

STATE OF NORTH CAROLINA
WAKE COUNTY

16 APR 93 12:07

HOU (N) STATE BAR

BEFORE THE COUNCIL
OF THE
NORTH CAROLINA STATE BAR
93 BCS 3

IN THE MATTER OF THE TENDER OF)
SURRENDER OF LICENSE OF) ORDER OF DISBARMENT
JAMES L. BLACKBURN)

This matter coming on to be heard and being heard before the Council of the North Carolina State Bar on April 16, 1993 pursuant to Article IX, Section 17 of the Discipline & Disbarment Rules of the N.C. State Bar upon the tender of surrender of license of James L. Blackburn sworn to and subscribed on April 6, 1993; and

BASED UPON the facts contained in the affidavit, the Council finds that James L. Blackburn misappropriated client funds and funds belonging to his former law firm in violation of Rules 1.2(B) and 1.2(C) of the Rules of Professional Conduct, forged signatures of judges to a number of false orders in violation of Rules 1.2(B) and 1.2(C) of the Rules of Professional Conduct, forged the signature of a client to a promissory note in violation of Rule 1.2(C) of the Rules of Professional Conduct and lied to two clients about the status of matters which he was handling for the clients, in violation of Rules 1.2(C) and 7.2(A)(4) of the Rules of Professional Conduct.

WHEREFORE, upon Motion being duly made and seconded, the Council enters the following ORDER:

1. That the tender of surrender of license of James L. Blackburn be accepted.
2. That James L. Blackburn be and hereby is DISBARRED from the practice of law in North Carolina.
3. That the costs of this action be taxed against James L. Blackburn.

DONE AND ORDERED this the 16 day of April, 1993.



 Robert J. Robinson
 President-Elect, N.C. State Bar

IN THE MATTER OF THE TENDER OF LICENSE
AND AFFIDAVIT OF JAMES L. BLACKBURN
PURSUANT TO SECTION 17 OF ARTICLE IX
OF THE RULES AND REGULATIONS OF THE
NORTH CAROLINA STATE BAR

WAKE COUNTY
NORTH CAROLINA

I, James L. Blackburn, being first duly sworn, says:

1. I was licensed to practice law in North Carolina in 1969;

2. I desire to resign and hereby tender my license to practice law;

3. My resignation is freely and voluntarily tendered and it is not a result of coercion or duress. I am fully aware of the consequences resulting from this tendering and I am competent to make this decision;

4. I am aware that there is presently an ongoing investigation into numerous allegations of misconduct and my responses to those allegations are set forth in paragraphs five (5) through nine (9) below;

5. During 1991 and 1992, I represented Client A who had requested I file a complaint seeking to settle a land dispute in Lake Gaston, Virginia. That complaint was never filed, although I told the client that it had been. Subsequently, over the next two years, I had many conversations with the client wherein we discussed his case, such conversations including strategy considerations, and the progress of the case. I told the client we had been successful in resolving the land dispute and that he

was entitled to a large sum of money from both the persons who were involved in the dispute with him and also a Power Company that had been involved with the Lake Gaston area. In addition, over these years, I drafted a number of legal pleadings and at least seventeen (17) orders, supposedly signed by judges, that awarded the disputed property to the client along with sums of money. The pleadings were not filed with any court nor were any of the court orders signed by any of the respective judges or filed in any court. They were prepared by me and signed by me. I did not reveal to the client that in fact no suit had been filed on his behalf or that I had prepared false court orders and forged judges' names to those orders.

6. On several occasions, I gave or sent checks to Client A purporting to compensate him for the case. I stopped payment on those checks because they did not represent real funds from which the client could be paid. In late November, 1992, I requested funds in the amount of \$50,000 from my firm's trust account be wired to the client at a bank and account of his choosing. These funds did not belong to the client but rather another client who had them placed in the firm's trust account. That client did not know about and did not approve of any such transfer. In fact, the client never authorized the use of his money in any fashion.

7. Another individual, Client B, with whom I had dealt for years had requested me to file a complaint on his behalf seeking damages for essentially a breach of contract. I in fact did that. However, a dismissal was ultimately taken in that

matter without Client B's knowledge and consent, and time came to file another complaint. That complaint was not refiled. However, I told the client that the complaint had been filed and that progress was being made on his case. Subsequently, I told the client that he had prevailed in his case and he was entitled to a sum of money in damages. In late December, 1992, I requested the sum of \$6,000 be wired from the firm's trust account to the client's personal bank account. This sum of money did not belong to the client but rather to another client who had the money placed in the firm's trust account. That client did not know about and did not approve of any such transfer. In fact, the client never authorized the use of his money in any fashion.

8. In a year prior to 1992, Client C had settled a claim and received a cash payment and a payment over time. However, he had not paid off the Medicaid lien of approximately \$23,000. The federal government was seeking to collect the money and threatening to sue for the money. I requested the firm pay the money to the government as an advance on expenses for the client and submitted a letter to the firm setting out the dispute and the amount that was owed. In addition, I submitted a promissory note to the firm allegedly bearing the signature of the client promising to repay that money plus other money allegedly owed to the firm. In fact, I forged the client's name to this document without the knowledge and consent of the client and without disclosing that fact to the firm. The firm did in fact pay the government on the client's behalf and no one was sued.

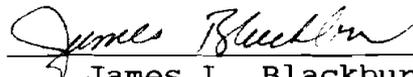
9. In 1991 and 1992 I diverted approximately \$140,000 in funds which should have gone to the firm to my personal checking account. None of my partners knew or approved of the diversion of these funds. During this same period of time, and earlier, I paid out to various clients or to others on their behalf, a sum of money in excess of \$100,000. These sums were paid because of potential claims clients had against me or the threat of claims that I felt were unwarranted but wished to settle.

10. I acknowledge my misconduct with regard to the above stated matters.

11. This resignation is being submitted because I know if a hearing were held upon the misconduct under investigation, I could not successfully defend against the allegations.

12. I fully understand the consequences of this resignation, tendering of my license and signing of this affidavit and am hereby ready to accept these consequences and ask the Council to accept my resignation and tender of license.

RESPECTFULLY SUBMITTED this the 6th day of April, 1993.


James L. Blackburn

Sworn to and subscribed before me
this the 6th day of April, 1993.


Notary Public

My Commission Expires: 11-19-95

ADDENDUM TO THE AFFIDAVIT FILED
APRIL 6, 1993 WITH THE NORTH CAROLINA
STATE BAR ENTITLED "IN THE MATTER OF THE
TENDER OF LICENSE AND AFFIDAVIT
OF JAMES L. BLACKBURN PURSUANT TO
SECTION 17 OF ARTICLE IX OF THE RULES AND
REGULATIONS OF THE NORTH CAROLINA STATE BAR" NORTH CAROLINA

I, James L. Blackburn, being first duly sworn, says:

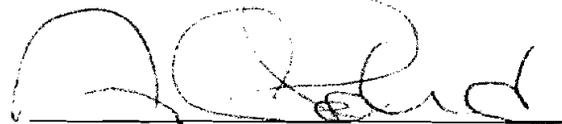
1. I was licensed to practice law in North Carolina in 1969;
2. On April 6, 1993, I tendered my license to practice law along with an Affidavit signed by me setting forth my conduct in several matters.
3. I inadvertently stated in Paragraph Seven (7), line four (4) through six (6), that I dismissed the original complaint and that a new complaint was never filed. I was mistaken. A new complaint was filed on March 14, 1988 in Harnett County.
4. I request the North Carolina State attach this addendum to my original affidavit so that the record can properly reflect the actions that I took while representing Client B.

Respectfully submitted this the 7th day of April, 1993.



James L. Blackburn

Sworn to and subscribed before me
this the 7 day of April, 1993.



Notary Public
My Commission expires: 5/11/93

