

**BEFORE THE PRESIDING DISCIPLINARY
JUDGE**

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

**WILLIAM D. SHOSTAK,
Bar No. 016018**

Respondent.

PDJ 2015-9111

FINAL JUDGMENT AND ORDER

[State Bar No. 15-0376]

FILED JANUARY 15, 2016

The Presiding Disciplinary Judge having reviewed the Agreement for Discipline by Consent (Agreement) filed on January 7, 2016, under Rule 57(a), Ariz. R. Sup. Ct., accepted the parties' proposed Agreement. Accordingly:

IT IS ORDERED Respondent, **William D. Shostak**, is reprimanded for his conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective the date of this order.

IT IS FURTHER ORDERED Mr. Shostak shall be placed on probation for a period of one (1) year effective the date of this order.

IT IS FURTHER ORDERED Mr. Shostak shall pay restitution for Two Thousand Five Hundred Dollars (\$2,500.00) to Loretta Lurie as a term of probation.

IT IS FURTHER ORDERED besides his annual MCLE requirements, Mr. Shostak shall complete the following Continuing Legal Education ("CLE") program(s):
1) The Unauthorized Practice of Law: How the Slippery Slope Can Become Sticky;
and 2) Ethical Rules for Law Firms & Associations In-Depth within 90 days from service of this Order. Mr. Shostak shall provide the State Bar Compliance Monitor with

evidence of completion of the program(s) by providing a copy of his handwritten notes. Mr. Shostak shall contact the Compliance Monitor at (602) 340-7258 to arrange to submit this evidence. Mr. Shostak shall be responsible for the cost of the CLE.

NON-COMPLIANCE LANGUAGE

If Respondent fails to comply with any of the foregoing probation terms, and information thereof, is received by the State Bar of Arizona, Bar Counsel shall file a notice of noncompliance with the Presiding Disciplinary Judge, under Rule 60(a)(5), Ariz. R. Sup. Ct. The Presiding Disciplinary Judge may conduct a hearing within 30 days to determine whether a term of probation has been breached and, if so, whether to issue an additional sanction. If there is an allegation that Respondent failed to comply with any of the foregoing terms, the burden of proof shall be on the State Bar of Arizona to prove noncompliance by a preponderance of the evidence.

IT IS FURTHER ORDERED Mr. Shostak shall pay the costs and expenses of the State Bar of Arizona for \$ 1,200.00, within 30 days from this order. There are no costs or expenses incurred by the disciplinary clerk and/or Presiding Disciplinary Judge's Office with these disciplinary proceedings.

DATED this 15th day of January, 2016.

William J. O'Neil

William J. O'Neil, Presiding Disciplinary Judge

Copies of the foregoing mailed/mailed
this 15th day of January, 2016, to:

William D. Shostak
Law Office of William D. Shostak, PLLC
1820 E. Ray Road
Chandler, Arizona 85225-8720
Email: bill@shostaklaw.com
Respondent

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

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

by: [AMcQueen](#)

**BEFORE THE PRESIDING DISCIPLINARY
JUDGE**

**IN THE MATTER OF A MEMBER OF
THE STATE BAR OF ARIZONA,**

**WILLIAM D. SHOSTAK,
Bar No. 016018**

Respondent.

PDJ 2015-9111

**DECISION ACCEPTING CONSENT
FOR DISCIPLINE**

[State Bar File No. 15-0376]

FILED JANUARY 15, 2016

After a finding of probable cause, a formal complaint was filed on October 28, 2015. An Agreement for Discipline by Consent ("Agreement") was filed by the parties on January 7, 2016, and submitted under Rule 57(a)(3), Ariz. R. Sup. Ct¹. Upon filing such Agreement, the presiding disciplinary judge, "shall accept, reject or recommend modification of the agreement as appropriate."

Rule 57(a)(2) 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.

Under Rule 53(b)(3), notice of this Agreement was provided to the complainant(s) by email dated December 22, 2015. Complainant(s) were notified of the opportunity to file a written objection to the agreement with the State Bar within

¹ Unless stated otherwise, all rules referenced are the Arizona Rules of the Supreme Court.

five (5) business days of bar counsel's notice. No objections were reported in the agreement. No objections were filed.

Mr. Shostak conditionally admits he violated Rule 42, ERs 1.4 (communication), 1.5 (fees), 5.3 (responsibilities regarding nonlawyer assistants), and 5.5(a) (unauthorized practice of law). The actions of Mr. Shostak relate to a negligent failing in his supervision. Upon learning of the wrongful actions of his employee, he immediately terminated the employment of that individual. Three actions clarify reprimand is the appropriate sanction as stipulated under the agreement. First, Mr. Shostak already has returned 3/4s of the fees charged and is returning the entirety of his fee. Second, his multiple admissions to the factual allegations within the complaint offer insight into his mental state. There is a third factor. It is stipulated Mr. Shostak cooperated fully in this process with the State Bar. Remorse is best exemplified by one's actions in response to the wrongs done.

Presumptive Sanction

The *American Bar Association's Standards for Imposing Lawyer Sanctions* (*Standards*) are utilized in consideration of the ethical violations of Mr. Shostak. The parties agree *Standard* 4.43 applies to Mr. Shostack's violation of ER 1.4. In addition, *Standard* 7.3 applies to his violation of ERs 1.5, 5.3 and 5.5.

Standard 4.43 provides:

Reprimand is generally appropriate when a lawyer is negligent and does not act with reasonable diligence in representing a client, and causes injury or potential injury to a client.

///

Standard 7.3 provides:

Reprimand is generally appropriate when a lawyer negligently 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.

Mr. Shostak negligently² violated his duties to clients and as a professional causing actual and potential harm to clients, the legal system, and the profession. The parties agree that reprimand, probation, and restitution is the sanction. One aggravating factor, 9.22(i), substantial experience in the practice of law is present. In mitigation are factors 9.32(a) absence of prior disciplinary history; 9.32(d) timely good faith effort to make restitution or rectify consequence of misconduct; and 9.32(e) cooperative attitude towards the investigation and proceedings.

The PDJ agrees reprimand, probation and restitution are appropriate sanctions and those sanctions fulfill the object of discipline, which is to protect the public, the legal profession, the administration of justice, and to deter other attorneys from engaging in unprofessional conduct. *In re Peasley*, 208 Ariz. 27, 38, 90 P.3d 764, 775 (2004). Attorney discipline is not intended to punish the offending attorney, although the sanctions imposed may have that incidental effect. *Id.*

IT IS ORDERED incorporating the Agreement and any supporting documents by this reference. The agreed upon sanctions are: reprimand, one (1) year probation, \$2,500.00 in restitution to Loretta Lurie, and costs, which shall be paid within thirty (30) days of the final judgment and order. These financial obligations shall bear interest at the statutory rate.

² The parties inadvertently stated in the Agreement, p. 12, that the mental state was knowingly, however, it was confirmed by the clerk that the mental state is negligent and the conditional admissions support negligent mental state.

IT IS FURTHER ORDERED the Agreement is accepted. Costs as submitted are approved for \$1,200.00 and are to be paid within thirty (30) days. The final judgment and order is signed and entered this date.

DATED this 15th day of January, 2016.

William J. O'Neil

William J. O'Neil, Presiding Disciplinary Judge

Copies of the foregoing mailed/emailed this 15th day of January, 2016, to:

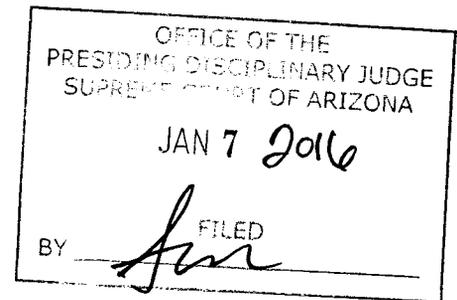
Craig D. Henley
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4201 North 24th Street, Suite 100
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William D. Shostak
Law Office of William D. Shostak, PLLC
1820 E. Ray Road
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Email: bill@shostaklaw.com
Respondent

Lawyer Regulation Records Manager
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by: [AMcQueen](#)

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Telephone: (602) 301-3755
Email: bill@shostaklaw.com
Respondent

**BEFORE THE PRESIDING DISCIPLINARY
JUDGE**

**IN THE MATTER OF A MEMBER OF
THE STATE BAR OF ARIZONA,**

**WILLIAM D. SHOSTAK,
Bar No. 016018,**

Respondent.

PDJ 2015-9111

**AGREEMENT FOR DISCIPLINE BY
CONSENT**

[State Bar File No. 15-0376]

The State Bar of Arizona, through undersigned Bar Counsel, and Respondent, William D. Shostak, who has chosen not to seek the assistance of counsel, hereby submit their Agreement for Discipline by Consent, pursuant to Rule 57(a), Ariz. R. Sup. Ct. A probable cause order was entered on October 16, 2015, and a 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 complainant(s) by email on December 22, 2015. Complainant(s) have been notified of the opportunity to file a written objection to the agreement with the State Bar within five (5) business days of bar counsel's notice.

Respondent conditionally admits that his conduct, as set forth below, violated Rule 42, Ariz. R. Sup. Ct., ER 1.4 [Inadequate Communication with Client], ER 1.5 [Fees], ER 5.3 [Inadequate Supervision of Non-Lawyer], and ER 5.5(a) [Assisting the Unauthorized Practice of Law].

Upon acceptance of this agreement, Respondent agrees to accept imposition of the following discipline: Reprimand with Probation. 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 was licensed to practice law in Arizona on October, 22, 1994.

COUNT ONE (File No. 15-0376/ Lurie)

2. In or around 2010, Respondent employed Sir Daniel Rivera (hereinafter referred to as "Rivera"), an individual purportedly licensed to only practice law in Mexico, to perform services including, but not limited to, "gather(ing) information

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.

and prepar(ing) forms for (Respondent's) signature in bankruptcy cases; to review police reports, conduct additional investigation/interviews, and draft summaries for (Respondent's) use in preparation for motions or court appearances in criminal matters; to review opponent's disclosure, conduct additional discovery where appropriate, and draft summaries for (Respondent's) use in preparation for motions or court appearances in civil cases; to assist in contacting clients, opposing parties, or courts regarding scheduling or status reports; and to conduct initial client interviews and collect funds when necessary, i.e., when (Respondent's) schedule precluded those activities."

3. On or about September 29, 2014, Rivera conducted the initial interview of Loretta Lurie (hereinafter "Complainant") and her son Zachary Lurie (hereinafter "Zach") and entered into a "Retainer Agreement" on behalf of Respondent's law firm. The agreement related to representation of Zach stemming from his felony arrest which later resulted in the Mesa Municipal Court case of *State v. Lurie*, 2014-072294. Complainant agreed to pay for Zach's representation.

4. At all times pertinent, Complainant was unaware that Rivera was not an attorney licensed in the State of Arizona.

5. The agreement stated, among other things, "[a]ttorney shall charge for his services at the Flat rate of \$ 10.000 Plus filing fees of \$425.00 to be paid on September 30th 2014 in the amount of \$5000.00 in , cash or check payable to **Sir Daniel Rivera, and the balance of \$5000.00 on or before October 4th 2014. If the case goes to trial than an additional \$7500.00 shall be due immediately, pluss \$4400.00 for Dr. Toma PHD for Physiological evaluation . Client to pay all Court cost.**" (sic)

6. The agreement was signed by "Sir Daniel Rivera Representative of: The Law Firm of William D. Shostak PLLC."
7. Rivera received the fees on behalf of the law firm while Respondent was out of town.
8. A review of the billing records indicates that:
 - a. Respondent billed at a rate of Three Hundred Fifty Dollars an hour (\$350.00/hr);
 - b. Rivera billed at a rate of Two Hundred Seventy Five Dollars an hour (\$275.00/hr); and
 - c. Timothy Shostak billed at a rate of One Hundred Sixty Five Dollars (\$165.00/hr).
9. On September 29, 2014, Respondent, Rivera, and Timothy Shostak (another paralegal) all appeared at Zach's initial appearance in Superior Court but learned that the hearing was "scratched".
10. The law firm billed Complainant a total amount of Two Thousand Three Hundred Seventy Dollars (\$2,370.00) for the scratched initial appearance, representing the following:
 - a. Respondent - One Thousand Fifty Dollars (\$1,050.00);
 - b. Rivera - Eight Hundred Twenty Five Dollars (\$825.00); and
 - c. Timothy Shostak - Four Hundred Ninety Five Dollars (\$495.00).
11. On or about October 1, 2015, the purported victim of the charged offense, Sarah Diaz, (hereinafter "Diaz") contacted the law firm and agreed to a video deposition regarding the incident that was the subject of the criminal charges against Zach.

12. While the "deposition" was conducted solely by Rivera, Respondent came into the room after the "deposition" started and provided Rivera with some questions to ask.

13. According to the "deposition transcript", the following questions and statements were made by Rivera:

a. "Ok Sarah Umm I'm Daniel Rivera I'm With The Law Firm Of William D. Shostak Plc. And We're Here To Do A Deposition. Do You Know What A Deposition Is?";

b. "Ok And Whatever You Say Under Oath It's No Different Than Being In A Court Of Law Before A Judge.";

c. "Ok So He Is The Subject Of This Deposition By The Way...Ok I Just Want To Put That On The Record.";

d. "Nobodys Paid You Any Money To Do This Umm And I Did Not Or Anybody From My Law Firm Whether It Was My Partner William Shostak or Tim Shostak Or Myself Daniel Rivera Call You To Tell You To Come In Here";

e. "Do you realize that if this goes to trial you would have to testify to the events but you've just given in this deposition".

14. Rivera's "deposition" addressed a variety of topics including, but not limited to, Diaz claiming that she and Zach did not have a prior history of domestic violence, Diaz recanting prior allegations against Zach, Diaz's prior arrest record, Diaz's prior history of domestic violence with prior boyfriends, and Diaz's previously obtained orders of protection against prior boyfriends.

15. On or about October 1, 2015, Rivera then prepared a draft *Trebus* letter containing information obtained during the deposition.

16. Respondent revised the letter and sent it to the Maricopa County Attorney's Office. Respondent also provided the letter to the Mesa Municipal prosecutor's office later.

17. In or around December 2014, the Mesa Municipal prosecutor's office filed the Mesa Municipal Court case of *State v. Lurie*, 2014-072294 and the law firm electronically filed a notice of appearance on December 2, 2014.

18. A review of the billing records indicates that Rivera billed approximately thirty six hours of legal services between September 29, 2014, and December 23, 2014, including, but not limited to, several meetings with Diaz, sending several emails to the Complainant, Zach, and Diaz, and researching Diaz's prior criminal history along with Diaz's history of orders of protection against former boyfriends.

19. Diaz was later charged with a criminal domestic violence offense involving Zach.

20. As set forth in the billing records, Rivera also made an "Appearance Sarah Diaz pretrial; conference with prosecutor; conference with Sarah Diaz - advised seeking independent counsel; picked up discovery".

21. As set forth in the following emails from Respondent's email address, Rivera describes his actions in the case as follows:

- a. October 8, 2014, to Complainant: "Here is the invoice for the deposition transcription and we also got two copy's of the deposition on DVD, and two copy's of the transcript. The total was \$589,50 we saved some money, because after the Court transcriber heard what Sarah

testified to, he thought Zachary got railroaded by the police...The case was remanded to the Mesa City Prosecutor's Office. That is much better than a Grand Jury Indictment. The Charges...will be investigated by a Mesa Police Detective and the prosecutor will determine if a class A misdemeanor is appropriate. The Class A misdemeanor Assault with a weapon only carries a one year sentence in the County Jail and a \$3500.00 fine. I am attaching the the A.R.S Law for you to read. It is a hell of a lot more reasonable than a class 3 felony and 5 to 15 years in a prison." (sic)

b. November 30, 2014, to Diaz: "Scan whatever paper work you have for your case and send to me so I can review before the hearing." (sic)

c. December 2, 2014, to Complainant: "I went to Court with Sarah today and had a great meeting with the prosecutor. They wanted to give her one years probation and 26 diversion classes at a cost of \$600 plus fines in the amount of another \$550 and to plead guilty to 2 charges . I had a long talk with the prosecutor and he got the idea that he would not have any witness for a trial. when I finished with him he offered a diversion program and would drop all the charges...I got him to continue for 30 days to think about it. I also got him to give me all the discovery in Sarah's case, Police reports and witness statements. I have not read them yet but I'm sure it will come in handy when I file a Motion to dismiss because she is the instigator of all the domestic violence. I guess I will be needing my filing fees again ...Yes it does

help Zac. She looks like a nut in the police reports. She needs to take the deal I got her." (sic)

d. December 15, 2014, between 3:27 pm and 7:04 pm in response to emails from Zach explaining that Zach was in court with Diaz trying to obtain an order of protection for Diaz breaking into his truck on December 14, 2014: "Did You file the order or did she?...Stay away from her or it is going to fuck our case up".

e. December 15, 2014, at 4:38 pm to Diaz in response to an email from Diaz reading "I need to take that plea because Zach and Tyler are trying to get me arrested for theft", Rivera wrote: "Sarah: you have to do what is best for you at this point. Maybe you need to stay away from the whole situation give me a call so we can speak about your options, Sir Daniel."

f. December 23, 2014, to Zach: "Zach make sure that you stay away from any contact with Sarah this complicates my defense. My motion to dismiss because of the Deposition and that she broke your window and tried to break into the car and that she will not quit stalking you, and your order of protection worked with the motion perfectly . But with you not serving her timely and that you made contact with her and picked up a new charges, I am going to have to rethink your whole defense" (sic)

g. December 23, 2014, to Complainant: "No I will not help her, its no longer in Zach,s best interest. If Sarah doesn't take the deal she will be convicted of her charges , but that's no longer my concern. My

concern is that Zach's case is now compromised with the new charges Zach has picked up. I'm sure Sarah will show up if we have to go to trial on the case I am representing Zach on and she will testify against Zach but with the deposition I will impeach any of her testimony...I am going to re think my defense because of the new charges ...The case has gone from a sure win to who knows. What ever happens I will make sure he stays out of jail at least on the case I am representing him on. But if he continues to ignore my counsel I can not predict the out come of anything." (sic)

22. Rivera verified that he used the email address for Respondent's law firm and stated that Respondent accessed the emails throughout the representation.

23. The billing records indicate that Respondent only performed the following services between September 29, 2014, and January 5, 2015:

- a. 3.0 – Court appearance at "scratched" hearing;
- b. 0.8 – Review and revised *Trebus* letter;
- c. 1.0 – Review of deposition transcript;
- d. 0.3 – Phone call with Rivera;
- e. 0.3 – Phone call with Rivera;
- f. 0.5 – Meeting with Rivera;
- g. 0.3 – Review email from Rivera;
- h. 0.3 – Phone call with Rivera;
- i. 0.3 – Phone call with Rivera;
- j. 0.6 – Phone call with Rivera and Zach;
- k. 0.3 – Review email from Rivera;

- l. 0.3 – Phone call with Rivera;
 - m. 0.2 – Review email from Rivera;
 - n. 0.3 – Phone call with Zach.
24. On or about January 18, 2015, successor counsel filed a substitution of counsel in the Mesa Municipal case against Zach.
25. On April 30, 2015, Respondent terminated Rivera.
26. In his first response to the State Bar investigation, Respondent states “[a]fter a careful and in-depth review of my files and copies obtained from Daniel Rivera, who was acting as a legal assistant/legal liaison, I realized that I did not exercise proper supervision. This was the result of a failure to maintain adequate communication with Loretta Lurie and her son Zachary Lurie. I have taken full responsibility for these errors and begun making payments to Ms. Lurie to return her fee in full.”
27. To date, Respondent has returned Seventy Five Hundred Dollars (\$7,500.00) of the Ten Thousand Dollars (\$10,000.00) originally paid by Complainant.

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., Rule 42, Ariz. R. Sup. Ct., ER 1.4 [Inadequate Communication with Client], ER 1.5 [Fees], ER 5.3 [Inadequate Supervision of Non-Lawyer], and ER 5.5(a) [Assisting the Unauthorized Practice of Law].

CONDITIONAL DISMISSALS

The State Bar has conditionally agreed to dismiss nothing in the above captioned case.

RESTITUTION

In accordance with Rule 60(a)(6), Ariz. R. Sup. Ct., Respondent agrees to pay restitution of Two Thousand Five Hundred Dollars (\$2,500.00) to the Complainant, Loretta Lurie, as a term of probation.

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 sanctions are appropriate: Reprimand with Probation.

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 *Standard 4.43* is appropriate for Respondent's violation of Rule 42, Ariz. R. Sup. Ct., ER 1.4 and *Standard 7.3* is appropriate for the violation of Rule 42, Ariz. R. Sup. Ct., ERs 1.5, 5.3 and 5.5 given the facts and circumstances of this matter:

Standard 4.43: Reprimand is generally appropriate when a lawyer is negligent and does not reasonably communicate with a client, and causes injury or potential injury to a client;

Standard 7.3: Reprimand is generally appropriate when a lawyer negligently 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.

The duty violated

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

The lawyer's mental state

For purposes of this agreement the parties agree that Respondent knowingly failed to reasonably communicate with his client and failed to adequately supervise Rivera resulting in Rivera to practice law with the legal authority to do so. Respondent further admits that his conduct was in violation of the Rules of Professional Conduct.

The extent of the actual or potential injury

For purposes of this agreement, the parties agree that there was actual and potential harm to client, profession and legal system.

Aggravating and mitigating circumstances

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

In aggravation:

Standard 9.22(i) substantial experience in the practice of law. [21 years]

In mitigation:

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

Standard 9.32(d) timely good faith effort to make restitution or to rectify consequences of misconduct; [Respondent immediately promised to refund the entire fee of \$10,000.00 and has already paid \$7,500.00]; and

Standard 9.32(e) cooperative attitude towards the investigation and proceedings.

Discussion

The parties have conditionally agreed that, upon application of the aggravating and mitigating factors to the facts of this case, the presumptive sanction is appropriate.

The parties have conditionally agreed that a greater or lesser sanction would not be appropriate under the facts and circumstances of this matter. This agreement was based on the following: Respondent terminated Rivera and

promised to refund the entire fee paid by Complainant. Similarly, Respondent has already refunded \$7,500.00 of the original \$10,000.00 paid by Complainant.

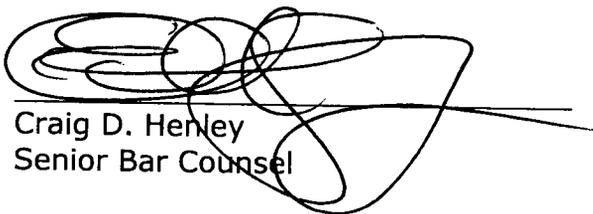
Based on the *Standards* and in light of the facts and circumstances of this matter, the parties conditionally agree that the sanction set forth above is within the range of appropriate sanction and will serve the purposes of lawyer discipline.

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 Reprimand with Probation and the imposition of costs and expenses. A proposed form order is attached hereto as Exhibit B.

DATED this 30TH day of December 2015.

STATE BAR OF ARIZONA


Craig D. Henley
Senior Bar Counsel

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

DATED this _____ day of December, 2015.

William D. Shostak
Respondent

promised to refund the entire fee paid by Complainant. Similarly, Respondent has already refunded \$7,500.00 of the original \$10,000.00 paid by Complainant.

Based on the *Standards* and in light of the facts and circumstances of this matter, the parties conditionally agree that the sanction set forth above is within the range of appropriate sanction and will serve the purposes of lawyer discipline.

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 Reprimand with Probation and the imposition of costs and expenses. A proposed form order is attached hereto as Exhibit B.

DATED this _____ day of December 2015.

STATE BAR OF ARIZONA

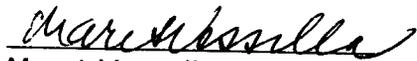
Craig D. Henley
Senior Bar Counsel

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

DATED this 30th day of December, 2015.


William D. Shostak
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 7TH day of ~~December, 2015.~~
JANUARY, 2016.

Copy of the foregoing emailed
this 7TH day of ~~December, 2015,~~ to:
JANUARY, 2016,

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

Copy of the foregoing mailed/emailed
this 7TH day of ~~December, 2015,~~ to:
JANUARY, 2016,

William D. Shostak
Law Office of William D. Shostak, PLLC
1820 E. Ray Road
Chandler, Arizona 85225-8720
Email: bill@shostaklaw.com
Respondent

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JANUARY, 2016

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

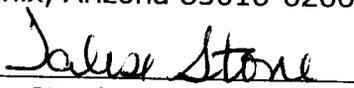
by: 
CDH/ts

EXHIBIT A

Statement of Costs and Expenses

In the Matter of a Member of the State Bar of Arizona,
William D. Shostak, Bar No. 016018, Respondent

File No. 15-0376

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

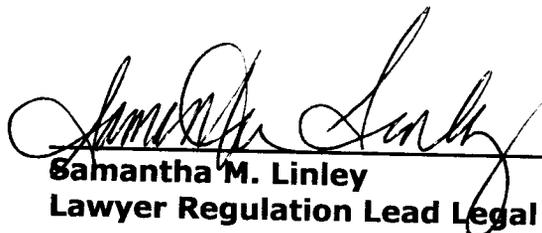
\$1,200.00

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**


Samantha M. Linley
Lawyer Regulation Lead Legal Secretary


Date

EXHIBIT B

**BEFORE THE PRESIDING DISCIPLINARY
JUDGE**

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

WILLIAM D. SHOSTAK,
Bar No. 016018,

Respondent.

PDJ 2015-9111

FINAL JUDGMENT AND ORDER

[State Bar No. 15-0376]

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

IT IS HEREBY ORDERED that Respondent, **William D. Shostak**, is hereby Reprimanded for his conduct in violation of the Arizona Rules of Professional Conduct, as outlined in the consent documents, effective 30 days from the date of this order or _____.

IT IS FURTHER ORDERED that, upon reinstatement, Respondent shall be placed on probation for a period of one year.

IT IS FURTHER ORDERED that Respondent pay restitution in the amount of Two Thousand Five Hundred Dollars (\$2,500.00) to Loretta Lurie as a term of probation.

IT IS FURTHER ORDERED that in addition to annual MCLE requirements, Respondent shall complete the following Continuing Legal Education ("CLE") program(s): 1) The Unauthorized Practice of Law: How the Slippery Slope Can Become Sticky; and 2) Ethical Rules for Law Firms & Associations In-Depth within 90

days from the date of service of this Order. Respondent shall provide the State Bar Compliance Monitor with evidence of completion of the program(s) by providing a copy of handwritten notes. Respondent should contact the Compliance Monitor at (602) 340-7258 to make arrangements to submit this evidence. Respondent will be responsible for the cost of the CLE.

IT IS FURTHER ORDERED that Respondent shall be subject to any additional terms imposed by the Presiding Disciplinary Judge as a result of reinstatement hearings held.

NON-COMPLIANCE LANGUAGE

In the event that Respondent fails to comply with any of the foregoing probation terms, and information thereof, is received by the State Bar of Arizona, Bar Counsel shall file a notice of noncompliance with the Presiding Disciplinary Judge, pursuant to Rule 60(a)(5), Ariz. R. Sup. Ct. The Presiding Disciplinary Judge may conduct a hearing within 30 days to determine whether a term of probation has been breached and, if so, to recommend an appropriate sanction. If there is an allegation that Respondent failed to comply with any of the foregoing terms, the burden of proof shall be on the State Bar of Arizona to prove noncompliance by a preponderance of the evidence.

IT IS FURTHER ORDERED that Respondent pay the costs and expenses of the State Bar of Arizona in the amount of \$ 1,200.00, within 30 days from the date of service of this Order.

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 January, 2016.

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 January, 2016.

Copies of the foregoing mailed/emailed
this _____ day of January, 2016, to:

William D. Shostak
Law Office of William D. Shostak, PLLC
1820 E. Ray Road
Chandler, Arizona 85225-8720
Email: bill@shostaklaw.com
Respondent

Copy of the foregoing emailed/hand-delivered
this ____ day of January, 2016, to:

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

Copy of the foregoing hand-delivered
this ____ day of January, 2016 to:

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

by: _____