

8142077

SUPREME COURT
FILED

MAR 2 8 1983

Frederick

S142077

IN THE SUPREME COURT OF CALIFORNIA

IN THE MATTER OF THE
ACCUSATION OF

JOSE CASTANEDA
(your name)

ACCUSATION AGAINST AN ATTORNEY

JOSE CASTANEDA

1377 RUTAN WAY

PASADENA, CA. 91104-5047

(626) 296-9136
(your name and address)

PROOF OF SERVICE—ACCUSATION

I hereby declare that I am a citizen of the United States, that I am over 18 years of age, and that I am ☒/ I am not ☐ a party to the within action. I am employed ☒/ reside ☒ in the County of LOS ANGELES, and my business address ☒/residence address ☒ is 1377 RUTAN WAY, PASADENA, CALIFORNIA 91104.

On MARCH 17, 2006, I served a true and correct copy of the attached Accusation on the within parties in a sealed envelope addressed as follows:

(Send one copy)
State Bar of California
1149 South Hill Street
Los Angeles, CA 90015

(Send three copies)
State Bar of California
180 Howard Street
San Francisco, CA 94105

(List name and address of attorney below)

SONIA MARIA MERCADO
5701 W. SLAUSON AVENUE #202
SULVER CITY, CA. 90230-6593

[MAIL] I caused such envelope with postage thereon fully prepaid to be placed in the United States mail at PASADENA, California.

I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed on MARCH 16, 2006, at PASADENA, California.

JOSE CASTANEDA
(Type or print your name)

(Your Signature)

VERIFICATION—ACCUSATION

I, JOSE CASTANEDA, am the person who is filing the Accusation. I certify and declare that I have read the foregoing, that I know its contents, and that I am informed and believe the matters stated within are true.

I declare under penalty of perjury and the laws of the State of California that the foregoing is true and correct.

Executed this 16 day of MARCH, 2006,
at PASADENA, California.

(Your Signature)

JOSE CASTANEDA



THE STATE BAR
OF CALIFORNIA

OFFICE OF THE CHIEF TRIAL COUNSEL
AUDIT & REVIEW

1149 SOUTH HILL STREET, LOS ANGELES, CALIFORNIA 90015-2299

TELEPHONE: (213) 765-1000

TDD: (213) 765-1566

FAX: (213) 765-1442

<http://www.calbar.ca.gov>

January 23, 2006

Jose Castaneda
1377 Rutan Way
Pasadena, CA 91104

RE: Respondent: Sonia Mercado
Case No.: 05-14166

Dear Mr. Castaneda:

Your complaint and all supplemental documents and/or information you provided in your January 9, 2006 letter have been reexamined as part of the internal review process of the Office of the Chief Trial Counsel. After carefully analyzing the facts, the law, the high standard of proof in State Bar matters, and the likelihood of successful prosecution, it has been determined that your matter will remain closed.

Your complaint against Ms. Mercado alleged that she failed to provide a proper accounting concerning a contingent fee on a wrongful death action involving your brother. During our recent telephone conversation, I indicated that I would try to give this case priority as you were before the court in this matter. Please be advised that the judge should determine this matter as to whether the distribution of the proceeds to your mother was properly handled. If the court makes a determination that Ms. Mercado acted improperly in handling the case, please contact me and I will make sure that the information is noted and the case returned from closed files. In the meantime, there is nothing contained in the complaint file warranting further investigation and/or prosecution of Ms. Mercado for ethical misconduct.

In order to seek review of this decision, you must file a verified accusation against the attorney with the California Supreme Court, pursuant to rule 952, subsection (d) through (f), California Rules of Court, within **60** days of the date of this letter.

The Clerk of the Supreme Court has instructed us to advise you that no specific form is used by the Supreme Court for the filing of a verified accusation against an attorney. You may obtain specific information by contacting the Clerk's office in Los Angeles or in San Francisco. The addresses and phone numbers of the respective offices are listed below.

California Supreme Court
Clerk's Office
300 South Spring Street
Second Floor, Room 2752
Los Angeles, CA 90013
(213) 830-7570

California Supreme Court
Clerk's Office
350 McAllister Street
San Francisco, CA 94102
(415) 865-7000

SB1-#48776-v1-Mercado_-_05-14166.DOC

Jose Castaneda

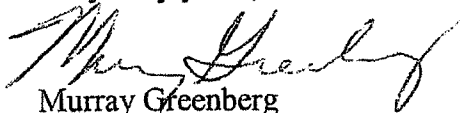
January 23, 2006

Page 2

Please be aware that if you file a verified accusation against the attorney, the Office of the Chief Trial Counsel will only reopen its file in this matter if the California Supreme Court issues an order granting your request.

You may also wish to consult with legal counsel for advice regarding any other civil, criminal, or administrative remedies which may be available to you. You may contact your local or county bar association to obtain the names of attorneys who might assist you further in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Murray Greenberg", written in a cursive style.

Murray Greenberg
Supervising Trial Counsel

Jose Castaneda
1377 Rutan Way
Pasadena, CA. 91104

SUPREME COURT OF CALIFORNIA

Frederick K. Ohlrich
350 McAllister Street
San Francisco, CA. 94102

March 12, 2006

Re: Sonia M. Mercado
State Bar Case No: 05-14166

Freedom and Responsibility go hand in hand. We hold people responsible because we believe that they are free to act or not act in certain ways. People have choices; they make decisions. They act on the basis of knowledge and in accordance with certain values. They are not robots. With this in mind, it is particularly disturbing, therefore that after a decade since the tragic death of Luis Castaneda while in custody in County Jail, we learn that the lawyer (Sonia Maria Mercado) that handled the settlement might have cheated Mrs. Castaneda of many thousands of dollars. If Sonia Maria Mercado HAD NOT shown to testify, We would not have known about the misappropriation of funds.

Sonia Maria Mercado had Freedom and Responsibility when she handled the case Felicitas Castaneda vs County of Los Angeles BC 128253. Mr. Ned Paul Reilly Esq. was the first attorney in the case, and is under the impression that the case was settled for over \$600,000.00 when in fact was settled for \$400,000.00.

EXHIBIT A is the testimony of Sonia M. Mercado, on May 10, 2005. A case filed in The Pasadena Superior Court by Jesus Castaneda against me for a purported fraud, case No. GC 031549. AFTER Mrs. Mercado's testimony, I had asked Mrs. Castaneda as to the amount that Mrs. Mercado handed her in the case over the death of her son. Mrs. Castaneda told me that she only received \$170,000.00 which is about 42% of \$400,000.00. The client-attorney agreement calls for 65% or \$260,000.00.

EXHIBIT B are copies of check #621 for \$2,000.00 and #658 for \$4,000.00 deposited to account 19078724 at Home Savings and endorsed by "Sonia M. Mercado". I personally gave her this and other checks for court costs.

Testimony of Sonia M. Mercado On page 7, line10 reads:

Q. MS. MERCADO: WHAT WAS THE ATTORNEY FEE ARRANGEMENT BETWEEN YOU AND LISA (FELICITAS) CASTANEDA?

A. I WORKED STRICTLY ON A CONTINGENCY FEE BASIS. WHEN I WIN A CASE THE COURT MAY AWARD ME ATTORNEY FEES AND COSTS. SO MY CONTINGENCY IS STRICTLY BASED UPON MY SUCCESS IN THE CASE. SO I USALLY TAKE ON A CONTINGENCY. IF IF I WIN, I GET PAID. IF I DON'T WIN, I DON'T GET PAID.

Testimony of Sonia M. Mercado On page 8, line 9 reads:

THE COURT: CAN YOU LOOK AT THE BACK OT THIS EXHIBIT 192. IS THAT YOUR SIGNATURE?

THE WITNESS: IT IS SIMILAR TO MY SIGNATURE, YOUR HONOR. THERE ARE SOME NUMBERS THERE. I ALWAYS CROSS MY SEVENS. I DO EUROPEAN SEVEN.

Testimony of Sonia M. Mercado On page 11, line reads:

THE COURT: NEITHER OF THESE TWO CONTAIN YOUR SIGNATURE?

THE WITNESS: YOUR HONOR, WHAT I AM SAYING, THE SIGNATURE IS SIMILAR TO MINE. NOT QUITE MY SIGNATURE. I DON'T REMEMBER, AND I DON'T KNOW IF THAT IS MY SIGNATURE AT THE TIME. AND I DON'T RECOGNIZE THAT ACCOUNT NUMBER. I DON'T KNOW IF THAT WAS MY ACCOUNT OR NOT.

THE COURT: DO YOU GET COSTS?

THE WITNESS: THE COSTS COME OUT OF CASE WHEN I SETTLE THE CASE.

THE COURT: YOU DON'T NORMALLY GET COSTS OF \$2,400?

THE WITNESS: NO, YOUR HONOR.

THE COURT: IF THIS MONEY WAS PAID TO MY OFFICE, IT WOULD HAVE BEEN ANOMINALY. I NEVER ASK CLIENTS TO GIVE ME RETAINER FOR COSTS. WHEN I WAS DOING BUSINESS YEARS AGO, I MAY HAVE TAKEN A RETAINER. IF THIS MONEY WAS PAID TO MY OFFICE, THERE WOULD BE A RECORD IN A BANK. I DON'T RECALL IF THE RETAINER WAS PAID TO MY OFFICE. IT WOULD HAVE GONE EXCLUSIVELY TO TRUST ACCOUNT AND EXCLUSIVELY FOR COSTS, **AND IT WOULD HAVE BEEN RETURNED TO THE CLIENTS WHEN THE CASE WAS SETTLED.**

The most disturbing items of Sonia M. Mercado's testimony is that I did not provide medical needs to my brother Luis Castaneda, that I was "very controlling" and that I was "becoming and impediment". All I wanted to know the facts of how Luis died in Jail. In the course of my inquiry, I met with the coroner. Ever since then, I attempted to obtain the file, Sonia M. Mercado denied me access alleging that Felicitas Castaneda was "her client". After the settlement, I lost all contact with my family for about two years. I was not around when the money was distributed to Felicitas Castaneda. Mrs. Castaneda was 75 years-old at the time, has a 2nd grade education and I must add has a good memory.

EXHIBIT C is a letter in Spanish from Sonia Mercado & Associates dated October 9, 1996. In the last paragraph she demands that monies be sent to paid expert witnesses Dr. Rudnick and Danto. She states that “to each one a balance owe in average of \$3,000.00.” This letter corroborates that Mrs. Mercado was given thousands of dollars to undertake the case. She was to have returned these monies at distribution. Did she?

EXHIBIT D is a four page attorney-client agreement. Page 2 is missing an initial or signature on the lines “I CHOOSE THE CONTINGENCY FEE AGREEMENT AND I CHOOSE THE TIME BASIS FEE AGREEMENT. The last page (4) at the bottom appears to be an undated signature of Felicitas Castaneda. Missing from this document are the signatures of Sonia M. Mercado and Samuel R. Paz. I MUST INFORM THIS COURT THAT UNLESS MERCADO AND PAZ CAN PRODUCE AN ATTORNEY-CLIENT)DOCUMENT IN SPANISH THIS AGREEMENT SHOULD BE VOID SINCE MRS. CASTANEDA **DOES NOT READ NOR SPEAK THE ENGLISH LANGUAGE.**

EXHIBIT E is a Xerox copy of a County of Los Angeles check G 6899114 bearing the name FELICITAS, CASTANEDA (PLAINTIFF) SONIA MERCADO TRUST ACCOUNT C/O COUNTY COUNSEL dated 06/12/97 for \$400,000.00 DOLLARS. Mrs. Castaneda states that this copy was given to her by the bank manager after Mrs. Mercado left the premises.

EXHIBIT F is a letter from Sonia Mercado & Associates dated July 9, 1997 in Spanish. The first paragraph states that she has received **EXHIBIT E** the check for the amount of \$400,000.00 DOLLARS. And that the monies had been deposited in an account that her office maintains for clients (Client Trust Account) in the Bank Home Saving of America. Mercado furthers states that her honoraries are 35% of the total, which is \$140,000.00. This amount was to be deducted from the total.

The second paragraph states that Mercado was issuing check #263 for \$27,000.00 DOLLARS to a Mr. Miguel Martinez. (Mr. Martinez is a friend of mind that allowed me to borrow the money so that I could give Ned P. Reilly and Mercado to paid the experts that were never needed since the case settled out of court. I believe that I gave Reilly 10 thousand and Mercado the rest in the form of checks or **EXHIBIT B checks 621 & 658**). The last sentence translated : “For now, you do not want to be paid your money in this case”. Mercado is under the impression that Mrs. Felicitas was to receive “millions” from a Transamerica Annuity.

400,000 minus 140,000 equals 260,000 Mrs. Castaneda Should have received an amount near to this numbers. An accounting was NEVER given to Mrs. Castaneda.

EXHIBIT G is a copy of a savings account statement from Home Savings of America dated 9/23/97 of Felicitas Castaneda, at 630 Mercedes Avenue, in Pasadena, California 91107. The account activity details on 9/02 a CASH DEPOSIT for the amount of \$150,000.00 DOLLARS. Mrs. Castaneda REMEMBERS receiving ONLY the amount of \$170,000.00 DOLLARS. This document from Mrs. Castaneda’s records corroborates that assertion.

EXHIBIT H Is a letter titled FOOTBALL SOCCER INTERNATIONAL dated November 14, 1998. sent by Jose Castaneda to Sonia Mercado. The underlined sentences states: "After all, a five percent mistake in any settlement is a big mistake. It could well represent your secretary's yearly salary. I am glad that I was able to correct you and your secretary of said mistake." This letter makes reference to a five percent mistake that Mercado blamed on her secretary. A five percent mistake represented \$20,000.00 in the settlement of \$400,000.00. Mercado opted to side me and keep me out of the final settlement and she succeeded. She was free and responsible.

I, Jose Castaneda, declare as follows:

That up until May 10, 2005, never made any inquiries to Mrs. Felicitas Castaneda as to the settlement Felicitas Castaneda vs County of L.A. It was when Sonia M. Maria Mercado testified against me that I talked to Mrs. Castaneda and the checks that were presented to Sonia Maria Mercado. She testified that she has no memory receiving the checks to undertake the original case.

Throughout my investigation, I contacted Sanwa Bank now Bank of the West in Pasadena, California. They confirmed that checks #621 for \$2,000.00 and #658 for \$4,000.00 in question went to the account #19078724 and #001907824 under the signature *SONIA M. MERCADO*.

I gave Sonia Mercado thousands of dollars to undertake this case. I hire her. I knew what the client-agreement percentages were. I just wanted to understand how Luis Castaneda died.

I respectfully make a plea that a formal investigation be re-opened by The State Bar of California. This accusation should not be taken lightly nor dismissed. Instead there should be a Senate Bill to make changes in the business and profession code to prevent any future frauds by lawyers.

Invoking statute of limitations should not be a legal maneuver to avoid, however distant from original settlement, from full accountability.

Sonia M. Mercado had an opportunity in late August, 2005 at her office to give Mrs. Castaneda an accounting of the case. Mrs. Castaneda only received empty words swearing on Mercado's kids that she had done the right thing, as her husband Mr. Samuel R.Paz, stood by the door listening to the conversation.

Mrs. Felicitas Castaneda confided to me that after Mercado and Paz call the Culver City Police on us made her feel like a common criminal. Since when its a crime to inquiry a lawyer for a full accounting in a settlement where Mrs. Castaneda lost a son. Its against nature when parents bury their offspring.

JOSE CASTANEDA
FELICITAS CASTANEDA
630 MERCEDES AVE. PH. 818-568-2753
PASADENA, CA 91107

16-351
1220-262
262631820

621

DATE *SEP 20 96*

PAY TO THE ORDER OF *SONIA MERCADO*

TWO THOUSAND AND 00/100 \$ *2000.00* DOLLARS

 **Sanwa Bank**
California

Lake Avenue Office #262
171 S. Lake Avenue
Pasadena, CA 91101
Teleservicing:
(818) 564-4100

MEMO

Jose Castaneda

⑆122003516⑆0621⑆262631820⑆

⑆0000200000⑆

SECURITY FEATURES
Included
Details on back.

⑆ FINE LINE

JOSE CASTANEDA
FELICITAS CASTANEDA
630 MERCEDES AVE. PH. 818-568-2753
PASADENA, CA 91107

16-351
1220-262
262631820

658

DATE *OCT 9 96*

PAY TO THE ORDER OF *SONIA M. MERCADO*

FOUR THOUSAND AND 00/100 \$ *4000.00* DOLLARS

 **Sanwa Bank**
California

Lake Avenue Office #262
171 S. Lake Avenue
Pasadena, CA 91101
Teleservicing:
(818) 564-4100

MEMO

Jose Castaneda

⑆122003516⑆0658⑆262631820⑆

⑆0000400000⑆

SECURITY FEATURES
Included
Details on back.

⑆ FINE LINE

EXHIBIT "B"

ENDORSE HERE

3220
J. M. Mucio
19078724

RETURNED ITEM
CALL 1-800-700-64

HOME SAVINGS
5050 BALDWIN PARK, CA 91706
STAMPED BY BALDWIN PARK, CA 91706
OCT 20 1996

SEP 27 1996

13220700064 HOME SAVINGS
PR: 0001 10/15/96
RETURNS, CA (800) 523-9498
2106629445

SAN DIEGO, CALIFORNIA
16-351 PD
10/16/96

* FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

Results of document attention:
• Serial type is accurate and approved
• Stamps or serials appear with original photograph
• Absence of Original Document
• Markings on back of check

ENDORSE HERE

J. M. Mucio
19078724

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR INTERNAL USE ONLY

13220700064 HOME SAVINGS
PR: 0001 10/15/96
RETURNS, CA (800) 523-9498
2106629445

SAN DIEGO, CALIFORNIA
16-351 PD
10/16/96

* FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

Results of document attention:
• Serial type is accurate and approved
• Stamps or serials appear with original photograph
• Absence of Original Document
• Markings on back of check

Returned item
OCT 15 1996 0001
Home Savings
5050 Baldwin Park, CA 91706
STAMPED BY BALDWIN PARK, CA 91706

SONIA MERCADO & ASSOCIATES

Attorneys at Law

Citicorp Plaza
Thirty-Seventh Floor
777 South Figueroa Street
Los Angeles, California 90017-5800

Area Code 213
Telephone 955-4271
Facsimile 627-7795

9 de Octubre del 1996

Sra. Felicitas Castañeda
Sr. Jose Castañeda
630 Mercedes Avenue
Pasadena, California 91107

Re: Felicitas Castañeda vs. County of Los Angeles
Our File No. A266

Estimada Sra. Castañeda:

Esta es para informarle que la corte hoy dia nos concedio nuestra peticion para amendar su demanda. Esto es muy favorable para usted, puesto que ahora podemos presentar mas claramente una demanda por violaciones de Derechos Humanos. Tambien el Juez nos concedio nuestra peticion para continuar el juicio hasta el 17 de Marzo, 1997.

Esperamos ahora poder hacer las investigaciones necesarias para poder hacer un caso mas fuerte contra el condado y nombrar las personas responsables como defendientes.

Si tiene alguna pregunta, no hesite en llamarnos. Todavia esperamos el dinero para pagarle a nuestros expertos. Por favor ayudenos a poder bien representarla y envienos los pagos del Dr. Rudnick y Danto. A cada uno se le debe un promedio de \$3,000. Sin la ayuda de nuestros expertos, no podemos reusir.

Muy Atentamente,

SONIA MERCADO & ASSOCIATES

By:

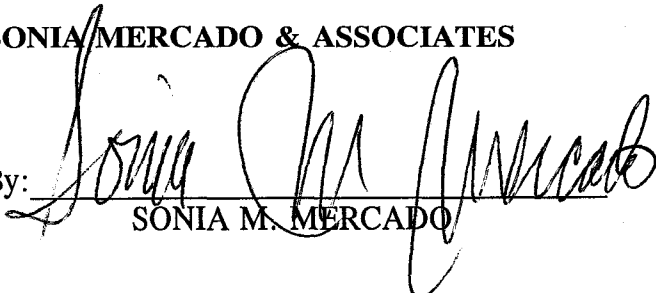

SONIA M. MERCADO

EXHIBIT "C"

ATTORNEY-CLIENT AGREEMENT

FELICITAS CASTANEDA, hereinafter called the "Client", employs THE LAW OFFICES OF SONIA MERCADO & ASSOCIATES AND R. SAMUEL PAZ, hereinafter called "Attorneys", as Client's Attorneys to represent Client in enforcing, by all appropriate means, all of Client's claims arising from **CLIENT'S CLAIMS ARISING FROM, AMONG OTHER THINGS, A CASE ENTITLED FELICITAS CASTANEDA V. COUNTY OF LOS ANGELES** (regarding decedent Luis Castaneda).

Client understands that Attorneys have not yet investigated the facts of this claim, have not yet reviewed the present legal file in this matter and cannot make any representation about its eventual outcome. Attorneys have the right to later reject the case in the event facts should be developed which cause the case to appear without merit.

ATTORNEYS' FEES (Client to Indicate Choice)

A. CONTINGENCY FEE:

Client understands that the contingency fee in this matter has been negotiated between Client and Attorneys and shall be binding upon both parties. Client agrees that Attorney shall retain forty percent (40%) of any amount recovered by Attorneys on behalf of Client if this matter goes to trial, commencing with the appearance for the first day of trial. If the matter is settled prior to commencement of trial, Attorneys recovery shall be thirty percent (35%).

The limitations shall apply regardless of whether the recovery is by settlement, arbitration, or judgment, or whether the person for whom the recovery is made is a responsible adult, an infant, or a person of unsound mind.

If periodic payments are awarded to the plaintiff pursuant to Section 667.7 of the Code of Civil Procedure, the court shall place a total value on these payments based upon the projected life expectancy of the plaintiff and include this amount in computing the total award from which attorneys' fees are calculated under this section.

For purposes of this section:

"Recovered" means the net sum recovered after deducting any disbursements or costs incurred in connection with prosecution or settlement of the claim. Costs of medical care incurred by the Plaintiff and the attorneys' office-overhead costs or charges are not deductible disbursements or costs for such purpose."

Fees will be charged only upon recovery, or should Client substitute Attorneys out of this matter, when such subsequent attorney resolves and obtains "Recovery" in this matter.

I CHOOSE THE CONTINGENCY FEE AGREEMENT: _____
(Client's Signature)

B. TIME BASIS

Client shall pay to THE LAW OFFICES OF SONIA MERCADO & ASSOCIATES the sum of **TWENTY THOUSAND DOLLARS (\$20,000)** for the retention of their services in the aforementioned claim no part of which is refundable. It is understood that the Attorneys' time shall be computed at the rate of \$200.00 per hour. Any fees incurred will be billed monthly. The total fee will depend on the time spent, exclusive of costs advanced. The hourly fee will be applied against the aforesaid retainer. Other fees may include, but are not limited to, paralegal services, extraordinary clerical, investigation, and expert fees. Paralegal fees will be billed at \$100.00 per hour.

I CHOOSE THE TIME BASIS FEE AGREEMENT: _____
(Client's Signature)

COSTS AND OTHER EXPENSES

Client shall be responsible for all costs in this matter and shall advance a retainer amount of \$2,000. Upon depletion, Client shall advance another retainer of \$1,500, and pay cost upon request. Attorneys shall provide Client a monthly statement including all costs incurred herein. In their discretion, Attorneys may employ such expert witnesses and investigators and advance costs and other expenses incurred by Attorneys deem advisable for the prosecution of Client's case. All costs advanced and expenses incurred by Attorneys are the responsibility of Client, but if Attorney advances said costs or if a recovery is obtained, Attorneys may deduct any such costs and expenses which are still unreimbursed. Attorneys have the right to require reimbursement of costs advanced of the posting of expected costs including, but not limited to jury fees, court fees, at any time.

PAYMENT OF ATTORNEYS FEES AND ADVANCED COSTS

Attorneys shall have a lien for their fees and any advanced costs and expenses against any settlement, judgment or compromise whether resolved by Attorneys or other counsel. Attorneys shall receive all monies obtained by settlement, judgment or otherwise, on behalf of Client. Client irrevocably directs that Client and Attorneys be made payee on any check or draft for settlement or payment of any judgment or compromise. If at the time

said Recovery and check is received by Attorneys, Client cannot be located, Attorney shall have the irrevocable right to sign said check on behalf of Client. However, said check shall be deposited into Attorney's Trust Account and an accounting shall be made to Client. Before disbursing funds Attorneys shall deduct attorneys' fees, costs and other expenses advanced, if any remain unpaid.

Client understands that in addition to the above contingent attorney fee agreement, Attorneys may request that their fees and costs in this matter be paid by defendants pursuant to U.S. Code Section 1983.

ATTORNEYS' DUTIES

Attorneys agree to explain the laws pertinent to Client's problem, the available courses of action and the attendant risks and will keep client apprised of any significant matters. Attorneys further agree that Attorneys or Attorneys' staff will make all reasonable efforts to answer Client's inquiries promptly. Client may review his file in Attorneys' offices upon request and may have copies of documents at actual cost.

Attorneys may, but shall not be obligated, to defend or prosecute any writ, appeal or other post-judgment, or post-arbitration action, nor to provide any services of collection, or otherwise, nor to seek other relief beyond the original court in which the case is filed. However, if an appeal is taken by the opposing party, Attorneys agree to assist Client in locating qualified appellate counsel, and to reasonably assist his Fees and costs for any writ of appeal are not included herein, but are the subject of further negotiations between Attorneys and Client.

SUBSTITUTION OR DISCHARGE OF ATTORNEY

Under California law the Client always has the right to discharge the Attorneys. In the event that the Attorneys are discharged before settlement, judgment or compromise, said Attorneys shall be entitled to attorneys' fees in an amount equivalent to the reasonable value of their services rendered up to the date of discharge or substitution. If a court or arbitrator of competent jurisdiction finds such discharge or substitution to be fraudulent or in bad faith, the contingent fee herein (if applicable) shall be given full force and effect.

PAYMENT OF MEDICAL EXPENSES

If applicable, Attorneys are authorized and directed to pay out of Client's portion of any settlement, judgment or compromise, any and all of Client's medical expenses due and unpaid at any time such proceeds are received if any only if Attorneys have signed a lien or other agreement with the health care provider providing for such payment.

ARBITRATION

Should any dispute arise between Client and Attorneys, whether over fees, the manner or method of Attorneys' performance of this agreement, or otherwise, it shall be arbitrated before and in accordance with the rules of the American Arbitration Association, or before such other arbitration tribunal as the parties may agree. The findings of any such arbitration shall be deemed binding and final. The parties agree that this dispute-resolution method is in lieu of judicial litigation and its attendant consumption of time and expense.

The prevailing party will receive attorney fees and costs for Arbitration.

I AGREE: _____
(Initials)

ACKNOWLEDGMENT OF RECEIPT OF COPY OF THIS AGREEMENT

The undersigned acknowledges and agrees to the foregoing terms and conditions of said Retainer Agreement. Client acknowledges receipt of a duplicate copy of this Agreement.

Initial: _____

UNRELATED MATTERS

The fees charged by Attorneys for the matter described briefly in paragraph "A" are set forth above. If Attorneys are retained to perform services which are unrelated to the matters described herein (such as Writs, Appeals), Client and Attorneys should enter into an agreement regarding such matters. If such an agreement is not prepared and/or signed by Attorneys and Client, then Client shall pay Attorneys for such unrelated services at the rate of \$250.00 per hour.

Attorney is presently insured for professional liability.

DATED:

By: Felicitas Castaneda
FELICITAS CASTANEDA

DATED:

By: _____
SONIA M. MERCADO

DATED:

By: _____
R. SAMUEL PAZ

THE ORIGINAL DOCUMENT HAS A REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENT.



COUNTY OF LOS ANGELES

G 6899114

PAYABLE THROUGH:
FIRST UNION NATIONAL BANK
CHAPEL HILL, NORTH CAROLINA
IN COOPERATION WITH BANK OF AMERICA

AUDITOR CONTROLLER'S GENERAL WARRANT
WARRANT CLEARANCE FUND • LOS ANGELES, CALIFORNIA

THE TREASURER OF THE COUNTY OF LOS ANGELES
WILL PAY TO THE ORDER OF: _____

NOT PAYABLE AFTER TWO YEARS
FROM DATE ISSUED 65-156
531

LC

FELICITAS, CASTANEDA
(PLAINTIFF) SONIA MERCADO
TRUST ACCOUNT
C/O COUNTY COUNSEL

ISSUE DATE
061297

WARRANT NO.
6899114

DOLLARS	CENTS
\$400,00000	

APPROVED

ALAN T. SASAKI AUDITOR-CONTROLLER
BY

Shirley D. Hall

76G 250 4/96

COPYING AND FRAUD PROTECTION: PATENTS 4,318,344; 4,327,728; 4,316,182; 4,177,724; 4,346,158

⑈6899114⑈ ⑆053101561⑆ 2079985148074⑈

Exhibit 'E'

SONIA MERCADO & ASSOCIATES

Attorneys at Law

Citicorp Plaza
Thirty-Seventh Floor
777 South Figueroa Street
Los Angeles, California 90017-5800

Area Code 213
Telephone 955-4271

Of Counsel: R. SAMUEL PAZ

July 9, 1997

Sra. Felicitas Castañeda
Sr. Jose Castaneda
630 Mercedes Avenue
Pasadena, California 91107

Re: Castañeda v. Los Angeles County, et al.
Archivo No. A266

Estimada Sra. Castañeda y Jose:

Esta confirmara su conferencia en mi oficina hoy dia, durante la cual discutimos sus honorarios en este caso. Ya saben que hemos recibido \$400,000 del acuerdo en su caso, y que este dinero ya se deposito en la cuenta que nuestra oficina mantiene para clientes (Client Trust Account) con el banco Home Saving of America. Nuestros honorarios son el 35% del total, el cual es \$140,000. Esta soma la vamos a deducir de su total.

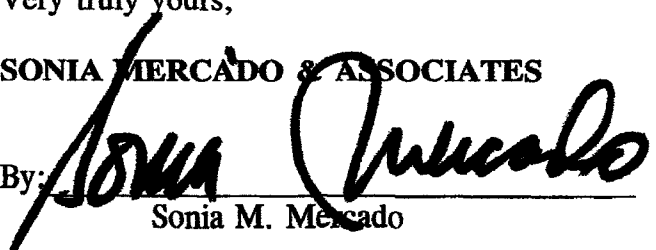
Usted nos pide que no quiere que sus honorarios se le paguen ahora. Ha pedido que mantengamos su dinero en mi cuenta para los clientes. Esta confirmara, que ha pedido, que de sus honorarios le hagamos un cheque de \$27,000 dirigido a un tal Sr. Miguel Martinez. Adjunto encuentre el cheque numero 263, en la soma de \$27,000, hecho al nombre del Sr. Martinez.

Esta confirma, que nuestra oficina preparara una lista de los costos que nosotros pagamos y le daremos cuenta tan pronto usted quiera. Usted nos ha advertido que usted se comunicara con su servidora tan pronto desee que le hagamos un cheque por el resto de su dinero. Por ahora, usted no quiere que le paguemos su dinero en este caso.

Very truly yours,

SONIA MERCADO & ASSOCIATES

By:


Sonia M. Mercado

adjunto

EXHIBIT "F"



**HOME SAVINGS
OF AMERICA** FSB

660 S Figueroa ST
Los Angeles CA 90017

Step-By-Step Statement

Page 1 of 1
Preparation Date: 9/23/97
(213)965-0400

FELICITAS CASTANEDA
630 MERCEDES AVE
PASADENA CA 91107

001

Super Savings Summary

Account # 001-196449-1

Activity from 09/02/97 through 09/19/97

Beginning Balance	0.00	Interest Earned 09/02 through 09/19	124.60
Total Additions	150,124.60	Annual Percentage Yield Earned	4.22%
Total Deductions	100,000.00	Interest Earned Year to Date	124.60
Ending Balance	50,124.60		

Account Activity

Date	Description	Deductions	Additions	Balance
09/02	BEGINNING BALANCE			0.00
09/02	CASH DEPOSIT		150,000.00	150,000.00
09/04	PREAUTHORIZED WITHDRAWAL	100,000.00		50,000.00
09/19	INTEREST PAID 09/02 THRU 09/19		124.60	50,124.60
09/19	ENDING BALANCE			50,124.60

Interest Rate Information

Date	Interest Rate	Date	Interest Rate	Date	Interest Rate	Date	Interest Rate
09/02	4.200	09/04	4.110				

 **Special Note** Change of address? Please remember to contact TeleBanking Center at (800) 933-3000.

FOOTBALL SOCCER INTERNATIONAL

14 November 1998

Mrs. Sonia Mercado
Attorney at Law
777 South Figueroa Street
Los Angeles, Calif. 90017

Dear Mrs Mercado:

I hope all is well, I am glad that I was finally able to contact you. I had left several messages with no response, and this could well be that you were either avoiding me or that you do not have a secretary. Did you fire her for the mistake she made in the final contract settlement? After all, a five percent mistake in any settlement is a big mistake. It could well represent your secretary's yearly salary. I am glad that I was able to correct you an your secretary of said mistake. I would like for you to provide me with the complete file ASAP. You indicated to me that it would take about two weeks. I was hoping that you would give my request, like Mr. Flanagan did, an immediate priority. He was able to provide me with the case file within seventy two hours. Unfortunately, he did not include his personal notes. Could you include yours?

I would hate to jump into conclusions but just like mistrust has been embedded in me. forgive me if at this point I have a very low appreciation for Lawyers. You indicated to me that my brother was dead and that I should forget about it.(in fact, we build an altar in his honor November 2) Would you put yourself in my shoes for one day. And said day the local newspaper carries a story similar to your experience. what would you do? After four years, we still in probate court like a never endless nightmare and the hundreds of questions that are still unanswered. For example why did the Law Firm of Manning, Marder or Wolf decided to put my brother in trial?. Who was on trial? What happened to the nurses? What happened to the doctor that authorised that Luis be transferred?(is he alive and well, and what is his name?) What happened to the court order that requested for Luis to be taken for a 90 day evaluation? How many suicides attempts? Did anyone interview Dr. Scholtz?. Was there an option to settled with prejudice or without? And the list continues.

I will not stop pleading my case for the fair treatment of mental patients like my brother. Dignity and respect. in my culture we treat animals better than the treatment given to Mental inmates at Men's Central. I personally, do not care what treatment you give to career criminals, the system should recognize between the two. Rehabilitation for one and humanitarian care for the latter.

I hope all will be bright in your future and as soon you release the complete file I will stop calling your office. at this point I have decided to proceed in "pro per". Or is it improper. God bless you all!

Sincerely and honestly,

JOSE CASTANEDA S.
Jose Castaneda Salazar

director and instructor

P.O. BOX -7029 • 92761 • PASADENA, CALIFORNIA • 91109

PHONE: (626)577FAX: (213)264-2694

cc: all concerned

EXIBIT "H"

1 CASE NUMBER: GC 031549
2 CASE NAME: CASTANEDA VS. CASTENADA.
3 PASADENA, CA MAY 10, 2005
4 DEPARTMENT NE P HON. JAN A. PLUIM, JUDGE
5 APPEARANCES: (AS HERETOFORE NOTED.)
6 REPORTER: ANDREA J. BILLUE
7 TIME: 2:45 P.M.
8

9 THE COURT: LET'S GO BACK ON THE RECORD.

10 CALL THE WITNESS, PLEASE.

11 MR. NACIONALES: YES. MS. MERCADO.

12 THE COURT: MS. MERCADO, APPROACH THE WITNESS
13 STAND.

14 SONIA MERCADO.

15 CALLED AS A WITNESS BY THE PLAINTIFF, WAS SWORN
16 AND TESTIFIED AS FOLLOWS:

17 THE CLERK: YOU DO SOLEMNLY SWEAR THAT THE
18 TESTIMONY YOU ARE ABOUT TO GIVE IN THE ABOVE-ENTITLED
19 ACTION SHALL BE THE TRUTH, THE WHOLE TRUTH, AND NOTHING
20 BUT THE TRUTH, SO HELP YOU GO.

21 THE WITNESS: I DO.

22 THE CLERK: PLEASE STATE YOUR NAME AND SPELL IT.

23 THE WITNESS: SONIA MERCADO, M-E-R-C-A-D-O.

24 //

25 //

DIRECT EXAMINATION

BY MR. NACIONALES:

Q. MS. MERCADO, WHAT IS YOUR CURRENT OCCUPATION?

A. I AM ATTORNEY.

Q. WHERE DO YOU CURRENTLY WORK?

A. I HAVE AN OFFICE DOWNTOWN AND ONE IN CULVER
CITY.

Q. MS. MERCADO, WHERE DID YOU ATTEND LAW SCHOOL?

A. I WENT TO UCLA.

Q. WHERE DID YOU ATTEND UNDERGRADUATE SCHOOL?

A. I ATTENDED UNDERGRADUATE SCHOOL BACK EAST.

MR. XAVIER: I STIPULATE.

THE COURT: WHERE DID YOU DO UNDERGRADUATE WORK?

THE WITNESS: ATLANTA UNION COLLEGE IN
MASSACHUSETTS AND A YEAR AND A HALF IN FRANCE.

Q. DO HAVE YOU A SPECIALTY, MS. MERCADO?

A. YES, I DO.

Q. WHAT IS THAT SPECIALTY?

A. MY SPECIALTY IS CONSTITUTIONAL LAW. I DO CIVIL
RIGHTS IN CONTENTS OF JAIL, MENTAL HEALTH AND MEDICAL
CARE.

Q. HAVE YOU EVER LECTURED ANYWHERE OR WRITTEN ANY
PUBLICATIONS?

A. YES. I HAVE LECTURED IN THIS VERY SPECIFIC AREA
TO LAW STUDENTS, TO JUDGES WHO COME FROM SOUTH AMERICA ON

1 HOW TO ENFORCE CONSTITUTIONAL RIGHTS, AND I LECTURED AT
2 OXFORD UNIVERSITY OF ENGLAND, COLUMBIA UNIVERSITY, UCLA.
3 I LECTURE TO STUDENTS AND LAWYERS ON ISSUES OF
4 CONSTITUTIONAL LAW.

5 Q. MS. MERCADO, THIS CASE IS BETWEEN MR. JESUS
6 CASTANEDA AND JOSE CASTANEDA. DO YOU HAVE ANY -- DO YOU
7 KNOW EITHER PARTY?

8 A. I KNOW JOSE CASTANEDA.

9 Q. AND IN WHAT CONTEXT?

10 THE COURT: WHO?

11 THE WITNESS: JOSE CASTANEDA. I KNEW JOSE
12 BECAUSE HE ACCOMPANIED HIS MOTHER WHEN HE FIRST RETAINED
13 ME.
14 BY

15 Q. WHAT DID HE RETAIN YOU FOR?

16 A. HE RETAINED ME TO REPRESENT HER IN THE DEATH OF
17 HER SON LOUIS WHO DIED IN CUSTODY, COMMITTED SUICIDE IN
18 CUSTODY. SO IT WAS A CIVIL RIGHTS CASE.

19 Q. WHO DID YOU REPRESENT?

20 A. I REPRESENTED MS. CASTANEDA, LOUIS CASTANEDA WAS
21 MY CLIENT.

22 Q. AND BASICALLY WHAT WERE THE CIRCUMSTANCES UNDER
23 WHICH YOU WERE RETAINED BY MS. CASTANEDA?

24 A. THERE HAD BEEN AN UNDERLYING ACTION IN WHICH A
25 PRIOR ATTORNEY IN ORANGE COUNTY, I THINK MR. O'REILLY HAD

1 REPRESENTED MS. CASTANEDA IN THE -- LOUIS CASTANEDA, IN A
2 CASE HE HAD AS A RESULT OF A CAR ACCIDENT. LOUIS
3 CASTANEDA HAD SUBSEQUENT TO THAT ACCIDENT RESULTED IN
4 HAVING PRETTY SEVERE BRAIN INJURY WHICH RESULTED IN HIS
5 HAVING SUBSTANTIALLY, LONG TIME LIFE, MENTAL HEALTH CARE
6 ISSUES, MEDICAL ISSUES THAT REQUIRED A SUBSTANTIAL,
7 MEDICAL, MENTAL HEALTH CARE AND TREATMENT FOR HIS LIFE.

8 SHE CAME TO ME BECAUSE LOUIS HAD DIED IN CUSTODY
9 AND SO THE UNDERLYING CASE WAS ONE OF THE BIG DEFENSES
10 THAT THE DEFENDANTS HAD IN THE CASE I HANDLED FOR HER
11 WHICH WAS A CONSTITUTIONAL LAW CASE.

12 Q. AND SO YOU ARE FAMILIAR WITH THE UNDERLYING
13 CASE?

14 A. I AM VERY FAMILIAR WITH IT. IT WAS PART OF IT.
15 I HAD TO BECOME FAMILIAR WITH IT. THAT IS CASE I HANDLED
16 FOR HER.

17 Q. THE UNDERLYING CASE IS THE CONSERVATORSHIP OF
18 JOSE CASTANEDA FOR LOUIS CASTANEDA?

19 A. THAT WAS ONE OF THE BIG DEFENSES IN MY CASE,
20 THAT LOUIS CASTANEDA APPARENTLY HAD ANNUITY.

21 THE COURT: DEFENSES?

22 THE WITNESS: ONE OF THE DEFENSES IN CIVIL
23 RIGHTS CASE IS THAT LOUIS HAD NOT RECEIVED MEDICAL,
24 MENTAL HEALTH CARE TREATMENT AND CARE HE WAS SUPPOSED TO
25 HAVE BEEN RECEIVING. THEREFORE, THEY WERE ALLEGING THAT

1 HE COMMITTED SUICIDE IN JAIL. NOT BECAUSE HE COMMITTED
2 SUICIDE IN JAIL BUT BECAUSE HE HAD NOT RECEIVED ANY OF
3 THE MENTAL HEALTH CARE THAT WAS INDICATED FOR HIM FOR
4 WHICH HE HAD PAID A LARGE ANNUITY.

5 THE COURT: YOU MEAN THE COUNTY OF LOS ANGELES
6 PAID ANNUITY?

7 MR. NACIONALES: ANNUITY WAS PAID IN A LAWSUIT.

8 THE COURT: THAT WAS FOR CAR ACCIDENT?

9 THE WITNESS: THAT WAS --

10 THE COURT: YOU WERE EMPLOYED BY MRS. CASTANEDA
11 TO BRING A WRONGFUL DEATH CASE AGAINST THE COUNTY?

12 THE WITNESS: CORRECT.

13 THE COURT: ONE OF THEIR AFFIRMATIVE DEFENSES
14 WAS THAT, THIS MEANING THE COUNTY, WAS THAT APPARENTLY
15 THE DECEDENT HAD NOT BEEN GIVEN THE MENTAL HELP THAT HE
16 SHOULD HAVE GOTTEN; IS THAT RIGHT?

17 THE WITNESS: IT WAS AN ISSUE OF CAUSATION. THE
18 ISSUE WAS CAUSATION, WHETHER HIS MENTAL HEALTH CARE
19 CONDITION DETERIORATED IN CUSTODY OR WHETHER HE ALREADY
20 HAD A DETERIORATION OF MENTAL HEALTH CARE BECAUSE HE HAD
21 NOT BEEN RECEIVING MENTAL HEALTH CARE THAT WAS SUPPOSED
22 TO BE PAID THROUGH ANNUITY.

23 BY MR. NACIONALES:

24 Q. WHO WAS IN CHARGE OF GETTING MENTAL HEALTH CARE?

25 A. JOSE TOLD ME HE WAS THE PERSON THAT WAS IN

1 CHARGE OF THAT PARTICULAR MONEY FROM THAT LAWSUIT FOR
2 LOUIS'S CARE.

3 Q. SO YOU FOUND OUT THAT JOSE WAS NOT GETTING HIM
4 THE HEALTH CARE?

5 A. I HAD ASKED JOSE FOR VERIFICATION THAT HE WAS
6 ACTUALLY GETTING PSYCHOLOGIST, PSYCHIATRIST, PEOPLE LIKE
7 LOUIS, THE MONEY GOES TO PAY FOR WHAT IS CALLED DAY CARE
8 PROGRAMS. THEY GO TO PLACES WHERE THEY TAKE CARE OF THEM
9 ALL DAY. SO THAT WAS THE WEAKNESS IN MY CASE.

10 Q. DID JOSE EVER ACCOMPANY YOUR CLIENT TO YOUR
11 MEETINGS?

12 A. INITIALLY, HE DID.

13 Q. AND HE STOPPED COMING?

14 A. I REQUESTED THAT HE STOP COMING.

15 Q. WHY DID YOU REQUEST THAT HE STOP COMING?

16 A. BECAUSE JOSE WANTED TO BE VERY MUCH IN CHARGE OF
17 THE CASE THAT I WAS HANDLING.

18 THE COURT: WHO DID?

19 THE WITNESS: JOSE WAS ACCOMPANYING HIS MOTHER.
20 I ASKED HER NOT TO ACCOMPANYING ME ANYMORE. BECAUSE HE
21 WAS VERY CONTROLLING IN THE CASE I WAS HANDLING. IT WAS
22 BECOMING AN IMPEDIMENT. THE WEAKNESS THAT THE CASE HAD,
23 THAT HE HAD NOT USED FUNDS TO TAKE CARE OF HIS BROTHER.
24 THAT WAS ONE ISSUE.

25 THE OTHER ISSUE WAS THAT I NEEDED TO

1 REPRESENT MY CLIENT AND HER BEST INTERESTS AND JOSE
2 WANTED TO BE IN CONTROL OF THAT MONEY AS WELL.

3 Q. HOW DID YOU KNOW THAT JOSE WANTED TO BE IN
4 CONTROL OF THAT MONEY?

5 A. BECAUSE HE WAS ASKING TO BE PART OF EVERYTHING
6 IN HER CASE AND WE WERE COMING CLOSE TO A SETTLEMENT, AND
7 HE WANTED TO BE IN CHARGE OF THAT SETTLEMENT. I
8 SUGGESTED TO MY CLIENT THAT IT WAS HER MONEY AND THAT SHE
9 SHOULD BE IN CONTROL OF IT.

10 Q. MS. MERCADO, WHAT WAS THE ATTORNEY FEE
11 ARRANGEMENT BETWEEN YOU AND LISA CASTANEDA?

12 A. I WORKED STRICTLY ON A CONTINGENCY FEE BASIS.
13 WHEN I WIN A CASE THE COURT MAY AWARD ME ATTORNEY FEES
14 AND COSTS. SO MY CONTINGENCY IS STRICTLY BASED UPON MY
15 SUCCESS IN THE CASE. SO I USUALLY TAKE ON A CONTINGENCY.
16 IF I WIN, I GET PAID. IF I DON'T WIN, I DON'T GET PAID.

17 Q. I WOULD LIKE TO DIRECT THE WITNESS TO EXHIBIT
18 192.

19 THE COURT: DO YOU HAVE THE EXHIBIT BOOK IN
20 FRONT OF HER?

21 MR. NACIONALES: I AM GOING TO BRING HER THE
22 EXHIBIT RIGHT NOW.

23 Q. THIS IS A CHECK PURPORTEDLY TO BE MADE OUT BY
24 SONYA MERCADO TO JOSE CASTANEDA, DATE OF CHECK IS
25 SEPTEMBER 20, 1996.

1 DO YOU RECOGNIZE THAT CHECK? IT IS A CHECK FOR
2 \$2,000.

3 A. IT HAS MY NAME ON IT AND I GUESS THE BOTTOM
4 PART IS A SIGNATURE SECTION.

5 Q. DID YOU REMEMBER CASHING THAT CHECK?

6 A. I DON'T REMEMBER THIS CHECK. IT IS DATED 96.

7 Q. I WOULD LIKE TO DIRECT YOU TO EXHIBIT 193, A
8 CHECK.

9 THE COURT: CAN YOU LOOK AT THE BACK OF THIS
10 EXHIBIT 192. IS THAT YOUR SIGNATURE?

11 THE WITNESS: IT IS SIMILAR TO MY SIGNATURE,
12 YOUR HONOR. THERE ARE SOME NUMBERS THERE. I ALWAYS
13 CROSS MY SEVENS. I DO A EUROPEAN SEVEN.

14 THE COURT: WHAT IS THE POINT OF THIS TESTIMONY
15 THEN? ARE YOU SUGGESTING SHE DID NOT SIGN THIS? IS THAT
16 WHAT I AM SUPPOSED TO INFER FROM ALL OF THIS, COUNSEL?

17 MR. NACIONALES: NOT ONLY SHE DID NOT SIGN
18 THIS. SHE IS CLAIMING THESE CHECKS WERE PAYMENT MADE TO
19 HER FROM ANNUITY. WHAT WE ARE GETTING AT IS THAT HE DID
20 NOT ACTUALLY MAKE THIS PAYMENT FROM THE ANNUITY TO HER.
21 THAT IS WHAT WE ARE GETTING AT.

22 THE COURT: SHE SAID SHE DIDN'T REMEMBER THIS
23 CHECK. IS THAT YOUR ACCOUNT NUMBER ON THE BOTTOM OF
24 THIS?

25 MR. XAVIER: YOUR HONOR, THE WITNESS IS SPEAKING

1 TO COUNSEL RIGHT NOW. THAT IS NOT APPROPRIATE.

2 THE COURT: LET'S LOOK AT THIS CHECK. THIS IS
3 THE WAY THE TRIAL HAS BEEN GOING. I CAN'T TIE ANYTHING
4 UP.

5 CAN YOU LOOK AT THIS 192? IS THAT -- YOU SAY
6 THAT DOES NOT APPEAR TO BE YOUR SIGNATURE. IT IS SIMILAR
7 TO YOUR SIGNATURE. IS THAT CORRECT?

8 THE WITNESS: IT IS MY NAME, YOUR HONOR. THAT
9 IS NOT MY EXACT NUMBER.

10 THE COURT: THAT IS NOT YOUR SIGNATURE? IS THAT
11 WHAT YOU ARE SAYING?

12 THE WITNESS: I DON'T KNOW.

13 THE COURT: HOW ABOUT UNDERNEATH THAT, IS THE
14 ACCOUNT NUMBER?

15 THE WITNESS: THE ACCOUNT NUMBER.

16 THE COURT: IS THAT YOUR ACCOUNT NUMBER?

17 THE WITNESS: I HAVE NO IDEA.

18 THE COURT: DO YOU NORMALLY PUT ACCOUNT NUMBER
19 ON A CHECK?

20 THE WITNESS: I DO NOT.

21 THE COURT: WHO DOES?

22 THE WITNESS: I JUST PUT IT IN MY TRUST ACCOUNT.

23 THE COURT: DO YOU HAVE AN ACCOUNT WITH SANWA
24 BANK?

25 THE WITNESS: I DO NOT, YOUR HONOR. AND I NEVER

1 HAVE.

2 THE COURT: IS THERE ANOTHER BANK ON THERE?

3 MR. XAVIER: YES.

4 THE COURT: WHAT IS THE OTHER BANK?

5 MR. XAVIER: HOME SAVINGS?

6 DO YOU HAVE A BANK ACCOUNT WITH HOME
7 SAVINGS AND LOAN?

8 THE WITNESS: I DON'T HAVE ONE. I DON'T KNOW IF
9 AT THE PRESENT TIME I DID, YOUR HONOR.

10 THE COURT: ALL RIGHT.
11 BY MR. NACIONALES:

12 Q. MS. MERCADO, HOW DO YOU USUALLY HAVE FEE
13 AGREEMENTS -- ARE THEY CONTINGENCY OR HOURLY?

14 A. I GIVE THE CLIENTS THE OPTION. THE CAN EITHER
15 PAY ME CONTINGENCY OR HOURLY. HOWEVER, AS TO RETAINER,
16 I NEVER TAKE RETAINER. I HAVE TAKEN ONE RETAINER I
17 PERSONALLY RECALL THAT WAS FOR A SHERIFF THAT WANTED ME
18 TO REPRESENT HIS SON-IN-LAW. I DON'T KNOW IF THE CHECKS
19 WERE MADE TO ME BUT MY CUSTOM AND PRACTICE WOULD BE NOT
20 TO TAKE A RETAINER. IF THERE WAS ANY MONEY GIVEN TO ME,
21 THE MONEY WOULD HAVE BEEN REIMBURSED TO CLIENT BECAUSE
22 IT WOULD ONLY GO TO THE COST OF THE CASE.

23 THE COURT: THERE IS ANOTHER CHECK HERE, THERE
24 IS EXHIBIT 191 -- 192, AND THERE IS EXHIBIT 193.

25 THE WITNESS: HE SHOWED ME BOTH.

1 THE COURT: NEITHER OF THESE TWO CONTAIN YOUR
2 SIGNATURE?

3 THE WITNESS: YOUR HONOR, WHAT I AM SAYING, THE
4 SIGNATURE IS SIMILAR TO MINE. NOT QUITE MY SIGNATURE. I
5 DON'T REMEMBER, AND I DON'T KNOW IF THAT IS MY SIGNATURE
6 AT THE TIME, AND I DON'T RECOGNIZE THAT ACCOUNT NUMBER.
7 I DON'T KNOW IF THAT WAS MY ACCOUNT OR NOT.

8 THE COURT: DO YOU GET COSTS?

9 THE WITNESS: THE COSTS COME OUT OF CASE WHEN I
10 SETTLE THE CASE.

11 THE COURT: YOU DON'T NORMALLY GET COSTS OF \$2,400?

12 THE WITNESS: NO, YOUR HONOR.

13 THE COURT: IF THIS MONEY WAS PAID TO MY OFFICE,
14 IT WOULD HAVE HAD BEEN ANOMALY. I NEVER ASK CLIENTS
15 TO GIVE ME RETAINER FOR COSTS. WHEN I WAS DOING BUSINESS
16 YEARS AGO, I MAY HAVE TAKEN A RETAINER. IF THIS MONEY
17 WAS PAID TO MY OFFICE, THERE WOULD BE A RECORD IN A BANK.
18 I DON'T RECALL IF THE RETAINER WAS PAID TO MY OFFICE. IT
19 WOULD HAVE GONE EXCLUSIVELY TO TRUST ACCOUNT AND
20 EXCLUSIVELY FOR COSTS, AND IT WOULD HAVE BEEN RETURNED TO
21 THE CLIENTS WHEN THE CASE WAS SETTLED.

22 THE COURT: DID COUNSEL TALK TO YOU ABOUT THE
23 TWO CHECKS BEFOREHAND?

24 THE WITNESS: ONLY OPPOSING COUNSEL, MR. JOSE
25 CASTANEDA'S COUNSEL CALLED ME LAST NIGHT.