

1 DAVID A. GILL (State Bar No. 32145)
dgill@dgdk.com
2 2029 Century Park East, Third Floor
Los Angeles, California 90067-2904
3 Telephone: (310) 277-0077
Facsimile: (310) 277-5735

4 Receiver

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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **WESTERN DIVISION**

11 SECURITIES AND EXCHANGE)
COMMISSION,)
12)
Plaintiff,)
13)
vs.)
14)
15 DIVERSIFIED LENDING GROUP,)
INC.; APPLIED EQUITIES, INC.; AND)
16 BRUCE FRIEDMAN,)
17)
Defendants,)
18 and)
19 TINA M. PLACOURAKIS,)
20)
21)
Relief Defendant.)
22

Case No. CV 09-01533-R-SS

**EX PARTE APPLICATION OF
RECEIVER FOR APPROVAL OF
CONTINGENCY FEE
ARRANGEMENT WITH SALL
LAW FIRM, APC, AND
WALDRON & BRAGG, LLP, FOR
CERTAIN LITIGATION;
MEMORANDUM OF POINTS
AND AUTHORITIES;
DECLARATIONS OF DAVID A.
GILL, ROBERT K. SALL AND
GARY A. WALDRON**

[No hearing requested]

23 **PLEASE TAKE NOTICE THAT I, David A. Gill, the Permanent Receiver**
24 **(the "Receiver") of Diversified Lending Group, Inc. ("DLG"), and Applied Equities,**
25 **Inc., and their subsidiaries, hereby submit my Ex Parte Application (the**
26 **"Application") to retain Sall Law Firm, APC and Waldron & Bragg, LLP ("Proposed**
27 **Malpractice Counsel"), pursuant to a contingent fee agreement, a copy of which is**
28 **attached to the Declaration of Robert K. Sall as Exhibit "2." A copy of the proposed**

1 Order on this Application is attached to the Declaration of David A. Gill as Exhibit
2 "1." This Application requests that the Court permit me to enter into a contingent fee
3 arrangement with Proposed Malpractice Counsel for certain litigation to be
4 commenced by me if they deem it appropriate against third parties as more fully
5 defined herein. The contingent fee agreement calls for payment of a total of 25% of
6 all Recoveries (as defined in the contingent fee agreement) if the matter is settled
7 before the filing of a lawsuit, 35% of all Recoveries if the matter is settled after the
8 filing of a lawsuit, up to 120 days before the first scheduled trial date, and 40% of all
9 Recoveries if the matter is resolved thereafter.

10 I believe that the contingent fee arrangement set forth herein will help to
11 preserve cash available to pay creditors and finance other activities while providing
12 fair treatment for my Proposed Malpractice Counsel. This Application specifies the
13 proposed terms of the fee arrangement and requests authority to reimburse on a
14 monthly basis actual, reasonable and necessary "hard costs" advanced in connection
15 with such investigation and litigation, and subject to reporting by me as required by
16 law and the rules of this Court.

17 The Application is based upon this Notice, the Application, the Memorandum
18 of Points and Authorities, the Declarations of David A. Gill, Robert K. Sall and Gary
19 A. Waldron attached thereto, and upon such other evidentiary matters as may be
20 presented to the Court at the time of hearing, if any.

21 **PLEASE TAKE FURTHER NOTICE** that pursuant to the prior order of this
22 Court entered May 4, 2009, this notice and Application were served upon the
23 approved Limited Service List on October 11, 2010, as reflected in my declaration.
24 No opposition has been received.

25 **PLEASE TAKE FURTHER NOTICE** that any interested party may request
26 paper or electronic copies of the entire service package by contacting me in writing,
27 and I shall comply with all such requests by first-class mail. A copy of the Omnibus
28 Order and Application can be viewed by accessing my website:

1 www.diversifiedreceivership.com. Inquiries may be directed to my office at the
2 above address, attention Ms. Jessica Ramos, Paraprofessional.

3
4 Dated: October 11, 2010


David A. Gill, Receiver

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I.**

3 **INTRODUCTION**

4 I am the Permanent Receiver of Diversified Lending Group, Inc. ("DLG"), and
5 Applied Equities, Inc., and their subsidiaries. By this motion, I seek leave to retain
6 The Sall Law Firm, APC, and Waldron & Bragg, LLP ("Proposed Malpractice
7 Counsel") on a contingent fee basis to investigate and, if appropriate, to prosecute,
8 professional liability claims against certain former counsel to Diversified and its
9 affiliates.

10 I have been unable to find competent counsel willing to handle this matter on a
11 contingency basis without reimbursement of costs advanced by counsel. The
12 proposed terms of the employment are a 100% contingency fee as set forth herein
13 plus reimbursement of actual, reasonable and necessary costs on a monthly basis. I
14 shall report all costs paid pursuant to the terms of this agreement according to law
15 and the rules of this Court.

16
17 **II.**

18 **ARGUMENT**

19 I believe, after preliminary investigation, that the receivership estate may have
20 claims against certain law firms or attorneys who provided services to Diversified
21 Lending Group, Inc., where the services aided in the Ponzi scheme or aided the
22 insiders in what I allege to constitute the looting of the business. I have entered in
23 tolling agreements with them, but these extensions are to end shortly, as early as
24 October 25, 2010. I currently have an agreement in principal to a further extension
25 but have no assurance of continued agreements to further toll the statute of
26 limitations. Hence I am under considerable pressure to retain counsel and, if I cannot
27 timely retain counsel, I will be unable to file the litigation.

1 contingency basis to handle the litigation at issue. Several of those firms declined to
2 bid at all in light of the identity of the defendants, expressing the view that they
3 would not file litigation against those professional defendants. A few law firms bid
4 the engagement on a modified contingency basis providing for payment of reduced
5 hourly rates, a contingency fee, and payment of costs as they are incurred. Not one
6 of the firms that I contacted was willing to handle this matter on a 100% contingency
7 basis including costs. Given the nature of this case and the claims to be asserted and
8 the complexity of the facts, no firm contacted by me or of which I am aware has
9 indicated a willingness to handle this litigation in the absence of reimbursement of
10 costs on a monthly basis as those costs are incurred. In my experience in this case,
11 and as an attorney, I believe that it is not unusual for such counsel to receive at least
12 reimbursement of their costs, and that experienced (and hence busy) counsel will not
13 act without such provision. As a practical matter, I have no feasible alternative at
14 this time. In my judgment the preservation of such claims justifies the request made,
15 and is reasonable.

16 I previously asked the Court for permission to retain the Sall Law Firm, APC
17 and Waldron & Bragg, LLP to represent me in advising whether I had cognizable
18 malpractice claims against certain persons and entities not identified in that
19 document. The matter was noticed for hearing, and no objections were filed.
20 However, the Court took the matter off calendar, perhaps out of concern over a cost
21 retainer that had been requested. The Court gave me permission to file an ex parte
22 motion with additional information and a new proposal if I so wished. Proposed
23 Malpractice Counsel have now agreed, at my request, to waive the requirement of a
24 deposit for costs, but are not willing to waive reimbursement of hard costs actually,
25 reasonably and necessarily advanced on a current basis. They understand that all of
26 my payments are subject to confirmation of the court at a later date in connection
27 with my accounting or in some other appropriate manner.

28

1 My general counsel, Danning Gill Diamond & Kollitz, LLP, and my special
2 counsel, Susman Godfrey LLP, do not generally pursue legal malpractice claims.
3 Proposed Malpractice Counsel have substantial experience and are considered
4 experts in pursuing legal malpractice claims. Mr. Sall has been prosecuting legal
5 malpractice claims for 30 years, and has acquired a substantial reputation in that
6 field. He has experience in prosecuting hundreds of such claims, as well as
7 defending lawyers in such cases and serving as an expert witness. As indicated by
8 his supporting declaration and professional resume, Mr. Sall has a powerful
9 background in legal malpractice, legal ethics and attorney-client fee disputes.

10 Due to the complexity of these matters and the anticipated time commitment in
11 prosecuting them, Mr. Sall has proposed to associate with another attorney, Gary A.
12 Waldron, of Waldron & Bragg, LLP, who has extensive civil trial experience in
13 business law matters. Mr. Waldron has 30 years experience as a trial attorney and
14 has tried over 100 cases to verdict, including over 35 jury trials. Mr. Sall and Mr.
15 Waldron have worked together as co-counsel in the past, including the trial of a
16 business tort case in 2008 that resulted in a \$9 million judgment. Mr. Sall has
17 indicated to me that the difficulty of these legal malpractice cases is anticipated to be
18 such as to require the resources of both Mr. Sall's firm and Mr. Waldron's firm, and
19 hence the proposed association of counsel.

20 I am informed and believe that costs in legal malpractice matters can be higher
21 than costs in ordinary commercial litigation. I am informed that legal malpractice
22 cases are particularly difficult to handle on a contingent fee basis, because it is often
23 necessary to try several cases, first being the liability of the attorney, and then the
24 proof of what would have happened differently if the attorney had not engaged in the
25 wrongful conduct. That is often referred to as the "case within the case." Legal
26 malpractice cases are complex because of having to prove these multiple underlying
27 matters, in addition to the defendant attorney's negligence or breach of fiduciary
28 duty. I am informed that legal malpractice claims are typically vigorously and

1 expensively defended, and from my own contacts with certain possible defendants,
2 this will most certainly be the case. It is difficult to find attorneys who are willing to
3 handle complex business related legal malpractice claims. Although I am sure that
4 there must be such, I am not aware of any lawyers of the caliber and experience
5 needed in this matter who are willing to advance costs in such claims, without
6 current reimbursement by the client, and am facing imminent time related problems.

7 I believe that the risk that many such lawyers are willing to take in complex
8 contingency matters is of compensation for their time invested in the case, not the
9 costs. They are in essence financing the case with their time, a principle that is
10 discussed at length in a California appellate court decision, *Cazares v. Saenz*, 208
11 Cal. App. 3d 279, 287-288 (1989). As noted in *Cazares*, another contingency risk is
12 that the lawyer agrees to delay receiving his fee until the conclusion of the case,
13 which is often years into the future, and runs the risk that the amount recovered will
14 yield a percentage fee that does not provide adequate compensation. *Id.*, at 288. In
15 addition, the lawyer in effect "finances the case" for the client during the pendency of
16 the litigation, with the lawyers' time and the work of their staff. *Id.*

17 I expect that these legal malpractice cases, if filed, will be vigorously
18 defended, especially if brought against at least one major national law firm. Because
19 of this investment of time and risk, I have been informed by Mr. Sall that his firm,
20 like many contingency lawyers, is not willing to advance the substantial costs that
21 will be incurred in legal malpractice cases until the end of the case, and therefore
22 expect the client to pay the costs currently.

23 I must deal with costs in the proposed contingent fee agreement. By law, the
24 timing and responsibility for costs must be made a matter of the agreement between
25 the client and counsel. California Business and Professions Code section 6147(a)(2)
26 requires that a contingency fee agreement set forth "how disbursements and costs
27 incurred in connection with the prosecution or settlement of the claim will affect the
28 contingency fee and the client's recovery." The issue of costs in a contingent fee

1 incurred in connection with the prosecution or settlement of the claim will affect the
2 contingency fee and the client's recovery." The issue of costs in a contingent fee
3 case is a matter of contract between the attorney and the client, and is governed in
4 part by case law and the Rules of Professional Conduct. Rule 4-200 of the Rules of
5 Professional Conduct generally prohibits a member of the bar from paying the
6 expenses of a client, but does not prohibit advancing costs for a litigation matter.
7 Unless the fee agreement expressly provides otherwise, the client must reimburse the
8 attorney for expenses and costs of suit paid or incurred on the client's behalf. *Cooley*
9 *v. Miller & Lux*, 156 Cal. 510, 525-526 (1909).

10 I have negotiated the proposed contingent fee agreement with Proposed
11 Malpractice Counsel to waive any deposit of funds for costs. The proposed
12 contingent fee agreement provides that the attorneys may reasonably advance
13 necessary costs on a short term basis, but will be reimbursed by the estate currently.
14 This is the same arrangement I made, with Court approval, with Susman Godfrey
15 LLP, relative to other litigation. Of course, all of my disbursements are subject to
16 review by the Court of my compliance with the terms of employment including the
17 reasonableness and necessity thereof. I will continue to report on all of these in my
18 semi-annual reports and at other times.

19 I have attempted to and cannot persuade Proposed Malpractice Counsel to bear
20 the costs of investigation and, if appropriate, litigation, and to wait until eventual
21 resolution of the case to be reimbursed their costs. Indeed, I feel that this would be
22 unfair to them, given the magnitude of the task before them and the overall
23 contingency risks they are undertaking.

24 Tolling agreements I have with several lawyers and law firms expire starting
25 on October 25, 2010, although I have an agreement to extend in principal with one of
26 the firms. If I cannot retain expert counsel, I may be forced to abandon these claims.

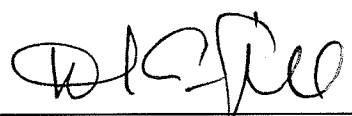
27 Accordingly, I request that the Court approve the revised Contingent Fee
28 Agreement, a copy of which is attached to the Sall Declaration as Exhibit "2".

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III.
CONCLUSION

Based on the foregoing, I respectfully request entry of an order: (a) granting this Application; (b) approving the employment of the Proposed Malpractice Counsel as set forth herein; and (c) for all other appropriate relief.

Dated: October 11, 2010



David A. Gill, Receiver

1 the view that they would not file litigation against those professional defendants. A
2 few law firms bid the engagement on a modified contingency basis providing for
3 payment of reduced hourly rates, a contingency fee, and payment of costs as they are
4 incurred. Not one of the firms that I contacted was willing to handle this matter on a
5 100% contingency basis including costs. Given the nature of this case and the claims
6 to be asserted and the complexity of the facts, no firm contacted by me or of which I
7 am aware has indicated a willingness to handle this litigation in the absence of
8 reimbursement of costs on a monthly basis as those costs are incurred. In my
9 experience in this case, and as an attorney, I believe that it is not unusual for such
10 counsel to receive at least reimbursement of their costs, and that experienced (and
11 hence busy) counsel will not act without such provision. As a practical matter, I
12 have no feasible alternative at this time. In my judgment the preservation of such
13 claims justifies the request made, and is reasonable.

14 6. I previously asked the Court for permission to retain the Sall Law Firm,
15 APC and Waldron & Bragg, LLP ("Proposed Malpractice Counsel"), to represent me
16 in advising whether I had cognizable malpractice claims against certain persons and
17 entities not identified in that document. The matter was noticed for hearing, and no
18 objections were filed. However, the Court took the matter off calendar, perhaps out
19 of concern over a cost retainer that had been requested. The Court gave me
20 permission to file an ex parte motion with additional information and a new proposal
21 if I so wished. Proposed Malpractice Counsel have now agreed, at my request to
22 waive the requirement of a deposit for costs, but are unwilling to waive
23 reimbursement of hard costs actually, reasonably and necessarily advanced on a
24 current basis. I am advised that they understand that all of my payments are subject
25 to confirmation of the court at a later date in connection with my accounting or in
26 some other appropriate manner.

27 7. My general counsel, Danning, Gill, Diamond & Kollitz, LLP, and my
28 special counsel, Susman Godfrey LLP, do not generally pursue legal malpractice

1 claims. Proposed Malpractice Counsel have substantial experience and are
2 considered experts in pursuing legal malpractice claims. Mr. Sall has been
3 prosecuting legal malpractice claims for 30 years, and has acquired a substantial
4 reputation in that field. He has experience in prosecuting hundreds of such claims, as
5 well as defending lawyers in such cases and serving as an expert witness. As
6 indicated by his supporting declaration and professional resume, Mr. Sall has a
7 powerful background in legal malpractice, legal ethics and attorney-client fee
8 disputes.

9 8. Due to the complexity of these matters and the anticipated time
10 commitment in prosecuting them, Mr. Sall has proposed to associate with another
11 attorney, Gary A. Waldron, of Waldron & Bragg, LLP, who has extensive civil trial
12 experience in business law matters. Mr. Waldron has 30 years experience as a trial
13 attorney and has tried over 100 cases to verdict, including over 35 jury trials. Mr.
14 Sall and Mr. Waldron have worked together as co-counsel in the past, including the
15 trial of a business tort case in 2008 that resulted in a \$9 million judgment. Mr. Sall
16 has indicated to me that the difficulty of these legal malpractice cases is anticipated
17 to be such as to require the resources of both Mr. Sall's firm and Mr. Waldron's firm,
18 and hence the proposed association of counsel.

19 9. I am informed and believe that costs in legal malpractice matters can be
20 higher than costs in ordinary commercial litigation. I am informed that legal
21 malpractice cases are particularly difficult to handle on a contingent fee basis,
22 because it is often necessary to try several cases, first being the liability of the
23 attorney, and then the proof of what would have happened differently if the attorney
24 had not engaged in the wrongful conduct. That is often referred to as the "case
25 within the case." Legal malpractice cases are complex because of having to prove
26 these multiple underlying matters, in addition to the attorney's negligence or breach
27 of fiduciary duty. I am informed that legal malpractice claims are typically
28 vigorously and expensively defended, and from my own contacts with certain

1 possible defendants that this will most certainly be the case. It is difficult to find
2 attorneys who are willing to handle complex business related legal malpractice
3 claims. Although I am sure that there must be such, I am not aware of any lawyers
4 of the caliber and experience needed in this matter who are willing to advance costs
5 in such claims, without current reimbursement by the client.

6 10. I expect that these legal malpractice cases, if filed, will be vigorously
7 defended, especially if brought against at least one major national law firm. Because
8 of this investment of time and risk, I have been informed by Mr. Sall that his firm,
9 like many contingency lawyers, is not willing to advance the substantial costs that
10 will be incurred in legal malpractice cases until the end of the case, and therefore
11 expect the client to pay the costs currently.

12 11. I have negotiated the proposed contingency fee agreement with
13 Proposed Malpractice Counsel to waive any deposit but to provide that the attorneys
14 may reasonably advance necessary costs on a short term basis, but will be
15 reimbursed by the estate currently. This is the same arrangement I made, with Court
16 approval, with Susman Godfrey LLP, relative to other litigation. Of course all of my
17 disbursements are subject to review by the Court of my compliance with the terms of
18 employment including the reasonableness and necessity thereof. I will continue to
19 report on all of these in my semi-annual reports and at other times.

20 12. I have attempted to and cannot persuade Proposed Malpractice Counsel
21 to bear the costs of investigation and, if appropriate, litigation, and to wait until
22 eventual resolution of the case to be reimbursed their costs. Indeed, I feel that this
23 would be unfair to them, given the magnitude of the task before them, and the overall
24 contingency risks they are undertaking.

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1 13. Attached hereto as Exhibit "1" is the proposed order approving the
2 Application.

3 14. My general counsel, Danning, Gill, Diamond & Kollitz, LLP
4 ("Danning-Gill"), served notice of the proposed notice and Application to the
5 Limited Service List and by posting the notice and the Application on the
6 receivership website at www.DiversifiedReceivership.com.

7 15. On October 11, 2010, all parties on the Limited Service List were
8 notified of this Court's ex parte procedure as set forth in *Order Re Notice to Counsel*,
9 at paragraph 3. The parties were advised that any opposition to the Application must
10 be filed with the Court within twenty-four hours of receiving the filed Application.
11 No opposition has been received.

12
13 I declare under penalty of perjury under the laws of the United States of
14 America that the foregoing is true and correct.

15 Executed at Los Angeles, California, on October 11, 2010.

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18 _____
19 DAVID A. GILL

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1 6. The Firm has agreed with the Receiver to work on the investigation,
2 and if appropriate, the prosecution of the matters described in the Application,
3 against the target parties, in association with the law firm of Waldron & Bragg, LLP,
4 with both firms working together as Associated Counsel. I have proposed to work in
5 association with Gary A. Waldron of Waldron & Bragg, because I anticipate that the
6 time and effort involved will be substantial, and that the staffing and resources of
7 both our law firms will be necessary to investigate and prosecute the matters
8 described in the proposed fee agreement. Mr. Waldron and I have worked together in
9 a number of matters, including the trial of a business tort case in 2008 that resulted in
10 a \$9 million judgment. Mr. Waldron has extensive civil trial experience in business
11 law matters, 30 years experience as a trial attorney and has tried over 100 cases to
12 verdict, including over 35 jury trials.

13 7. I will be the attorney at the Firm who will be principally responsible
14 for performing the legal services on behalf of the Receiver. My current professional
15 resume is attached hereto as Exhibit 3, incorporated herein by this reference. I have
16 substantial experience in professional liability matters and prosecuting claims against
17 law firms. During the past thirty years, I have prosecuted hundreds of legal
18 malpractice claims, and have substantial experience in attorney-client fee disputes,
19 breach of fiduciary duty claims involving lawyer conduct, serving as an expert
20 witness in legal malpractice matters and fee disputes, and in defending claims against
21 lawyers. The Firm will also utilize the services of its associate attorneys, who work
22 under my direct supervision.

23 8. In the negotiations with the Receiver for this proposed engagement, I
24 informed the Receiver that the Firm, and Mr. Waldron's firm, would not accept the
25 engagement if required to advance costs the reimbursement of which would be
26 delayed until, or contingent upon, the outcome of the case. Mr. Waldron and I, and
27 our respective firms, are willing to take on the contingent risk of advancing our time,
28 and the professional time of our attorneys and staff, in which we delay the receipt of

1 any compensation until the contingent outcome of the case. We would be in effect
2 financing the case with the advancement of our time. However, as a matter of policy,
3 we do not generally advance costs that are contingent upon the recovery, and are not
4 willing to do so in this matter. I have informed the Receiver that costs in legal
5 malpractice matters can be higher than costs in ordinary commercial litigation. I
6 have informed the Receiver that legal malpractice cases are particularly difficult to
7 handle on a contingent fee basis, because of their complexity and that it is often
8 necessary to try the “case within the case” approach, being the liability of the
9 attorney, and then the proof of what would have happened differently if the target
10 party had not engaged in the wrongful conduct. Legal malpractice claims typically
11 are vigorously and expensively defended. It is often difficult to find attorneys
12 willing to handle complex business related legal malpractice claims on a contingent
13 fee basis, and in my experience, few are willing to advance costs in such claims
14 without current reimbursement by the client.

15 9. In the proposed team effort with the Firm and Mr. Waldron’s firm as
16 associated counsel, there is an agreement to share the contingent fee compensation,
17 which has been fully disclosed to the Receiver, and set forth in the proposed
18 Retention Agreement, attached as Exhibit 2. As specified by Rule 2-200 of the
19 California Rules of Professional Conduct, the written consent of the Receiver is
20 required to such fee sharing, subject only to the Court’s approval of this Application.
21 In essence, the fee sharing agreement provides for the Firm and Waldron & Bragg,
22 LLP to jointly investigate prosecute the action or actions as Associated Counsel, and
23 to share the contingent fees on a proration of time and dollar value spent by each of
24 the lawyers and paralegals in the respective firms. Except for this fee sharing
25 arrangement, there is no other agreement to share any compensation for this
26 engagement with any other person except as among the employed attorneys and
27 contract attorneys of the Firm.

28

1 7. Waldron & Bragg, LLP has agreed to work on the prosecution of the
2 matters described in the Application, along with The Sall Law Firm, working
3 together as Associated Counsel. In such team effort, there is an agreement to share
4 the contingent fee compensation, which has been fully disclosed to the Receiver, and
5 consent of the Receiver has been obtained in writing, as required by Rule 2-200 of
6 the California Rules of Professional Conduct, subject only to the Court's approval of
7 this Application. In essence, the fee sharing agreement provides for The Sall Law
8 Firm and Waldron & Bragg, LLP to jointly prosecute the action or actions as
9 Associated Counsel, and to share the contingent fees on a proration of time spent by
10 each of the lawyers and paralegals in the respective firms. Except for this fee sharing
11 arrangement, there is no other agreement to share any compensation for this
12 engagement with any other person except as among the employed attorneys and
13 contract attorneys of Waldron & Bragg, LLP.

14 8. I will be the attorney at Waldron & Bragg, LLP who will be principally
15 responsible for performing the legal services on behalf of the Receiver. I have
16 substantial experience both in prosecuting and as an expert witness in professional
17 liability matters and prosecuting claims against law firms. Waldron & Bragg, LLP
18 will also utilize the services of my partner, Sherry Bragg and associate attorneys,
19 including Jacob Gonzales and/or Katherine Meliski to assist with the legal services.
20 I have tried over 100 cases to verdict or a judgment, including over 35 jury trials. I
21 have 30 years of experience as a trial attorney and am an honors graduate from the
22 Law School of the University of Kansas. I am a Past President of the Orange County
23 section of the Association of Business Trial Lawyers and am admitted to ABOTA. I
24 am a member of the American College of Trial Attorneys. I have been designated as
25 a Southern California "Super Lawyer" from 2005 through the present. I am also Past
26 President of the Board of Governors of the University of Kansas School of Law and
27 was honored with its Distinguished Alumni Award in 2005. Sherry S. Bragg, a
28 UCLA Law School (and undergraduate school) graduate and a partner in Waldron &

1 Bragg, has been a litigator for 23 years. Jacob Gonzales is currently an associate in
2 Waldron & Bragg who will be elevated to non-equity partner status shortly. He has
3 tried a number of cases, including experiencing considerable success in two recent
4 jury trials.

5 9. The terms and source of the proposed compensation and
6 reimbursement of Waldron & Bragg, LLP and of The Sall Law Firm set forth in the
7 proposed Retention Agreement, attached as Exhibit 2 to the Declaration of Robert K.
8 Sall, are hereby incorporated herein by this reference.

9
10 I declare under penalty of perjury under the laws of the United States of
11 America that the foregoing is true and correct.

12 Executed at Newport Beach, California, on October 11, 2010.

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15 GARY A. WALDRON

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Exhibit 1

1 David A. Gill, Receiver
2 2029 Century Park East, Third Floor
3 Los Angeles, California 90067-2904
4 Telephone: (310) 277-0077
5 Facsimile: (310) 277-5735

6 Receiver

7
8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
10 **WESTERN DIVISION**

11 SECURITIES AND EXCHANGE)
12 COMMISSION,)

13 Plaintiff,)

14 vs.)

15 DIVERSIFIED LENDING GROUP,)
16 INC.; APPLIED EQUITIES, INC.; AND)
17 BRUCE FRIEDMAN,)

18 Defendants,)

19 and)

20 TINA M. PLACOURAKIS,)
21)
22)

23 Relief Defendant.)

Case No. CV 09-01533 R (SSx)

**[PROPOSED] ORDER
APPROVING CONTINGENCY
FEE ARRANGEMENT WITH THE
SALL LAW FIRM, APC, AND
WALDRON & BRAGG, LLP FOR
CERTAIN LITIGATION**

[No Hearing Set]

24 Having considered the Receiver's *Ex Parte Application of Receiver for*
25 *Approval of Contingency Fee Arrangement with the Sall Law Firm, APC, and*
26 *Waldron & Bragg, LLP For Certain Litigation; Memorandum of Points and*
27 *Authorities; Declarations of David A. Gill and Robert K. Sall ("Ex Parte*
28 *Application") and for good cause appearing,*

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IT IS HEREBY ORDERED that:

- A. The Ex Parte Application is GRANTED.
- B. The Receiver is authorized to employ and pay The Sall Law Firm ("Sall Firm") and the law firm of Waldron & Braggs, LLP ("Waldron Firm") (collectively, "Malpractice Counsel"), on a contingency compensation basis as set forth in the Ex Parte Application.
- C. The Receiver is authorized to reimburse actual, reasonable and necessary costs advanced by Malpractice Counsel.
- D. The Receiver shall account for all such disbursements according to law.
- E. The Receiver is authorized to execute all documents and otherwise take all actions the Receiver deems necessary and appropriate to effectuate the employment and compensation of Malpractice Counsel;
- F. The form and manner of notice of the Ex Parte Application provided by the Receiver is appropriate.

Dated: October __, 2010

MANUEL L. REAL
United States District Judge

Exhibit 2

ATTORNEY-CLIENT FEE CONTRACT
(Contingency - Litigation)
October 11, 2010

This document (the "Agreement") is the written fee contract that California law requires lawyers to have with their clients. WALDRON & BRAGG, LLP, A California Limited Liability Partnership, and THE SALL LAW FIRM, A Professional Corporation (collectively referred to as "we", "us" or "Attorneys") will provide legal services to DAVID A. GILL, SOLELY IN HIS CAPACITY AS RECEIVER OF DIVERSIFIED LENDING GROUP, INC. (collectively referred to as "you" or "Client") on the terms set forth below.

The law firms of Waldron & Bragg, LLP, 23 Corporate Plaza Drive, Suite 200, Newport Beach, California 92660 and The Sall Law Firm, A Professional Corporation, 32351 Coast Highway, Laguna Beach, California 92651, will jointly represent Clients in the investigation, and prosecution (if deemed appropriate, after consultation with client) of a lawsuit or lawsuits asserting claims for professional negligence, aiding and abetting, and/or breach of fiduciary duty against the law firms of [REDACTED] and [REDACTED] (the "Matters"), on the terms set forth in this Agreement.

This letter constitutes our joint agreement with you setting forth the terms of our representation. This Agreement does not provide for any legal services in connection with any other legal issues or matters other than the Matters identified above. We shall have no duties or responsibilities as general counsel to You.

You understand that results of litigation cannot be forecast and no definite outcome in this case has been guaranteed or predicted by either of our law firms.

1. CONDITIONS. This Agreement shall not take effect, and we shall have no obligation to perform legal services, until the Court has approved our employment, and you have signed this Agreement.

2. SCOPE OF SERVICES. Our representation of you in the Matters will be handled as a joint investigation, and potentially, a prosecution of litigation by two law firms, including the services of Robert K. Sall and The Sall Law Firm, APC, and Gary A. Waldron and Waldron & Bragg, LLP, as well as various partners and associates of said firms. The law firms will share tasks and allocation of work as determined from time to time by the two lead counsels, Robert K. Sall and Gary A. Waldron.

In connection with the above contemplated representation, we will provide those legal services reasonably required to represent you in the Matters through trial and post-trial motions. We will take reasonable steps to keep you informed of progress and to respond to your inquiries.

Our representation of you is limited in several particulars. Upon entry of judgment in the trial court, our representation shall terminate, unless you and we make a further agreement in

writing. Our representation does not include, and we are not obligated to provide, any representation in connection with bankruptcy matters, receivership proceedings, writs, or appeals. In addition, we do not provide tax advice, will not provide any advice regarding the tax implications of any matter in which we do represent you. You agree that in bankruptcy matters, receivership proceedings, tax issues, writs and appeals, you are not relying upon us to provide any legal advice. We will not provide any tax advice, and should such advice be necessary, you agree to consult with other counsel. In the event that representation becomes necessary in the area of bankruptcy matters, receivership proceedings, writs and/or appeals, we will confer with you about such matters and either refer you to other counsel, or consult about expanding the scope of our representation on such further terms as we and you may agree in a separate agreement, subject to our determination that we are qualified or able to handle such matters.

The defense of cross-complaints is not included in our contingent representation. We are not undertaking at this time to defend you in any cross-complaints that may be brought. If a cross-complaint is filed against you in any of the Matters, it may be necessary for you to retain other counsel or to pay hourly fees for the defense of such cross-complaint.

Because of distance and workload considerations, the representation of each law firm in this representation is expressly conditioned upon the continuing involvement of the other law firm as co-counsel. Should you terminate the involvement of either Waldron & Bragg, LLP or The Sall Law Firm, the other firm will have grounds to withdraw from your representation if it elects to do so. The representation expressly contemplates the shared workload and continuing involvement of both law firms on the terms set forth herein.

3. CLIENTS' DUTIES. You agree to be truthful with us, to cooperate, to keep us informed of developments to abide by this Agreement, to pay our cost bills on time and to keep us advised of your address, telephone number and whereabouts.

4. LEGAL FEES. The investigation and prosecution of Clients' claims in the Matters shall be on a contingency fee basis, in which you shall also be responsible to pay all litigation costs (described in paragraphs 5 below.) The contingency fee described below is calculated upon the Gross Recovery, and there will be no adjustment for the amount of costs that have been incurred. The contingency fee shall be calculated as follows.

The term "Recovery" shall include the gross amount of any monies or other consideration obtained from defendants, or their sureties, whether by judgment, settlement, levy or otherwise and includes any monies obtained as a refund or disgorgement of fees previously paid to either [REDACTED] and [REDACTED], et al, and/or as a distribution from any sums that may be held in those law firms' trust accounts, or as an award of attorney's fees, costs, interest or damages of any kind. If a portion of the recovery is non-monetary, but has monetary value, the recovery shall include the reasonable value of the non-monetary recovery, as determined by the party's agreement, or if they cannot agree, by reasonable appraisal.

Stage 1: The contingency fee shall be 25% of the Recovery if any of the Matters are settled before the filing of a lawsuit, to be shared by Attorneys as described below;

Stage 2: If a lawsuit or lawsuits have been filed and if the matter is settled between the date of filing and that date which is 120 days before the date first scheduled for trial, then the contingency fee would be 35% of the Recovery, to be shared by Attorneys as described below;

Stage 3: If the matter has not settled by the 120th day before the date first set for trial, then the contingency fee will increase to 40% of the Recovery, to be shared by Attorneys as described below;

For purposes of calculating the fee, the Recovery is not reduced or adjusted by any amount expended by the Client for costs. For example, if the Client pays \$100 for costs, and the case settles for \$1,000, the Recovery is \$1,000 and the contingent fee is based upon that amount without regard to the sums spent for costs. If the case goes to trial and the verdict is \$1,500 plus an award of \$100 in costs, the Recovery is \$1,600 and the contingent fee is based upon that amount without regard to the sums spent for costs.

The fee agreed to herein is not set by law, and is negotiable between Attorneys and Client. Refer to Business and Professions Code Section 6147. The above described fee is the product of such negotiations.

The two law firms will divide the contingent fee on the basis of hours actually spent by the lawyers and paralegal staff of each firm. Each law firm will keep accurate records of time spent on the matter from the beginning of their discussions, at the current regular rates for all lawyers and staff. Those rates shall remain constant through the entire representation for purposes of this calculation. At the conclusion of the representation, each law firm will be paid its share of the contingent fee on a straight ratio of comparing the hours spent at the assumed rates to yield a percentage sharing of the contingent fee. You hereby approve the foregoing allocation and division of the contingent fee.

5. RETAINER/DEPOSIT. No retainer deposit is required.

6. COSTS AND OTHER CHARGES.

(a) In General. We may elect to advance certain costs on your behalf, but we have no obligation to do so under this Agreement. If we advance any costs, those will be reimbursed to us first from your deposit for costs if any has been made, or by payment immediately due upon our invoicing you for same.

(b) We will incur on your behalf various costs and expenses in performing legal services under this Agreement. You agree to pay for all those costs and expenses on an ongoing basis, as they are invoiced monthly. The costs and expenses commonly include fees fixed by law or assessed by public agencies, long distance telephone calls, messenger and other delivery fees, postage, parking and other travel expenses, photocopying and other reproduction costs, and other similar items. If it becomes necessary to file a lawsuit, you will also be responsible to pay litigation costs, which include process services' fees, fees fixed by law or assessed by courts and other agencies, court reporters' fees, long distance telephone calls, messenger and other delivery fees, postage, parking and other local travel expenses,

photocopying and other reproduction costs, charges for computer research time and other similar items. Except for items listed on the Rate Schedule, all costs and expenses will be charged at our cost.

(c) Out of Town Travel. You agree to pay the reasonable cost of transportation, meals, lodging and all other costs of any necessary out-of-town travel by our personnel.

(d) Consultants and Investigators. To aid in the preparation or presentation of your case, it may become necessary to hire consultants or investigators. We will not hire such persons unless you agree to pay their fees and charges. We will select any consultants or investigators to be hired.

If there is litigation, we are disclosing that it is virtually impossible to recover all costs incurred, even if you win. The law allows certain litigation costs to be recovered by the prevailing party who wins at trial. The prevailing party who wins at trial in a lawsuit will be able to recover the cost of trial exhibits, travel to attend depositions, filing fees, subpoena or non-expert witness fees, deposition fees, court reporter fees and jury fees. Certain other costs such as expert's fees, copying costs, travel costs, telephone charges and other items are generally not recoverable, though there are a few exceptions. Because many of the costs you will pay are not recoverable, your payment of costs is an investment in the case that you should expect will be at risk, not necessarily subject to any reimbursement. Also, if there is a settlement of your case instead of a victory at trial, there is no award of costs.

Further, it is important for you to understand that if you lose the case at trial, or the case is dismissed without obtaining a settlement, you may be required to pay the other side's recoverable costs. A judgment may be entered against you for those costs. These matters are your financial responsibility, not those of the Attorneys.

The attorney's fees that you incur are generally not recoverable unless there is a contract provision for an award of attorney's fees, or a statute that expressly provides for such an award. If there is a settlement, there typically is no award of attorney's fees, and they are simply part of the expense that you incur in prosecuting your claims. If there is a contract provision or statute that is applicable, then you will be at risk for having to pay the attorney's fees incurred by the other side if you lose. This is your financial responsibility, not that of the Attorneys.

We will evaluate whether or not there is any reasonable basis to pursue a recovery of attorney's fees, and we will provide you our advice on such matters.

7. LIEN ON RECOVERY. You hereby grant us a lien on any and all claims or causes of action that are the subject of our representation under this agreement. Our lien will be for any sums owing to us at the conclusion of our services. The lien will attach to any recovery you may obtain, whether by arbitration award, judgment, settlement or otherwise.

Our lien upon the recovery may be construed as a security or possessory interest in your property. Because we have a lien, if there is a dispute over fees, it might result in delay in

the distribution of a recovery because the disputed funds would be held in our trust account until the dispute is resolved. Therefore we make the following disclosures under Rule 3-300 of the Rules of Professional Conduct. We may not acquire a security or possessory interest in your property unless the terms of the transaction are (1) fair and reasonable, (2) have been fully disclosed to you in writing, (3) you have been informed of your right to consult with independent counsel; and (4) you have been allowed the opportunity (i.e. sufficient time) to consult with independent counsel should you choose to do so. This agreement constitutes our written disclosure of the terms of the transaction and our lien and security interest upon the recovery. Your signatures on this Agreement will constitute an acknowledgement that these disclosures have been made, and that you consider the terms of this Agreement to be fair and reasonable. We hereby advise you of your right to consult with independent counsel regarding this Agreement. Please feel free to take the time necessary to consult with other counsel. We encourage you to seek such advice, to satisfy yourself that we are not taking an unfair advantage. By signing this agreement, you are acknowledging that you have been so advised, and that you have had the opportunity to consult independent counsel of your choosing.

8. BILLING STATEMENTS. We will send you monthly itemized statements for costs incurred. You may receive a separate invoice from each law firm. If we have monies on deposit in our trust account for costs, we will take the costs out of the trust account. If there are no funds on deposit in trust, each statement we send for costs will be due within 30 days of receipt. If not so paid, we may charge interest at ten (10%) percent per annum. If you breach an obligation to pay for costs, we may withdraw from the representation, as provided below. You may request a statement from us at intervals of no less than 30 days. If you do, we will provide one within 10 days.

9. DISCHARGE AND WITHDRAWAL. You may discharge us from representing you at any time. We may also withdraw from the representation either with your consent or for good cause. Good cause for our withdrawal includes your breach of this Agreement, your refusal to cooperate with us or to follow our advice on a material matter or any fact or circumstance that would render our continuing representation unreasonably difficult, unlawful or unethical.

When our services conclude, all unpaid charges for costs will immediately become due and payable 30 days from receipt of written notice. After our services conclude, we will, upon your request and joint instructions, deliver your file to you, along with any funds or property of yours in our possession.

In a contingency representation such as this, if you terminate our services or if we withdraw for good cause, we will still be entitled to receive compensation even though we did not complete the legal services. Upon obtaining a recovery in the Matters, whether by settlement, judgment or otherwise, you will be required to pay us for the reasonable value of the services that we did perform, taking into consideration the work that we performed and the contribution we made to a successful outcome, as compared to the work performed by any other attorneys who also worked on the case, and their contribution to a successful outcome.

If we cannot reach an agreement with you as to the amount of compensation to which we are entitled in that situation, we will cooperate in releasing to you that portion of the recovery which is not disputed. However, our lien on the case (described in Paragraph 7 above) may prevent you from being able to have full access to the balance of any recovery until we are paid. A sum will have to be set aside by means of agreement or by other legal proceedings pending the final determination of the amount that is due to us for the reasonable value of our services. This is a process that can take a considerable period of time, during which the funds from the recovery that represent a disputed amount for our compensation will typically be held in a trust account or blocked account, and are not accessible to either party until the dispute is resolved.

10. DISCLAIMER OF GUARANTEE. Nothing in this Agreement and nothing in our statements to you will be construed as a promise or guarantee about the outcome of your matter. We make no such promises or guarantees. Our comments about the outcome of your matter are expressions of opinion only.

11. EFFECTIVE DATE. This Agreement will take effect when you have performed the conditions stated in Paragraph 1. The date at the beginning of this Agreement is for reference only.

12. MALPRACTICE INSURANCE DISCLOSURE. We hereby disclose to you that each of our law firms maintains professional liability insurance. You should understand that the fact that we have insurance policies at the present time does not mean that we will have adequate insurance coverage to cover a claim in the event that you should assert a claim against us in the future. Whether or not insurance coverage exists depends upon a number of factors, including the terms of the policy, the nature of the claims, and the possibility that other claims will impair or exhaust the coverage limits or that the insurance policy may in the future be revoked, cancelled or non-renewed. We will notify you in writing if we no longer have malpractice coverage.

This insurance policy of The Sall Law Firm does not provide any coverage for the acts or omissions, if any, of Waldron & Bragg, LLP. Likewise, the insurance policy of Waldron & Bragg, LLP does not provide any coverage for the acts or omissions, if any, of The Sall Law Firm. You agree not to look to one of the law firms for the wrongful acts or omissions, if any, of the other law firm. Each law firm shall be responsible to you only for their own independent acts or omissions.

13. AWARDS OF SANCTIONS. In litigation, there are often discovery disputes and motions that involve one party seeking an award of monetary sanctions against another party or its counsel. If you fail to cooperate in providing information requested in discovery, the sanctions may be awarded against you. If sanctions are awarded against us (as your lawyers) for our misconduct, we will pay those sanctions. If sanctions are awarded against you for misconduct, you will pay those sanctions.

If the other side fails to cooperate, sanctions may be awarded against them. This requires us to do additional work beyond what should be normally required. Thus, if we obtain an award

of monetary sanctions from the other side, we will be allowed to retain the entire amount of those sanctions as compensation for the additional work necessary in obtaining them.

14. CLIENT FILE. At the end of our representation, you have the right to request the original file. If you do not request the return of the file, we will retain your file for three years. After three years, we may have your file destroyed, without any further notice. If you would like your file maintained for more than three years or returned, you must make separate arrangements with us.

I/We have read and understood the foregoing terms and those set forth on the attached Rate Schedule and agree to them, effective as of the date Attorneys first provided services.

Client:

David A. Gill, Receiver
2029 Century Park East, Third Floor
Los Angeles, CA 90067-2904

Office: (310) 277-0077
Cell:
Fax: (310) 277-5735
E-mail: DAG@dgdk.com

David A. Gill, Permanent Receiver

THE SALL LAW FIRM
A Professional Corporation

By: _____
Robert K. Sall

WALDRON & BRAGG, LLP
A California Limited Liability Partnership

By: _____
Gary A. Waldron

RATE SCHEDULE

A. Identification

Clients: David A. Gill, as Permanent Receiver

Matter: Representation in the investigation and/or prosecution of claims for legal malpractice, aiding and abetting and/or breach of fiduciary duty against [REDACTED] and [REDACTED], as limited and described above.

B. The charges for legal personnel are on a contingency basis as described in paragraph 4 above.

C. Costs and Expenses

In-office photocopying	.20/page
Mileage	.45/mile
Telecopier Charges	1.00/page

We do not charge for secretarial personnel.

Exhibit 3

ROBERT K. SALL

THE SALL LAW FIRM
A PROFESSIONAL CORPORATION
32351 COAST HIGHWAY
LAGUNA BEACH, CALIFORNIA 92651-6703
(949) 499-2942
TELECOPIER (949) 499-7403

JAMES T. BIGGS
LARA A.S. CALLAS
BRANDON N. KRUEGER

RESUME OF ROBERT K. SALL

BACKGROUND

Admitted to California Bar 1978
Bar No. 83782

Admitted to Practice:

Supreme Court of California (1978)
United States District Court
 Central District of California (1987)
 Northern District of California (1978)
United States Tax Court (1984)
United States Court of Appeals, Ninth Circuit (1998)

EDUCATION

Undergraduate Education: University of California at Los Angeles
B.A. (1975), magna cum laude

Legal Education: Juris Doctor (1978) University of California, Hastings College of Law;
Hastings College Moot Court Board (1977-78)

Other Post Graduate Education: Attended Masters Program in Taxation, Golden Gate
University (1981-1983)

AFFILIATIONS AND MEMBERSHIPS

American Bar Association
ABA Center for Professional Responsibility
Association of Professional Responsibility Lawyers
Peter M. Elliott American Inn of Court
Orange County Bar Association
Los Angeles County Bar Association

TEACHING POSITIONS

Adjunct Professor of Law, Whittier Law School
Courses in Professional Responsibility
Fall 2004, Fall 2005

Adjunct Professor of Law, Western State University College of Law
Course in Legal Malpractice and Fee Disputes
Fall 2001

PROFESSIONAL AND VOLUNTEER ACTIVITIES

State Bar of California
Office of Trial Counsel
Special Deputy (Volunteer) Trial Counsel
Appointed, September 2010

Trustee
Hastings College of the Law
UC Hastings Foundation Board of Trustees

Member
Professionalism and Ethics Committee
Orange County Bar Association

Member
Professional Responsibility and Ethics Committee
Los Angeles County Bar Association

Member (2003-2006)
State Bar of California
Standing Committee on Professional Responsibility and Conduct

Arbitrator (2003-2010)
State Bar of California
Mandatory Fee Arbitration Program

Master of the Bench, Peter M. Elliott Inn of Court (1996-2010)
President of the Inn (2002-2003)

Member (2000-2003)
Orange County Bar Association
Judiciary Committee

Volunteer (2003)

Orange County Bar Association
Lawyers for Literacy Program

Committee Chair (1998-2000); Member and Vice Chair (1995-1998)

State Bar of California
Standing Committee on Mandatory Fee Arbitration

Co-Chair (1995-1998); Chair Emeritus (2005-2007)

Orange County Bar Association
Mandatory Fee Arbitration Committee

Arbitrator (1985-1986; 1990-1995; 2000-2006)

Orange County Bar Association
Mandatory Fee Arbitration Committee

Vice Chair (1993-1995)

Orange County Bar Association
Client Relations Committee

Probation Monitor (1994-1995)

State Bar of California
Office of Trials - Probation Unit

Member (1993-1998)

Orange County Bar Association
Mandatory Fee Arbitration Advisory Committee

Arbitrator (1979-1980)

San Francisco Residential Rent Stabilization Board

PUBLICATIONS

Author "*Managing Expectations: What Lawyers Can Do to Avoid Malpractice*"
Orange County Lawyer Magazine, October 2010

Author "*Promoting Business Under the Advertising Rules*"
County Bar Update – December 2009
Los Angeles County Bar Association

Author: "*Ethically Speaking: Testing Loyalty's Limits – Thoughts on the Proliferation of
Advance Waivers*"
Orange County Lawyer Magazine, October 2009

Author: "*Ethically Speaking: Who 'Ya Gonna Call?': A Primer on Ex Parte Contacts
with Employees of Adverse Parties*"
Orange County Lawyer Magazine, March 2009

Author: *"The Screening Debate Continues"*
County Bar Update, November 2008, Los Angeles County Bar Association

Author (co-written with Carole J. Buckner):
"Ethically Speaking: Is Screening on the Horizon in California?"
Orange County Lawyer Magazine, August 2008

Author: *"Ethically Speaking: The Coming New Ethics Rules – New Concepts"*
Orange County Lawyer Magazine, May 2008

Author: *"Proper Conflict Disclosures for Joint Clients"*
County Bar Update, April 2008, Los Angeles County Bar Association

Author: *"Ethically Speaking: Rough Sailing on the Seas of Inadvertent Disclosure"*
Orange County Lawyer Magazine, March 2008

Author (co-written with Carole J. Buckner):
"Ethically Speaking: Point/Counter Point – Sex with Clients: Prohibition or Permission"
Orange County Lawyer Magazine, February 2008

Author: *"The Lawyer's Ten Commandments"*
Los Angeles Daily Journal Forum, August 8, 2007

Author: *"Ethically Speaking: Practicing Law by the Code of the West"*
Orange County Lawyer Magazine, July 2007;
Republished, California Litigation Magazine, November 2007

Author (co-written with Carole J. Buckner):
"Ethically Speaking: The Self-Defense Exception to the Ethical Duty of Confidentiality"
Orange County Lawyer Magazine, July 2006

Author (co-written with Joel S. Miliband and David Casey):
"Attorney Fee Arbitration in California"
Orange County Lawyer Magazine, July 1998

EDUCATIONAL PROGRAMS

Speaker: *"Legal Malpractice and How to Avoid It"* – Orange County Bar Association, Young Lawyers Division, September 2010 (presented with Eugen Andres, David B. Parker and Gregory H. Halliday)

Speaker: *"Current Issues in Ethics for Attorneys"* – Orange County Bar Association, Litigation Section, August 2010

Speaker: "*Ethics Update 2010: Recent Developments and Proposed New Rules from the California Rules Revision Commission*" - Irvine and Los Angeles, January 2010 (presented with Robert L. Kehr, Kevin E. Mohr and Ellen Peck)

Speaker: "*Ethical Paradigms for 2010*" - USC Tax Law Institute, Los Angeles, January 2010, also for the office of Professional Competence, State Bar Annual Meeting, September 2010 (presented with Judith Gilbert, David B. Parker and Carole Buckner)

Speaker: "*Legal Malpractice and How to Avoid It*" – Orange County Bar Association, November 2009 (presented with Eugen Andres, David B. Parker, Mitchell Mulbarger, Gregory H. Halliday and Ellen Peck)

Speaker: "*Making Rain in a Dry Season*" – Federal Bar Association, Chapman University, panel discussion of business promotion and the advertising rules, October 2009 (presented with Wayne Gross)

Speaker: "*Ethical Paradigms for 2009: Navigating Ethics and Thriving in this Contracting, Increasingly Mobile and Hyper-Competitive Legal Marketplace*" (presented with Judith Gilbert, David B. Parker and Carole Buckner); October 2009, University of Southern California/Beverly Hills Bar Association Institute on Entertainment Law and Business;

Speaker: UC Hastings College of Law, "*Conflicts, Screening and Waivers: Are You Really Protected?*" June 2009, Los Angeles, California (presented with Joel Mark and Edith Matthai)

Speaker: "*Ethical Obligations of Counsel in Joint Venture Consultations*"
Law Seminars International: Real Estate Joint Ventures Conference, February 2009

Speaker: Continuing Education of the Bar: *Ethics Update 2008: Recent Developments and Proposed New Rules*; December 2008 (Presented with Robert L. Kehr, Ellen Peck, Kevin E. Mohr)

Speaker: "*Elimination of Bias, and Ethics in Real Estate Transactions*", OCBA Real Estate Section, November 2008

Speaker: Continuing Education of the Bar: *Ethics Update: The Latest Recent Developments and Proposed New Rules*; Anaheim – November 2007, Century City – December 2007 (Presented with Robert L. Kehr, Kevin E. Mohr, Ellen Peck)

Speaker: Continuing Education of the Bar, Century City, December 2006
"*Ethics Update 2006*" (Presented with Robert L. Kehr, Kevin E. Mohr, Stanley Lampert)

Speaker: Orange County Bar Association, December 2006, December 2007
"*Ethical Issues in Dealing with the 'Impaired Lawyer'*" (Presented with Carole Buckner)

Speaker: Orange County Bar Association Mandatory Fee Arbitration Committee and Client Relations Committee, September 2006
"Ethics Update"

Speaker: State Bar of California, Tenth Annual Ethics Symposium, May 2006
"Using Client Secrets: Reconciling the Duty of Confidentiality with the Lawyer's Right to Defend Himself or Others"

Speaker: Orange County Trial Lawyer's Association, September 2005
"Finding and Using the Smoking Gun" (Presented with Douglas Schroeder)

Speaker: State Bar Annual Meeting, Committee on Professional Responsibility and Conduct, September 2005
"Methods for Identifying and Avoiding Conflicts" and
"How to Collect Your Fee and Avoid A State Bar Complaint"

Speaker: Orange County Bar Association for the Mandatory Fee Arbitration Committee, July 2005
"The Arbitrator's Consideration of Malpractice in Fee Arbitrations"

Speaker: State Bar Annual Meeting for the Committee on Professional Responsibility and Conduct, October 2004
"Other People's Money: An Overview of Client Trust Accounts"

Speaker: Orange County Bar Association, Real Estate Section, August 2004
"Disclosing Conflicts of Interest"

Speaker: Orange County Bar Association, MFA MCLE Program for Fee Arbitrators, July 2004
"Identifying and Handling Non-Refundable Retainers"

Speaker: Orange County Bar Association, Business Litigation Section, April 2003
"Stealth Malpractice - The Failure to Identify, Disclose and Resolve Conflicts"

Speaker: State Bar Annual Meeting for the Committee on Professional Responsibility and Conduct, October 2002 ; *"The Practical Ethics of Attorney's Fees"* (presented with Joel Mark)

Speaker: Orange County Bar Association, May 2002
"Malpractice and Ethical Issues in the Practice of Law"

Speaker: Orange County Bar Association, Solo and Small Practice Group, March 2002
"Drafting Conflict Letters"

Speaker: State Bar Annual Meeting, Insolvency Law Committee, September 2001
"Ethical Dilemmas of Pre-Bankruptcy Exemption Planning and Other Transfers"
(Presented with Rebecca Callahan, Joel Pores, and the Hon. James Barr)

Speaker: Orange County Bar Association, November 2000

“Avoiding Improper Conflicts of Interest – Issue Spotting and Training in Writing Conflicts Letters”

Speaker: State Bar Annual Meeting, October 2000

“Arbitration Clauses, Attorney’s Liens and ‘Non-Refundable’ Retainers” and
“User’s Guide to Fee Agreements and the Mandatory Fee Arbitration Process”

Speaker: State Bar of California Section Education Institute, May 1998, presented for the State Bar of California Standing Committee on Mandatory Fee Arbitration

“Cutting Edge Issues in Fee Agreements” and
“Your Client Demands Fee Arbitration - Now What?”

Speaker: State Bar of California Section Education Institute, May 1997 and November 1997, presented for the State Bar of California Standing Committee on Mandatory Fee Arbitration,

“Attorney’s Fees: Traps to Avoid and Tips for Getting Paid”

Speaker: State Bar of California Section Education Institute, May 1996 and November 1996, presented for the State Bar of California Standing Committee on Mandatory Fee Arbitration;

“Advanced Issues in Attorney’s Fees and Fee Disputes”

Speaker: Orange County Bar Association MCLE Last Dash Seminar, January 1997 and January 1998

“Getting Paid Avoiding and Surviving Fee Disputes”

Speaker: State Bar Annual Meeting, October 1997; presented for the State Bar of California Standing Committee on Mandatory Fee Arbitration

“Your Client Demands Fee Arbitration - Now What” and
“Attorney’s Fees: Traps to Avoid and Tips for Getting Paid”

Speaker: State Bar of California, Standing Committee on Mandatory Fee Arbitration Fee Arbitrator Training Programs (1996-2000)

Speaker: State Bar Annual Meeting, October 1996; presented for the State Bar of California Standing Committee on Mandatory Fee Arbitration

“Getting Hired and Getting Paid”

Speaker: Orange County Bar Association Hawaii Seminar, October 1993

“Difficult Attorney-Client Relationships”

Speaker: Orange County Bar Association
Fee Arbitrator Training Programs (1993-1995)

EMPHASIS OF PRACTICE

Legal Malpractice Cases; Attorney-Client Fee Disputes; Business Litigation;
Real Estate Transactions

