



FILED

SEP 05 2018 P.B.

STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

PUBLIC MATTER

STATE BAR COURT OF CALIFORNIA

HEARING DEPARTMENT – LOS ANGELES

In the Matter of)	Case Nos. 16-O-12838-CV (16-O-17399;
)	16-O-14400; 17-O-00244)
PAUL NATHAN TAYLOR,)	
)	DECISION AND ORDER OF
A Member of the State Bar, No. 199022.)	INVOLUNTARY INACTIVE
)	ENROLLMENT
_____)	

Respondent Paul Nathan Taylor (Respondent) was charged with nine counts of violations of the Rules of Professional Conduct and the Business and Professions Code.¹ He failed to participate, either in person or through counsel, and his default was entered. The Office of Chief Trial Counsel of the State Bar of California (OCTC) filed a petition for disbarment under rule 5.85 of the Rules of Procedure of the State Bar.²

Rule 5.85 provides the procedure to follow when an attorney fails to participate in a disciplinary proceeding after receiving adequate notice and opportunity. The rule provides that, if an attorney's default is entered for failing to respond to the notice of disciplinary charges

¹ Unless otherwise indicated, all further references to section(s) refer to provisions of the Business and Professions Code.

² Unless otherwise indicated, all references to rules are to this source.

(NDC) and the attorney fails to have the default set aside or vacated within 90 days, OCTC will file a petition requesting the court to recommend the attorney's disbarment.³

In the instant case, the court concludes that the requirements of rule 5.85 have been satisfied and, therefore, grants the petition and recommends that Respondent be disbarred from the practice of law.

FINDINGS AND CONCLUSIONS

Respondent was admitted to practice law in California on December 10, 1998, and has been a member since then.

Procedural Requirements Have Been Satisfied

On December 14, 2017, OCTC properly filed and served a notice of disciplinary charges (NDC) on Respondent by certified mail, return receipt requested, to his membership records address. The NDC notified Respondent that his failure to participate in the proceeding would result in a disbarment recommendation. (Rule 5.41.) Courtesy copy of the NDC was also sent to Respondent by regular first class mail to his membership records address. On December 26, 2017, OCTC received the signed return receipt, but the signature was not legible.

On January 5, 2018, a courtesy copy of the NDC was also sent to Respondent by email to his membership records email address. On the same day, Respondent replied to the email, acknowledging receipt of the NDC and indicating that he was ill in November and December 2017 and that he planned to respond to the NDC.

On January 23, 30, and 31, 2018, OCTC made several attempts to reach Respondent by telephone, but was unsuccessful. Respondent's official membership records telephone number was no longer in service. OCTC left two voice mails at an alternate telephone number that was

³ If the court determines that any due process requirements are not satisfied, including adequate notice to the attorney, it must deny the petition for disbarment and take other appropriate action to ensure that the matter is promptly resolved. (Rule 5.85(F)(2).)

provided in Respondent's email, informing him that a motion for entry of default would be filed if he did not file a response to the NDC. OCTC did not receive any response from Respondent.

Respondent failed to file a response to the NDC. On February 2, 2018, OCTC properly filed and served a motion for entry of Respondent's default by certified mail, return receipt requested. The motion complied with all the requirements for a default, including a supporting declaration of reasonable diligence by OCTC deputy trial counsel declaring the additional steps taken to provide notice to Respondent. (Rule 5.80.) The motion also notified Respondent that, if he did not timely move to set aside his default, the court would recommend his disbarment. On March 6, 2018, the mailing was returned as undeliverable.

On March 14, 2018, Respondent and OCTC attended a voluntary settlement conference.

Yet, Respondent did not file a response to the motion, and his default was entered on March 19, 2018. The order entering the default was served on Respondent at his membership records address by certified mail, return receipt requested. The court also ordered Respondent's involuntary inactive enrollment as a member of the State Bar under Business and Professions Code section 6007, subdivision (e), effective three days after service of the order. He has remained inactively enrolled since that time.

Respondent did not seek to have his default set aside or vacated. (Rule 5.83(C)(1) [attorney has 90 days to file motion to set aside default].)

On June 25, 2018, OCTC properly filed and served the petition for disbarment on Respondent at his official membership records address. As required by rule 5.85(A), OCTC reported in the petition that: (1) there has been no contact with Respondent since his default was entered, except when Respondent communicated with OCTC regarding two pending investigation matters on May 14, 2018, by phone, and on May 21, 24, and 29, and June 2, 2018, by email; (2) Respondent has four pending investigation matters; (3) Respondent has one prior

record of discipline; and (4) the Client Security Fund (CSF) paid a claim as a result of Respondent's misconduct in his prior record of discipline. Respondent fully reimbursed CSF in 2013. There are currently two pending CSF claims against Respondent.

Respondent has not responded to the petition for disbarment or moved to set aside or vacate the default. The case was submitted for decision on August 3, 2018.

Prior Record of Discipline

Respondent has one prior record of discipline. On July 28, 2011, Respondent was suspended for two years, the execution of which was stayed, and placed on probation for two years, with conditions of probation, including 90 days' actual suspension. Respondent's stipulated misconduct in two client matters involved failure to maintain client funds and failure to perform services competently.

The Admitted Factual Allegations Warrant the Imposition of Discipline

Upon entry of Respondent's default, the factual allegations in the NDC are deemed admitted and no further proof is required to establish the truth of such facts. (Rule 5.82.) As set forth below in greater detail, the factual allegations in the NDC support the conclusion that Respondent is culpable as charged and, therefore, violated a statute, rule or court order that would warrant the imposition of discipline. (Rule 5.85(F)(1)(d).)

Case No. 16-O-12838 (Ortuno Matter)

Count 1 – Respondent willfully violated rule 3-110(A) of the Rules of Professional Conduct (failure to perform legal services with competence) by failing to appear at the client's arraignment on March 21, 2016.

Case No. 16-O-17399 (Commingling in Chase CTA)

Count 2 – Respondent willfully violated rule 4-100(A) of the Rules of Professional Conduct (failure to maintain client funds in trust account) by making payments for personal expenses from funds in Respondent's JP Morgan Chase client trust account (Chase CTA).

Count 3 – Respondent willfully violated section 6106 (moral turpitude, dishonesty, or corruption) by issuing electronic debits drawn from the Chase CTA when Respondent knew or was grossly negligent in not knowing that there were insufficient funds in the Chase CTA to pay them.

Case No. 16-O-14400 (Citi Business Bank CTA)

Count 4 – Respondent willfully violated rule 4-100(A) of the Rules of Professional Conduct by making payments for personal and/or business expenses from funds in Respondent's Citi Business Bank client trust account (Citi Bank CTA).

Count 5 – Respondent willfully violated section 6106 by issuing electronic debits drawn from the Citi Bank CTA when Respondent knew or was grossly negligent in not knowing that there were insufficient funds in the Citi Bank CTA to pay them.

Count 6 – Respondent willfully violated section 6106 by writing checks drawn upon Respondent's Citi Bank CTA for deposit back into the same account upon which they were drawn to gain access to the courtesy cash made available by the bank, when Respondent knew or should have known that the checks would not be honored.

Counts 7 and 8 – Respondent willfully violated section 6106 by writing fraudulent checks from a nonexistent Chase account to his Citi Bank CTA to obtain the courtesy cash made available by the bank while the checks cleared and in attempt to defraud Citi Bank, when Respondent knew or should have known that the checks would not be honored.

Case No. 17-O-00244 (Chase Bank CTA)

Count 9 – Respondent willfully violated section 6106 in December 2016 by issuing a check from a nonexistent Chase account to his Chase CTA in an attempt to defraud Chase Bank.

Disbarment Is Recommended

Based on the above, the court concludes that the requirements of rule 5.85(F) have been satisfied, and Respondent's disbarment is recommended. In particular:

- (1) The NDC was properly served on Respondent under rule 5.25;
- (2) Reasonable diligence was used to notify Respondent of the proceedings prior to the entry of his default;
- (3) The default was properly entered under rule 5.80; and
- (4) The factual allegations in the NDC, deemed admitted by the entry of the default, support a finding that Respondent violated a statute, rule or court order that would warrant the imposition of discipline.

Despite adequate notice and opportunity, Respondent failed to participate in this disciplinary proceeding. As set forth in the Rules of Procedure of the State Bar, the court recommends his disbarment.

RECOMMENDATIONS

Disbarment

It is recommended that **Paul Nathan Taylor**, State Bar number 199022, be disbarred from the practice of law in California and that his name be stricken from the roll of attorneys.

California Rules of Court, Rule 9.20

It is further recommended that Respondent be ordered to comply with the requirements of California Rules of Court, rule 9.20, and to perform the acts specified in subdivisions (a) and (c)

of that rule within 30 and 40 days, respectively, after the effective date of the Supreme Court order in this proceeding.

Costs

It is further recommended that costs be awarded to the State Bar in accordance with Business and Professions Code section 6086.10, and are enforceable both as provided in Business and Professions Code section 6140.7 and as a money judgment. Unless the time for payment of discipline costs is extended pursuant to section 6086.10, subdivision (c), costs assessed against a member who is actually suspended or disbarred must be paid as a condition of reinstatement or return to active status.

ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

In accordance with Business and Professions Code section 6007, subdivision (c)(4), the court orders **Paul Nathan Taylor**, State Bar number 199022, be involuntarily enrolled as an inactive member of the State Bar of California, effective three calendar days after the service of this decision and order. (Rule 5.111(D).)

Dated: September 5, 2018



Cynthia Valenzuela
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 Court Specialist 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 September 5, 2018, I deposited a true copy of the following document(s):

DECISION AND 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:

PAUL N. TAYLOR
510 ROSARIO DR
THOUSAND OAKS, CA 91362 - 2237

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

STACIA L. JOHNS, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on September 5, 2018.



Paul Barona
Court Specialist
State Bar Court