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JUL 18 2018

STATE BAR COURT  
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LOS ANGELES

# PUBLIC MATTER

STATE BAR COURT OF CALIFORNIA

HEARING DEPARTMENT – LOS ANGELES

In the Matter of	)	Case No. 17-O-03095-YDR
	)	
	)	DECISION AND ORDER OF INVOLUNTARY
STACY LEA EDWARDS,	)	INACTIVE ENROLLMENT
	)	
	)	
<u>A Member of the State Bar, No. 176282.</u>	)	

Respondent Stacy Lea Edwards (Respondent) is charged with two counts of misconduct. She failed to participate, either in person or through counsel in this proceeding, and her default was entered. The State Bar's Office of Chief Trial Counsel (OCTC) filed a petition for disbarment under rule 5.85 of the Rules of Procedure of the State Bar.<sup>1</sup>

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 (NDC) and if 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.<sup>2</sup>



<sup>1</sup> Except where otherwise indicated, all references to rules are to the Rules of Procedure of the State Bar.

<sup>2</sup> If the court determines that any due process requirement is 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).)

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 June 1, 1995, and has been licensed to practice law in this state since that time.

#### **Procedural Requirements Have Been Satisfied**

On January 3, 2018, OCTC filed and properly served the NDC on Respondent by certified mail, return receipt requested, at Respondent's membership-records address. The NDC notified Respondent that her failure to participate in the proceeding would result in a disbarment recommendation. (Rule 5.41(B)(3).) On January 17, 2018, the assigned Deputy Trial Counsel (DTC) telephoned Respondent at her membership-records telephone number and spoke with Respondent on the telephone. Respondent acknowledged having received a number of letters from the State Bar. The DTC told Respondent that OCTC had filed an NDC against her, that an initial status conference was scheduled in the case for February 5, 2018, and that she needed to file a response to the NDC to avoid OCTC from seeking the entry of her default, which would ultimately lead to Respondent's disbarment. Respondent told the DTC that she would respond to the NDC.

Then, on January 29, 2018, the United States Postal Service (Postal Service) returned the copy of the NDC that was served on Respondent to OCTC undelivered and marked "Return to Sender—In Dispute—Unable to Forward. Later that same day, the DTC telephoned Respondent at her membership-records telephone number, but Respondent did not answer. Nonetheless, the DTC was able to leave a voicemail message for Respondent. In that message, the DTC informed Respondent that the Postal Service had returned the service copy of the NDC to OCTC

undelivered and asked Respondent to return his phone call and to provide him with an alternative mailing address so that he could send a copy of the NDC to her. Respondent did not respond to the DTC's voicemail message. Respondent did not file a response to the NDC.

On February 5, 2018, OCTC filed and served a motion for entry of default on Respondent at her membership-records address by certified mail, return receipt requested. The motion complied with all the requirements for a default, including a supporting declaration of reasonable diligence by the DTC declaring the additional steps taken to provide Respondent with actual notice of this proceeding. (Rule 5.80(B).) The motion also notified Respondent that if she did not timely move to set aside her default, the court would recommend her disbarment.

Respondent did not file a response to the motion for entry of default or a response to the NDC, and Respondent's default was properly entered on February 22, 2018. The order entering the default was properly served on Respondent at her membership-records address by certified mail, return receipt requested.

In its February 22, 2018, order entering Respondent's default, the court also ordered that Respondent be involuntarily enrolled inactive under Business and Professions Code section 6007, subdivision (e), effective three days after service of that order by mail. In accordance with that order, Respondent was involuntarily enrolled inactive on January 2, 2018, and has been continuously enrolled inactive under the court's February 22, 2018, order since that time.

Respondent did not seek to have her default set aside or vacated. (Rule 5.83(C)(1) [attorney has 90 days to file motion to set aside default].) Thus, on May 30, 2018, OCTC filed and served a petition for disbarment on Respondent at her membership-records address by certified mail, return receipt requested. (Rule 5.85(D).)

As required by rule 5.85(A), OCTC reported in the petition that: (1) Respondent has failed to contact OCTC after her default was entered on February 22, 2018; (2) there are no other

disciplinary matters pending against Respondent; (3) Respondent does not have a prior record of discipline; and (4) the Client Security Fund has not paid out any claims resulting from Respondent's misconduct.

Respondent did not respond to the petition for disbarment or move to set aside or vacate the default, and the time in which she was to do so expired on June 24, 2018. (Rules 5.28(A), 5.85(E).) The court took OCTC's petition for disbarment under submission for decision on June 28, 2018.

**The Admitted Factual Allegations Warrant the Imposition of Discipline**

Upon entry of a Respondent's default, the factual allegations in the NDC (not the conclusions of law or the charges) 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 Number 17-O-03095 (Client Trust Account Matter)**

Count One—Respondent willfully violated rule 4-100(A) of the Rules of Professional Conduct (commingling personal funds with client funds) between March 16 and April 18, 2017, when a total of \$172.68 was withdrawn from her client trust account by two automatic withdrawals for the payment of her personal expenses.

Count Two—Respondent willfully violated Business and Professions Code section 6068, subdivision (i) (failing to cooperate/participate in a disciplinary investigation) by failing to respond to three letters that she received from OCTC asking her to respond to specific allegations of misconduct involving her client trust account.

### **Disbarment is Recommended**

In light of the foregoing, the court finds that the requirements of rule 5.85(F) have been satisfied and that it is appropriate to recommend Respondent's disbarment. In particular:

- (1) the NDC was properly served on Respondent under rule 5.25;
- (2) reasonable diligence was used to notify Respondent of this proceeding before the entry of her default;
- (3) Respondent's default was properly entered under rule 5.80; and
- (4) the factual allegations in the NDC deemed admitted by the entry of Respondent's 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 will recommend disbarment.

### **RECOMMENDATIONS**

#### **Disbarment**

It is recommended that respondent Stacy Lea Edwards, State Bar number 176282, be disbarred from the practice of law in California and that her 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 rule 9.20 of the California Rules of Court 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.

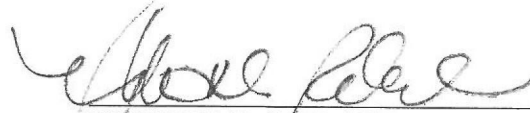
**Costs**

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

**ORDER OF INVOLUNTARY INACTIVE ENROLLMENT**

Respondent 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 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 State Bar Rules of Procedure or as otherwise ordered by the Supreme Court pursuant to its plenary jurisdiction.

Dated: July 17, 2018.



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**YVETTE D. ROLAND**  
Judge of the State Bar Court

**CERTIFICATE OF SERVICE**

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a 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 July 18, 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:

STACY L. EDWARDS  
LAW OFFICE OF STACY L. EDWARDS  
1821 KINGSTON DR  
ESCONDIDO, CA 92027 - 4040

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

Scott D. Karpf, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on July 18, 2018.

  
\_\_\_\_\_  
Angela Carpenter  
Court Specialist  
State Bar Court