

2248

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
79 DHC 15

NORTH CAROLINA STATE BAR,
Plaintiff,

-vs-

W.
GEORGE HUGHES, Attorney,
Defendant.

FINDINGS OF FACT
and
CONCLUSIONS OF LAW

THIS CAUSE coming on to be heard and being heard before the undersigned Committee of the Disciplinary Hearing Commission of the North Carolina State Bar on December 14 and 15, 1979, and the said Hearing Committee, having heard the evidence and arguments of counsel, makes the following findings of fact:

1. The Plaintiff, the North Carolina State Bar, is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar promulgated thereunder.

2. The Defendant, George Hughes, was admitted to the North Carolina State Bar in September, 1972, and is and was at all times referred to herein, as Attorney at Law, licensed to practice law in the State of North Carolina, subject to the Rules, Regulations, Canons of Ethics and Code of Professional Responsibility of The North Carolina State Bar and of the laws of the State of North Carolina.

3. That at and during all of the times hereinafter referred to, the Defendant was actively engaged in the practice of law in the State of North Carolina and maintained a law office in the City of Danbury, Stokes County, North Carolina.

4. That Grady D. Pratt employed Defendant to represent his interests in the proposed judicial sale of the real property of Nathaniel A. Pratt, deceased. Grady D. Pratt, was one of the numerous heirs to the property.

5. That as a result of negotiations, Defendant was appointed co-commissioner of the sale with two other attorneys who represented other heirs of the decedent.

6. That on October 14, 1978, Grady D. Pratt was the last and highest bidder at the public sale in the amount of SEVENTY-SIX THOUSAND DOLLARS (\$76,000.00).

7. That prior to the expiration of the ten (10) day period within which an upset bid could be filed, Grady D. Pratt and Defendant discussed the possibility of an upset bid being filed. Grady D. Pratt informed Defendant that he wanted the land and did not want the bid upset.

8. That on the tenth day of the statutory period, Defendant informed Grady D. Pratt that a Steve Wilson was prepared to upset the bid. Defendant counseled Grady D. Pratt that the upset could be avoided upon payment of THREE THOUSAND FOUR HUNDRED DOLLARS (\$3,400.00) to Steve Wilson.

9. That Grady D. Pratt never authorized the payment of any money to Steve Wilson.

10. That no upset bid was filed prior to the expiration of the statutory period.

11. That Defendant subsequently contacted Grady D. Pratt and informed him that Steve Wilson had been paid THREE THOUSAND FOUR HUNDRED DOLLARS (\$3,400.00) by certified check purchased by Joe Beasley, Auctioneer at the public sale, and that Joe Beasley expected to be reimbursed by Grady D. Pratt.

12. That Defendant either knew of, and participated in an attempt to circumvent the statutory bidding procedure and failed to report it to the court, or participated in an attempt to collect the sum of THREE THOUSAND FOUR HUNDRED DOLLARS (\$3,400.00) from Grady D. Pratt knowing that no payment was actually made to a Steve Wilson to prevent an upset bid since no person by that name ever indicated any intention of upsetting the bid.

BASED UPON THE FOREGOING FINDINGS OF FACT, THE HEARING COMMITTEE CONCLUDES that the conduct of the Defendant as set forth above constitutes a violation of North Carolina General Statute 84-28(a) (b) (2), in that:

(a) The Defendant concealed or knowingly failed to disclose that which he is required by law to reveal, in violation of Disciplinary Rule 7-102(A) (3) of the Code of Professional Responsibility.

(b) The Defendant counseled or assisted his client in conduct that the lawyer knew to be illegal and fraudulent, in violation of Disciplinary Rule 7-102(A) (7) of the Code of Professional Responsibility.

(c) The Defendant received information clearly establishing that a person other than his client had perpetrated a fraud upon a tribunal and failed to promptly reveal the fraud to the tribunal, in violation of Disciplinary Rule 7-102(B) (2) of the Code of Professional Responsibility.

(d) The Defendant engaged in illegal conduct involving moral turpitude, in violation of Disciplinary Rule 1-102(A) (3) of the Code of Professional Responsibility.

(e) The Defendant engaged in conduct involving dishonesty, fraud, deceit or misrepresentation, in violation of Disciplinary Rule 1-102(A) (4) of the Code of Professional Responsibility.

(f) The Defendant engaged in conduct that was prejudicial to the administration of justice, in violation of Disciplinary Rule 1-102(A) (5) of the Code of Professional Responsibility.

(g) The Defendant engaged in professional conduct that adversely reflected on his fitness to practice law, in violation of Disciplinary Rule 1-102(A) (6) of the Code of Professional Responsibility.

This the 26th day of January, 19 80.

Warren C. Stack
Warren C. Stack, Chairman
Disciplinary Hearing Committee

Ralph C. Gingles, Jr.
Ralph C. Gingles, Jr.

Mary Cecile Bridges
Mary Cecile Bridges

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
79 DHC 15
1980 JAN 28 10 10 AM
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NORTH CAROLINA STATE BAR.)	
Plaintiff,)	
)	
-vs-)	<u>ORDER OF PUBLIC CENSURE</u>
)	
GEORGE HUGHES, Attorney)	
Defendant.)	

THIS CAUSE coming on to be heard and being heard before the undersigned Committee of the Disciplinary Hearing Commission of the North Carolina State Bar on December 14 and 15, 1979; and,

The Plaintiff represented by its counsel, Aldert Root Edmonson and the Defendant by Richard G. Badgett, and the Hearing Committee having heard the evidence and argument of counsel, and having made certain findings of fact and conclusions of law, all appearing of record herein;

NOW, THEREFORE, based upon such findings of fact and conclusions of law, the Hearing Committee of the Disciplinary Hearing Commission hereby issues the following Order of Public Censure to George W. Hughes, Attorney:

Pursuant to Section 23 of the Discipline and Disbarment Procedures of the North Carolina State Bar, this Public Censure is delivered to you. You have been found to have violated the Code of Professional Responsibility of the North Carolina State Bar by a Hearing Committee of the Disciplinary Hearing Commission sitting on December 14 and 15, 1979.

The fact that this Public Censure is not the most serious of possible discipline provided for in North Carolina General Statute 84-28 should not be taken by you to indicate that the North Carolina State Bar in any way feels that your conduct in this matter was excusable or was considered by the members of the Hearing Committee of the Disciplinary Hearing Commission to be any less than a very serious and substantial violation of the Code of Professional Responsibility.

You knew of and participated in an attempt to get Mr. and Mrs. Grady D. Pratt to pay THREE THOUSAND FOUR HUNDRED DOLLARS (\$3,400.00) to Joe Beasley as reimbursement for a payment allegedly made by Mr. Beasley to a Steve Wilson for the purpose of preventing an upset bid from being

filed on property the Pratts had bought at public auction. You had previously advised the Pratts that an upset bid could be avoided by payment of THREE THOUSAND FOUR HUNDRED DOLLARS (\$3,400.00) to Steve Wilson. Whether or not a Steve Wilson ever existed who was prepared to file an upset bid, you knew of and participated in an attempt to circumvent the statutory bidding procedure, which constituted a fraud on the court, and failed to report it to the court.

Your conduct was prejudicial to the administration of justice. This conduct is a direct violation of the Code of Professional Responsibility and in addition is a reflection upon you and the entire Bar of this State. Your conduct was unprofessional. It violated not only the letter, but also the spirit of the Code of Professional Responsibility of the North Carolina State Bar. It was not such conduct as is expected of a member of the legal profession. It brings discredit upon you and tends to place the courts of this State and your fellow members of the Bar in disrepute and further damages both in the eyes of the public.

Failure of attorneys to conduct themselves within the law and within the bounds of the Code of Professional Responsibility is the most serious complaint against our profession, and your failure as an officer of the court while acting as Commissioner of a public sale as well as your failure to represent your clients, Mr. and Mrs. Grady D. Pratt, properly was your error here. You placed a privilege that you hold as a lawyer to serve the public in serious jeopardy.

The North Carolina State Bar is confident that this Public Censure will be heeded by you, that it will be remembered by you, and that it will be beneficial to you. We are confident that you will never again allow yourself to depart from strict adherence to the highest standards of the legal profession. Accordingly, we sincerely trust that this Public Censure, instead of being a burden, will actually serve as a profitable reminder to weigh carefully your responsibility to the public, your clients, your fellow attorneys, and the court, with the result that you will be known as a respected member of our profession whose word and conduct may be relied upon without question.

Pursuant to Section 23 of the Rules of Disciplinary Procedure, it is ordered that a certified copy of this Public Censure be entered upon the judgment docket of the Superior Court of Stokes County and also upon the minutes of the Supreme Court of North Carolina.

IT IS FURTHER ORDERED that the costs of this disciplinary action be paid by the Defendant, George W. Hughes, Attorney.

This the 26th day of January, 1986.

Warren C. Stack

Warren C. Stack, Chairman
Disciplinary Hearing Committee

Ralph C. Gingles, Jr.

Ralph C. Gingles, Jr.

Mary Cecile Bridges

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