

SUPREME COURT OF SOUTH CAROLINA

In re Hatley

400 S.C. 470 (2012) · Decided December 12, 2012

SUMMARY

The South Carolina Supreme Court accepted an Agreement for Discipline by Consent and suspended respondent attorney James Hatley from practicing law for two years, retroactive to his interim suspension. The misconduct involved trust-account deficiencies, staff misappropriation, tax violations, inadequate supervision, conflicts of interest, client neglect, and failures to comply with court obligations.

CASE DETAILS

COURT	Supreme Court of South Carolina
WRITING FOR THE COURT	Toal, C.J.; Pleicones, J.; Beatty, J.; Kittredge, J.; Hearn, J.
JURISDICTION	South Carolina
DECIDED	December 12, 2012
DISPOSITION	other
PROCEDURAL POSTURE	Attorney disciplinary proceeding in which the Office of Disciplinary Counsel and respondent submitted an Agreement for Discipline by Consent under Rule 21 of the Rules for Lawyer Disciplinary Enforcement.
PRECEDENTIAL VALUE	Published disciplinary opinion; binding as to the imposed sanction and the court's application of the cited disciplinary rules to respondent's admitted misconduct.

TOPICS

tax evasion tax liens tax real estate probate procedure

PRACTICE AREAS

legal ethics attorney discipline professional responsibility tax compliance real estate transactions
probate practice

QUESTIONS PRESENTED

1. Whether the Agreement for Discipline by Consent should be accepted.

2. What disciplinary sanction should be imposed for respondent's admitted violations of the Rules of Professional Conduct and Rules for Lawyer Disciplinary Enforcement.

HOLDINGS

1. The court accepted the Agreement for Discipline by Consent.
2. Respondent was suspended from the practice of law in South Carolina for two years, retroactive to the date of his interim suspension, subject to completion of ethics and trust-account education, reimbursement of harmed clients and entities, payment of disciplinary costs, and filing an affidavit showing compliance with Rule 30.

KEY QUOTATIONS

"We accept the Agreement and suspend respondent from the practice of law in this state for two (2) years, retroactive to the date of his interim suspension." (470)

"Respondent shall not file a Petition for Reinstatement until he has completed the Legal Ethics and Practice Program Ethics School and Trust Account School and fully reimbursed all clients and entities, including the Lawyers Fund, harmed as a result of his misconduct." (478)

FACTUAL BACKGROUND

Respondent admitted numerous instances of professional misconduct, including inadequate trust-account management, failure to supervise employees who misappropriated client and firm funds, failure to pay withholding and income taxes, an undisclosed business relationship with a real-estate client, neglect of a client's alimony matter, and failures involving court costs and a court reporter's bill. He repaid misappropriated funds, paid outstanding taxes and restitution, and acknowledged responsibility for the misconduct. He also had previously received an interim suspension.

PROCEDURAL HISTORY

Respondent entered into an Agreement for Discipline by Consent, admitted multiple violations of the South Carolina Rules of Professional Conduct and related disciplinary rules, and consented to a suspension exceeding one year or disbarment. The Supreme Court of South Carolina accepted the agreement and imposed a two-year suspension retroactive to respondent's interim suspension.

DISPOSITION

other

CASES CITED

- In the Matter of Hatley, 396 S.C. 216, 721 S.E.2d 767 (2011)