

IN THE SUPREME COURT OF PENNSYLVANIA

In the Matter of	:	No. 287 Miscellaneous Docket No. 19
	:	(No. 7 RST 2011)
	:	
JOSEPH S. SCHUCHERT, JR.	:	No. 6 DB 1973
	:	
	:	Attorney Registration No. 32
PETITION FOR REINSTATEMENT	:	(Allegheny County)


ORDER

PER CURIAM:

AND NOW, this 16<sup>th</sup> day of May, 2011, upon consideration of the Report and Recommendations of the Disciplinary Board dated February 25, 2011, the Petition for Reinstatement is granted.

Pursuant to Rule 218(f), Pa.R.D.E., petitioner is directed to pay the expenses incurred by the Board in the investigation and processing of the Petition for Reinstatement.

A True Copy Patricia Nicola  
As Of 5/16/2011

Attest:   
Chief Clerk  
Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

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	:	No. 6 DB 1973
JOSEPH S. SCHUCHERT, JR.	:	
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PETITION FOR REINSTATEMENT	:	(Allegheny County)

REPORT AND RECOMMENDATIONS OF  
THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

TO THE HONORABLE CHIEF JUSTICE AND JUSTICES  
OF THE SUPREME COURT OF PENNSYLVANIA:

Pursuant to Rule 218(c)(5) of the Pennsylvania Rules of Disciplinary Enforcement, The Disciplinary Board of the Supreme Court of Pennsylvania submits its findings and recommendations to your Honorable Court with respect to the above captioned Petition for Reinstatement.

I. HISTORY OF PROCEEDINGS

On April 1, 2010, Joseph S. Schuchert, Jr., filed a Petition for Reinstatement from a suspension that was ordered by the Supreme Court on February 5, 1973. Office of Disciplinary Counsel filed a Response to Petition on June 17, 2010 and does not oppose the reinstatement.

A reinstatement hearing was held on August 5, 2010, before a District IV Hearing Committee comprised of Chair Robert J. Behling, Esquire, and Members Thomas

Farrell, Esquire, and Eric G. Soller, Esquire. Petitioner was represented by H. Woodruff Turner, Esquire. Petitioner testified on his own behalf and presented the testimony of one witness and three character letters.

The Hearing Committee filed a Report on September 28, 2010 and recommended that the Petition for Reinstatement be granted.

This matter was adjudicated by the Disciplinary Board at the meeting on January 19, 2011.

## II. FINDINGS OF FACT

The Board makes the following findings of fact:

1. Petitioner is Joseph S. Schuchert, Jr. He was born in 1928 and was admitted to the practice of law in Pennsylvania in 1955. His current business address is 888 San Clemente Dr., Suite 180, Newport Beach CA 92660. He is subject to the jurisdiction of the Disciplinary Board of the Supreme Court of Pennsylvania.

2. Petitioner was suspended from the practice of law by Order of the Supreme Court of Pennsylvania on February 5, 1973. The suspension followed notification that he had been suspended by the United States District Court for the Western District of Pennsylvania on December 4, 1972. The suspension ran to and included July 2, 1974, a period of approximately 17 months.

3. Petitioner's suspension in federal court was the result of his plea of nolo contendere to a charge of violation of Section 5 of the Securities Act of 1933. The charge was based upon an opinion Petitioner had given that a client could sell certain shares in a market transaction.

4. As a result of the plea, Petitioner was sentenced to one year of imprisonment, the service of which was suspended, and he was fined \$9,900 and assessed costs.

5. Petitioner's law practice in Pennsylvania from 1955 until 1968 involved business litigation, securities matters, and federal income taxation.

6. Petitioner moved to California in 1968 and was admitted to the California bar.

7. On October 17, 1974, Petitioner was suspended from the California Bar for six months following misdemeanor charges under Section 25540 of the California Corporation Code, which required a permit for selling securities. He was automatically reinstated at the conclusion of the suspension.

8. The State Bar of California declined to impose any sanctions on Petitioner based upon his conviction in Pennsylvania.

9. From about 1975 until 2005, Petitioner worked for Kelso & Company, a pioneer in the development of Employee Stock Option Plans (ESOP). He eventually became President, CEO, and Chairman of Kelso.

10. In the 1970's and 1980's, Petitioner worked closely with United States Senator Russell Long, Chairman of the Senate Finance Committee, in drafting and revising legislation related to ESOPs.

11. From January 1, 1993 until March 18, 2004, Petitioner was on voluntary inactive status with the State Bar of California, as a result of moving to New York to work at the main office of Kelso. Since returning to active status in California in 2004, he

has met the Continuing Legal Education requirements for active members of the California bar.

12. Since 2009, Petitioner has been a member of Exodus Law Group, LLP in Newport Beach, California, where his practice, all pro bono, has included litigation involving federal income taxation, employment law, insurance and business law.

13. Petitioner has taken the requisite Continuing Legal Education courses for readmission to the bar in Pennsylvania.

14. Petitioner maintains a well-stocked law library, uses Westlaw to conduct research, and remains current with major United States Supreme Court rulings.

15. During his years working at Kelso, Petitioner gave numerous lectures to Bar Associations and other groups around the country on the legal aspects of ESOPs.

16. Petitioner seeks reinstatement so that he may remove his suspended status from his record. He still has friends and contacts in the Pittsburgh area and hopes to use his experience to make a difference.

17. If reinstated, Petitioner plans to practice law in California and Pennsylvania, primarily in the area of pro bono trial work in corporate, securities and tax law.

18. Charles J. Queenan, Jr., Esquire, Senior Counsel of K & L Gates, LLP, testified at the reinstatement hearing. Mr. Queenan gave credible testimony that Petitioner is a very capable and professional lawyer and has the necessary learning and experience to meet the requirements for readmission to practice law in Pennsylvania.

19. Mr. Queenan further opined that Petitioner has a reputation for being a person of high integrity and truthfulness.

20. Ms. Donna M. Panazzi wrote a letter in support of Petitioner's readmission. She was Petitioner's legal secretary in Pittsburgh and is currently the managing director of the Colco Foundation and the Laurel Foundation. Ms. Panazzi indicated that Petitioner is a man of strong moral character. She noted his pro bono services to impoverished litigants in Texas.

21. Archabbot Douglas Nowicki, O.S.B., is the head of the Benedictine Order and Chancellor of St. Vincent Collège, and has known Petitioner for many years. He wrote a letter to recommend Petitioner's readmission, and noted his extensive charitable works. These include a homeless shelter in New York City, a home for unwed mothers in Wyoming, and charitable endeavors in India.

22. Jared L. Cohon, President of Carnegie Mellon University, recommended Petitioner's readmission and refers to Petitioner as one of the University's most prominent alumni. He noted Petitioner's continued interest in the success of the University.

23. Office of Disciplinary Counsel does not oppose the Petition for Reinstatement.

### III. CONCLUSIONS OF LAW

1. Petitioner established by clear and convincing evidence that he possesses the moral qualifications, competency and learning in the law required for admission to the practice of law in the Commonwealth of Pennsylvania. Pa.R.D.E. 218(c)(3)

2. Petitioner established by clear and convincing evidence that his resumption of the practice of law within the Commonwealth will be neither detrimental to the integrity and standing of the bar or the administration of justice nor subversive of the public interest. Pa.R.D.E. 218(c)(3)

#### IV. DISCUSSION

Petitioner seeks readmission to the bar of the Commonwealth of Pennsylvania following his suspension imposed by the Supreme Court on February 5, 1973 and effective until July 2, 1974.

Pursuant to Rule 218(a), Pa.R.D.E., an attorney who is suspended for a period exceeding one year may not resume the practice of law until reinstated by the Supreme Court of Pennsylvania. In order for Petitioner to gain reinstatement, he has the burden of proving by clear and convincing evidence that he possesses the moral qualifications, competency and learning in the law required for admission to practice law in this Commonwealth. In addition, Petitioner has the burden of demonstrating that his resumption of the practice of law will not be detrimental to the integrity and standing of the bar or administration of justice, nor subversive of the public interest. Rule 218(c)(3).

A reinstatement proceeding is a searching inquiry into a lawyer's present professional and moral fitness to resume the practice of law. The object of concern is not solely the transgressions which gave rise to the lawyer's suspension, but rather the nature and extent of the rehabilitation efforts the lawyer has made since the time that the sanction was imposed, and the degree of success achieved in the rehabilitative process.

Philadelphia News, Inc. v. Disciplinary Board of the Supreme Court, 363 A.2d 779 (Pa. 1976).

Petitioner was suspended in Pennsylvania in 1973 for a period of seventeen months arising out of his plea of *nolo contendere* to a securities matter. This matter did not involve fraud, personal gain or misrepresentation of any kind. At the time this occurred, Petitioner was living and practicing law in California, which jurisdiction declined to impose any disciplinary sanction. In 1974, Petitioner was suspended from the California Bar for six months following misdemeanor charges under the California Corporation Code. Petitioner was automatically reinstated at the conclusion of the six months. There is no evidence that Pennsylvania took notice of or action in this matter.

Nearly 40 years have passed since Petitioner's suspension in Pennsylvania. The record clearly establishes that since the time of the suspension, Petitioner has engaged in a very productive and successful professional career. He continues to practice law on a pro bono basis, most recently with a small law firm in California headed by his son and another lawyer. Petitioner is well-versed in the law and maintains a law library. Additionally, Petitioner has actively pursued a variety of charitable endeavors both in this country and globally.

Charles J. Queenan, Jr., Esquire, has known Petitioner for many years and vouched for his excellent legal skills, reputation for honesty and truthfulness and overall good character. Character references were provided by high profile members of the Pittsburgh community, who unanimously support Petitioner's return to the practice of law in Pennsylvania.



Petitioner acknowledges that he has been suspended in Pennsylvania for a very long time, but now desires to remove his suspended status from his record. Petitioner was born and raised in Pittsburgh and still maintains contacts and friendships in Pennsylvania, particularly in Pittsburgh. He hopes to undertake cases in Pennsylvania, mostly on a pro bono basis, and use his experience to the extent that it can make a difference.

Based upon the evidence submitted, Petitioner has met his burden of demonstrating that he has the moral qualifications, competency and learning in the law required for admission to practice law in Pennsylvania and that his resumption of the practice of law within the Commonwealth will be neither detrimental to the integrity and standing of the bar or the administration of justice nor subversive of the public interest.


V. RECOMMENDATION

The Disciplinary Board of the Supreme Court of Pennsylvania unanimously recommends that Petitioner, Joseph S. Schuchert, Jr., be reinstated to the practice of law.

The Board further recommends that, pursuant to Rule 218(f), Pa.R.D.E., Petitioner be directed to pay the necessary expenses incurred in the investigation and processing of the Petition for Reinstatement.

Respectfully submitted,

THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

By:   
Gerald Lawrence, Board Member

Date: February 25, 2011

Board Member Todd did not participate in the adjudication.