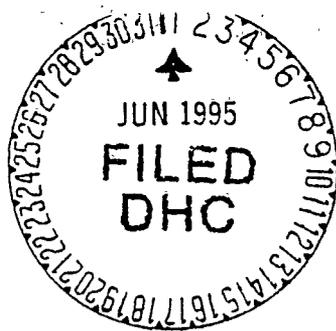


NORTH CAROLINA

WAKE COUNTY



2398

BEFORE THE  
 DISCIPLINARY HEARING COMMISSION  
 OF THE  
 NORTH CAROLINA STATE BAR  
 94 DHC 23

THE NORTH CAROLINA STATE BAR, )  
 )  
 Plaintiff )  
 )  
 v. )  
 )  
 J. SAM JOHNSON Jr., )  
 Attorney )  
 )  
 Defendant )

FINDINGS OF FACT AND  
 CONCLUSIONS OF LAW

This cause came on to be heard and was heard on March 10 and 31, 1995 before a hearing committee of the Disciplinary Hearing Commission composed of Henry C. Babb Jr., chairman; Frank E. Emory Jr., and James Lee Burney. The North Carolina State Bar was represented by Fern E. Gunn. The defendant, J. Sam Johnson Jr., appeared pro se. Based upon the admissions of the defendant in his answer to the complaint, the stipulations on prehearing conference, and the evidence presented at the hearing, the hearing committee finds the following to be supported by clear, cogent, and convincing evidence:

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, J. Sam Johnson Jr., was admitted to the North Carolina State Bar on September 13, 1957 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 North Carolina.
3. During all of the periods referred to herein, the defendant was actively engaged in the practice of law in North Carolina and maintained a law office in Greensboro, North Carolina.
4. In October 1991, James McCray retained defendant to represent the estate of his late wife, Decelia J. McCray. Mr. McCray qualified as Administrator CTA of Decelia J. McCray's estate on December 4, 1991.

5. Under Decelia J. McCray's will, Mr. McCray received one of two life estate interests in the house located at 1310 Youngs Mill Road in Greensboro, North Carolina. Mr. McCray lived in this house with his late wife for a number of years prior to her death in October 1991. Mr. and Mrs. McCray were both financially liable on the deed of trust on the house. Mr. McCray paid the mortgage on the house for a number of years. During the last year of Mrs. McCray's life, he alone made the payments from his income derived from social security disability.

6. Defendant represented the estate of Mrs. McCray until April 1992. Defendant testified that he withdrew from representation at that time because of Mr. McCray's lack of cooperation and because the estate did not pay defendant's attorney's fees.

7. After Mrs. McCray's death, Mr. McCray continued to live in the house on 1310 Youngs Mill Road. He paid the monthly mortgage payments from his income and the life insurance proceeds he received from Mrs. McCray's death.

8. Mr. McCray had a dispute with Old Stone Bank, the noteholder on his house, regarding the December mortgage payment which Mr. McCray believed was misplaced by the bank. He also exhausted his funds and got behind in his mortgage payments. In February 1993, Mr. McCray sought assistance from defendant in resolving the dispute with Old Stone Bank about the December mortgage payment and a threatened foreclosure on the house. Mr. McCray testified that he wanted defendant's help in saving his house from foreclosure.

9. Defendant represented Mr. McCray individually in his efforts to save his house from foreclosure. Sandra Dent Burns was an associate in defendant's law office in February 1993 and she worked with Mr. McCray. She took various steps to assist Mr. McCray with his problems regarding the mortgage payment dispute with the bank and the threatened foreclosure on his house. Ms. Burns requested records of Mr. McCray's payment history from Mark Mosley of Old Stone Bank. Ms. Burns also spoke with Mr. Mosley about what the bank required to prevent foreclosure of Mr. McCray's house. Ms. Burns wrote Kim Gallimore, the trustee, in a letter dated March 30, 1993. She asked Mr. Gallimore for a stay of the foreclosure proceedings. Old Stone Bank denied the request for a stay of the foreclosure proceedings.

10. In February 1993, defendant also resumed representing the estate of Mrs. McCray. From February 1993 until his withdrawal from the estate case on September 2, 1993, defendant or Ms. Burns rendered various services to the estate, including drafting a petition of sale of the house and other services listed in defendant's bill dated 8/18/93 (Plaintiff's Exhibit 24).

11. At defendant's request, Mr. McCray withdrew \$930.63 and \$940.90 from the Decelia J. McCray estate account on March 12 and 16, 1993, respectively. On March 12 and 16, 1993, Mr. McCray brought the money to defendant's office and gave it to Ms. Burns. Defendant applied the total amount of \$1,871.53 to his attorney's

fees for representation of the Decelia J. McCray estate.

12. The foreclosure sale on Mr. McCray's house was held on July 19, 1993, at the Guilford County Courthouse. Mr. McCray, Geraldine Collier, and Ms. Burns attended the sale. Defendant did not attend the sale because he was out of the country. Defendant sent Ms. Burns to monitor the sale and report back to him.

13. James Cooper made the highest bid of \$50,001 on Mr. McCray's house on July 19, 1993. Although Mr. McCray knew of Mr. Cooper as a neighbor, Mr. McCray did not know that Mr. Cooper planned to bid on the house.

14. After the foreclosure sale, Mr. Cooper met with Mr. McCray and Ms. Collier at Mr. Cooper's house. Mr. Cooper agreed to sell the house to Ms. Collier for the amount of his bid, plus any expenses (unpaid taxes, liens, judgments) associated with the property. Ms. Collier agreed to buy the house from Mr. Cooper because Mr. McCray did not have the money or credit to purchase it.

15. Ms. Collier telephoned the courthouse at 4:30 p.m. on July 29, 1993, the last day of the 10-day upset bid period. She learned that no upset bid had been made.

16. Defendant upset Mr. Cooper's bid in the late afternoon on July 29, 1993. Defendant paid the bid deposit of \$2,550.05 by personal check.

17. Mr. McCray did not tell defendant to upset Mr. Cooper's bid.

18. Mr. Cooper told Mr. McCray that defendant filed an upset bid on July 29, 1993. Mr. McCray was surprised to hear that defendant had upset the bid on his house.

19. As a result of defendant's upset bid, a second foreclosure sale was scheduled for September 3, 1993.

20. Defendant, Ms. Burns, and Mr. McCray testified about their efforts to find someone to bid on the house at the next sale. No one agreed to bid on the house at the September 3, 1993 sale.

21. Defendant again determined to withdraw from representation of the Decelia J. McCray's estate. On September 2, 1993, at defendant's request, Mr. McCray went to defendant's office. At about 9:00 a.m. on September 2, Mr. McCray was presented and signed a Request to Withdraw which relieved defendant of any further obligation regarding the estate.

22. After Mr. McCray signed the Request to Withdraw on the morning of September 2, defendant continued to represent Mr. McCray individually in his efforts to save his house from foreclosure.

23. Defendant testified that after Mr. McCray signed the

Request to Withdraw, Mr. McCray became distraught over his concern that he would lose his house at the impending foreclosure sale. Mr. McCray repeatedly asked defendant to help him avoid the loss of his house.

24. Defendant testified that while Mr. McCray remained in his office, defendant prepared a contract for Mr. McCray's signature. The contract provided that defendant would attend the September 3, 1993 foreclosure sale and bid on Mr. McCray's house. The contract also provided that if defendant were the highest bidder at the September 3 sale, defendant would give Mr. McCray or his nominee first option to purchase the property from defendant within six months of September 3, 1993. Defendant set out conditions for Mr. McCray to exercise his first option, inter alia, (1) Mr. McCray must pay in full the attorney's fees due to defendant; (2) Mr. McCray must repay to defendant all expenses incurred in the purchase of the house, including ad valorem taxes, liens and encumbrances of record, the purchase price, closing costs for the loan associated with the purchase, and any other expenses defendant incurred; (3) Mr. McCray must pay 10% of the entire amount defendant invested in the property. The contract further provided that if Mr. McCray could not exercise the first option to purchase the house on or before March 3, 1994, the "option shall expire and Johnson [defendant] shall be free to dispose of the property as he wishes."

25. Mr. McCray testified that he attended almost three years of school in South Carolina. He cannot read. Ms. Collier, defendant or Ms. Burns read Mr. McCray's letters and other correspondence to him. Mr. McCray cannot write, but he can sign his name. Defendant was aware of Mr. McCray's inability or limited ability to read when Mr. McCray was in defendant's office on September 2, 1993.

26. Defendant read the contract to Mr. McCray and Mr. McCray signed it on September 2, 1993, one day before the scheduled foreclosure sale.

27. Mr. McCray testified that he asked defendant to let him take the contract to someone to read it to him. Defendant refused Mr. McCray's request.

28. Defendant testified that he did not remember whether he advised Mr. McCray to seek independent counsel or get advice about the contract before Mr. McCray signed it.

29. On September 3, 1993, defendant attended the foreclosure sale. Mr. Cooper was also present at the sale. Mr. Cooper testified that he had Mr. McCray's authorization to bid on the house for Mr. McCray. However, when Mr. Cooper learned that defendant was at the sale to bid for Mr. McCray, Mr. Cooper did not bid on the property.

30. Defendant was the highest bidder on September 3, 1993.

31. Elaine Green-Tan upset defendant's bid. Defendant suggested that Mr. McCray visit Ms. Green-Tan at her home and determine her interests in purchasing Mr. McCray's home.

32. Another foreclosure sale on Mr. McCray's house was held on October 1, 1993. Defendant bid \$55,231.70 and was the highest bidder.

33. Defendant withdrew money from his stock and other investments to purchase the house at \$55,231.70.

34. Pursuant to the contract of September 2, 1993, Mr. McCray rented the house from defendant for several months.

35. Mr. McCray could not afford to exercise the option to purchase the house from defendant.

36. Ms. Collier with Mr. McCray's consent contracted with defendant to purchase the house. Ms. Collier bought the house in July 1994. She did not agree to pay the attorney's fees that defendant claimed Mr. McCray owed. At the time defendant sold the house to Ms. Collier, he had received notice of and responded to the grievance Mr. McCray filed against him at the State Bar.

37. Defendant sought to hold Mr. McCray individually responsible for an obligation of the estate of Decelia McCray (i.e. payment of defendant's attorney's fees) when that obligation was not incurred individually by Mr. McCray. Defendant took a promissory note dated April 13, 1994 from Mr. McCray for the \$3,747.47 attorney's fees owed by the estate. Defendant also took the title to Mr. McCray's 1987 Chevrolet van as collateral.

38. Defendant held himself out as Mr. McCray's attorney with respect to helping him save his house from foreclosure. Mr. McCray testified that he thought defendant was protecting his (Mr. McCray's) interests when defendant purchased the house.

39. Defendant was interested in protecting his attorney's fees when he purchased Mr. McCray's house at the foreclosure sale. That interest is borne out in defendant's letter of January 11, 1994 to State Bar counsel regarding this matter. Defendant wrote that Mr. McCray's only asset was his house and lot and if the house was lost to foreclosure, "he [Mr. McCray] would lose his only asset and I [defendant] would lose all chance of payment of my fees already earned. If I were the purchaser at the sale, instead of some person who would not protect his interests, I would have a chance to protect his interests, and also have the possibility of his paying my fees, either through his borrowing against the property, or through a third party coming to his assistance later and paying the fees, or by my selling it for more than the investment."

40. Defendant did not fully disclose to Mr. McCray that they had conflicting interests regarding the transaction, nor did defendant fully disclose to Mr. McCray the risks and disadvantages of the transaction as set out in the September 2, 1993 contract.

BASED UPON the foregoing Findings of Fact, the hearing committee makes the following:

CONCLUSIONS OF LAW

(a) After Mr. McCray signed the Request to Withdraw on the morning of September 2, 1993, defendant continued to represent Mr. McCray individually in his efforts to save his house from foreclosure. Furthermore, Mr. McCray could have reasonably understood in light of all the circumstances that defendant was acting in his behalf with respect to the foreclosure sale.

(b) Mr. McCray did not have a reasonable opportunity to knowingly or understandingly enter into the contract dated September 2, 1993 between the time that defendant withdrew from representation in the estate case and when Mr. McCray signed the contract, particularly in light of Mr. McCray's limited ability to understand the contract and the absence of opportunity which he was provided to understand it or consult with others to read and explain it to him.

(c) The contract dated September 2, 1993 and signed by Mr. McCray was unfair on its face to Mr. McCray for the following reasons:

(i) In order to exercise the first option to purchase the house, Mr. McCray would have to pay 10% interest on the money that defendant invested to purchase the house at foreclosure. The commercially reasonable rates were less than 10% at the time of the contract. Defendant charged the 10% interest in order to recoup the interest he lost on the money he withdrew from his stock investments to purchase the house.

(ii) In order to exercise the first option to purchase the house, Mr. McCray would have to pay attorney's fees to defendant which in effect increased the purchase price of the house by \$3,747.47.

(iii) Defendant gave Mr. McCray a six-month option to purchase the house from defendant. At the time Mr. McCray entered into the contract on September 2, 1993, defendant knew that Mr. McCray's financial condition was bleak. Defendant also knew that it would be difficult, if not impossible, for Mr. McCray to exercise the first option to purchase the house because he had limited income and no credit.

(iv) Defendant sought to impose on Mr. McCray individually an obligation of the estate of Decelia McCray with respect to payment of defendant's attorney's fees.

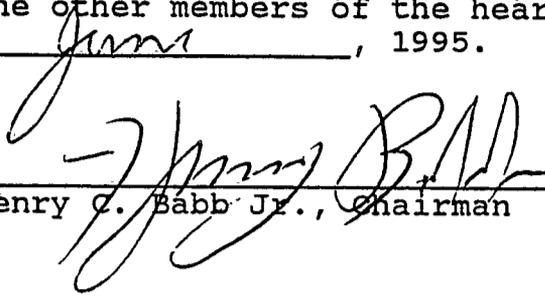
(d) Defendant's conduct constitutes grounds for discipline pursuant to N.C. Gen. Stat. Section 84-28(b)(2) in that defendant violated the Rules of Professional Conduct as follows:

(i) By entering into a contract to purchase the home of a client, James McCray, at a time when Mr. McCray expected defendant to exercise his

professional judgment for Mr. McCray's protection without first making full disclosure of the risks and disadvantages involved in the transaction to Mr. McCray, and without fully disclosing the conflict between his interests and those of Mr. McCray, defendant has violated Rule 5.4(A).

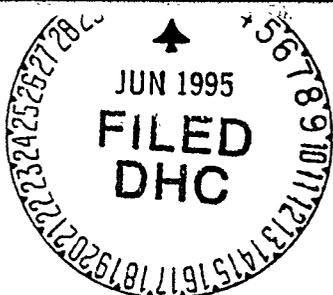
- (ii) By entering into a business transaction which was unfair to his client, Mr. McCray, defendant has violated Rule 5.4(A).

Signed by the undersigned chairman with the full knowledge and consent of all of the other members of the hearing committee, this the 1 day of June, 1995.

  
Henry C. Babb Jr., Chairman

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NORTH CAROLINA  
WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
94 DHC 23

THE NORTH CAROLINA STATE BAR, )

Plaintiff )

v. )

J. SAM JOHNSON JR., )  
Attorney )

Defendant )

ORDER OF DISCIPLINE

Based upon the Findings of Fact and Conclusions of Law entered in this matter, and further based upon arguments of counsel, the hearing committee composed of Henry C. Babb Jr., chairman; Frank E. Emory Jr., and James Lee Burney, makes the following additional findings regarding the existence of aggravating and mitigating factors in this case.

AGGRAVATING FACTORS

1. Selfish motive;
2. Refusal to acknowledge wrongful nature of conduct;
3. Vulnerability of victim; and
4. Substantial experience in the practice of law.

MITIGATING FACTORS

1. Absence of prior disciplinary record;
2. Full and free disclosure to the committee or cooperative attitude toward proceedings; and
3. Character or reputation.

BASED UPON all the Findings of Fact, the Conclusions of Law, and the aggravating and mitigating factors listed above, the hearing committee enters the following:

ORDER OF DISCIPLINE

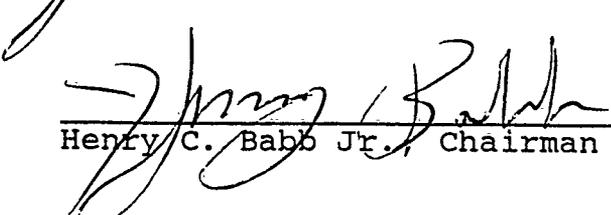
1. Defendant, J. Sam Johnson Jr., is hereby censured.

2. Defendant shall immediately discharge the obligation of James McCray to defendant as evidenced by the promissory note dated April 13, 1994. Defendant shall also immediately discharge the collateral securing the obligation evidenced in the promissory note dated April 13, 1994 by returning the title to Mr. McCray's 1987 Chevrolet van.

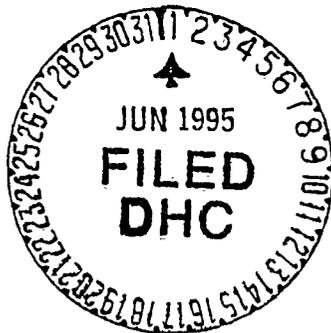
3. Defendant shall pay the costs of this proceeding.

4. This proceeding is retained for further order, if necessary, in the event of defendant's non-compliance with this order.

Signed by the undersigned chairman with the full knowledge and consent of the other members of the hearing committee, this the 1 day of June, 1995.

  
Henry C. Babb Jr. Chairman

NORTH CAROLINA  
WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
94 DHC 23

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IN THE MATTER OF )  
J. SAM JOHNSON JR. ) CENSURE  
Attorney at Law )

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This censure is delivered to you pursuant to Section .0123(3) of the Discipline and Disability Rules of the North Carolina State Bar as ordered by a hearing committee in the above captioned proceeding on March 31, 1995. The hearing committee found that you violated Rule 5.4(A) of the North Carolina State Bar Rules of Professional Responsibility.

In October 1991, James McCray retained you for representation regarding the estate of his late wife, Decelia J. McCray. Mr. McCray qualified as Administrator CTA of Decelia J. McCray's estate on December 4, 1991.

Under Decelia J. McCray's will, Mr. McCray received one of two life estate interests in the house located at 1310 Youngs Mill Road in Greensboro, North Carolina. Mr. McCray lived in this house with his late wife for a number of years prior to her death in October 1991. Mr. and Mrs. McCray were both financially liable on the deed of trust on the house. Mr. McCray paid the mortgage on the house for many years. During the last year of Mrs. McCray's life, he alone made the payments from his limited income derived from social security disability. After Mrs. McCray's death, Mr. McCray continued to live in the house. He paid the monthly mortgage payments from his limited income and the life insurance proceeds he received from Mrs. McCray's death.

You represented Mr. McCray as Administrator CTA of Decelia J. McCray's estate until you withdrew from representation in April 1992.

Mr. McCray had a dispute with Old Stone Bank, the noteholder on his house, regarding the December mortgage payment which Mr. McCray believed was misplaced by the bank. He also exhausted his funds and got behind in his mortgage payments. In February 1993, Mr. McCray sought your help in resolving the dispute with Old Stone Bank about the December mortgage payment and the threatened foreclosure.

Your office represented Mr. McCray individually in his efforts to save his house from foreclosure. Sandra Dent Burns, an associate in your office, worked with Mr. McCray. She took various steps to assist Mr. McCray with his problems regarding the mortgage payment dispute with the bank and the threatened

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foreclosure on his house. Ms. Burns requested records of Mr. McCray's payment history from Mark Moseley of Old Stone Bank. Ms. Burns also spoke with Mr. Moseley about what the bank required to prevent foreclosure of Mr. McCray's house. Ms. Burns wrote Kim Gallimore, the trustee, in a letter dated March 30, 1993. She asked Mr. Gallimore for a stay of the foreclosure proceedings. Old Stone Bank denied the request for a stay of the foreclosure proceedings.

In February 1993, you also resumed representing the estate of Decelia McCray. From February 1993 until you withdrew from the estate case on September 2, 1993, you or Mrs. Burns rendered various services to the estate, including drafting a petition of sale of the house and other services listed in your bill dated 8/18/93.

At your request, Mr. McCray withdrew \$930.63 and \$940.90 from the Decelia J. McCray estate account on March 12 and 16, 1993, respectively. On March 12 and 16, 1993, Mr. McCray brought the money to your office and gave it to Ms. Burns. You applied the total amount of \$1,871.53 to your attorney's fees for representation in the Decelia J. McCray estate.

The foreclosure sale on Mr. McCray's house was held on July 19, 1993 at the Guilford County Courthouse. Although you did not attend the sale, Ms. Burns did and she reported the outcome of the sale to you.

James Cooper was the highest bidder at the July 19, 1993 sale. Mr. Cooper later agreed to sell the house to Mr. McCray's girlfriend, Geraldine Collier, for the amount of his bid, plus any expenses associated with the purchase of the property. Ms. Collier agreed to buy the house from Mr. Cooper because Mr. McCray did not have the money or credit to purchase it.

You upset Mr. Cooper's bid late in the afternoon on July 29, 1993 by paying \$2,550.05 by personal check. Mr. McCray did not tell you to upset Mr. Cooper's bid.

You again determined to withdraw from representation of Decelia J. McCray's estate. On the morning of September 2, 1993, at your request, Mr. McCray went to your office. At about 9:00 a.m. on September 2, Mr. McCray was presented and signed a Request to Withdraw which relieved you of any further obligation regarding the estate.

After Mr. McCray signed the Request to Withdraw, he became distraught over his concern that he would lose his house at the impending foreclosure sale. Mr. McCray asked you to help him avoid the loss of his house. After Mr. McCray signed the Request to Withdraw on the morning of September 2, you continued to represent him individually in his efforts to save his house from foreclosure.

While Mr. McCray remained in your office, you prepared a contract for his signature. The contract provided that you would attend the September 3, 1993 foreclosure sale and bid on Mr. McCray's house. The contract also provided that if you were the

highest bidder at the September 3 sale, you would give Mr. McCray or his nominee first option to purchase the property from you within six months of September 3, 1993. You set out conditions for Mr. McCray to exercise his first option, inter alia, (1) Mr. McCray must pay in full the attorney's fees due to you respecting your representation of the estate; (2) Mr. McCray must repay all expenses you incurred in the purchase of the house, including ad valorem taxes, liens and encumbrances of record, the purchase price, closing costs for the loan associated with the purchase; (3) Mr. McCray must pay 10% of the entire amount you invested in the property. The contract further provided that if Mr. McCray could not exercise the first option to purchase the house on or before March 3, 1994, the option would expire and you would be free to dispose of the property as you wished.

You read the contract to Mr. McCray and he signed it on September 2, 1993, one day before the scheduled foreclosure sale. You were aware of Mr. McCray's inability or limited ability to read when he was in your office on September 2, 1993. Although Mr. McCray asked you to let him take the contract to someone to read it to him, you refused Mr. McCray's request. You claim that you do not remember whether you advised Mr. McCray to seek independent counsel or get advice about the contract before he signed it.

You were the highest bidder at the foreclosure sale on September 3, 1993. You were again the highest bidder at a subsequent and final sale held on October 1, 1993.

The contract dated September 2, 1993 and signed by Mr. McCray was unfair on its face to Mr. McCray for the following reasons:

(i) In order to exercise the first option to purchase the house, Mr. McCray would have to pay 10% interest on the money that you invested to purchase the house at foreclosure. The commercially reasonable rates were less than 10% at the time of the contract. You charged the 10% interest in order to recoup the interest you lost on the money you withdrew from your stock investments to purchase the house.

(ii) In order to exercise the first option to purchase the house, Mr. McCray would have to pay attorney's fees to you which in effect increased the purchase price of the house by \$3,747.47.

(iii) You gave Mr. McCray a six-month option to purchase the house. At the time Mr. McCray entered into the contract on September 2, 1993, you knew that Mr. McCray's financial condition was bleak. You also knew that it would be difficult, if not impossible, for Mr. McCray to exercise the first option to purchase the house because he had limited income and no credit.

(iv) You sought to impose on Mr. McCray individually an obligation of the estate of Decelia McCray with respect to payment of your attorney's fees.

Mr. McCray did not have a reasonable opportunity to knowingly or understandingly enter into the contract dated September 2, 1993 between the time you withdrew from representation in the estate case and when Mr. McCray signed the contract, particularly in light of Mr. McCray's limited ability to understand the contract and the absence of opportunity which he was provided to understand it or consult with others to read and explain it to him.

You and Mr. McCray had several conflicting interests in this transaction. Your interests as a purchaser and Mr. McCray's interests as a potential buyer were in conflict. In addition, your interest in protecting your attorney's fees in the estate case conflicted with Mr. McCray's interest in saving the house he had lived in for a number of years. Your interest in protecting your attorney's fees is evident from a letter dated January 11, 1994 written to State Bar counsel regarding this matter. In that letter, you wrote that Mr. McCray's only asset was his house and lot and if the house was lost to foreclosure, "he [Mr. McCray] would lose his only asset and I would lose all chance of payment of my fees already earned. If I were the purchaser at the sale, instead of some person who would not protect his interests, I would have a chance to protect his interests, and also have the possibility of his paying my fees, either through his borrowing against the property, or through a third party coming to his assistance later and paying the fees, or by my selling it for more than the investment." In addition, you further sought to protect your interests in your attorney's fee owed by the Decelia McCray estate by taking a promissory note dated April 13, 1994 from Mr. McCray and taking the title to his 1987 Chevrolet van as collateral.

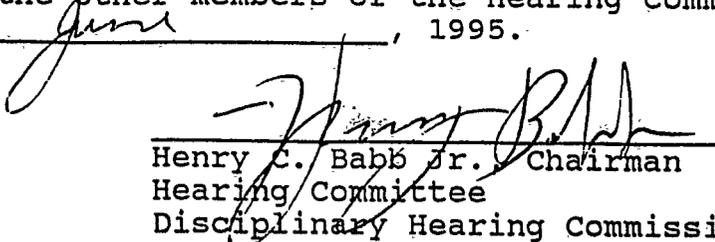
You did not fully disclose to Mr. McCray that you and he had conflicting interests regarding the transaction, nor did you fully disclose to Mr. McCray the risks and disadvantages of the transaction as set out in the September 2, 1993 contract.

Your conduct violated the Rules of Professional Conduct. By entering into a contract to purchase the home of a client, James McCray, at a time when Mr. McCray expected you to exercise your professional judgment for his protection, without first making full disclosure of the risks and disadvantages involved in the transaction, and without fully disclosing the conflict between your interests and those of Mr. McCray, you violated Rule 5.4(A). In addition, by entering into a business transaction which was unfair to your client, you violated Rule 5.4(A).

Although the hearing committee has chosen to impose a relatively moderate sanction of a censure, you should not assume that the hearing committee in any way feels that your conduct in this matter was excusable. The hearing committee trusts that you will consider this censure, recognize the errors that you have made, and never again allow yourself to depart from adherence to the high ethical standards of the legal profession. This censure should serve as a strong reminder and inducement for you to weigh carefully in the future your responsibility to the public, your clients, your fellow attorneys, and the courts to the end that you demean yourself as a respected member of the legal profession

whose conduct may be relied upon without question.

Signed by the undersigned chairman with the full knowledge  
and consent of the other members of the hearing committee, this  
1 day of June, 1995.

  
Henry C. Babb Jr. Chairman  
Hearing Committee  
Disciplinary Hearing Commission