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FILED

NOV 01 2013

BEFORE THE **DISCIPLINARY BOARD**
DISCIPLINARY BOARD
OF THE
WASHINGTON STATE BAR ASSOCIATION

In re

SHAUNNA H. TOUCHI,
Lawyer (Bar No. 36609).

Proceeding No. 13#00070

AFFIDAVIT OF SHAUNNA TOUCHI
RESIGNING FROM MEMBERSHIP IN
WASHINGTON STATE BAR
ASSOCIATION (ELC 9.3(b))

Shaunna Touchi, being duly sworn, hereby attests to the following:

1. I am over the age of eighteen years and am competent. I make the statements in this affidavit from personal knowledge.

2. I was admitted to practice law in the State of Washington on October 21, 2005.

3. I have voluntarily decided to resign from the Washington State Bar Association (the Association) in Lieu of Disbarment under Rule for Enforcement of Lawyer Conduct (ELC) 9.3.

4. Attached hereto as Exhibit A is Disciplinary Counsel's statement of alleged misconduct for purposes of ELC 9.3(b). While not admitting the misconduct in the Attached Statement of Misconduct, attached hereto as Exhibit A, I admit that the Association could

1 | prove, by a clear preponderance of the evidence, the violations set forth in Exhibit A, and that
2 | proof of such violations would suffice to result in my disbarment.

3 | 5. I am submitting with this affidavit a check in the amount of \$1,000 made out to the
4 | Washington State Bar Association as payment for expenses and costs.

5 | 6. I agree to pay any restitution or additional costs that may be ordered by a Review
6 | Committee under ELC 9.3(g).

7 | 7. I understand that my resignation is permanent and that any future application by
8 | me for reinstatement as a member of the Association is currently barred. If the Supreme Court
9 | changes this rule or an application is otherwise permitted in the future, it will be treated as an
10 | application by one who has been disbarred for ethical misconduct, and that, if I file an
11 | application, I will not be entitled to a reconsideration or reexamination of the facts, complaints,
12 | allegations, or instances of alleged misconduct on which this resignation was based.

13 | 8. I agree to (a) notify all other states and jurisdictions in which I am admitted of this
14 | resignation in lieu of disbarment; (b) seek to resign permanently from the practice of law; and
15 | (c) provide disciplinary counsel with copies of this notification and any response(s).

16 | 9. I agree to (a) notify all other professional licensing agencies in any jurisdiction
17 | from which I have a professional license that is predicated on my admission to practice law of
18 | this resignation in lieu of disbarment; (b) seek to resign permanently from any such license; and
19 | (c) provide disciplinary counsel with copies of any of these notifications and any responses.

20 | 10. I agree that when applying for any employment, I will disclose the resignation in
21 | lieu of disbarment in response to any question regarding disciplinary action or the status of my
22 | license to practice law.

23 | 11. I understand that my resignation becomes effective on disciplinary counsel's filing
24 |

1 of this document with the clerk, and that under ELC 9.3(c) disciplinary counsel must do so
2 promptly on receipt.

3 12. When my resignation becomes effective, I agree to be subject to all restrictions that
4 apply to a disbarred lawyer.

5 13. Upon filing of my resignation, I agree to comply with the same duties as a
6 disbarred lawyer under ELC 14.1 through ELC 14.4.

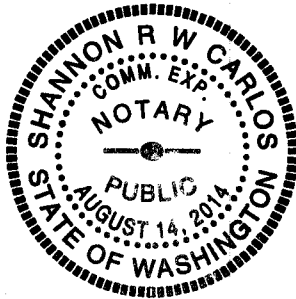
7 14. I understand that after my resignation becomes effective, it is permanent. I will
8 never be eligible to apply and will not be considered for admission or reinstatement to the
9 practice of law nor will I be eligible for admission for any limited practice of law.

10 15. I certify under penalty of perjury under the laws of the State of Washington that
11 the foregoing is true and correct.

12
13 10/29/13 Renton, WA
14 Date and Place

Shaunna H. Touchi
Shaunna H. Touchi, Bar No. 36609

15
16 SUBSCRIBED AND SWORN to before me this 29th day of October, 2013.



Shaunna H. Touchi
NOTARY PUBLIC for the state of
Washington, residing at Renton, WA

My commission expires: 08/14/2014

EXHIBIT A

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7 BEFORE THE
8 DISCIPLINARY BOARD
9 OF THE
10 WASHINGTON STATE BAR ASSOCIATION

11 In re

12 **SHAUNNA H. TOUCHI,**
13 Lawyer (Bar No. 36609).

Proceeding No. 13#00070

STATEMENT OF ALLEGED
MISCONDUCT UNDER ELC 9.3(b)(1)

14 The following constitutes a Statement of Alleged Misconduct under Rule 9.3(b)(1) of
15 the Rules for Enforcement of Lawyer Conduct (ELC).

16 **I. ADMISSION TO PRACTICE**

17 1. Respondent Shaunna H. Touchi was admitted to the practice of law in the State of
18 Washington on October 21, 2005.

19 **II. ALLEGED FACTS**

20 2. On January 15, 2013, Respondent registered "Evergreen Law Offices, PLLC" (ELO)
21 as a professional limited liability company with the Washington Secretary of State (Secretary of
22 State). On April 30, 2013, Respondent registered "United Home Advocates, PLLC" (UHA) as
23 a professional limited liability company with the Secretary of State. On May 1, 2013,
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1 Respondent registered the "American Law Group PLLC" (ALG) as a professional limited
2 liability company with the Secretary of State.

3 3. Respondent registered these corporations at the request of W.G., a lawyer licensed in
4 California.

5 4. W.G. was one of the organizers of a scheme wherein he and others set up purported
6 law firms with generic names associated with a named lawyer (including Respondent) to
7 provide loan modification services. However, W.G. and others associated with him (the loan
8 modification processors) maintained control of the marketing of these services, employed
9 telemarketers, and processed consumer's financial information.

10 5. Consumers were offered contracts where the named lawyer (including Respondent)
11 would agree to represent the consumer in a loan modification, and the consumer also signed a
12 release allowing the lawyer's staff to obtain personal financial information and an agreement to
13 authorize withdrawal of funds directly from the consumer's bank account.

14 6. However, the loan modification processors rarely obtained loan modifications for
15 consumers or helped consumers avoid foreclosures, and they made material misrepresentations
16 to consumers.

17 7. W.G. and his associates, with Respondent's approval, set up a website for ELO;
18 www.evergreenlawoffices.com.

19 8. Clients who hired ELO and Respondent paid their fees directly to the loan
20 modification processors, not to ELO or Respondent.

21 9. On June 18, 2013, the Federal Trade Commission (FTC) filed a Complaint for
22 Injunctive Relief and Other Equitable Relief in United States District Court, Central District of
23 California, Santa Ana Division (the Court). W.G. and the loan modification processors were
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1 listed as defendants in this action.

2 10. On June 19, 2013, the Court issued a Temporary Restraining Order and appointed a
3 Receiver.

4 11. On July 5, 2013, the Court appointed Receiver filed a report describing his findings.
5 He described an "integrated fraud scheme" by the loan modification processors, involving
6 approximately 6,000 consumers, and recommended that the defendants not be allowed to
7 continue processing loan modifications.

8 12. On July 18, 2013, the Court entered a Preliminary Injunction. Under the heading
9 "Receivership Defendants," ELO is specifically mentioned as a defendant. The Court further
10 ordered that www.evergreenlawoffices.com be rendered inaccessible to the public.

11 13. Respondent does not know how many clients agreed to modification services with
12 W.G. and the loan modification processors, or how much money was taken in by them.

13 14. Respondent received a salary from W.G. and the loan modification processors
14 through bimonthly direct deposits into "her" ELO operating account.

15 15. Between January 25, 2013 and July 31, 2013, Respondent received approximately
16 \$28,000 for the use of her name as the lawyer associated with ELO.

17 16. Respondent shared fees with non-lawyers.

18 17. ELO's clients signed up with the loan modification processors either through a call
19 center or the ELO website, and their payments were made directly to the loan modification
20 processors.

21 18. Many clients did sign fee agreements with Respondent's signature on the agreement.
22 The fee agreement specified that the client would be receiving legal services from ELO and
23 Respondent.

1 19. However, Respondent never had any contact with any of ELO's clients. Respondent
2 had no records or client files, and no knowledge of the names of ELO's clients.

3 20. Respondent did not review the marketing material the loan modification processors
4 sent to potential clients.

5 21. Respondent never performed any legal work on behalf of these clients.

6 22. After ELO was shut down by the receiver, Respondent's other law firm, ALG,
7 continued to offer loan modification services.

8 23. W.G. and his associates, with Respondent's approval, set up a website for ALG.

9 24. The website for ALG had false and misleading client testimonials identifying
10 Respondent as their attorney.

11 25. For example, there was a "client testimonial" with a link to a document showing a
12 home loan modification with a start date of January 1, 2013. ALG was not in existence in
13 January 2013.

14 26. On June 28, 2013, Lewis Altman filed a grievance with the Association. He had
15 retained Respondent and ELO to help him with a loan modification, received promises about
16 lowering his payment, and then ended up having his lender set an even higher payment. He had
17 paid ELO \$1,400.

18 27. On July 3, 2013, Christopher Eaton filed a grievance with the Association. He
19 retained Respondent and ELO to help him with a loan modification and received promises about
20 lowering his payment. ELO did not provide the services as promised. He paid \$2,800 for
21 Respondent's services.

22 28. On July 16, 2013, Larry Worth filed a grievance with the Association. He retained
23 Respondent and ELO to help him with a loan modification. ELO debited \$3,000 from his
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1 account. When he requested an accounting of how the funds were earned and/or a refund, he
2 did not receive either.

3 29. On July 22, 2013, Brenda Dilger filed a grievance with the Association. She
4 retained Respondent and ELO to help with a relative's loan modification. She paid \$3,000, and
5 received no services.

6 30. On July 22, 2013, Johnny Fouse filed a grievance with the Association. He and his
7 wife paid ELO \$2,500 for representation in a mortgage modification and received no services.

8 31. On August 1, 2013, Michael and Teri Smith filed a grievance with the Association.
9 They hired ELO and Respondent for loan modification services. They paid \$3,000 and
10 although they were assured that ELO was working on their case and had submitted a loan
11 modification request to their bank, their bank later informed them that that no such documents
12 had ever been received.

13 32. On August 6, 2013, Renee Kelley filed a grievance with the Association. She hired
14 ELO to provide loan modification services and later found out that ELO did not provide her
15 documentation to her lender. She paid \$7,500 to ELO.

16 33. On August 12, 2013, James Cannon Bey filed a grievance with the Association. He
17 hired ELO and Respondent for loan modification services. He paid \$1,675 and received no
18 services.

19 34. On August 15, 2013, Janice Rollins filed a grievance with the Association. She and
20 her husband Donald retained ELO and Respondent for loan modification. They paid \$833 and
21 received no services.

22 35. On August 15, 2013, Betty Pinkey filed a grievance with the Association. She hired
23 ELO and Respondent for a loan modification, paid \$1,250, and received no services.

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1 36. On August 23, 2013, Carl Becker filed a grievance with the Association. He hired
2 ELO and Respondent for loan modification services. He paid \$3,495 and received no services.

3 37. On August 27, 2013, Douglas Mele filed a grievance with the Association. He
4 retained UHA and respondent for loan modification and received no services. He paid UHA
5 \$2,500.


6 **III. ALLEGED MISCONDUCT.**

7 38. By engaging in conduct involving fraud, deceit and misrepresentation, specifically
8 by assisting in a fraud where consumers believed they were hiring a lawyer but did not receive
9 any legal services, Respondent violated RPC 8.4(c).

10 39. By sharing legal fees with nonlawyers, Respondent violated RPC 5.4(a).

11 40. By offering false client testimonials on the American Law Group website,
12 Respondent violated RPC 7.1.

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14 DATED this 6th day of September, 2013.

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17 Erica Temple, Bar No. 28458
18 Disciplinary Counsel
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