

ORIGINAL

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State Bar Court of California Hearing Department San Francisco ACTUAL SUSPENSION		
Counsel For The State Bar Laura Huggins Deputy Trial Counsel 180 Howard Street San Francisco, CA 94105 (415) 538-2537 Bar # 294148	Case Number(s): 16-O-12284-LMA	For Court use only PUBLIC MATTER FILED  AUG 15 2017 STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO
In Pro Per Respondent Megan Martin Halvonik 1635 Vallarta Cir Sacramento, CA 95834 (916) 519-8642 Bar # 111257	Submitted to: Settlement Judge STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING ACTUAL SUSPENSION ☐ PREVIOUS STIPULATION REJECTED	
In the Matter of: MEGAN MARTIN HALVONIK Bar # 141627 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 **July 12, 1989**.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of **17** 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".

(Effective July 1, 2015)



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- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- ☐ Until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 5.130, Rules of Procedure.
 - ☒ Costs are to be paid in equal amounts prior to February 1 for the following membership years: **Three billing cycles immediately following the effective date of the Supreme Court order.** (Hardship, special circumstances or other good cause per rule 5.132, Rules of Procedure.) If Respondent fails to pay any installment as described above, or as may be modified by the State Bar Court, the remaining balance is due and payable immediately.
 - ☐ Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
 - ☐ Costs are entirely waived.

B. Aggravating Circumstances [Standards for Attorney Sanctions for Professional Misconduct, standards 1.2(h) & 1.5]. Facts supporting aggravating circumstances are required.

- (1) ☐ **Prior record of discipline**
- (a) ☐ State Bar Court case # of prior case
 - (b) ☐ Date prior discipline effective
 - (c) ☐ Rules of Professional Conduct/ State Bar Act violations:
 - (d) ☐ Degree of prior discipline
 - (e) ☐ If Respondent has two or more incidents of prior discipline, use space provided below.
- (2) ☐ **Intentional/Bad Faith/Dishonesty:** Respondent's misconduct was dishonest, intentional, or surrounded by, or followed by bad faith.
- (3) ☐ **Misrepresentation:** Respondent's misconduct was surrounded by, or followed by, misrepresentation.
- (4) ☐ **Concealment:** Respondent's misconduct was surrounded by, or followed by, concealment.
- (5) ☐ **Overreaching:** Respondent's misconduct was surrounded by, or followed by, overreaching.
- (6) ☐ **Uncharged Violations:** Respondent's conduct involves uncharged violations of the Business and Professions Code, or the Rules of Professional Conduct.
- (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.

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- (8) ☐ **Harm:** Respondent's misconduct harmed significantly a client, the public, or the administration of justice.
- (9) ☐ **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (10) ☐ **Candor/Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct, or to the State Bar during disciplinary investigations or proceedings.
- (11) ☒ **Multiple Acts:** Respondent's current misconduct evidences multiple acts of wrongdoing. See Attachment to Stipulation, at page 12.
- (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 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 convincing proof of subsequent rehabilitation.
- (13) ☐ **No mitigating circumstances** are involved.

Additional mitigating circumstances:

No Prior Record of Discipline - See Attachment to Stipulation, at page 13.
Pre-trial Stipulation - See Attachment to Stipulation, at page 13.
Mental Health - See Attachment to Stipulation, at page 13.

D. Discipline:

(1) ☒ **Stayed Suspension:**

- (a) ☒ Respondent must be suspended from the practice of law for a period of **one (1) year**.
- i. ☐ and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and fitness to practice and present learning and ability in the general law pursuant to standard 1.2(c)(1) Standards for Attorney Sanctions for Professional Misconduct.
- ii. ☐ and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.
- iii. ☐ and until Respondent does the following:
- (b) ☒ The above-referenced suspension is stayed.

(2) ☒ **Probation:**

Respondent must be placed on probation for a period of **two (2) years**, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)

(3) ☒ **Actual Suspension:**

- (a) ☒ Respondent must be actually suspended from the practice of law in the State of California for a period of **thirty (30) days**.
- i. ☐ and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and fitness to practice and present learning and ability in the general law pursuant to standard 1.2(c)(1), Standards for Attorney Sanctions for Professional Misconduct
- ii. ☐ and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.

- iii. ☐ and until Respondent does the following:

E. Additional Conditions of Probation:

- (1) ☐ If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and present learning and ability in the general law, pursuant to standard 1.2(c)(1), Standards for Attorney Sanctions for Professional Misconduct.
- (2) ☒ During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (3) ☒ Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (4) ☒ Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
- (5) ☒ Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

- (6) ☐ Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (7) ☒ Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.
- (8) ☒ Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.
- ☐ No Ethics School recommended. Reason: .
- (9) ☐ Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.

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(10) ☐ The following conditions are attached hereto and incorporated:

- | | |
|---|---|
| ☐ Substance Abuse Conditions | ☐ Law Office Management Conditions |
| ☐ Medical Conditions | ☐ Financial Conditions |

F. Other Conditions Negotiated by the Parties:

- (1) ☒ **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. **Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 5.162(A) & (E), Rules of Procedure.**
- ☐ No MPRE recommended. Reason: _____
- (2) ☐ **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (3) ☐ **Conditional Rule 9.20, California Rules of Court:** If Respondent remains actually suspended for 90 days or more, he/she must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (4) ☐ **Credit for Interim Suspension [conviction referral cases only]:** Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension: _____
- (5) ☒ **Other Conditions: Mental Health Conditions - See Attachment to Stipulation, at pages 15-16.**

ATTACHMENT TO
STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION

IN THE MATTER OF: MEGAN MARTIN HALVONIK

CASE NUMBER: 16-O-12284-LMA

FACTS AND CONCLUSIONS OF LAW.

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

Case No. 16-O-12284 (Complainants: Iryna Kylyushyk and Scott Spriggs)

FACTS:

1. Iryna Kylyushyk ("Iryna") was injured in a car accident in June of 2015, and submitted a personal injury claim to Progressive Insurance ("Progressive"). In August of 2015, Megan Halvonik ("respondent") agreed to represent Iryna without compensation in exchange for free paralegal services. Iryna was a freelance paralegal who provided services through her company, California Legal Support, Inc. Iryna and respondent did not memorialize their agreement in writing.

2. In January of 2016, Iryna was involved in another "fender bender," which was minor and without injury. Iryna did not tell respondent about this collision. In February of 2016, respondent and Iryna got into a heated argument over Iryna's failure to inform respondent about the new collision. During this argument, respondent screamed at Iryna, called Iryna a "fraud," and threatened to report her. Respondent also stated that she would begin charging attorney fees. Iryna immediately terminated respondent and directed her to stop working on the case. Respondent stated, "That's not how this works. Now you have to pay me."

3. Iryna terminated respondent as legal counsel on February 15, 2016. From this point forward, Iryna personally negotiated her insurance claim with Progressive.

4. On February 17, 2016, Iryna called Senior Casualty Representative Anne Gasbarro ("Representative Gasbarro") to notify Progressive that respondent no longer represented Iryna and that she wanted to settle her claim for \$40,000. Representative Gasbarro called respondent's law office to confirm that she no longer represented Iryna and spoke with respondent's secretary. The secretary acknowledged that Iryna terminated respondent as legal counsel and Representative Gasbarro asked for a confirmation letter or email so that she could speak directly with Iryna. Shortly thereafter, respondent telephoned Representative Gasbarro regarding Iryna's claim. Representative Gasbarro informed respondent that Progressive could not communicate with her because Iryna had terminated respondent's services. Respondent stated that Iryna suffered from a "stress condition" and that she would have to check with Iryna to make sure that she knowingly terminated respondent's legal representation. At the time of this conversation, Progressive did not possess any evidence that Iryna suffered from a stress condition.

5. On February 23, 2016, Iryna sent respondent a cease-and-desist letter asking her to stop harassing Iryna, including the "nonstop emails, phone calls, text messages, and showing up to [Iryna's] place of business."

6. Between February 2016 and March 2016, respondent sent Iryna the following threatening text messages:

Respondent: You have failed to show me proof. I have legal remedies. You have forced me to use them. I will. I can't believe anything you say or write. Of course I can do what I am doing.

Iryna: You are a fraud. You broke the law. I reported you to the bar. I have legal remedies.

Respondent: No you don't. And a lot more. No I am not. Stolen identity and attempts to practice law without a license. Those are the charges you have. If you want to work reasonably we can. Otherwise I will bring suit against. You choose a dishonorable path. Good luck. It is a VERY poor business decision to try and stiff me.

Iryna: Megan as I said contact the insurance they have your funds. I will warn you again to stop contacting me or I will have to contact the authorities.

Respondent: As you wish. Good Luck. Lets please do.

Iryna: Stop texting me. I am now blocking your phone number and contacting the bar.

Respondent: Ditto.

Iryna: You can't contact medical providers on my case as you are no longer an attorney on it. I am calling the Bar to report you. And just an FYI the funds have not cleared yet.

Respondent: Not gonna happen. Follow the law or be reported. You misunderstood the law. Please seek to restrain my legitimate purpose for contact. You will pay Daphne her fees. Fraud.

Iryna: Insurance is the one that's issuing you your lien check therefore contact them for your payment.

Respondent: Not the 1500. The release said that it was your responsibility.

Iryna: Settlement was 40K I received 38.5 because the \$1500 was being issued directly to you from Progressive therefore please deal with them.

Respondent: You owe me 1500 or my whole fee. Your choice how reasonably this is handled.

Iryna: Your lien is to be satisfied by progressive issuing you the lien payment. Therefore

as I mentioned above contact progressive for your payment as they withheld that money from my settlement. Now I ask for you to stop contacting me.

7. On March 1, 2016, Representative Gasbarro sent a letter to respondent and Iryna confirming that Iryna settled her claim for \$40,000. The letter directed respondent to provide Progressive with any evidence of an attorney lien by March 7, 2016.

8. On March 2, 2016, Iryna informed Representative Gasbarro that she wanted Progressive to set aside \$1,500 of the \$40,000 settlement for respondent's attorney fees. Representative Gasbarro called respondent and respondent verbally agreed to settle her attorney fees for \$1,500. Representative Gasbarro told respondent that she would receive the funds once she signed a release stating that \$1,500 satisfied any and all attorney fees and/or attorney liens.

9. On March 3, 2016, Representative Gasbarro received a phone call and emails from respondent stating that she wanted more money for attorney fees. In the phone call, respondent referenced Iryna's medical information and stated that Progressive should have settled for more. Representative Gasbarro told respondent that she no longer represented Iryna and should not be negotiating on Iryna's behalf. Representative Gasbarro also clarified that she would not be sending respondent a release for the \$1,500 just yet, and instead would send respondent a draft release because Representative Gasbarro was still waiting for Iryna to send Progressive a signed release. Representative Gasbarro also told respondent that respondent's interest in Iryna's claim was now extinguished and therefore Progressive would not engage in any further negotiation with respondent.

10. On March 4, 2016, Representative Gasbarro received the signed release from Iryna and issued a settlement draft in the amount of \$38,500 to Iryna, who agreed to handle any and all medical liens. At the time of settlement, Progressive had not received and was not aware of any medical liens related to Iryna's claim. On that same date, respondent called Representative Gasbarro and demanded attorney fees in the amount of \$3,000. Representative Gasbarro talked to her manager and legal department about respondent's demand for additional attorney fees and Progressive subsequently agreed to pay respondent an additional \$1,500 (for a total of \$3,000). Representative Gasbarro sent respondent an email with a release advising respondent that Progressive agreed to pay the \$3,000 that respondent had demanded in attorney liens.

11. On March 16, 2016, respondent called Representative Gasbarro and asked for the names and email addresses of Gasbarro's supervisors. Representative Gasbarro gave respondent this information. Respondent stated that she would file a lawsuit if the supervisors did not call her back immediately. Respondent also demanded more money than the \$3,000 and informed Progressive that she was open to a higher offer. Respondent stated she would file for punitive damages and emotional distress if Progressive failed to give her the money.

12. On March 17, 2016, Representative Gasbarro called respondent and left a voice message explaining that Progressive was waiting for respondent to sign the release before disbursing the \$3,000. Respondent emailed Representative Gasbarro and stated that she would only speak with Gasbarro on the condition that Gasbarro consent to recording the call. Because of respondent's actions, Representative Gasbarro hired Scott Spriggs as legal counsel to represent Progressive in its dealings with respondent.

13. On March 18, 2016, Scott Spriggs, acting as outside legal counsel for Progressive, sent a cease and desist letter to respondent, which informed respondent that Progressive was now represented by Scott Spriggs and wanted all contact directed to his law office. Despite receiving the cease-and-desist

letter, respondent continued to send harassing emails directly to Progressive officers and board members as well as Scott Spriggs.

14. On March 21, 2016, respondent sent an email to Brian Courtney, who is the President at National Continental Insurance Company (a member of the Progressive group of companies). The subject line of the email read, "Do you wish to be involved in a SLAPP suit?"

15. On March 22, 2016, respondent sent an email to Glenn Renwick and Chuck Jarrett of Progressive Insurance stating, "This is not yet a formalized complaint to the California Department of Insurance. The formal complaint will tell how the following can be seen in the action . . . of Anne Gasbarro . . ."

16. On March 24, 2016, respondent sent an email to two of Iryna's medical providers. The subject of the email stated, "MRI for Kylyushuk/Possible Fraud Lawsuit."

Ms. Wilson, and Ms. Miracle,

Ms. Wilson just reported to me that the balance of \$4,472 is outstanding. Iryna Kylyushyk, according to Anne Gasbarro of Progressive is to satisfy this bill, and received \$38,000 weeks ago, in part, to do so. I am concerned about fraud. The manner in which I was "cut out of the process" concerns me deeply. None of the funds ever touched my hands, as I was deceived. I am having the appropriate agencies within the State Bar look into this, and am considering filing a suit in fraud and identity theft. What I can tell you is that the necessary conditions of the 8/13/15 letter never happened because of the actions that Progressive and Kylyushuk took which did not involve me. Accordingly, legally, I am not under any payment obligation. The obligation is that of Iryna Kylyushyk. Nonetheless, I will monitor the situation, and should you not be paid in full, I will add these facts to those which the State Bar is looking into regarding what is transpiring at Ca Legal Support, Inc, an organization being run by Ms. Kylyushyk.

Thank you . . .

Megan Halvonik

17. On March 31, 2016, respondent sent an email to Scott Spriggs, Glenn Renwick, and Chuck Jarrett of Progressive Insurance. The subject line of the email read, "[Anne Gasbarro's] wild statements jeopardize Progressive and Glenn Renwick dejones@insurance.ca.gov." Respondent stated in the content of the email, "Feel free to send me \$3000. But do not ask me again to ignore lienholders or I will seriously consider starting a complaint file with the California Department of [I]nsurance. dejones@insurance.ca.gov is the avenue to us making sure we get this right."

18. On April 7, 2016, respondent emailed Scott Spriggs with the subject line, "CDI on condition precedent? [Anne Gasbarro's] assurance liens would be honored by [Iryna] (1st Responders)." In this email, respondent continued to dispute that Progressive released settlement funds to Iryna on the condition that Iryna assume responsibility for satisfying any medical liens. Respondent wrote, "No. I do not believe that is accurate. At all. In fact, I believe it is a position taken in bad faith . . . Is there a government agency or two that the legislature has developed to assist us in our disagreement about the facts, and the bad faith consequences that may exist? . . . Not okay. Important issues of state involved."

19. On April 18, 2016, respondent sent an email to Scott Spriggs but addressed the email to Chuck Jarrett and Glenn Renwick. The email stated the following, "Progressive is being sued, in part, for the bad faith breach of fair dealing that was caused by Ms. Anne Gasbarro's outrageous deceit after making a legal insurance agreement with me. Every contract has a fair dealing clause in California. THOSE INVOLVING INSURANCE CAN BE HANDLED ADMINISTRATIVELY FIRST." On that same date, respondent sent another email to Scott Spriggs, and addressed the email to Chuck Jarrett and Glenn Renwick. This email stated, "Does your attorney, Mr. Spriggs, have the capacity to understand how important it is to allow Progressive, in the person of Anne Gasbarro, to defraud California's medical care providers? Do you want to "arbitrate" this issue?"

20. On April 21, 2016, respondent called Scott Spriggs to demand \$3,000 plus an additional \$22,000, and then demanded \$3,000 plus \$30,000. During this conversation, respondent claimed that she was a party to a contract with Progressive and that Progressive breached its duty of good faith and fair dealing. Respondent accused Progressive of committing offenses that are reportable to the California Department of Insurance.

21. Between March 18, 2016 and June 10, 2016, respondent sent approximately 124 harassing emails to Scott Spriggs and Progressive's officers and board members. The content of the emails varied. Some emails solely contained language from statutes. Other emails contained riddles, book excerpts, and references to cartoons. The most egregious emails accused Iryna and Progressive of defrauding Iryna's medical providers and threatened legal action with the California Department of Insurance.

22. Respondent began treatment with a psychiatrist in May 2017 and was subsequently diagnosed with a mood disorder. Prior to May 2017, and during the period of respondent's misconduct, respondent's mood disorder was untreated. Symptoms of respondent's mood disorder included impulsiveness, irritability, and distrust.

CONCLUSIONS OF LAW:

23. By divulging confidential information during the period of February 2016 – June 2016 to Iryna Kylyushyk's medical providers regarding settlement negotiations with Progressive Insurance in connection with Claim No. 152148597-LAL after respondent's legal representation of Iryna Kylyushyk had concluded, respondent failed to maintain inviolate the confidence and preserve the secrets of respondent's client, Iryna Kylyushyk, in willful violation of Business and Professions Code section 6068(e).

24. By stating to Anne Gasbarro of Progressive Insurance on February 15, 2016, that respondent's client, Iryna Kylyushyk, suffered from a stress condition and that respondent needed to make sure that this condition subsided before releasing Iryna Kylyushyk as a client, when Iryna Kylyushyk did not in fact suffer from a stress condition, respondent – who was experiencing the effects of an untreated mood disorder at the time of this statement – was grossly negligent in not knowing the statement was false, and thereby committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code section 6106.

25. By sending an email to Christine Sukel, Glenn Renwick, and Chuck Jarrett of Progressive Insurance on April 18, 2016, with the subject line, "Gasbarro/Booth Intentional Deceit 152148597," and content stating, "[Anne Gasbarro]/Progressive knew of the medical liens. I discussed the medical liens with [Anne Gasbarro] as a factor in understanding the severity of the injury. The medical liens were the

basis of a settlement offer . . . ,” respondent was grossly negligent in not knowing that Progressive was not in receipt of any medical liens and respondent thus made a false statement, and thereby committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code section 6106.

26. By sending Iryna Kylyushyk text messages between February 2016 and June 2016 that stated “Stolen identity and attempts to practice law without a license. Those are the charges you have. If you want to work reasonably we can. Otherwise I will bring suit against . . . It is a VERY poor business decision to try and stiff me . . . You owe me 1500 or my whole fee. Your choice how reasonably this is handled,” respondent threatened to present criminal, administrative, and disciplinary charges against Iryna Kylyushyk to obtain an advantage in a civil dispute with Iryna Kylyushyk, in willful violation of the Rules of Professional Conduct, rule 5-100(A).

27. By sending the emails dated March 21, 2016, March 22, 2016, March 31, 2016, April 7, 2016, April 18, 2016, and April 21, 2016 to Scott Spriggs, Glenn Renwick, Chuck Jarrett, and Brian Courtney, respondent threatened to present criminal, administrative, and disciplinary charges against Progressive Insurance to obtain an advantage in a civil dispute with Progressive Insurance, in willful violation of the Rules of Professional Conduct, rule 5-100(A).

28. By (1) informing Progressive Insurance that Iryna Kylyushyk suffered from a stress condition; (2) threatening to report Iryna Kylyushyk to the State Bar and law enforcement to gain an advantage in a billing dispute; (3) emailing Iryna Kylyushyk’s medical providers to divulge that Iryna Kylyushyk received a settlement and to express concern that Iryna Kylyushyk and Progressive Insurance defrauded medical lien holders; (4) sending emails to Progressive Insurance implying that Iryna Kylyushyk defrauded medical lien holders, and (5) pursuing claims against Progressive Insurance that were adverse to the interests of Iryna Kylyushyk, respondent breached the common law fiduciary duty of loyalty owed to respondent’s client, Iryna Kylyushyk, in willful violation of Business and Professions Code section 6068(a).

29. By sending approximately 124 harassing emails to Progressive Insurance, including Scott Spriggs, Glenn Renwick, Chuck Jarrett, and Brian Courtney, between February 2016 and June 2016, respondent committed an act involving moral turpitude, dishonesty or corruption in willful violation of Business and Professions Code section 6106.

AGGRAVATING CIRCUMSTANCES.

Multiple Acts of Wrongdoing (Std. 1.5(b)): In Iryna’s matter, respondent sent Iryna text messages that threatened to report her if she did not agree to pay attorney fees. Respondent also violated her duty of loyalty. In Scott Spriggs’ matter, respondent sent at least 124 harassing emails to Progressive officers and employees as well as Scott Spriggs. In multiple emails, respondent threatened legal action to gain advantage in a civil dispute.

ADDITIONAL FACTS RE MITIGATING CIRCUMSTANCES.

No Prior Discipline: At the time of the alleged misconduct, respondent practiced law for approximately 24 years without a prior record of discipline.¹ (See *Friedman v. State Bar* (1990) 50

¹ Respondent was admitted to the State Bar on July 12, 1989, but was on inactive status between January 1, 2000 and January 27, 2002.

Cal.3d 235, 245 [practicing for over 20 years without prior discipline is a highly significant mitigating circumstance].)

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].)

Mental Health: Respondent began treatment with a psychiatrist in May 2017 and was subsequently diagnosed with a mood disorder. Prior to May 2017, and during the period of respondent's misconduct, respondent's mood disorder was untreated. Symptoms of respondent's mood disorder included impulsiveness, irritability, and distrust. (See *In the Matter of Deireling* (Review Dept. 1991) 1 Cal. State Bar Ct. Rptr. 552, 560-561 [despite the absence of complete rehabilitation, mitigation for emotional difficulties was afforded to attorney who demonstrated steady progress towards rehabilitation].)

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).)

In this matter, respondent admits to committing seven acts of professional misconduct. Standard 1.7(a) requires that where a respondent "commits two or more acts of misconduct and the [s]tandards specify different sanctions for each act, the most severe sanction must be imposed."

Under the standards, respondent's violations of Business and Professions Codes sections 6106, 6068(a), and 6068(e) carry the most severe sanction: disbarment or actual suspension.

Standard 2.11 applies to violations of section 6106 [acts of moral turpitude], and states that the presumed sanction for an act of moral turpitude, dishonesty, fraud, corruption, intentional or grossly negligent misrepresentation, or concealment of a material fact is disbarment or actual suspension. The degree of sanction depends on the following: the magnitude of the misconduct; the extent to which the misconduct harmed or misled the victim, which may include the adjudicator; the impact on the administration of justice, if any; and the extent to which the misconduct was related to the member's practice of law.

Standard 2.12 applies to violations of section 6068(a) [duty to support the Constitution – common law duty of loyalty] and section 6068(e) [maintain inviolate client confidence], and states that disbarment or actual suspension is the presumed sanction.

Based on the totality of respondent's misconduct, while also taking into consideration factors in aggravation and mitigation, respondent should be actually suspended from the practice of law for a period of 30 days. Such a sanction represents discipline at the low end of standards 2.11 and 2.12. The misconduct at issue occurred over a span of five months and primarily involved respondent's breach of her duty of loyalty to Iryna, which snowballed into harassment of Progressive. Respondent's misconduct was not large in scale, but was related to the practice of law and forced Progressive to hire outside legal counsel at Progressive's financial expense.

Although respondent engaged in multiple acts of misconduct, an aggravating factor, respondent's mitigating circumstances support imposing discipline at the low end of standards 2.11 and 2.12. At the time of her misconduct, respondent suffered from an untreated mood disorder that impaired respondent's ability to process information and to interact in a professional setting. Since May 2017, respondent has sought treatment with a psychiatrist. Before engaging in the present misconduct, respondent practiced law for twenty-four years without a prior record of discipline, which supports the inference that respondent's untreated mood disorder contributed to her misconduct. Respondent has agreed to continue her medical treatment as described in the Mental Health Conditions addressed below. Finally, respondent demonstrated recognition of her wrongdoing by admitting culpability in her pre-trial stipulation with the State Bar. Given these mitigating circumstances, a 30-day actual suspension coupled with a lengthy period of probation, including Mental Health Conditions, is consistent with the standards.

The case law discussed below also supports a low end actual suspension.

In *In the Matter of John William Elkins* (2009) 5 Cal. State Bar Ct. Rptr. 160, Elkins received a 90-day actual suspension after he was found culpable of committing acts of moral turpitude, threatening to report individuals to various agencies to gain advantage in a civil dispute, and other misconduct. Elkins' misconduct primarily consisted of threatening voice messages that Elkins sent in connection with his father's estate and its court administration. In some messages, Elkins stated that the judicial clerk and his office were involved in "graft and corruption," and threatened to report the judicial clerk to the FBI and file a complaint with the commission on judicial performance. Respondent's messages to the public administrator called him "white trash," a "slime liar," and accused him of conspiring with and accepting bribes from mortgage companies. Respondent threatened to report the public administrator to the State Bar, the State Attorney General's Office, and the FBI. The public administrator and superior court staff feared for their safety and eventually obtained a stay-away-order against Elkins. In mitigation, Elkins

practiced law for 24 years without discipline. In aggravation, Elkins committed multiple acts of misconduct, significantly harmed the administration of justice, and lacked insight into the wrongfulness of his actions and the extent of his misconduct.

Similar to *Elkins*, respondent engaged in threats and harassment to obtain an advantage in a civil dispute, and committed acts of moral turpitude. Unlike *Elkins*, respondent's misconduct involved a client and related to her practice of law. However, the misconduct addressed in *Elkins* warranted a longer period of actual suspension due to the seriousness of the threats, the issuance of a stay-away-order, and the multiple factors in aggravation.

In summary, a 30-day actual suspension is a resolution at the low end of standards 2.11 and 2.12 that addresses respondent's underlying misconduct while also balancing the aggravating and mitigating circumstances, and is consistent with *Elkins*. Respondent's lengthy period of probation and stayed suspension will further serve to protect the public, the courts and the legal profession, maintain professional standards, and preserve public confidence in the legal profession.

DISMISSALS.

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

<u>Case No.</u>	<u>Count</u>	<u>Alleged Violation</u>
16-O-12284-LMA	Four	Business and Professions Code section 6068(f)

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of Chief Trial Counsel has informed respondent that as of July 19, 2017, the discipline costs in this matter are \$3,758. 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.

MENTAL HEALTH CONDITIONS.

Respondent, at respondent's expense, shall obtain psychiatric or psychological treatment from a duly licensed psychiatrist, clinical psychologist or clinical social worker, no less than two (2) times per month. Respondent shall commence treatment within forty five (45) days of the execution date of this agreement. Respondent shall furnish to the Office of Probation Unit, State Bar of California, at the time quarterly reports are required to be filed by the respondent with the Office of Probation, a written statement from the treating psychiatrist, clinical psychologist or clinical social worker, that respondent is complying with this condition.

Upon a determination by the treating psychiatrist, clinical psychologist or clinical social worker that respondent is no longer in need of treatment two (2) times per month, respondent shall provide, to the Office of Probation, State Bar of California, a written statement from the treating psychiatrist, clinical psychologist or clinical social worker verifying the change in number of treatment sessions per month. Upon acceptance by the Office of Probation, State Bar of California, the reduction in treatment will be permitted.

Respondent shall execute and provide the Office of Probation, State Bar of California, upon its request, with any medical waivers which shall provide access to respondent's medical records relevant to verifying respondent's compliance with this condition of probation; failure to provide and/or revocation of any medical waiver is a violation of this condition. Any medical records obtained by the Office of Probation, State Bar of California, under this paragraph, shall be confidential and shall not be disclosed except to personnel of the Office of Probation, State Bar of California, and the State Bar Court, who are involved in maintaining and/or enforcing the terms and conditions of this agreement.

EXCLUSION FROM MINIMUM CONTINUING LEGAL EDUCATION ("MCLE") CREDIT

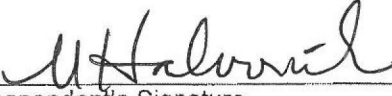
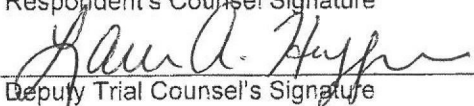
Respondent may not receive MCLE credit for completion of ethics courses ordered as a condition of her probation. (Rules Proc. of State Bar, rule 3201.)

(Do not write above this line.)

In the Matter of: MEGAN MARTIN HALVONIK	Case number(s): 16-O-12284-LMA
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SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Facts, Conclusions of Law, and Disposition.

<u>7.26.2017</u> Date	<u></u> Respondent's Signature	<u>Megan Martin Halvonik</u> Print Name
<u>7/27/2017</u> Date	<u></u> Respondent's Counsel Signature	<u>Laura Huggins</u> Print Name

(Do not write above this line.)

In the Matter of: MEGAN MARTIN HALVONIK Member No. 141627	Case Number(s): 16-O-12284-LMA
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ACTUAL SUSPENSION ORDER

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

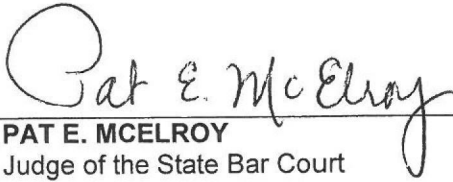
- ☐ The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- ☒ The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.
- ☐ All Hearing dates are vacated.

On page 1, the heading, Bar #, delete "111257" and replace it with "141627" as respondent's correct bar number.

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.)**

Date

August 15, 2017


PAT E. MCELROY
Judge of the State Bar Court

DECLARATION OF SERVICE

by

U.S. FIRST-CLASS MAIL / U.S. CERTIFIED MAIL / OVERNIGHT DELIVERY / FACSIMILE-ELECTRONIC TRANSMISSION

CASE NUMBER(s): **16-O-12284-LMA**

I, the undersigned, am over the age of eighteen (18) years and not a party to the within action, whose business address and place of employment is the State Bar of California, 180 Howard Street, San Francisco, California 94105, declare that:

- on the date shown below, I caused to be served a true copy of the within document described as follows:

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING – ACTUAL SUSPENSION

- ☒ **By U.S. First-Class Mail: (CCP §§ 1013 and 1013(a))**
- in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County of San Francisco.
- ☐ **By U.S. Certified Mail: (CCP §§ 1013 and 1013(a))**
- ☐ **By Overnight Delivery: (CCP §§ 1013(c) and 1013(d))**
- I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for overnight delivery by the United Parcel Service (UPS).
- ☐ **By Fax Transmission: (CCP §§ 1013(e) and 1013(f))**
Based on agreement of the parties to accept service by fax transmission, I faxed the documents to the persons at the fax numbers listed herein below. No error was reported by the fax machine that I used. The original record of the fax transmission is retained on file and available upon request.
- ☐ **By Electronic Service: (CCP § 1010.6)**
Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the person(s) at the electronic addresses listed herein below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

- ☒ *(for U.S. First-Class Mail)* in a sealed envelope placed for collection and mailing at San Francisco, addressed to: *(see below)*
- ☐ *(for Certified Mail)* in a sealed envelope placed for collection and mailing as certified mail, return receipt requested,
Article No.: _____ at San Francisco, addressed to: *(see below)*
- ☐ *(for Overnight Delivery)* together with a copy of this declaration, in an envelope, or package designated by UPS,
Tracking No.: _____ addressed to: *(see below)*

Person Served	Business-Residential Address	Fax Number	Courtesy Copy to:
Megan Martin Halvonik, Respondent	Megan Martin Halvonik		
	Megan Halvonik, Attorney at Law	Electronic Address	
	1635 Vallarta Circle Sacramento, CA 95834-2112		

- ☐ via inter-office mail regularly processed and maintained by the State Bar of California addressed to:

N/A

I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for mailing with the United States Postal Service, and overnight delivery by the United Parcel Service (UPS). In the ordinary course of the State Bar of California's practice, correspondence collected and processed by the State Bar of California would be deposited with the United States Postal Service that same day, and for overnight delivery, deposited with delivery fees paid or provided for, with UPS that same day.

I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date on the envelope or package is more than one day after date of deposit for mailing contained in the affidavit.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct. Executed at San Francisco, California, on the date shown below.

DATED: July 27, 2017

SIGNED:


Cindy Francois
Declarant

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 San Francisco, on August 15, 2017, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

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

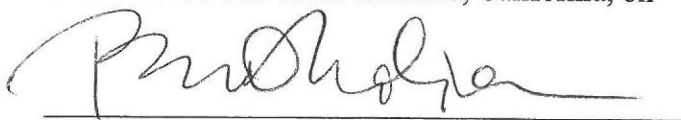
- ☒ by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:

MEGAN M. HALVONIK
MEGAN HALVONIK, ATTORNEY AT LAW
1635 VALLARTA CIR
SACRAMENTO, CA 95834 - 2112

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

LAURA HUGGINS, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on August 15, 2017.



Bernadette Molina
Case Administrator
State Bar Court