the Office of Probation for that reporting period. In this circumstance, Respondent need not file the accountant's certificate described above.

3. The requirements of this condition are in addition to those set forth in rule 4-100, Rules of Professional Conduct.

**d. Client Trust Accounting School**

- Within one (1) year of the effective date of the discipline herein, Respondent must supply to the Office of Probation satisfactory proof of attendance at a session of the Ethics School Client Trust Accounting School, within the same period of time, and passage of the test given at the end of that session.





9. Although Respondent agreed to hold funds in escrow, Respondent was unaware of the specific terms of any of the escrow agreements. Instead, he relied solely on the direction of Goldham regarding the handling of the escrow funds.

10. At no relevant time did Respondent review the escrow documents, ask to review the documents, or otherwise attempt to ascertain his responsibilities under the terms of the contracts.

11. By failing to ascertain the terms of the agreements or his duties under the contracts, and by instead taking direction from a non-attorney, Respondent acted with gross negligence in distributing escrow funds.

12. Respondent's affiliation with F&W lasted until December 2015. On December 1, 2015, Respondent accepted the last transfer of escrow funds on behalf of F&W.

13. Beginning after December 15, 2015, F&W stopped responding to e-mail inquiries from the complainants as well as from Respondent. F&W's website is no longer available online. Two letters sent to F&W by Respondent in March and April 2016 were returned by the United States Post Office as undeliverable.

Case No. 15-O-15106 (Complainant: Parry & Wallen)

FACTS:

14. Fred Gardner is the CEO of the Parry & Wallen Group ("Parry & Wallen"). Parry & Wallen was seeking a \$3 million SBLC through C&S.

15. On July 31, 2015, Parry & Wallen's attorney, George Arslanian, wired \$102,500 into Respondent's CTA. On August 4, 2015, Respondent took a fee of \$1,025 and, as requested by F&W, wired \$96,104.60 from the funds received to Bank of Oklahoma account number XXXXX4041 ("Oklahoma account").

16. On August 20, 2015, Gardner signed a contract with C&S and a "Memorandum of Understanding" with F&W. The Memorandum specifically identified Respondent by name and bar number and further contained his banking information. As part of the agreement, Parry & Wallen agreed to place the fee of \$102,500 into Respondent's CTA where it would be held in escrow. Those funds would be held in Respondent's CTA until the SBLC issued or until the parties agreed otherwise. The Memorandum indicated that if the SBLC was not acquired, Gardner would be entitled to a return of the escrow funds. The Memorandum was signed by Gardner and Goldham on behalf of F&W.

17. While entering into the agreement, Gardner believed that his money would be safely held in escrow, in part, because it was being held by a licensed attorney.

18. On August 26, 2015, at F&W's direction, Respondent transferred the remaining \$5,280.40 to an HSBC bank account numbered XXXX9613.

19. Under the contract, the money was to be held in escrow until a SBLC issued in favor of Parry & Wallen. Both the August 4, 2015 and August 26, 2015 transfers were made prior to the issuance of any SBLC. Respondent did not have the mutual consent of the parties when these transfers were made.

20. On September 3, 2015, Gardner contacted Respondent because he was concerned that no SBLC had issued. Gardner asked Respondent to confirm that Respondent continued to maintain the funds. Respondent replied that Gardner should contact Goldham but did not tell Gardner that he had disbursed the escrow funds. Gardner sent further e-mails to Respondent but Respondent did not reply.

21. Parry & Wallen has received neither the SBLC nor a return of funds.

#### CONCLUSIONS OF LAW:

22. By failing to maintain Parry & Wallen's \$102,500 in his CTA, Respondent breached his fiduciary duty to Parry & Wallen in violation of Business and Professions Code, section 6068(a).

23. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and grossly negligently misappropriated Parry & Wallen's funds in willful violation of Business and Professions Code, section 6106.

24. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and failed to maintain the entrusted funds in willful violation of Rules of Professional Conduct, rule 4-100(A).

#### Case No. 15-O-15107 (Complainant: Hayside)

#### FACTS:

25. John Peat is the director of Hayside Consulting Limited ("Hayside"). Hayside sought an SBLC in the amount of \$3 million from C&S. C&S arranged for F&W to act as the escrow.

26. On May 19, 2015, Hayside made a wire transfer in the amount of \$12,482 into Respondent's CTA.

27. On May 20, 2015, Hayside entered into a contract with C&S and a Memorandum of Understanding with F&W. Pursuant to that contract, C&S would obtain a SBLC. As part of the agreement, Hayside agreed to place the fee for that service, in the amount of \$102,500, into Respondent's CTA where it would be held in escrow. Those funds would be held in Respondent's CTA until the SBLC issued or until the parties agreed otherwise. If no SBLC issued, then Hayside was entitled to a return of its funds.

28. While entering into the agreement, Peat believed that Hayside's money would be safely held in escrow, in part, because it was being held by a licensed attorney.

29. On May 21, 2015, as directed by F&W, Respondent transferred \$11,342.98 of Hayside's funds to the Oklahoma account.

30. On May 27, 2015, Hayside made a second wire transfer in the amount of \$26,182 to Respondent's CTA. On May 28, 2015, Hayside made a third wire transfer in the amount of \$63,782 to Respondent's CTA.

31. On May 29, 2015, as directed by F&W, Respondent transferred \$78,604.39 from the funds received from Hayside into the Oklahoma account. On June 1, 2015, as directed by F&W, Respondent made a wire transfer in the amount of \$4,900 to an account at HSBC and took a fee of \$3,000. On June 5, 2015, as directed by F&W, Respondent made another wire transfer in the amount of \$4,445.63 to the Oklahoma account.

32. The May 21, 2015, May 29, 2015, June 1, 2015, and June 5, 2015 transfers were made prior to the issuance of any SBLC. Respondent did not have the mutual consent of the parties when these transfers were made.

33. Hayside has received neither the SBLC nor a return of funds.

#### CONCLUSIONS OF LAW:

34. By failing to maintain Hayside's \$102,446 in escrow, Respondent breached his fiduciary duty to Hayside in violation of Business and Professions Code, section 6068(a).

35. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and grossly negligently misappropriated Hayside's funds in willful violation of Business and Professions Code, section 6106.

36. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and failed to maintain the entrusted funds in willful violation of Rules of Professional Conduct, rule 4-100(A).

#### Case No. 15-O-15108 (Complainant: Amitkainth)

#### FACTS:

37. Davinder Kainth owns Amitkainth Limited ("Amitkainth"). Amitkainth was seeking a \$3 million SBLC from C&S. C&S elected to use F&W as the escrow.

38. On July 30, 2015, Kainth signed a Term Sheet and Conditional Collateral Loan Commitment prepared by C&S. As part of the agreement, Amitkainth agreed to place the fee of \$102,500 into Respondent's CTA where it would be held in escrow. Those funds would be held in Respondent's CTA until the SBLC issued or until the parties agreed otherwise. Under the terms of the agreement, that money would be refunded if C&S was unable to obtain the SBLC.

39. On August 3, 2015, Kainth made a wire transfer of \$12,500 into Respondent's CTA.

40. On August 18, 2015, at the direction of F&W, Respondent transferred \$10,495.96 to an account at BOKF, a separate financial institution.

41. On August 19, 2015, Kainth executed a Memorandum of Understanding with F&W that specifically stated that the funds would be maintained in Respondent's CTA until the issuance of the SBLC. The Memorandum identified Respondent by name and State Bar number and also included relevant banking information.

42. While entering into the agreement, Kainth believed that Amitkainth's money would be safely held in escrow, in part, because it was being held by a licensed attorney.

43. On August 20, 2015, Kainth made a second wire transfer in the amount of \$90,000 to Respondent's CTA.

44. On August 24, 2015, at the direction of F&W, Respondent made a second wire transfer of \$84,673.89 to an account at BOKF, a separate financial institution. On August 26, 2015, at the direction of F&W, Respondent made a third wire transfer in the amount of \$4,896.41 to an account at BOKF.

45. No SBLC was issued to Amitkainth.

46. On September 10, 2015, Kainth made a formal request to F&W for the return of the \$102,500. On September 16, 2015, Kainth was contacted by Ed Clinton at F&W and Kainth again asked for the return of the funds. On September 21, 2015, Kainth completed a form to process the refund and returned the form to F&W.

47. Amitkainth has received neither the SBLC nor a return of funds.

48. The August 18, 2015, August 24, 2015, and August 26, 2015 transfers were made prior to the issuance of any SBLC. Respondent did not have the mutual consent of the parties when these transfers were made.

#### CONCLUSIONS OF LAW:

49. By failing to maintain Amitkainth's \$102,500 in his CTA, Respondent breached his fiduciary duty to Amitkainth in violation of Business and Professions Code, section 6068(a).

50. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and grossly negligently misappropriated Amitkainth's funds in willful violation of Business and Professions Code, section 6106.

51. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and failed to maintain the entrusted funds in willful violation of Rules of Professional Conduct, rule 4-100(A).

#### Case No. 15-O-15543 (Complainant: AMP)

#### FACTS:

52. David Hodgson is the director for AMP, an engineering firm in the United Kingdom.

53. On August 17, 2015, Hodgson, on behalf of AMP, entered into a contract with C&S whereby C&S would secure a \$3 million SBLC in favor of AMP. As part of the agreement, AMP agreed to place the fee Respondent's CTA where it would be held in escrow. Those funds would be held in Respondent's CTA until the SBLC issued or until the parties agreed otherwise. If not SBLC issued, then AMP was entitled to a return of its funds.

54. While entering into the agreement, Hodgson believed that AMP's money would be safely held in escrow, in part, because it was being held by a licensed attorney.

55. On August 19, 2015, Hodgson made a wire transfer in the amount of \$12,500 to Respondent's CTA.

56. On August 25, 2015, as directed by F&W, Respondent made a wire transfer in the amount of \$10,323.39 from his CTA to the Oklahoma account.

57. Thereafter, AMP felt it prudent to assign AMP's own escrow agent for the transaction.

58. On September 10, 2015, Hodgson made a formal request via e-mail to F&W for the return of the \$12,500. On September 16, 2015, Hodgson was contacted by Clinton who confirmed receipt of this request. On September 21, 2015, Hodgson completed a Return of Funds Request form and sent it to F&W the following day by e-mail.

59. Hodgson never received a return of the funds held in escrow.

60. The August 25, 2015 transfer was made prior to the issuance of any SBLC. Respondent did not have the mutual consent of the parties when this transfer was made.

#### CONCLUSIONS OF LAW:

61. By failing to maintain AMP's \$12,500 in his CTA, Respondent breached his fiduciary duty to AMP in violation of Business and Professions Code, section 6068(a).

62. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and grossly negligently misappropriated AMP's funds in willful violation of Business and Professions Code, section 6106.

63. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and failed to maintain the entrusted funds in willful violation of Rules of Professional Conduct, rule 4-100(A).

#### Case No. 16-O-13407 (Complainant: ASAP)

64. Kazim Dikici is the owner of Avia Singapore Aircraft Parts ("ASAP") a Singapore company.

65. Dikici, on behalf of ASAP, entered into a contract with C&S whereby C&S would secure a SBLC on behalf of ASAP. As part of the agreement, ASAP agreed to place the fee into Respondent's CTA where it would be held in escrow. Those funds would be held in Respondent's CTA until the SBLC issued or until the parties agreed otherwise. If no SBLC issued, ASAP was entitled to a return of the escrow funds.

66. While entering into the agreement, Dikici believed that ASAP's money would be safely held in escrow, in part, because it was being held by a licensed attorney.

67. On August 13, 2015, ASAP made a wire transfer of \$12,500 into Respondent's CTA.

68. On August 26, 2015, at the direction of F&W, Respondent made a transfer of \$11,719.16 to a BOKF account.

69. Thereafter, ASAP sought a return of funds. ASAP made several requests to F&W prior to October 22, 2015.

70. On October 22, 2015, when no funds had been returned, Titus van Heur, on behalf of ASAP, contacted Respondent directly and requested a return of funds.

71. Respondent replied to van Heur on October 23, 2015, and indicated that Goldham was "working to get those issues resolved in a timely fashion."

72. When no funds were returned, van Heur sent additional e-mail correspondence to Respondent on November 6, 2015 requesting a return of funds. Respondent did not reply.

73. Dikici never received a return of the funds held in escrow.

74. The August 26, 2015 transfer was made prior to the issuance of any SBLC. Respondent did not have the mutual consent of the parties when this transfer was made.

#### CONCLUSIONS OF LAW:

75. By failing to maintain ASAP's \$12,500 in his CTA, Respondent breached his fiduciary duty to ASAP in violation of Business and Professions Code, section 6068(a).

76. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and grossly negligently misappropriated ASAP's funds in willful violation of Business and Professions Code, section 6106.

77. By distributing the escrow funds prior to any of the specified precedent events in the contract, and without the mutual consent of the parties, Respondent breached his fiduciary duties and failed to maintain the entrusted funds in willful violation of Rules of Professional Conduct, rule 4-100(A).

#### AGGRAVATING CIRCUMSTANCES.

**Multiple Acts of Wrongdoing (Std. 1.5(b)):** Respondent accepted funds as an escrow on behalf of third parties in five separate matters. In each case, Respondent failed to hold the funds and instead transferred them to other accounts. In each case, he violated his fiduciary duties and committed an act of moral turpitude. This constitutes multiple acts of misconduct. Multiple acts of wrongdoing are an aggravating factor. (*In the Matter of Elkins* (Review Dept. 2009) 5 Cal. State Bar Ct. Rptr. 160, 168.)

**Refusal or Inability to Account for Entrusted Funds (Std. 1.5(i)):** In his capacity as an escrow agent, Respondent received over \$300,000 in entrusted funds from five different individuals. Respondent then transferred those funds into several other accounts over which he exercised no control. As a result, Respondent is completely unable to account for the funds or determine the individuals or entities now in possession of them.

**Significant Harm to Client, Public or Administration of Justice (Std. 1.5(j)):** In each case, Respondent deprived the individuals depositing their funds into his escrow of their money. In three cases, the amount lost is over \$100,000 and the other two cases each present a loss of \$12,500. These are significant amounts. This represents specific harm to the client and is an aggravating factor. (*In the Matter of Guzman* (Review Dept. 2014) 5 Cal. State Bar Ct. Rptr. 308, 317.)

**Indifference (Std. 1.5(k)):** Respondent has taken no steps to return the funds – including that portion of the funds that he accepted as his escrow fee. Further, Respondent has not taken steps to notify law enforcement. (*In the Matter of Song* (Review Dept. 2013) 5 Cal. State Bar Ct. Rptr. 273.)

#### **MITIGATING CIRCUMSTANCES.**

**Pretrial Stipulation:** By entering into this stipulation, Respondent has acknowledged misconduct and is entitled to mitigation for recognition of wrongdoing and 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 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.) 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 2.11 presumes disbarment or actual suspension for an act of moral turpitude. Within that range, the degree of the sanction depends on, *inter alia*, the extent the misconduct harmed or misled the

victim and the extent to which it related to the attorney's practice of law. Here, the harm is substantial and the misuse of the client trust account is highly related to the practice of law.

Standard 2.12(a) states that disbarment or actual suspension is the presumed sanction for Respondent's violation of Business and Professions Code section 6068(a) when he breached his fiduciary duties.

In this matter, aggravation heavily outweighs mitigation. Respondent engaged in multiple acts. By his grossly negligent conduct, he has lost the ability to account for or find the entrusted funds. Further, he has harmed the individuals who entrusted him with those funds in an aggregate amount over \$300,000. Critically, it was his status as an attorney, and the reassurance that an attorney's client trust account brought to the harmed individuals, that encouraged them to proceed with the transaction.

Respondent acted with gross negligence in failing to review the escrow agreements and in relying on the direction of a non-attorney in determining how to handle funds. Respondent is culpable of moral turpitude and breach of fiduciary duties. Given the substantial aggravation – including significant harm to the public – disbarment is the appropriate sanction. Disbarment is appropriate to protect the public, the courts, and the legal profession; maintain the highest standards; and ensure public confidence in the profession.

Case law supports this result. In *Morales v. State Bar* (1988) 44 Cal.3d 1037, the attorney was found culpable of a breach of his fiduciary duties for removing \$23,000 from a pension fund, over which he was the fiduciary, in order to pay a personal debt. He asserted that he was simply removing his "undisputed half-interest" in the fund. In aggravation, the attorney had two prior records of discipline. The Court ordered disbarment.

Likewise, Respondent here is culpable of breaches of fiduciary duty and commingling. Whereas *Morales* involved only a single instance, Respondent's misconduct occurred over several separate matters. Further, Respondent's conduct is substantially aggravated and involves the loss of more than ten times the amount of entrusted funds.

The Supreme Court has consistently stated that misappropriation generally warrants disbarment in the absence of clearly mitigating circumstances. (*Kelly v. State Bar, supra*, 45 Cal.3d at p. 656; *Waysman v. State Bar* (1986) 41 Cal.3d 452, 457.)

The Supreme Court has imposed disbarment on attorneys with no prior record of discipline in cases involving a single misappropriation. In *Kaplan v. State Bar* (1991) 52 Cal.3d 1067, an attorney with over 11 years of practice and no prior record of discipline was disbarred for misappropriating approximately \$29,000 in law firm funds over an 8-month period. In *Chang v. State Bar* (1989) 49 Cal.3d 114, an attorney misappropriated almost \$7,900 from his law firm, coincident with his termination by that firm, and was disbarred. (*See also, In the Matter of Blum* (Review Dept. 1994) 3 Cal. State Bar Ct. Rptr. 170 [no prior record of discipline, misappropriation of approximately \$55,000 from a single client]; *In the Matter of Spaith* (Review Dept. 1996) 3 Cal. State Bar Ct. Rptr. 511 [misappropriation of nearly \$40,000, misled client for a year, no prior discipline]; *Kennedy v. State Bar* (1989) 48 Cal.3d 610 [disbarment for misappropriation in excess of \$10,000 from multiple clients and failure to return files with no prior misconduct in eight years]; and *Kelly v. State Bar, supra*, 45 Cal.3d 649 [disbarment for misappropriation of \$20,000 and failure to account with no prior discipline in seven years].)



Further, restitution is appropriate in this matter as well. Respondent's misconduct directly deprived each of the complainants of significant sums. Case law confirms this requirement. In *Coppock v. State Bar* (1988) 44 Cal.3d 665, the attorney allowed his CTA to be used by a non-attorney. The non-attorney then used the CTA to commit misconduct including misappropriating funds of a third party. Not only did the Court find culpability, but it ordered restitution saying, "restitution is also intended to compensate the victim of the wrongdoing, and to discourage dishonest and unprofessional conduct." (*Id.* at 685.) Here, Respondent likewise allowed his CTA to be directed by a non-attorney who misused it. That misuse resulted in harm to third-parties. Restitution is appropriate here as it was in *Coppock*.

**COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of September 30, 2016, the prosecution costs in this matter are \$9,820. 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.

**FURTHER RESTITUTION.**

In addition to the restitution amounts set forth on the Financial Conditions page of this stipulation, Respondent must pay the following additional restitution on the same terms as set forth on the Financial Conditions. If the Client Security Fund ("CSF") has reimbursed one or more of the payee(s) for all or any portion of the principal amount(s) identified below, respondent must also pay restitution to CSF in the amount(s) paid, plus applicable interest and costs.

<u>PAYEE</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST ACCRUES FROM</u>
ASAP	\$12,500	August 26, 2015

Respondent must pay the principal amount plus interest of 10% per annum as set forth on the Financial Conditions page of this stipulation.

(Do not write above this line.)

In the Matter of: DAVID Q. MEYER	Case number(s): 15-O-15106; 15-O-15107; 15-O-15108; 15-O-15543 16-O-13407(inv)
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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.

10-8-2016            David Meyer  
Date                      Respondent's Signature                      Print Name

\_\_\_\_\_  
Date                      Respondent's Counsel Signature                      Print Name

10-11-16            Drew Massey  
Date                      Deputy Trial Counsel's Signature                      Print Name

(Do not write above this line.)

In the Matter of: DAVID Q. MEYER	Case Number(s): 15-O-15106; 15-O-15107; 15-O-15108; 15-O-15543; 16-O-13407 (inv)
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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.

1. On page 3 of the Stipulation, at paragraph B.(8), "page 14" is deleted, and in its place is inserted "page 15".
2. On page 10 of the Stipulation, at numbered paragraph 22, line 2, "willful" is inserted between "in" and "violation".
3. On page 11 of the Stipulation, at numbered paragraph 34, line 2, "willful" is inserted between "in" and "violation".
4. On page 12 of the Stipulation, at numbered paragraph 49, line 2, "willful" is inserted between "in" and "violation".
5. On page 13 of the Stipulation, at numbered paragraph 61, line 2, "willful" is inserted between "in" and "violation".
6. On page 14 of the Stipulation, at numbered paragraph 75, line 2, "willful" is inserted between "in" and "violation".
7. On page 15 of the Stipulation, at the first paragraph at the top of the page regarding harm, line 4, "client" is deleted, and in its place is inserted "public".
8. On page 16 of the Stipulation, the fifth full paragraph beginning "Likewise . . .", line 1, "commingling" is deleted, and in its place is inserted "failure to maintain entrusted funds in his client trust account, as well as misappropriation of funds due to gross negligence."

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.)**

(Do not write above this line.)

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Respondent David Q. Meyer 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.

October 13, 2016  
Date

Rebecca Meyer Rosenberg  
REBECCA MEYER ROSENBERG, JUDGE PRO TEM  
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 October 17, 2016, 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:

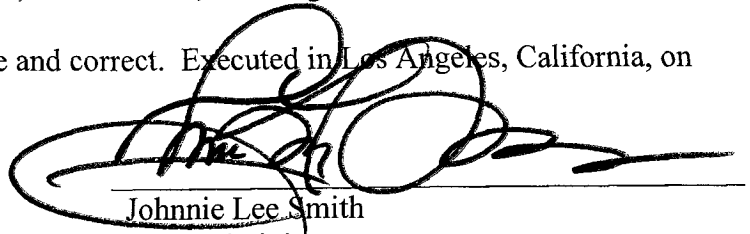
by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

**DAVID Q. MEYER  
101 W BROADWAY STE 1770  
SAN DIEGO, CA 92101**

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

**DREW MASSEY, Enforcement, Los Angeles**

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on October 17, 2016.



Johnnie Lee Smith  
Case Administrator  
State Bar Court