

IN THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL,	:	No. 2035 Disciplinary Docket No. 3
Petitioner	:	
	:	
v.	:	No. 135 DB 2013
	:	
DUSAN BRATIC,	:	Attorney Registration No. 19249
Respondent	:	(York County)

ORDER

PER CURIAM:

AND NOW, this 10th day of April, 2014, there having been filed with this Court by Dusan Bratic his verified Statement of Resignation dated February 4, 2014, stating that he desires to resign from the Bar of the Commonwealth of Pennsylvania in accordance with the provisions of Rule 215, Pa.R.D.E., it is

ORDERED that the resignation of Dusan Bratic is accepted; he is disbarred on consent from the Bar of the Commonwealth of Pennsylvania; and he shall comply with the provisions of Rule 217, Pa.R.D.E. Respondent shall pay costs, if any, to the Disciplinary Board pursuant to Rule 208(g), Pa.R.D.E.

A True Copy Patricia Nicola
As Of 4/10/2014

Attest: 
Chief Clerk
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL	:	
Petitioner	:	
	:	No. 135 DB 2013
v.	:	
	:	Attorney Registration No. 19249
DUSAN BRATIC	:	
Respondent	:	(York County)

RESIGNATION BY RESPONDENT

Pursuant to Rule 215
of the Pennsylvania Rules of Disciplinary Enforcement

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL : D Bd. File No. 135 DB 2013
Petitioner :
:
:
Attorney Registration No. 19249
:
DUSAN E, BRATIC, :
Respondent : (York County)

RESIGNATION STATEMENT UNDER RULE 215, PA. R.D.E.

I, Dusan Bratic, hereby resign from the practice of law in the Commonwealth of Pennsylvania in conformity with Rule 215(b) of the Pennsylvania Rules of Disciplinary Enforcement, and Rule 87.73, Disciplinary Board Rules, and further state as follows:

1. I desire to resign from the Bar of the Commonwealth of Pennsylvania.
2. This resignation is freely and voluntarily rendered.
3. I am not being subjected to coercion or duress.
4. I am fully aware of the implications of submitting this resignation, including the fact it is irrevocable, and that, as it will result in my disbarment, I can only apply for reinstatement to the practice of law pursuant to the provisions of Pa.R.D.E. 218(b).

5. I am currently being represented by Robert H. Davis, Jr., Esquire, 121 Pine Street, First Floor, Harrisburg, PA 17101-1209, with whom I have consulted and whose advice I am following in submission of this Resignation Statement.

6. A Petition for Discipline into allegations that I have been guilty of misconduct is now pending before a Hearing Committee of the Disciplinary Board of the Supreme Court,.. The material facts related to the professional misconduct which has caused me to submit this Resignation Statement are set forth in Exhibit A, which is attached hereto and incorporated herein. The facts in Exhibit A are among those that have been alleged in more detail in the Petition for Discipline filed against me at the above-referenced Disciplinary Board File Number.

7. I acknowledge that the material facts in Exhibit A are true.

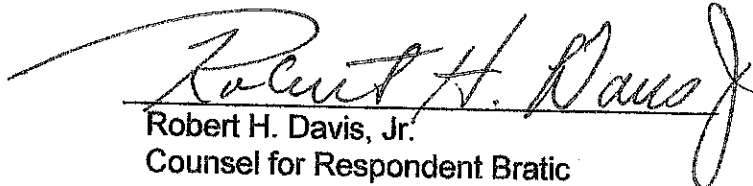
8. I am submitting my resignation because I cannot successfully defend against charges of professional misconduct based upon the facts set forth in Exhibit A.

It is understood that the statements made herein are subject to the penalties of 18 Pa. C.S.A. §4904 (relating to unsworn falsification to authorities).

Signed this 4th day of February, 2014.



Dusan Bratic, Respondent



Robert H. Davis, Jr.
Counsel for Respondent Bratic

**BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA**

OFFICE OF DISCIPLINARY COUNSEL,	:	No. 135 DB 2013
Petitioner	:	
	:	
v.	:	Attorney Reg. No. 19249
	:	
DUSAN E. BRATIC,	:	
Respondent	:	(York County)

**EXHIBIT A - ADMISSIONS OF FACT AND RULE VIOLATION
OF RESPONDENT DUSAN E. BRATIC**

Respondent, Dusan E. Bratic, (hereinafter, "Respondent"), in the disciplinary proceeding above-referenced, by and through his counsel, Robert H. Davis, Jr., Esquire, respectfully files, in support of his foregoing Resignation Statement Under Rule 215, Pa.R.D.E., and Rule §87.73 of Disciplinary Board Rules his supporting verified statement as follows:

1. ODC, whose principal office is situated at Suite 2700, 601 Commonwealth Avenue, P.O. Box 62485, Harrisburg, Pennsylvania, is invested, pursuant to Pa.R.D.E. 207, with the power and duty to investigate all matters involving alleged misconduct of an attorney admitted to practice law in the Commonwealth of Pennsylvania and to prosecute all disciplinary proceedings brought in accordance with the various provisions of the aforesaid Enforcement Rules.

2. Respondent was born on July 31, 1946 and was admitted to practice law in the Commonwealth on October 18, 1974. Respondent is presently on active status and maintains his office at 101 U.S. Route 15 South, Dillsburg, PA 17019

3. Respondent is subject to the disciplinary jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

4. This complaint matter arose out of Dusan E. Bratic's ["Bratic"] representation of Dale and Phyllis Derr, the complainants in the complaint, ODC File No. C3 - 12 - 851, in which representation he successfully pursued reimbursement for serious injuries to Phyllis Derr and a loss of consortium claim for Dale Derr arising from a serious automobile accident in York County, Pennsylvania in 1998. In that accident, Phyllis Derr suffered trauma and disabling impairment that interfered with her ability to continue her employment as a hospital coordinator working in a stressful situation.

5. The litigation in which Bratic represented the Derrs required his filing and pursuit of their claim, No 2000 SU 3391 in Common Pleas Court in York County, against defendant Harvey C. Prowell. In the context of this prolonged litigation and appeal from 1998 through 2006 Attorney Bratic agreed to Mrs. Derr's requests for funds, made a number of personal loans to her for humanitarian reasons and also arranged for a substantial anticipation loan by a local bank to Ms. Derr, which loan he cosigned, to provide needed living expenses to the Derrs and necessary expense reimbursement to his firm during the long period of pursuit of the litigation and payment to the Derrs.

6. When the payments to the Derrs finally were made in May of 2006, the size of the recoveries was such that a separate account was set up for the sole purpose of holding the proceeds of the lawsuit. When the claim was finalized and payments made, Bratic deposited \$2,143,137.24 into Integrity Bank Account No. 201018059 ["Derr Integrity Account"] which was captioned *Phyllis L. Derr and Dale C. Derr, Plaintiffs v Harvey C. Prowell, Defendant, No. 2000 SU 3391 (York County)*, a fiduciary account. Attorney Bratic was the only person who actually dealt with the account, in accord with the wishes of his clients.

7. The proceeds placed in the Integrity Bank Account were not promptly distributed in full to the Derrs and Respondent Bratic did not promptly remove his full earned legal fees and expense reimbursements from the Integrity Account. A Settlement Statement was not provided to the Derrs by Respondent Bratic until some ten months after settlement of the Derrs' claims, although more than half of

the funds had been distributed to the Derrs in that period. A delayed accounting was given the Derrs by April of 2007; final distribution of the small last portion of the Derr share of funds in the account occurred only in January 20, 2010.

8. In the "Distributions" section of the Settlement Statement provided to the Derrs Attorney Bratic indicated that on June 30, 2006 he distributed \$100,000 to Phyllis Derr and on March 26, 2007 he distributed \$50,000 to Dale Derr. The section also indicated that the Derrs received the proceeds of a check from Nationwide Insurance on May 24, 2006, in the amount of \$500,000. According to the Settlement Statement a "BALANCE DUE" (undistributed balance to the Derrs) of \$485,268.82 remained, some ten (10) months after the case was settled.
9. Respondent Bratic admittedly failed to distribute a substantial portion of the Ms. Derr's funds held in the Derr Integrity Account during the period May, 2006 through March 2007, as Ms. Derr and her husband, whose claim to the settlement funds was undisputed, contacted him to request distribution of the balance of her money.
10. During the time the Derr funds were in the Derr Integrity Account, and prior to 2011, Bratic removed funds from the Derr Integrity Account for short periods, which amounts Bratic used to complete personal business transactions. In asking and obtaining these funds, Bratic failed fully to disclose in a writing to the Derrs the terms of the loan, failed to advise either Derr in writing that advice of independent counsel as to the amounts he removed from the Derr Integrity Account was desirable and failed to obtain the written informed consent of either of the Derrs to the essential terms of the transaction, his role in the transaction and whether he represented them or his own interests in the transaction. In fact, the two notes Attorney Bratic later provided to Ms. Derr in the total face amount of \$140,000 and a letter from Ms. Derr dated March 17, 2010 relate only to the last of the transactions are two of only a handful of documents which contain any information concerning any of the transactions to which the Derrs later objected.

11. Attorney Bratic prepared and cashed an Integrity Account check dated July 27, 2006 which was payable to cash in the amount of \$100,000 (memo line of which carried the entry "Derr Transfer") the proceeds of which check represented a seriously-delayed distribution of earned legal fees to his firm. As of that time, \$614,637.38 had been paid to Attorney Bratic's firm.
12. Additionally and specifically, Respondent Bratic admits that he prepared and cashed an Integrity Account check dated October 27, 2006, payable to cash in the amount of \$100,000 (memo line of which carried the entry "Dino's Loan") and used a portion of the proceeds of that check for his personal benefit, without Ms. Derr's knowledge or without seeking specific consent to that transaction and without the specific written disclosures, advice to obtain other counsel and informed consent of Ms. Derr.
13. Respondent Bratic admits that between January 24, 2007 and March 15, 2007, he used five Derr Integrity Account checks, all payable to cash and with him as the signatory, to withdraw a total of \$195,000 from the Derr Trust Account at Integrity Bank. These actions were taken without specific notification, authorization or knowledge of Ms. Derr and without the required specific written disclosure, advice to obtain other counsel and informed consent of Ms. Derr. These funds were repaid in full from funds belonging to Attorney Bratic in April of 2007 by transfer back into the Derr Integrity Account of the net proceeds of refinancing of two loans on property owned by Attorney Bratic, which proceeds were paid through Attorney Bratic's IOLTA account at the Adams County National Bank (Account No. 2114186) into the Derr Integrity Bank account. The IOLTA account of Attorney Bratic's firm was used because Attorney Bratic's firm closed all real estate transactions it handled through its firm IOLTA account.
14. In early April of 2007, Attorney Bratic asked Ms. Derr specifically to authorize two loans, one in the amount of \$40,000 and the other in the amount of \$100,000, with the knowledge and verbal agreement of Ms. Derr. Attorney Bratic executed two Judgment Notes in favor of Ms. Derr, each dated April 4, 2007, for \$100,000 and \$40,000. The notes were provided Ms. Derr at the time. These loans to

Attorney Bratic using the Derr funds in their Integrity Bank Account could not be promptly repaid as he had hoped, due to business reversals he suffered and until the month of November, 2013 Attorney Bratic still owed the unpaid balance on these notes.

15. On April 5, 2007, Attorney Bratic paid Phyllis L. Derr \$345,268.82 from the Integrity Account. When he made this distribution he claimed that the only balance due to Ms. Derr was \$140,000 which represented the remaining amount of loans she had agreed to make to him. There is not, as of the date of this Resignation statement, any unpaid balance due on the notes, as they have been paid in full, with a small overpayment, which total payments included accrued interest and a small amount to reimburse Ms. Derr's attorney's fees incurred in collection of the amount owed her.
16. On April 15, 2007, Attorney Bratic deposited a personal check drawn on his and his wife's personal joint account at the Adams County National Bank (Acct. No. 1641239) in the amount of \$25,000, adding to a balance then in the account of \$45,726.55. On April 16, 2007 Attorney Bratic paid \$65,112.85 attributed to his law partner as a final fee distribution, leaving a balance of Derr funds in the Integrity Account of \$6,213.81 as of April 20, 2007.
17. Attorney Bratic withdrew the remaining balance, \$6,256.72, in the Derr Integrity Account on January 20, 2010 and belatedly provided that to Ms. Derr in an additional distribution of funds. Some of these funds represented amounts of interest paid by the bank into the Derr Trust Account on attorney fees of Attorney Bratic that had remained in the account for a considerable period of time after payment of the settlement. Further, total payments by Attorney Bratic to Mrs. Derr include an approximately \$4,000.00 overpayment of funds which funds properly belonged to Attorney Bratic and his law firm without later demand for return of such funds to Mrs. Derr.
18. In September 2011, Attorney Bratic filed a Chapter 11 Bankruptcy Petition in the Middle

District of Pennsylvania (1:11-bk-06413-RNO). That filing listed Ms. Derr as an unsecured creditor to whom he owed, at the time, \$121,769, reflecting the original loan balance owed (\$140,000), less a number of payments made by Attorney Bratic, despite financial difficulties as a result of market conditions, since 2007. As of this date, the two notes, as indicated, have been paid in full and the Reorganuization plan has been approved.

RULES VIOLATED

19. Attorney Bratic acknowledges that his actions, as admitted here, constitute violations of:

- (a) RPC 1.3 Diligence;
- (b) RPC 1.4 Communication;
- (c) RPC 1.7(a)(2) Conflict of Interest: Current Clients;
- (d) RPC 1.8(a) and (e) Conflict of Interest: Current Client: Specific Rules;
- (e) RPC 1.15(b),(e) and (h), Safekeeping Property;
- (f) RPC 8.4 (c).

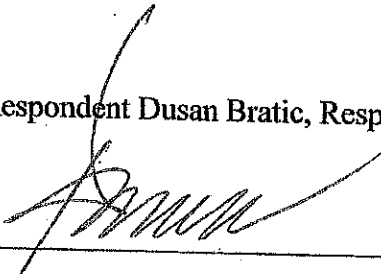
20. In support of Petitioner's resignation, it is further respectfully submitted that other facts of importance ought to be recorded here:

(A) Respondent has expressed remorse to his client for his misconduct and she understands he will be disciplined;

(B) There will be no claim on the PA Fund for Client Security as, despite experiencing significant business reversals which impacted substantially his ability to keep his promise of return of funds to Mrs. Derr, Respondent Bratic, nevertheless, made periodic payments as able, as he had verbally committed he would do, and has, while engaged in a Chapter 11 proceeding, managed to arrange final payment of all amounts owed to Mrs. Derr despite his own ongoing financial problems.

Date: Feb 4, 2014

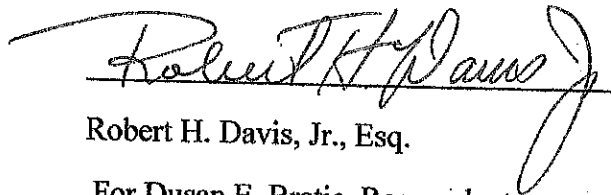
BY: Respondent Dusan Bratic, Respondent



Witnessed By: Robert H. Davis, Jr, Esq.

Davis Law Office, Harrisburg

Date: FEBRUARY 4, 2014



Robert H. Davis, Jr., Esq.

For Dusan E. Bratic, Respondent