

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
05G0602

IN THE MATTER OF)
)
Allan L. Shackelford,) CENSURE
ATTORNEY AT LAW)
)

On January 19, 2006, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by S. E.

Pursuant to section .0113(a) of the Discipline and Disability Rules of the North Carolina State Bar, the Grievance Committee conducted a preliminary hearing. After considering the information available to it, including your response to the letter of notice, the Grievance Committee found probable cause. Probable cause is defined in the rules as "reasonable cause to believe that a member of the North Carolina State Bar is guilty of misconduct justifying disciplinary action."

The rules provide that after a finding of probable cause, the Grievance Committee may determine that the filing of a complaint and a hearing before the Disciplinary Hearing Commission are not required and the Grievance Committee may issue various levels of discipline depending upon the misconduct, the actual or potential injury caused, and any aggravating or mitigating factors. The Grievance Committee may issue an admonition, a reprimand, or a censure.

A censure is a written form of discipline more serious than a reprimand, issued in cases in which an attorney has violated one or more provisions of the Rules of Professional Conduct and has caused significant harm or potential significant harm to a client, the administration of justice, the profession or a member of the public, but the misconduct does not require suspension of the attorney's license.

The Grievance Committee believes that a hearing before the Disciplinary Hearing Commission is not required in this case and issues this censure to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this censure.

During 2004 you represented an educational institution in various matters, including employment issues. An administrator of the institution confidentially expressed to you his concerns about the work performance of a subordinate administrator. You divulged that information to the subordinate administrator in violation of Rules 1.6 and 1.13 of the Revised Rules of Professional Conduct. In addition, over the following several months you advised the subordinate administrator regarding the employment dispute between the two administrators where the subordinate's interests were adverse to that of your client, the institution, in violation of Rules 1.13 and 1.7.

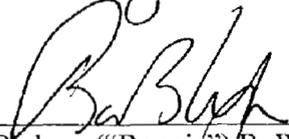
Also in 2004 your firm, through you and other partners, represented a corporate client in various matters, including a lawsuit in which that client was the plaintiff. In late 2004 the principals of the

corporation expressed to you their concerns about the viability and expense of the lawsuit and about the manner in which the suit was being handled by the lead counsel, another partner in your firm. The principals also told you that they believed the lead counsel engaged in certain personal conduct that upset them. You advised the corporate principals, in essence, to assert a claim against your firm based on their perceived mishandling of the suit by, and the alleged personal misconduct of, the lead counsel. You gave this advice ostensibly as a strategy for the corporation to extricate itself from the lawsuit and recover the substantial attorneys fees the corporation paid the firm to pursue the suit to that point. However, at the time you so advised the corporate principals, you had plans to leave the firm because of a conflict with firm management, and the corporation was the only client with whom you still maintained a relationship on behalf of the firm. Your conduct violated Rules 1.7 and 1.8 of the Revised Rules of Professional Conduct.

You are hereby censured by the North Carolina State Bar for your violation of the Rules of Professional Conduct. The Grievance Committee trusts that you will ponder this censure, recognize the error that you have made, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession. This censure should serve as a strong reminder and inducement for you to weigh carefully in the future your responsibility to the public, your clients, your fellow attorneys and the courts, to the end that you demean yourself as a respected member of the legal profession whose conduct may be relied upon without question.

In accordance with the policy adopted October 15, 1981 by the Council of the North Carolina State Bar regarding the taxing of the administrative and investigative costs to any attorney issued a censure by the Grievance Committee, the costs of this action in the amount of \$50.00 are hereby taxed to you.

Done and ordered, this 13th day of February, 2006.



Barbara ("Bonnie") B. Weyher, Chair
Grievance Committee
The North Carolina State Bar