

FILE NO. A13-1497

STATE OF MINNESOTA

IN SUPREME COURT

In Re Petition for Disciplinary Action
against BRIAN JAMES ENGEL,
a Minnesota Attorney,
Registration No. 299790.

**STIPULATION
FOR DISCIPLINE**

THIS STIPULATION is entered into by and between Martin A. Cole, Director of the Office of Lawyers Professional Responsibility, hereinafter Director, and Brian James Engel, attorney, hereinafter respondent.

WHEREAS, respondent has concluded it is in respondent's best interest to enter into this stipulation,

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the undersigned as follows:

1. Pursuant to the Rules on Lawyers Professional Responsibility (RLPR), the parties agree to dispense with further proceedings under Rule 14, RLPR, and respondent agrees to the immediate disposition of this matter by the Minnesota Supreme Court under Rule 15, RLPR.
2. Respondent understands this stipulation, when filed, will be of public record.
3. It is understood that respondent has certain rights pursuant to Rule 14, RLPR. Respondent waives these rights, which include the right to a hearing before a referee on the petition; to have the referee make findings and conclusions and a recommended disposition; to contest such findings and conclusions; and to a hearing before the Supreme Court upon the record, briefs and arguments.

4. Respondent withdraws the answer filed herein and admits the allegations of the Director's July 30, 2013, petition for disciplinary action only for the purposes of these disciplinary proceedings as well as any subsequent reinstatement proceedings.

5. While respondent denies any intent to defraud any of the individual investors whose funds were lost, he acknowledges that his level of participation in the transactions, when viewed in light of the high level of responsibility required of lawyers practicing in Minnesota (See, *In re Wyant*, 533 N.W.2d 397, 401 (Minn. 1995)) warrants a finding that he violated the MRPC as set forth in the petition for disciplinary action.

6. By way of mitigation, respondent asserts, and the Director does not contest:

a. With respect to the Watson and Klima money leasing matter, respondent and BJE, Inc. were named defendants in a civil case venued in United States District Court, Northern District of California, *Alan J. Watson et al. vs. Soldado Corporation, et al.*, Court File No. CV-10-1394. That matter has settled and respondent has already paid \$20,000 to compromise and settle all claims made against him and BJE, Inc.

b. With respect to the Caravan Engineered Structures matter, respondent was a named defendant in a civil case venued in United States District Court, District of New Jersey, *Caravan Engineered Structures, Inc., et al. v. Jose Israel Castillo Robles, et al.*, Court File No. 11-CV-04691. That matter has settled and respondent has paid \$20,000 to compromise and settle all claims made against him.

c. Respondent has not been indicted or charged criminally with respect to the allegations set forth in the petition for disciplinary action.

d. Respondent admits and acknowledges that his services as an escrow agent allowed Jose Israel Castillo Robles to defraud investors.

e. Respondent did not receive payment from Jose Israel Castillo Robles or his company, JC Funding Solutions, Inc., for his services as an escrow agent.

f. Respondent did not draft any of the documents that formed the basis for the frauds set forth in the petition for disciplinary action and did not solicit funds from the victim of those frauds.

g. Respondent did not receive any of the funds obtained through the frauds set forth in the petition for disciplinary action.

7. Respondent understands that based upon these admissions, this Court may impose any of the sanctions set forth in Rule 15(a)(1) - (9), RLPR, including making any disposition it deems appropriate. Respondent understands that by entering into this stipulation, the Director is not making any representations as to the sanctions the Court will impose.

8. The Director and respondent join in recommending that the appropriate discipline is an indefinite suspension with a two year minimum term pursuant to Rule 15, RLPR. The suspension shall be effective on the date of the Court's suspension order. The reinstatement hearing provided for in Rule 18, RLPR, is not waived. Reinstatement is conditioned upon: (1) payment of costs in the amount of \$900 plus interest pursuant to Rule 24(d), RLPR; (2) compliance with Rule 26, RLPR; (3) successful completion of the professional responsibility examination pursuant to Rule 18(e), RLPR; and (4) satisfaction of the continuing legal education requirements pursuant to Rule 18(e), RLPR.

9. This stipulation is entered into by respondent freely and voluntarily, without any coercion, duress or representations by any person except as contained herein.

10. Respondent hereby acknowledges receipt of a copy of this stipulation.

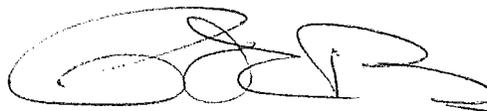
11. Respondent has been advised by the undersigned counsel concerning this stipulation and these proceedings generally.

IN WITNESS WHEREOF, the parties executed this stipulation on the dates indicated below.

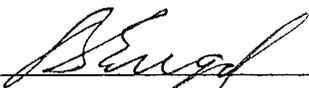
Dated: July 23, 2014.


MARTIN A. COLE
DIRECTOR OF THE OFFICE OF LAWYERS
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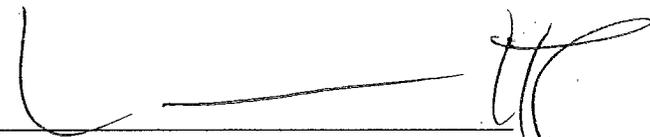
Dated: JULY 23, 2014.


PATRICK R. BURNS
FIRST ASSISTANT DIRECTOR
Attorney No. 134004

Dated: Aug. 4, 2014.


BRIAN JAMES ENGEL
RESPONDENT
Attorney No. 299790

Dated: 4 August, 2014.


LAWRENCE H. CROSBY
ATTORNEY FOR RESPONDENT
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MEMORANDUM

In light of the serious nature of the fraudulent schemes in which respondent was involved and the amount of financial harm done, a sanction of disbarment could be considered appropriate. See, for example, *In re Oberhauser*, 679 N.W.2d 153 (Minn. 2004). The Director, in joining in the recommendation for an indefinite suspension with a two year minimum, has taken into account the fact that respondent has not been criminally charged as a result of his involvement in the various frauds; respondent's role in the frauds, while significant, was not in the capacity as the planner or "mastermind" of the frauds; and there is no evidence that respondent obtained any significant gain from the frauds. Respondent has also pointed out a case involving similar, though less extensive, misconduct where the Rhode Island Supreme Court issued a public reprimand to the attorney involved. *In re DeCiccio*, 76 A. 3d 146 (R.I. 2013).