FILE NO. _____

STATE OF MINNESOTA

IN SUPREME COURT

In Re Petition for Disciplinary Action against RONALD R. FRAUENSHUH, JR., an Attorney at Law of the State of Minnesota.	**PETITION FOR DISCIPLINARY ACTION**

TO THE SUPREME COURT OF THE STATE OF MINNESOTA:

At the direction of a Lawyers Professional Responsibility Board Panel, the Director of the Office of Lawyers Professional Responsibility, hereinafter Director, files this petition.

The above-named attorney, hereinafter respondent, was admitted to practice law in Minnesota on May 7, 1982. Respondent currently practices law in Ortonville, Minnesota.

Respondent has committed the following unprofessional conduct warranting public discipline:

DISCIPLINARY HISTORY

1. On November 8, 1990, respondent was issued an admonition for failing to return a client's phone calls, in violation of Rule 1.4(a), Minnesota Rules of Professional Conduct (MRPC).

2. On April 4, 1996, respondent was issued an admonition for leaving a hearing in violation of a court's directive that he remain, in violation of Rule 8.4(d), MRPC.

3. On April 4, 1996, respondent was issued a second admonition for representing a dissolution of marriage client without informing her that adverse counsel was his own counsel in his own dissolution of marriage action, in violation of Rule 1.7(b), MRPC.

4. On May 3, 1996, respondent was issued an amended admonition for using information about a former client to the client's disadvantage and disorderly conduct, in violation of Rules 1.9(b) and 8.4(b), MRPC.

FIRST COUNT

1. Kipp and Kimberly Yackley were divorced on February 7, 1996. Kimberly was awarded custody of the couple's children. Thereafter, Kimberly and the children began residing with Michael Domeier.

2. During the summer of 1997, Kimberly Yackley filed for an order for protection against Kipp Yackley. At the time of the hearing, Kipp appeared with an attorney and brought a motion to modify custody, alleging that Michael Domeier had abused the children. The hearing was continued to allow Kimberly time to retain counsel.

3. On September 25 or 26, 1996, Kimberly met with respondent, who had been representing Michael Domeier in his dissolution of marriage action. Respondent agreed to represent Kimberly, but required a $1,200 retainer. Kimberly advised that she was receiving public assistance and could not afford the retainer. Respondent then agreed to bill for his services. Kimberly gave respondent the order for protection documents which she had filed.

4. The order for protection matter was dismissed. Respondent then represented Kimberly on a child support collection matter. Respondent failed to advise Kimberly that since she was receiving public benefits, the county attorney would represent her in collecting the child support.

5. Respondent required that Kimberly execute a promissory note for $1,200 and a mortgage on her home in Porter, Minnesota, in order to secure his fees. The note provided for interest at the rate of 8 percent per annum and payment in full on April 1, 1997. Kimberly signed the note and mortgage on November 1, 1996, in respondent's office.

6. Respondent had also taken a $1,800 note from Michael Domeier, secured by a mortgage on his home in Dawson, Minnesota. That note provided for payment in June 1997.

7. On April 3, 1997, respondent met Kimberly and Michael Domeier at the courthouse for a hearing on Michael's divorce. After the hearing, respondent's paralegal gave Kimberly papers for assignment of a contract for deed on her house in Porter. The transaction was with respondent's knowledge and at his general direction. Respondent did not discuss the transaction with Kimberly. Kimberly executed the papers, which provided for payment of $3,000 to respondent, to satisfy both Kimberly's and Michael's debts to respondent. Kimberly did not want respondent to foreclose on the mortgage on the Dawson house, where the family was living.

8. After Kimberly sold the Porter house on a contract for deed, in June 1997, respondent's paralegal inserted the contract information into the notarized assignment document, recorded the assignment, and inserted the recording information into the executed and notarized contract for deed. These insertions were made pursuant to respondent's general office policy, but without his specific knowledge.

9. Assignment of the contract for deed resulted in termination of Kimberly's AFDC benefits, because the assignment was in excess of Kimberly's legal obligation.

10. On December 16, 1997, the deputy director of Western Minnesota Legal Services advised respondent that it represented Kimberly in connection with the assignment of the contract for deed. Further, the deputy director demanded that respondent terminate the assignment or pay Kimberly $1,800, and stated his belief that the transaction violated the MRPC. Respondent declined. At that time, only the $1,200 owed by Kimberly had been paid. On appeal, the benefit termination was reversed.

11. On December 22, 1997, respondent reported the transaction, and the deputy director's letter, to the Director's Office. In his December 22, 1997, letter respondent stated as follows:

> At no time did Ms. Yackley or Mr. Domeier ever tell me that anybody was receiving public assistance or that they would be applying for public assistance.

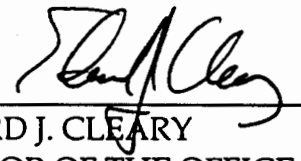
In fact, both Kimberly and Michael advised respondent that Kimberly received public assistance and the order for protection papers given respondent also so state. Respondent's statement was false and was made without adequate review of the file, which he had earlier given to the client without copying.

12. Respondent's conduct in entering into an unfair business transaction with Kimberly without adequate disclosures to her, in order to secure his own fees in Kimberly's and Michael's cases, violated Rules 1.4(b), 1.7(b), and 1.8(a), MRPC.

13. Respondent's conduct in altering the assignment and the contract for deed after execution, through the actions of his paralegal, and in making misrepresentations to the Director, violated Rules 5.3(c), and 8.4(a) and (c), MRPC.

WHEREFORE, the Director respectfully prays for an order of this Court imposing appropriate discipline, awarding costs and disbursements pursuant to the Rules on Lawyers Professional Responsibility, and for such other, further or different relief as may be just and proper.

Dated: December 20, 1999.



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