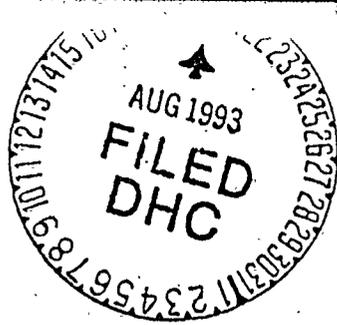


NORTH CAROLINA
WAKE COUNTY



7615

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
93 DHC 8

THE NORTH CAROLINA STATE BAR,)
Plaintiff)

vs.)

RONALD G. BLANCHARD,)
Defendant)

CONSENT ORDER OF DISCIPLINE

This matter came on before the Hearing Committee of the Disciplinary Hearing Commission composed of Maureen Demarest Murray, Chairperson, Rebecca Blackmore and Frank L. Boushee pursuant to Section 14 (8) of Article IX of the Rules and Regulations of the North Carolina State Bar. The Defendant has agreed to waive a formal hearing in the above referenced matter. All parties stipulate that these matters may be resolved by the undersigned Hearing Committee, that Defendant does not contest the following Findings of Fact and Conclusions of Law recited in this Consent Order and the discipline imposed, and that Defendant further hereby waives his right to appeal this consent order or challenge in any way the sufficiency of the findings. The Hearing Committee therefore enters 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, Ronald G. Blanchard (hereafter Blanchard) was admitted to the North Carolina State Bar in 1977, and is, and was at all times referred to herein, an Attorney at Law licensed to practice in North Carolina, subject to the rules, regulations, and Rules of Professional Conduct of the North Carolina State Bar and the laws of the State of North Carolina.

3. During all the periods referred to herein, Blanchard was actively engaged in the practice of law in the State of North Carolina and maintained a law office in the Town of Hendersonville, Henderson County, North Carolina.

4. On December 4, 1991, Elizabeth Wenhart, who was then about 81 years old and who was a friend and neighbor of Blanchard's, approached Blanchard to obtain his assistance regarding the redrafting of her will.

5. Prior to and during the period of time in which Blanchard assisted Ms. Wenhart with the redrafting of her will, Ms. Wenhart discussed the possibility of selling her home to Blanchard.

6. Blanchard and Wenhart agreed that Wenhart would sell her house to him for \$32,000, that Blanchard would rent it back to her, and that Blanchard would assume financial responsibility by providing the labor for the maintenance and upkeep of the property.

7. At the time that Blanchard entered into this transaction with Wenhart, Wenhart expected Blanchard to exercise his professional judgment for her protection.

8. Blanchard did not advise Wenhart to consult independent counsel before agreeing to sell her house or before arriving at an appropriate sales price.

9. Blanchard did not fully disclose to Wenhart the fact that they might have conflicting interests regarding the transaction, nor did he fully disclose the risks and disadvantages to her of consummating the sale to him.

10. At the time that Blanchard agreed to purchase Wenhart's property, Wenhart was, or reasonably believed she was a client of Blanchard's.

11. On or about December 18, 1991, Wenhart sold her home to Blanchard for \$32,000.

12. As of December 1991, Wenhart's property had a tax value of approximately \$60,000.

13. Blanchard did not pay fair market value for the property when he bought it from Wenhart in December 1991.

Based upon the foregoing Findings of Fact, the Committee enters the following:

CONCLUSIONS OF LAW

1. By entering into a contract to purchase the home of Ms. Wenhart, at a time when Ms. Wenhart expected the Defendant to exercise his professional judgment for her protection without first making full disclosure of the risks and disadvantages involved in the transaction to Wenhart, and without fully disclosing the conflict between his interests and those of Wenhart, Defendant violated Rule 5.4 (A).

Based upon the foregoing FINDINGS OF FACT and CONCLUSIONS OF LAW and upon the consent of the parties, the Hearing Committee enters the following:

ORDER OF DISCIPLINE

1. The Defendant, Ronald G. Blanchard, is suspended from the practice of law in North Carolina for a period of one year.

2. The suspension is stayed for a period of three years on the following conditions:

- a) The Defendant shall execute a deed in favor of Elizabeth Wenhart transferring the above referenced property back to Ms. Wenhart free of any liens, easements or restrictions that may have been placed on the property by the defendant. As consideration for the transfer of the property in question, the defendant shall receive the \$32,000 paid for said property. This transfer shall be accomplished within thirty days of the entry of this order.

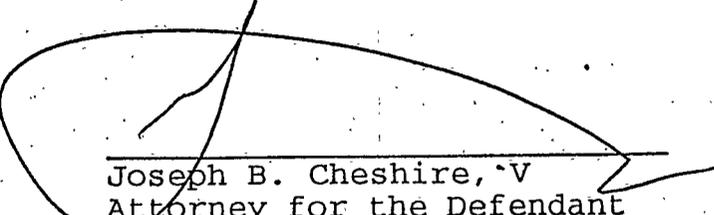
- b) The Defendant shall not violate any of the Rules of Professional Conduct during the period of the stay.

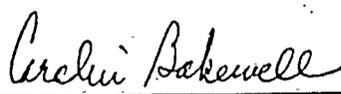
3. Defendant is taxed with the costs as assessed by the Secretary.

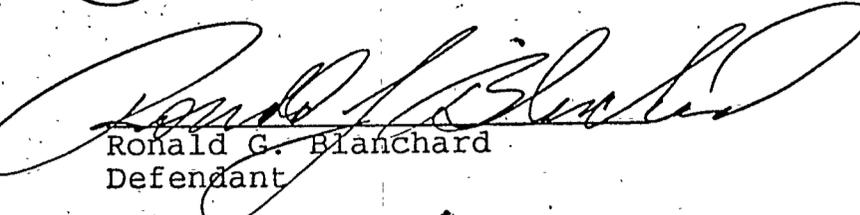
Signed by the undersigned Chairman with the full knowledge and consent of the other members of the Hearing Committee, this the 18th day of August, 1993.

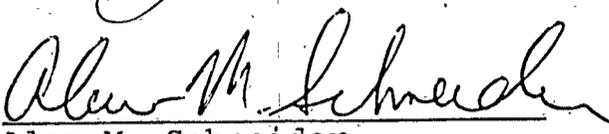
Maureen Bernice Murray
Maureen Murray, Chairman
Hearing Committee

Seen and consented to:


Joseph B. Cheshire, V
Attorney for the Defendant


Carolin Bakewell
Attorney for the Plaintiff


Ronald G. Blanchard
Defendant


Alan M. Schneider
Attorney for the Defendant