

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A NON-MEMBER OF THE STATE BAR OF ARIZONA,

JOHN T. LYNCH, JR.
Pennsylvania Bar No. 19354

Respondent.

PDJ 2017-9131

FINAL JUDGMENT AND ORDER

[State Bar Nos. 16-2568 and 17-2087]

FILED JANUARY 18, 2018

The Presiding Disciplinary Judge having reviewed the Agreement for Discipline by Consent filed on December 29, 2017, pursuant to Rule 57(a), Ariz. R. Sup. Ct., accepts the parties' proposed agreement. Accordingly:

IT IS ORDERED Respondent, **John T. Lynch, Jr., Pennsylvania Bar No. 19354**, is reprimanded for his conduct in violation of the Rules of the Supreme Court including the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective the date of this order.

IT IS FURTHER ORDERED Lynch shall pay the costs and expenses of the State Bar of Arizona in the amount of \$1,200.00, within thirty (30) days from the date of this order.

DATED this 18th day of January, 2018.

William J. O'Neil
William J. O'Neil, Presiding Disciplinary Judge

Copies of the foregoing mailed/mailed
this 18th day of January, 2018, to:

James D. Lee
Senior Bar Counsel
State Bar of Arizona
4201 N 24th Street, Suite 100
Phoenix, Arizona 85016-6266
Email: LRO@staff.azbar.org

Terrence P. Woods
Broening Oberg Woods & Wilson, PC
P.O. Box 20527
1122 E. Jefferson
Phoenix, AZ 85036-0527
Email: tpw@bowwlaw.com
Respondent's Counsel

by: AMcQueen

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A NON-MEMBER OF THE STATE BAR OF ARIZONA,

JOHN T. LYNCH, JR.,
Pennsylvania Bar No. 19354

Respondent.

PDJ-2017-9131

**DECISION AND ORDER
ACCEPTING DISCIPLINE BY
CONSENT**

[State Bar Nos. 16-2568 and 17-2087]

FILED JANUARY 18, 2018

Probable Cause Orders issued on November 13, 2017. No formal complaint has been filed. Under Rule 57(a), Ariz. R. Sup. Ct.,¹ an agreement for discipline by consent was filed on December 29, 2017 by John T. Lynch, Jr., (“Lynch”) who is represented by counsel, Terrence P. Woods, *Broening Oberg Woods & Wilson, PC*, and the State Bar of Arizona by Senior Bar Counsel James D. Lee.

Rule 57 requires admissions be tendered solely “...in exchange for the stated form of discipline....” Under that rule, the right to an adjudicatory hearing is waived only if the “...conditional admission and proposed form of discipline is approved....” If the agreement is not accepted, those conditional admissions are automatically withdrawn and shall not be used against the parties in any subsequent proceeding. Lynch has voluntarily waived the right to an adjudicatory hearing, and

¹ Unless otherwise stated all rule references are to the Ariz. R. Sup. Ct.

waived all motions, defenses, objections or requests that could be asserted upon approval of the proposed form of discipline. Notice of the Agreement and an opportunity to object as required by Rule 53(b)(3), Ariz. R. Sup. Ct., was sent by email to the complainant on December 19, 2017. No objections have been received.

The Agreement details a factual basis to support the conditional admissions. Lynch admits he violated Rule 42, ERs 5.5 (unauthorized practice of law), Rule 31(b) (no authority to practice law in Arizona), and Rule 33(c) (Unauthorized Practice in Court). The agreed upon sanctions include a reprimand and payment of costs of \$ within thirty (30) days. If not timely paid, interest will accrue at the legal rate. The conditional admissions are briefly summarized.

Lynch has never been admitted to practice law in Arizona, but was admitted to practice law in Pennsylvania on October 16, 1974. He has been on inactive status in Pennsylvania since April 18, 1983. He has never held an Arizona Certificate of Registration of In-House Counsel.

Lynch was hired by Lawson Financial Corporation (“LFC”) in May 2008 to provide investment banking services. That relationship ended on August 11, 2014. Lynch performed legal work for LFC including legal opinions and “blue sky” memoranda to be part of public municipal bond financing. His opinion letters listed him as an “Attorney at Law.” In his opinion letters he acknowledged he “acted as counsel” to LFC. He admits he frequently wrote that his knowledge “refers to the

direct knowledge of me as a lawyer who rendered legal services in connection with my representation of you in this matter.” The Agreement identifies multiple other similar statements. He acknowledges he prepared approximately thirty “blue sky” memoranda.

On April 5, 2017, the U.S. Securities and Exchange Commission (SEC) entered an order against Lynch. Among other findings it found the official statements for the bond offerings listed him as at attorney acting on those offerings. Those documents were provided to investors in connection with their purchase in the primary offerings. Besides other remedies the SEC accepted, in Lynch’s offer of settlement, the prohibition of the privilege of his appearing or practicing before it as an attorney.

Rule 58(k) provides sanctions shall be determined under the *American Bar Association Standards for Imposing Lawyer Sanctions*, (“Standards”). The parties agree disbarment under *Standard 7.1* and suspension under *7.2* are the applicable *Standards*. (Violations of Other Duties Owed as a Professional). Lynch acknowledges these apply because he knowingly practiced law while he was not admitted to practice law in any jurisdiction. He knew that he could not practice law without being admitted doing so. He benefitted financially by doing so causing injury or potential injury to his client and the public.

The parties have properly listed the aggravating and mitigating factors. *Standards* 9.2 and 9.3. The PDJ finds disbarment is the sanction that would be imposed if Lynch were admitted to the bar in Arizona. He is not. *See In re Olsen*, 180 Ariz. 5, 881 P.2d 337 (1994) (holding censure² to be the most severe sanction that can be imposed on a non-member of the State Bar of Arizona). As stipulated by the parties and acknowledged by the PDJ, the only sanction which can be entered is a reprimand because Lynch is not admitted to practice law in Arizona. The objective of attorney discipline is to protect the public, the profession and the administration of justice, not to punish the lawyer. Reprimand fails to protect the public, the profession or the administration of justice. Reprimand is the only sanction which can be imposed in Arizona.

Now therefore,

IT IS ORDERED accepting and incorporating the Agreement and any supporting documents by this reference. The agreed upon sanctions is reprimand, and payment of the State Bar costs and expenses within thirty (30) days, totaling \$1,200.00. There are no costs incurred by the Office of the Presiding Disciplinary Judge. A final judgment and order is signed this date.

DATED this 18th day of January, 2018.

William J. O'Neil

William J. O'Neil, Presiding Disciplinary Judge

² Currently reprimand pursuant to Rule 60(a)(3), Ariz. R. Sup. Ct.

COPY of the foregoing e-mailed/mailed
on this 18th day of January 2018, to:

James D. Lee
Senior Bar Counsel
State Bar of Arizona
4201 N 24th Street, Suite 100
Phoenix, Arizona 85016-6266
Email: LRO@staff.azbar.org

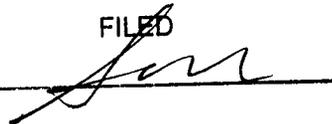
Terrence P. Woods
Broening Oberg Woods & Wilson, PC
P.O. Box 20527
1122 E. Jefferson
Phoenix, AZ 85036-0527
Email: tpw@bowwlaw.com
Respondent's Counsel

by: AMcQueen

James D. Lee, Bar No. 011586
Senior Bar Counsel
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266
Telephone: (602) 340-7272
Email: LRO@staff.azbar.org

OFFICE OF THE
PRESIDING DISCIPLINARY JUDGE
SUPREME COURT OF ARIZONA

JAN 2 2018

FILED
BY 

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A NON-MEMBER
OF THE STATE BAR OF ARIZONA,

JOHN T. LYNCH, JR.,
Pennsylvania Bar No. 19354,

Respondent.

PDJ-2017-9131

**STATE BAR'S
NOTICE OF ERRATA**

[State Bar Nos. 16-2568, 17-2087]

The State Bar of Arizona, by undersigned bar counsel, hereby notifies the Presiding Disciplinary Judge of an inadvertent error in the first full sentence on the second page of the Agreement for Discipline by Consent filed on December 29, 2017. The first full sentence on the second page failed to note that a probable cause order had been entered in File No. 17-2087 and that no formal complaint had been filed.

The first full sentence on the second page of the Agreement for Discipline by Consent should read as follows: "Probable cause orders were entered on November 13, 2017, in State Bar File Nos. 16-2568 and 17-2087, but no formal complaint has been filed in either matter."

Attached as Exhibit A is a copy of an email message from Terrence P. Woods, Respondent's counsel, indicating he has no objection to correcting the Agreement for Discipline by Consent, as stated herein.

DATED this 2nd day of January, 2018.

STATE BAR OF ARIZONA



James D. Lee
Senior Bar Counsel

Original filed with the Disciplinary Clerk of
the Office of the Presiding Disciplinary Judge
of the Supreme Court of Arizona
this 2nd day of January, 2018.

Copy of the foregoing emailed
this 2nd day of January, 2018, to:

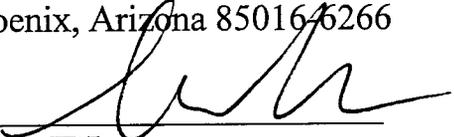
The Honorable William J. O'Neil
Presiding Disciplinary Judge
Supreme Court of Arizona
1501 West Washington Street, Suite 102
Phoenix, Arizona 85007
E-mail: officepdj@courts.az.gov

Copy of the foregoing mailed/emailed
this 2nd day of January, 2018, to:

Terrence P. Woods
Broening Oberg Woods & Wilson PC
PO Box 20527
1122 E Jefferson
Phoenix, AZ 85036-0527
Email: tpw@bowwlaw.com
Respondent's Counsel

Copy of the foregoing hand-delivered
this 2nd day of January, 2018, to:

Lawyer Regulation Records Manager
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266

by: 

JDL:nr

Exhibit A

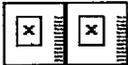
Jim Lee

From: Terrence P. Woods <tpw@bowwlaw.com>
Sent: Tuesday, January 2, 2018 10:22 AM
To: Jim Lee
Subject: Re: Lynch, 16-2568 et al

Yes. (Our messages crossed.)

Terry

Terrence P. Woods
BROENING OBERG WOODS & WILSON, P.C.
1122 E. Jefferson Street
P.O. Box 20527
Phoenix, Arizona 85036
(602) 271-7705
FAX: (602)258-7785
E-Mail: tpw@bowwlaw.com



On Jan 2, 2018, at 10:08 AM, Jim Lee <Jim.Lee@staff.azbar.org> wrote:

Mr. Woods,

I will file a notice of errata stating that we inadvertently failed (in the first full paragraph on page 2 of the consent agreement) to note that a probable cause order was also entered on November 13, 2017, and that no formal complaint has been filed. May I state in the notice of errata that you have no objection to correcting the agreement for discipline by consent as stated in the notice of errata?

Thanks!

Jim Lee, Senior Bar Counsel
T: 602.340.7249 F: 602.416.7449

From: Presiding Disciplinary Judge Office [<mailto:OfficePDJ@courts.az.gov>]
Sent: Tuesday, January 2, 2018 10:02 AM
To: Jim Lee <Jim.Lee@staff.azbar.org>; Jackie Brokaw <Jackie.Brokaw@staff.azbar.org>
Cc: tpw@bowwlaw.com; Nazareth Ramirez <Nazareth.Ramirez@staff.azbar.org>; Presiding Disciplinary Judge Office <OfficePDJ@courts.az.gov>
Subject: RE: Lynch, 16-2568 et al

Hi Mr. Lee:

Thank you for responding. I'll print your email for our records and I'll leave any amendments up to your discretion.

Thanks again,

Amanda McQueen

Disciplinary Clerk
Office of the Presiding Disciplinary Judge
1501 W. Washington, Suite 102
Phoenix, Arizona 85007
OfficePDJ@courts.az.gov
www.azcourts.gov/pdj
602-452-3436
<image001.png>

From: Jim Lee [<mailto:Jim.Lee@staff.azbar.org>]
Sent: Tuesday, January 02, 2018 9:41 AM
To: Presiding Disciplinary Judge Office <OfficePDJ@courts.az.gov>; Jackie Brokaw <Jackie.Brokaw@staff.azbar.org>
Cc: tpw@bowwlaw.com; Nazareth Ramirez <Nazareth.Ramirez@staff.azbar.org>
Subject: RE: Lynch, 16-2568 et al

Yes. A probable cause order was entered on November 13, 2017 (the same date as File No. 16-2568). Would you like me to file a notice of errata to correct the first full sentence on page 2 of the agreement for discipline by consent to reflect that probable cause orders were entered in both cases on that date and that no formal complaint has been filed in either case?

Thanks!

Jim Lee, Senior Bar Counsel
T: 602.340.7249 F: 602.416.7449

From: Presiding Disciplinary Judge Office [<mailto:OfficePDJ@courts.az.gov>]
Sent: Friday, December 29, 2017 3:14 PM
To: Jackie Brokaw <Jackie.Brokaw@staff.azbar.org>; Presiding Disciplinary Judge Office <OfficePDJ@courts.az.gov>
Cc: tpw@bowwlaw.com; Jim Lee <Jim.Lee@staff.azbar.org>; Nazareth Ramirez <Nazareth.Ramirez@staff.azbar.org>
Subject: RE: Lynch, 16-2568 et al

Counsel,

Was a Probable Cause order entered on the second charge number, 17-2087? The Agreement doesn't say.

Thanks,

Amanda McQueen

Disciplinary Clerk
Office of the Presiding Disciplinary Judge
1501 W. Washington, Suite 102

Phoenix, Arizona 85007
OfficePDJ@courts.az.gov
www.azcourts.gov/pdj
602-452-3436
<image001.png>

From: Jackie Brokaw [<mailto:Jackie.Brokaw@staff.azbar.org>]
Sent: Friday, December 29, 2017 10:26 AM
To: Presiding Disciplinary Judge Office <OfficePDJ@courts.az.gov>
Cc: tpw@bowwlaw.com; Jim Lee <Jim.Lee@staff.azbar.org>; Nazareth Ramirez <Nazareth.Ramirez@staff.azbar.org>
Subject: Lynch, 16-2568 et al

Good morning,

I have attached a scanned copy of the Agreement for Discipline by Consent in the abovementioned matter. The original will be filed today.

I am also attaching a Word version of the proposed Final Judgment and Order for the PDJ's review.

Thank you,

Jackie

<image002.gif>

Jackie Brokaw, Legal Secretary
4201 N. 24th St., Suite 100 | Phoenix, AZ 85016-6266
T : 602.340.7250 F : 602.416.7450
EMAIL: Jackie.Brokaw@staff.azbar.org
www.azbar.org

Serving the public and enhancing the legal profession.

OFFICE OF THE
PRESIDING DISCIPLINARY JUDGE
SUPREME COURT OF ARIZONA

DEC 29 2017

FILED

BY _____



James D. Lee, Bar No. 011586
Senior Bar Counsel
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266
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Broening Oberg Woods & Wilson, PC
PO Box 20527
1122 E Jefferson
Phoenix, AZ 85036-0527
Telephone 602-271-7705
Email: tpw@bowwlaw.com
Respondent's Counsel

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A NON-MEMBER
OF THE STATE BAR OF ARIZONA,

JOHN T. LYNCH, JR.,
Pennsylvania Bar No. 19354,

Respondent.

PDJ-2017- 9131

**AGREEMENT FOR DISCIPLINE
BY CONSENT**

[State Bar File Nos. 16-2568, 17-2087]

The State Bar of Arizona, through undersigned Bar Counsel, and Respondent, John T. Lynch, Jr., who is represented in this matter by counsel, Terrence P. Woods, hereby submit their Agreement for Discipline by Consent,

pursuant to Rule 57(a), Ariz. R. Sup. Ct. A probable cause order was entered on November 13, 2017, regarding File No. 16-2568, but no formal complaint has been filed in this matter. Respondent voluntarily waives the right to an adjudicatory hearing, unless otherwise ordered, and waives all motions, defenses, objections or requests which have been made or raised, or could be asserted thereafter, if the conditional admission and proposed form of discipline is approved.

Pursuant to Rule 53(b)(3), Ariz. R. Sup. Ct., notice of this agreement was provided to the complainants by letter on December 19, 2017. Complainants have been notified of the opportunity to file a written objection to the agreement with the State Bar within five business days of bar counsel's notice. Copies of Complainants' objections, if any, have been or will be provided to the presiding disciplinary judge.

Respondent conditionally admits that his conduct, as set forth below, violated Rule 42, ER 5.5, and Rules 31(b) and 33(c), Ariz. R. Sup. Ct. Upon acceptance of this agreement, Respondent agrees to accept imposition of the following discipline: Reprimand. Respondent also agrees to pay the costs and expenses of the disciplinary proceeding, within 30 days from the date of this order, and if costs are not paid within the 30 days, interest will begin to accrue at the legal

rate.¹ The State Bar's Statement of Costs and Expenses is attached hereto as Exhibit A.

FACTS

GENERAL ALLEGATIONS

1. Respondent has never been admitted to practice law in Arizona, but was admitted to practice law in Pennsylvania on October 16, 1974. He has been on inactive status in Pennsylvania since April 18, 1983.

2. Respondent has never held an Arizona Certificate of Registration of In-House Counsel.

COUNT ONE (File Nos. 16-2568 & 17-2087/Lawson & Karr)

2. Robert Lawson was the president and CEO of Lawson Financial Corporation (LFC), formerly a registered broker dealer and member of the Financial Industry Regulatory Authority (FINRA) that purchased and sold municipal bonds. LFC hired Respondent in May 2009 to provide investment

¹ Respondent understands that the costs and expenses of the disciplinary proceeding include the costs and expenses of the State Bar of Arizona, the Disciplinary Clerk, the Probable Cause Committee, the Presiding Disciplinary Judge and the Supreme Court of Arizona.

banking services. The contractual relationship between LFC and Respondent ended on August 11, 2014.

3. At some point in time, Respondent began performing legal work for LFC, including the preparation of approximately 30 written legal opinions and “blue sky” memoranda. Those documents were needed by LFC as part of public municipal bond financing for public school and healthcare projects for which LFC had been hired. The opinion letters prepared by Respondent (aka underwriter’s counsel’s opinion letters) were on letterhead that stated:

John T. Lynch, Jr.
Attorney at Law
3352 E. Camelback Road
Phoenix, Arizona 85018

4. Respondent stated the following (or something substantially similar) in the opinion letters he wrote to LFC in Phoenix, Arizona between approximately 2010 and 2014: “I have acted as counsel to and on behalf of Lawson Financial Corporation (the ‘Underwriter’) in connection with your participation in the preparation of the Official Statement dated [date] (the ‘Official Statement’) used in connection with the issuance and sale of [bonds].” The opinion letters prepared and submitted by Respondent typically stated, among other things, the following (or

something substantially similar): (a) “References to ‘my knowledge’ in this letter refers to the direct knowledge of me as a lawyer who rendered legal services in connection with my representation of you in this matter”; (b) “In acting as your counsel” or “In acting as your counsel and rendering my opinion”; (c) “[I]n my role as your counsel, I have examined executed copies of: [list of documents]; (d) statement that he had examined (i) resolutions adopted by the issuer authorizing the issuance of bonds; (ii) bond purchase agreements; (iii) Trust Indentures (iv) loan agreements between the issuer and the borrower; (v) promissory notes issued by the borrowers that secure loan payments; and (vi) deeds, including deeds of trust; (e) “I have made such investigations and have examined such corporate and other records, resolutions, certificates and documents, and have reviewed such questions of law as I have considered necessary or appropriate in connection with the opinions expressed below”; and (f) statement that he was of the opinion that the bonds did not have to be registered under the Securities Act of 1933, as amended, and that it was not necessary to qualify the Indentures under the Trust Indenture Act of 1939, as amended.

5. Respondent also prepared approximately 30 “blue sky” memoranda as counsel for LFC between April 20, 2010, and May 2, 2014.² Respondent worked on bond transactions totaling over \$335 million that made project financing available in five states, including Arizona.

6. According to Respondent, most of his work for LFC dealt with investment banking services and not legal matters. Respondent claims he eventually spent approximately 10-15% of his time preparing bond purchase agreements, “blue sky” memoranda and opinion letters, and approximately 85-90% of his time structuring deals as an investment banker. As an investment banker, Respondent originated deals and structured financing, but did not draft contracts. Respondent claims he prepared “blue sky” memoranda and opinion letters because he needed to make a living. At present, Respondent continues to be employed as an investment banker in Arizona, but no longer prepares “blue sky” memoranda or opinion letters.

² The public has access to “Official Statements,” but not to “blue sky” memoranda or legal opinion letters. According to Respondent, only the following have access to the closing documents: bond counsel, disclosure counsel, the client, and the entity issuing the bonds.

7. Respondent now realizes that he should have changed his status from “inactive” to “active” in Pennsylvania, which was simply an administrative task, and then obtained a Certificate of Registration of In-House Counsel in Arizona.

8. On April 5, 2017, the U.S. Securities and Exchange Commission (SEC) entered an order against Respondent pursuant to Section 8A of the Securities Act of 1933; Sections 4C, 15(b), 15B(c)(4), and 21C of the Securities Exchange Act of 1934; Section 9(b) of the Investment Company Act of 1940; and, Rule 102(e) of the Commission’s Rules of Practice (John T. Lynch, Jr., AP File No. 3-17902). The SEC’s order found, among other things, that LFC’s official statements for the bond offerings list “John T. Lynch, Jr., Esquire, Phoenix, Arizona,” as underwriter’s counsel for LFC, and state that “[c]ertain legal matters will be passed upon . . . [for LFC] by its counsel, John T. Lynch, Jr., Esquire, Phoenix, Arizona.” The official statements for the bond offerings were posted on the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system and were provided to investors in connection with their purchase in the primary offerings. The SEC’s order also found that (a) Respondent served as underwriter’s counsel in 12 bond offerings for Brogdon; (b) Respondent did not disclose in the official statements for the Brogdon Bond Offerings that he was serving as both

LFC's investment banker and as LFC's underwriter's counsel; (c) Respondent, as LFC's underwriter's counsel, was responsible for helping draft the official statements for the offerings, among other documents, and for preparing an underwriter's counsel legal opinion letter or a Blue Sky survey letter (those letters represented that Respondent was an "Attorney at Law" based in Phoenix, Arizona, and that he was acting as counsel to LFC in connection with these offerings); (d) Respondent's underwriter's counsel legal opinion letters stated that he "rendered certain legal advice and assistance to [LFC] in connection with the preparation of the Official Statement; (e) LFC and other members of the financing team relied on Respondent's expertise as underwriter's counsel and the conclusions contained in his underwriter's counsel legal opinion letters. In addition to other remedies, the SEC accepted, in Respondent's offer of settlement, the prohibition of the privilege of appearing or practicing before it as an attorney.

CONDITIONAL ADMISSIONS

Respondent's admissions are being tendered in exchange for the form of discipline stated below and are submitted freely and voluntarily and not as a result of coercion or intimidation.

Respondent conditionally admits that his conduct violated Rule 42, Ariz. R. Sup. Ct., specifically ER 5.5, and Rules 31(b) and 33(c), Ariz. R. Sup. Ct.

RESTITUTION

Restitution is not an issue in this matter.

SANCTION

Respondent and the State Bar of Arizona agree that based on the facts and circumstances of this matter, as set forth above, the following sanction is appropriate: Reprimand.

If Respondent violates any of the terms of this agreement, further discipline proceedings may be brought.

LEGAL GROUNDS IN SUPPORT OF SANCTION

In determining an appropriate sanction, the parties consulted the American Bar Association's *Standards for Imposing Lawyer Sanctions (Standards)* pursuant to Rule 57(a)(2)(E). The *Standards* are designed to promote consistency in the imposition of sanctions by identifying relevant factors that courts should consider and then applying those factors to situations where lawyers have engaged in

various types of misconduct. *Standards* 1.3, Commentary. The *Standards* provide guidance with respect to an appropriate sanction in this matter. *In re Peasley*, 208 Ariz. 27, 33, 35, 90 P.3d 764, 770 (2004); *In re Rivkind*, 162 Ariz. 154, 157, 791 P.2d 1037, 1040 (1990).

In determining an appropriate sanction consideration is given to the duty violated, the lawyer's mental state, the actual or potential injury caused by the misconduct and the existence of aggravating and mitigating factors. *Peasley*, 208 Ariz. at 35, 90 P.3d at 772; *Standard* 3.0.

The parties agree that *Standards* 7.1 and 7.2 are the most relevant *Standards* given the facts and circumstances of this matter. *Standard* 7.1 states, "Disbarment is generally appropriate when a lawyer knowingly engages in conduct that is a violation of a duty owed as a professional with the intent to obtain a benefit for the lawyer or another, and causes serious or potentially serious injury to a client, the public, or the legal system." *Standard* 7.2 states, "Suspension is generally appropriate when a lawyer knowingly engages in conduct that is a violation of a duty owed as a professional, and causes injury or potential injury to a client, the public, or the legal system."

Standards 7.1 and 7.2 apply because Respondent knowingly practiced law while he was not admitted to practice law in any jurisdiction, was aware that he could not practice law without being admitted to do so, benefitted financially by practicing law in Arizona on behalf of LFC, and caused injury or potential injury to LFC and the public.

The duty violated

As described above, Respondent's conduct violated his duty to the legal profession.

The lawyer's mental state

For purposes of this agreement the parties agree that Respondent knowingly practiced law in Arizona at a time when he was not admitted to practice law in any jurisdiction and that his conduct violated the Rules of Professional Conduct.

The extent of the actual or potential injury

For purposes of this agreement, the parties agree that there was no known actual harm as a result of his unauthorized practice law in Arizona, but that the SEC found that Respondent served as both an investment banker and underwriter's

counsel for LFC in connection with 12 municipal bond offerings that involved certain fraudulent transfers of reserve funds by the borrower and its affiliates from one project financing to another after the bond issues had closed.

Aggravating and mitigating circumstances

The presumptive sanction in this matter is suspension or disbarment. The parties conditionally agree that the following aggravating and mitigating factors should be considered.

In aggravation:

Standard 9.22(b) – dishonest of selfish motive (Respondent performed legal services to earn part of his income);

Standard 9.22(c) – a pattern of misconduct; and

Standard 9.2(i) – substantial experience in the practice of law (Respondent was admitted to practice law in Pennsylvania on October 16, 1974, and practiced law in that state for five years before transitioning into investment banking; he went on inactive status in Pennsylvania on April 18, 1983).

In mitigation:

Standard 9.32(a) – absence of a prior disciplinary record;

Standard 9.32(e) – full and free disclosure to disciplinary counsel and cooperative attitude toward the proceedings;

Standard 9.32(j) – delay in the disciplinary proceedings;

Standard 9.32(k) – imposition of other penalties or sanctions (the Securities and Exchange Commission entered an order denying Respondent the privilege of appearing or practicing before it as an attorney); and

Standard 9.32(l) – remorse.

Discussion

The parties have conditionally agreed that the imposition of a reprimand is appropriate under the facts and circumstances of this matter. The parties have also agreed that the presumptive sanction of suspension or disbarment must be reduced to a reprimand because Respondent is not, and was not, admitted to practice law in Arizona.

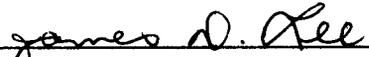
CONCLUSION

The object of lawyer discipline is not to punish the lawyer, but to protect the public, the profession and the administration of justice. *Peasley, supra* at ¶ 64, 90

P.3d at 778. Recognizing that determination of the appropriate sanction is the prerogative of the Presiding Disciplinary Judge, the State Bar and Respondent believe that the objectives of discipline will be met by the imposition of the proposed sanction of a reprimand and the imposition of costs and expenses of the disciplinary proceeding. A proposed form order is attached hereto as Exhibit B.

DATED this 28th day of December, 2017.

STATE BAR OF ARIZONA



James D. Lee
Senior Bar Counsel

This agreement, with conditional admissions, is submitted freely and voluntarily and not under coercion or intimidation.

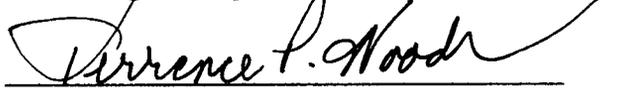
DATED this 28th day of December, 2017.



John T. Lynch, Jr.
Respondent

DATED this 28th day of December, 2017.

Broening Oberg Woods & Wilson, PC



Terrence P. Woods
Counsel for Respondent

Approved as to form and content



Maret Vessella
Chief Bar Counsel

Original filed with the Disciplinary Clerk of
the Office of the Presiding Disciplinary Judge
of the Supreme Court of Arizona
this 29th day of December, 2017.

Copy of the foregoing emailed
this 29th day of December, 2017, to:

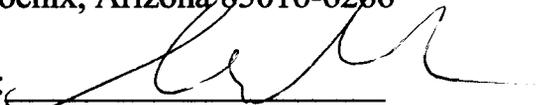
The Honorable William J. O'Neil
Presiding Disciplinary Judge
Supreme Court of Arizona
1501 West Washington Street, Suite 102
Phoenix, Arizona 85007
E-mail: officepdj@courts.az.gov

Copy of the foregoing mailed/mailed
this 20th day of December, 2017, to:

Terrence P. Woods
Broening Oberg Woods & Wilson, PC
PO Box 20527
1122 E Jefferson
Phoenix, AZ 85036-0527
Email: tpw@bowwlaw.com
Respondent's Counsel

Copy of the foregoing hand-delivered
this 21st day of December, 2017, to:

Lawyer Regulation Records Manager
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266

by: 

JDL:nr

Statement of Costs and Expenses

In the Matter of a Member of the State Bar of Arizona,
John T. Lynch, Bar No. , Respondent

File No(s). 16-2568 and 17-2087

Administrative Expenses

The Supreme Court of Arizona has adopted a schedule of administrative expenses to be assessed in lawyer discipline. If the number of charges/complainants exceeds five, the assessment for the general administrative expenses shall increase by 20% for each additional charge/complainant where a violation is admitted or proven.

Factors considered in the administrative expense are time expended by staff bar counsel, paralegal, secretaries, typists, file clerks and messenger; and normal postage charges, telephone costs, office supplies and all similar factors generally attributed to office overhead. As a matter of course, administrative costs will increase based on the length of time it takes a matter to proceed through the adjudication process.

General Administrative Expenses for above-numbered proceedings

\$1,200.00

Additional costs incurred by the State Bar of Arizona in the processing of this disciplinary matter, and not included in administrative expenses, are itemized below.

Staff Investigator/Miscellaneous Charges

Total for staff investigator charges \$ 0.00

TOTAL COSTS AND EXPENSES INCURRED \$1,200.00

EXHIBIT A

EXHIBIT B

BEFORE THE PRESIDING DISCIPLINARY JUDGE

IN THE MATTER OF A NON-MEMBER
OF THE STATE BAR OF ARIZONA,

JOHN T. LYNCH, JR.,
Pennsylvania Bar No. 19354,

Respondent.

PDJ-2017-_____

FINAL JUDGMENT AND ORDER

[State Bar Nos. 16-2568, 17-2087]

The undersigned Presiding Disciplinary Judge of the Supreme Court of Arizona, having reviewed the Agreement for Discipline by Consent filed on December __, 2017, pursuant to Rule 57(a), Ariz. R. Sup. Ct., hereby accepts the parties' proposed agreement. Accordingly:

IT IS HEREBY ORDERED that Respondent, **John T. Lynch, Jr.**, is hereby Reprimand for his conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective upon entry of this judgment and order.

IT IS FURTHER ORDERED that Respondent pay the costs and expenses of the State Bar of Arizona in the amount of \$1,200, within 30 days from the date of

service of this Order, and if costs are not paid within the 30 days, interest will begin to accrue at the legal rate.

IT IS FURTHER ORDERED that Respondent shall pay the costs and expenses incurred by the Disciplinary Clerk and/or Presiding Disciplinary Judge's Office in connection with these disciplinary proceedings in the amount of \$_____, within 30 days from the date of service of this Order.

DATED this _____ day of _____, 201__.

**William J. O'Neil, Presiding Disciplinary
Judge**

Original filed with the Disciplinary Clerk of
the Office of the Presiding Disciplinary Judge
of the Supreme Court of Arizona
this _____ day of _____, 201__.

Copies of the foregoing mailed/mailed
this _____ day of _____, 201__, to:

Terrence P. Woods
Broening Oberg Woods & Wilson, PC
PO Box 20527
1122 E Jefferson
Phoenix, AZ 85036-0527
Email: tpw@bowwlaw.com
Respondent's Counsel

Copy of the foregoing emailed/hand-delivered
this _____ day of _____, 201 __, to:

James D. Lee
Senior Bar Counsel
State Bar of Arizona
4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266
Email: LRO@staff.azbar.org

Copy of the foregoing hand-delivered
this _____ day of _____, 201 __, to:

Lawyer Regulation Records Manager
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4201 North 24th Street, Suite 100
Phoenix, Arizona 85016-6266

by: _____