State Bar Court of California Hearing Department San Francisco

Counsel For The State Bar

Robin B. Brune
Deputy Trial Counsel
180 Howard Street
San Francisco, California 94105

Bar # 149481

Counsel For Respondent

C. Russell Georgeson, Esq. Georgeson & Belardinelli 1111 East Herndon, Suite 217 Fresno, California 93720

Bar # 53589

In the Matter Of:

William F. Hancock Jr.

Case Number (s) **05-O-02311**

(for Court's use)

FILED

MAR 2 5 2009

STATE BAR COURT CLERK'S OFFICE SAN FRANCISCO

PUBLIC MATTER

Submitted to: Settlement Judge

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

ACTUAL SUSPENSION

□ PREVIOUS STIPULATION REJECTED

Bar # **82292**

A Member of the State Bar of California (Respondent)

Note: All information required by this form and any additional information which cannot be provided in the space provided, must be set forth in an attachment to this stipulation under specific headings, e.g., "Facts," "Dismissals," "Conclusions of Law," "Supporting Authority," etc.

A. Parties' Acknowledgments:

- (1) Respondent is a member of the State Bar of California, admitted **November 29, 1978**.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of **11** pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any

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7:DO DO	N Write	a above this line.)					
	pen	ding investigation/proceeding not resolved by this stipulation, except for criminal investigations.					
(8)	Pay 614	yment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 40.7. (Check one option only):					
	\boxtimes	until costs are paid in full, Respondent will remain actually suspended from the practice of law unless relief is obtained per rule 284, Rules of Procedure. costs to be paid in equal amounts prior to February 1 for the following membership years:					
		(hardship, special circumstances or other good cause per rule 284, Rules of Procedure) costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs" costs entirely waived					
Р	rofe	avating Circumstances [for definition, see Standards for Attorney Sanctions for essional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances equired.					
(1)	\boxtimes	Prior record of discipline [see standard 1.2(f)]					
	(a)	State Bar Court case # of prior case 85-O-10652					
	(b)	□ Date prior discipline effective 1990					
	(c)	Rules of Professional Conduct/ State Bar Act violations: RPC 5-101 & 5-103					
	(d)	☐ Degree of prior discipline one year of suspension, stayed, thirty days of actual suspension					
	(e)	If Respondent has two or more incidents of prior discipline, use space provided below.					
(2)		Dishonesty: Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.					
(3)		Trust Violation: Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.					
(4)		Harm: Respondent's misconduct harmed significantly a client, the public or the administration of justice.					
(5)		Indifference: Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.					
(6)		Lack of Cooperation: Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.					
(7)		Multiple/Pattern of Misconduct: Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.					
(8)		No aggravating circumstances are involved.					
Addit	iona	l aggravating circumstances:					

C.	Mitig circu	ating Circumstances [see standard 1.2(e)]. Facts supporting mitigating imstances are required.					
(1)		No Prior Discipline: Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.					
(2)		No Harm: Respondent did not harm the client or person who was the object of the misconduct.					
(3)	\boxtimes	Candor/Cooperation: Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.					
(4)		Remorse: Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.					
(5)		Restitution: Respondent paid \$ o n in restitution to without the threat or force of disciplinary, civil or criminal proceedings.					
(6)		Delay: These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.					
(7)		Good Faith: Respondent acted in good faith.					
(8)		Emotional/Physical Difficulties: At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product or any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.					
(9)		Severe Financial Stress: At the time of the misconduct, Respondent suffered from severe financial stres which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.					
(10)		Family Problems: At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.					
(11)		Good Character: Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.					
(12)		Rehabilitation: Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.					
(13)		No mitigating circumstances are involved.					
Add	litiona	al mitigating circumstances					
D.	Disc	ipline:					

(Do no	t write	e above	e this line.)				
(1)	\boxtimes	Stayed Suspension:					
	(a)	\boxtimes	Respondent must be suspended from the practice of law for a period of one year.				
		1.	and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii) Standards for Attorney Sanctions for Professional Misconduct.				
		. ii.	and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.				
		iii.	and until Respondent does the following:				
	(b)		The above-referenced suspension is stayed.				
(2)	\boxtimes	Probation:					
	Respondent must be placed on probation for a period of two years , which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18, California Rules of Court)						
(3)	\boxtimes	Açtı	ual Suspension:				
	(a)	\boxtimes	Respondent must be actually suspended from the practice of law in the State of California for a period of thirty days .				
		i.	and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct				
		ii.	and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.				
		iii.	and until Respondent does the following:				
_ /	\	ition	al Conditions of Probation:				
E. <i>F</i>	Adai	ltion	ai Conditions of Probation:				
(1)		he/s	If Respondent is actually suspended for two years or more, he/she must remain actually suspended until he/she proves to the State Bar Court his/her rehabilitation, fitness to practice, and learning and ability in general law, pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.				
(2)	\boxtimes		During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules Professional Conduct.				
(3)		Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.					
(4)							

(Do no	t write	above	this line.)				
(5)		July wheth conditare a curre	Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.				
			dition to all quarterly reports, a final report, containing the same information, is due no earlier than by (20) days before the last day of the period of probation and no later than the last day of probation.				
(6)		condi Durin in add	Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.				
(7)	\boxtimes	inquir direct	Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any nquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.				
(8)	\boxtimes	Proba	Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the Ethics School, and passage of the test given at the end of that session.				
			No Ethics School recommended. Reason: .				
(9)		must	Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.				
(10)		The f	ollowing conditions are attached hereto and incorporated:				
			Substance Abuse Conditions Law Office Management Conditions				
			Medical Conditions				
F. O	the	r Cor	nditions Negotiated by the Parties:				
(1)		Multistate Professional Responsibility Examination: Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation during the period of actual suspension or within one year, whichever period is longer. Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.					
			No MPRE recommended. Reason:				
(2)		Cal	Rule 9.20, California Rules of Court: Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.				
(3)		Co	nditional Rule 9.20, California Rules of Court: If Respondent remains actually suspended for 90				

(Do n	ot write	above this line.)
		days or more, he/she must comply with the requirements of rule 9.20 , California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 120 and 130 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
(4)		Credit for Interim Suspension [conviction referral cases only]: Respondent will be credited for the period of his/her interim suspension toward the stipulated period of actual suspension. Date of commencement of interim suspension:
(5)		Other Conditions:

ATTACHMENT TO

STIPULATION RE FACTS, CONCLUSIONS OF LAW & DISPOSITION

In the matter of:

WILLIAM F. HANCOCK JR.

Case Number:

05-O-02311

FACTS AND CONCLUSIONS OF LAW.

In September 2002, James and Sheela Catalano hired respondent to represent them in ongoing litigation as they were defendants in two litigation cases that had been filed against them and their particular interests in two corporations, Redding Center, Inc., and Pristine Properties, Inc. Each corporation owned property in the Red Bluff area. James Catalano's son, Daniel Blevins-Catalano, also had an interest in the corporations, and was the moving party in the lawsuits, *Blevins-Catalano vs. Catalano*, Case Number 02 CE CG 03069, filed in Superior Court, County of Fresno, and *Blevins-Catalano v. the Redding Center, Inc*, Case Number 02 CE CG 03198, filed in Superior Court, County of Fresno.

In October 2002, the Catalanos signed an undated hourly fee agreement with respondent, for \$250.00 an hour, and paid him a deposit of \$600.00. In October, 2002, respondent obtained the pink slip (Certificate of Title) to the Catalano's 1998 MNCO Motor Home, License Plate Number 4DTJ891. The parties executed a "Security Agreement" which stated that the Catalanos agreed to grant respondent a security interest in their mobile home as security for respondent's legal fees. Respondent did not inform the Catalanos, in writing, that the Catalano's could consult with another attorney before agreeing to give respondent a security interest in their mobile home. The Catalano's were elderly, and owned their mobile home, which they purchased in 1988 for a cash price of \$167,000.00.

In or about February 2003, about five months after he commenced providing legal services, respondent started sending the Catalanos bills for his services. The last bill that respondent sent to the Catalanos, in December 2004, stated \$29,583.93 was due, and included ninety-four (94) hours of work, plus interest. The Catalano's disputed respondent's bills because each task as noted on the bill was not identified with a set hour or fraction of an hour, and respondent's fee agreement with the Catalano's specified an hourly rate. At no point did respondent's principal billing meet or exceed the \$60,000.00 estimated value of the mobile home.

The corporate real estate holdings of Redding Center, Inc and Pristine Properties Inc were lost to foreclosure when the corporation could not meet the loan's balloon payment on the properties. In January 2003, Daniel Blevins-Catalano ceased pursing the *Blevins-Catalano vs. Catalano*, and the *Blevins-Catalano v. the Redding Center, Inc*, lawsuits.

In September 2003, the Catalanos filed for bankruptcy. The Catalano's achieved a discharge of their debts in bankruptcy, including respondent's debt. Other than their initial payment of \$600.00 to respondent, the Catalano's have made no payments to respondent.

About two (2) years after the bankruptcy, respondent registered his security interest in the mobile home with the DMV.

In March 2005, respondent visited the Catalano's at their mobile home. At this time, the

Catalano's lived in the motor home as their primary residence. Respondent advised the Catalano's that they had to insure the motor home in order to protect his interest in the motor home.

In February 2009, in connection with the State Bar investigation and resolution of this matter, respondent relinquished his ownership interest in the mobile home back to the Catalanos and completed all the necessary paperwork with the DMV to complete this task.

Respondent's security interest in the Catalano's mobile home was not fair and reasonable because the value of the mobile home exceeded the value of respondent's billings, and the Catalano's disputed respondent's billings.

Conclusions of Law

1. By obtaining a security interest in the Catalano's mobile home without advising the Catalanos in writing that they may seek the advice of an independent lawyer of the client's choice; and by choosing terms that were not fair and reasonable due to the discrepancy in value between the mobile home and the billings, and the disputed nature of the billings, respondent willfully violated Rules of Professional Conduct, rule 3-300.

PENDING PROCEEDINGS.

The disclosure date referred to, on page one, paragraph A. (7), was January 21, 2009.

COSTS OF DISCIPLINARY PROCEEDINGS.

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of January 21, 2009, costs in this matter are \$2,043.00. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.

AUTHORITIES SUPPORTING DISCIPLINE.

Standards

Standard 2.8 specifies suspension for a violation of Rule 3-300, unless the extent of the member's misconduct and the harm to the client are minimal, in which case, the degree of discipline shall be reproval. Here, respondent never collected his fee from the Catalanos, other than their initial payment of \$600.00. However, when he advised the Catalano's, in March of 2005, that they had to insure the mobile home in order to protect his interest, he caused considerable distress to Mrs. Catalano, who was in fear of losing her home.

Standard 1.7 specifies that the degree of discipline in the current proceeding shall be greater than imposed in the prior proceeding unless the prior was so remote in time and the offense was so minimal in severity that imposing greater discipline would be manifestly unjust. Here, respondent has a prior suspension of thirty (30) days. The prior misconduct is remote in time, as it occurred in 1983. The misconduct is similar in nature, as both cases involve acquiring a financial interest in the client's properties.

Case Law

Disciplinary responses for 3-300 violations indicate actual time is warranted. *In the Matter of Hultman* (Review Dept. 1995) 3 Cal. State Bar Ct. Rptr. 297; *In the Matter of Lane* (Review Dept. 1994) 2 Cal. State Bar Ct. Rptr. 735. In *Hultman*, the attorney made two loans to

himself from a testamentary trust of which he was the trustee. He was found culpable of a 3-300 violation, and 6106 for gross negligence in his handling of the trust which resulted in the filing of a false accounting with the court. He had no prior discipline in thirteen (13) years of practice, candor, good character, remorse, and paid restitution. He received sixty (60) days of actual suspension.

In *Lane*, the attorney also received sixty (60) days of actual suspension for lending a client \$100,000.00 without complying with former rule 5-101, the predecessor of rule 3-300. He had no prior discipline in twenty-five (25) years of practice, committed some additional violations, and there was a significant time elapsed between the misconduct and the State Bar case.

Here, the Catalano's did not suffer any financial damage from respondent's misconduct. Respondent is cooperative in reaching this stipulation on this matter. Respondent has disgorged the Certificate of Title to the Catalanos.

AGGRAVATING CIRCUMSTANCES.

Standard 1.2(b)(i) prior record of discipline.

PRIOR DISCIPLINE.

In 1990 respondent received from for a one (1) year of suspension, stayed, and thirty (30) days of actual suspension (Case Number 85-O-10652) (S 012024). This disciplinary matter also involved respondent obtained an ownership interest in his client's property. In 1983 the Paces hired the respondent due to financial problems. Respondent filed a bankruptcy petition on their behalf. They were also facing foreclosure of their home. Respondent successfully bid on the property at the foreclosure sale and then sought to lease the property to the Paces. The Paces thereafter terminated the attorney-client relationship. Respondent brought eviction proceedings against the Paces. Respondent stipulated to a violation of Rules of Professional Conduct, rule 5-103 and 5-101, for purchasing the property of his clients and acquiring an ownership interest adverse to the interest of his clients.

MITIGATING CIRCUMSTANCES.

Standard 1.2(e)(v) candor and cooperation

FACTS SUPPORTING MITIGATING CIRCUMSTANCES.

Respondent has been candid and cooperative in reaching a stipulation in this matter.

STATE BAR ETHICS SCHOOL.

Because respondent has agreed to attend State Bar Ethics School as part of this stipulation, respondent may receive Minimum Continuing Legal Education credit upon the satisfactory completion of State Bar Ethics School.

Respondent admits that the following facts are true and that he/she is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

OTHER AGREEMENTS.

The respondent has waived the rule of limitations issues in this matter. (Rule 51 of the Rules of Procedure of the State Bar).

(Do not write above this line.) In the Matter of	Case number(s):	
William F. Hancock Jr.	05-O-02311	•

SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Fact, Conclusions of Law and Disposition.

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Date			1		A	2
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Date		-			•	
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Date				U		_

Respondent's Signature

Respondent's Counsel Signature

Deputy Trial Counsel's Signature

William F. Hancock Jr.

Print Name

Robin B. Brune

Print Name

(Do not write above this line.) In the Matter Of William F. Hancock Jr.	Case Number(s): 05-O-02311				
	ORDER				
	o the parties and that it adequately protects the public, ted dismissal of counts/charges, if any, is GRANTED withou	ut			
The stipulated facts a RECOMMENDED to	and disposition are APPROVED and the DISCIPLINE the Supreme Court.				
	and disposition are APPROVED AS MODIFIED as set forth IPLINE IS RECOMMENDED to the Supreme Court.				
All Hearing dates are	vacated.				
the stipulation, filed within 15 da or further modifies the approved effective date of this disposition	oulation as approved unless: 1) a motion to withdraw or motion stripulation. (See rule 135(b), Rules of Procedure.) The on is the effective date of the Supreme Court order here. (See rule 9.18(a), California Rules of Court.) Judge of the State Bar Court	difies			
Date	Judge of the State Bar Court				

CERTIFICATE OF SERVICE

[Rule 62(b), Rules Proc.; Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of San Francisco, on March 25, 2009, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

in a sealed envelope for collection and mailing on that date as follows:

by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at San Francisco, California, addressed as follows:

C RUSSELL GEORGESON GEORGESON AND BELARDINELLI 1111 E HERNDON #217 FRESNO, CA 93720

by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

ROBIN BRUNE, Enforcement, San Francisco

I hereby certify that the foregoing is true and correct. Executed in San Francisco, California, on March 25, 2009.

Laine Silber

Case Administrator

State Bar Court