

NORTH CAROLINA

BEFORE THE COUNCIL OF

WAKE COUNTY

THE NORTH CAROLINA STATE BAR

IN THE MATTER OF  
WILLIAM R. WINDERS,  
Attorney at Law,

)  
)  
)  
)  
)

ORDER

THIS CAUSE came on for consideration by the Council of The North Carolina State Bar at its regular quarterly meeting on Friday, April 18, 1980, in the Council Chambers of The North Carolina State Bar Building, 208 Fayetteville Street Mall, Raleigh, North Carolina, upon a report of a Special Committee appointed by the Council of The North Carolina State Bar at its regular quarterly meeting on Friday, January 18, 1980, in Raleigh, North Carolina, to study the facts of this cause and the circumstances surrounding the tender of the license of William R. Winders and make recommendations to the Council, and it appearing from the sworn affidavit of William R. Winders, and from oral arguments and representations made by the attorneys for Mr. Winders to the Special Committee at its meeting on March 21, 1980 and to the Council on April 18, 1980, the Council finds the following facts:

1. That William R. Winders was duly licensed to practice law in the Courts of the State of North Carolina on April 3, 1951.

2. That William R. Winders has been engaged in the general practice of law in North Carolina since April 17, 1951.

3. That on February 6, 1977, William R. Winders was found guilty in a violation of 18, United States Code, sections 371, 657 and 2 in the United States District Court for the Middle District of North Carolina; that the judgment of the United States District Court was that the defendant be imprisoned for a period of three (3) years and that he pay a fine of TWENTY-TWO THOUSAND DOLLARS (\$22,000.00); that on Motion for reduction of sentence the United States District Court for the Middle District of North Carolina on December 6, 1979, reduced the period of imprisonment from three (3) years to eighteen (18) months and that the remainder of the three-year prison sentence heretofore imposed be suspended and the defendant be placed on probation for

a period of four (4) years from the date of the completion of the eighteen-month sentence.

4. That William R. Winders acknowledges that the charges of which he has been convicted constitute misconduct and while he has plead "Not Guilty" to these charges and has maintained his innocence throughout the trial and all appellate procedures, he acknowledges the finality of these convictions as the reason for voluntary surrender of his license to practice law in North Carolina.

5. That the facts which gave rise to the indictment and conviction of William R. Winders and which constitute the misconduct acknowledged by the said William R. Winders are: that on January 11, 1973, April 3, 1973, and April 6, 1973, William R. Winders served as title attorney in three loans involving First Federal Savings and Loan Association of Durham, Durham, North Carolina, referred to as the R. G. Hancock loan, Bryant Roberts' Vance County loan and Bryant Roberts' Orange County loan. The uncontradicted evidence at the trial clearly established:

(a) The Defendant Winders was not an employee, officer or member of the Board of Directors of First Federal.

(b) The Defendant Winders had no knowledge of or association and connection with the loan applications for the loans of R. G. Hancock and Bryant Roberts.

(c) The Defendant Winders was not a member of the loan committee which approved the disbursement of funds.

(d) The Defendant Winders had not attended any Board of Directors meetings of First Federal.

(e) Winders did not participate in the decisions to make the loans of R. G. Hancock and Bryant Roberts.

(f) The Defendant Winders had not solicited, consulted or had any connection with the appraiser, Worth Lutz, who was charged with the responsibility of appraising the real property used as collateral.

(g) The Defendant Winders' participation in the loans of R. G. Hancock and Bryant Roberts was as an attorney performing a title examination required by First Federal for which he was compensated a reasonable and normal attorney's fee.

(h) The Defendant Winders received no other compensation other than his reasonable fee for the examination of title.

(i) The Defendant Winders was not the attorney or general counsel for First Federal.

(j) Winders had done title examination for First Federal for many years prior to January, 1973 and was highly regarded by First Federal for his competent handling of such transactions. In addition, he enjoyed a reputation in the legal community as an experienced and competent real estate attorney.

(k) No instructions were given to Winders from First Federal as to what to do with the funds.

(l) Winders did not request that the disbursements on the loans in question be made payable to him.

The facts on which the conviction of William R. Winders was upheld are that Bobby R. Roberts had borrowed funds from First Federal Savings and Loan which approached the 10% margin limit to any one borrower by federally insured savings and loan associations prior to January, 1973. Roberts made applications for additional loans through "sham" borrowers. Mr. Winders had his law offices in the First Federal Savings and Loan Association Building, had done title examination in the past for borrowers of First Federal Savings and Loan Association and was involved in doing the examinations and had funds payable to him as "Trustee" in three of the loan transactions referred to above and which allegedly made up the conspiracy. William R. Winders was indicted, found guilty in a trial with other defendants by a jury and in a per curiam opinion from the United States Court of Appeals for the Fourth Circuit, was found to be a "willing conduit" in the misapplication of First Federal's funds; that as a result of his conviction of the offense of conspiracy to misapply funds of a savings and loan association, the deposits of which were insured by the Federal Savings and Loan Insurance Corporation and of the offense of misapplication and causing to be misapplied funds of a savings and loan association, William R. Winders tendered his license and resignation to the North Carolina State Bar Council on December 21, 1979.

6. That William R. Winders is the subject of a current investigation being made by the Grievance Committee of The North Carolina State Bar.

7. That the Tender of Surrender of his License by William R. Winders is freely and voluntarily tendered; that it is not the result of coercion or duress; and that William R. Winders is fully aware of the implications of submitting this Tender of License.

8. That William R. Winders does not desire to contest the charges of misconduct now under investigation and feels if the charges were litigated he could not successfully defend himself against the charges.

9. That at a meeting of the Special Committee to Consider Tender of Surrender of License of William R. Winders of The North Carolina State Bar Council held on Friday, March 21, 1980, in Raleigh, North Carolina, Mr. William R. Winders was represented by his attorneys, James B. Maxwell and Richard M. Hutson, II of the Durham Bar.

After giving full consideration to the facts found by the Council in this case and the sworn affidavit of William R. Winders and the oral representations made by his attorneys, James B. Maxwell and Richard M. Hutson, II of the Durham Bar, the Council concludes that William R. Winders has been convicted of a criminal offense showing professional unfitness; that such misconduct by William R. Winders constitutes a violation of General Statute Subsection 84-28(b) (1) and is grounds for discipline; and that upon motion duly made and seconded, the Council:

RESOLVED, that the license to practice law in North Carolina heretofore issued to William R. Winders of Durham, North Carolina and being tendered by William R. Winders be accepted as a surrender of License and that the recommendation of the Special Committee, as contained in Paragraph 10(a) of its Report, that the license of William R. Winders be suspended for eighteen (18) months from December 21, 1979, be adopted;

FURTHER RESOLVED, that William R. Winders be taxed with the cost of this proceeding; and

FURTHER RESOLVED, that the President be authorized and directed to enter an appropriate Order.

Pursuant to the foregoing resolution adopted by the Council of The North Carolina State Bar on April 18, 1980, and the authority conferred on The North Carolina State Bar by General Statute 84-28 and Rule 17 of the Discipline and Disbarment Rules of The North Carolina State Bar it is hereby ORDERED:

1. That effective 21 December, 1979, the license of William R. Winders is hereby suspended for a period of eighteen (18) months.
2. That a copy of this ORDER be forwarded to the General Court of Justice of the State of North Carolina and to the appropriate authorities of the United States Federal Courts in the State of North Carolina.
3. That William R. Winders be taxed with the costs of this proceeding.

This the 30th day of April, 1980.



E. K. Powe, President  
The North Carolina State Bar  
Post Office Box 25850  
Raleigh, North Carolina 27611