

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
09G1441

IN THE MATTER OF)
)
Valderia D. Brunson,) CENSURE
ATTORNEY AT LAW)
)

On October 20, 2011, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by the North Carolina State Bar.

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.

You were the closing lawyer for a 2006 real estate transaction in which C.C. agreed to purchase the home of D.M. and L.M., a married couple. D.M. and L.M. defrauded C.C. in connection with this transaction, using him as a straw buyer in an attempt to avoid foreclosure and pocketing the excess proceeds of the mortgage loan obtained by C.C. You were not aware of, and did not knowingly participate in, D.M. and L.M.'s efforts to defraud C.C. Nonetheless, you violated the Rules of Professional Conduct in ways that made it possible for D.M. and L.M. to defraud your client, C.C.

Specifically, you agreed to communicate with C.C. about the transaction entirely through L.M. You did not explain to C.C. that this arrangement would require you to disclose confidential information to a third party whose interests were divergent from C.C.'s interests. By failing to obtain

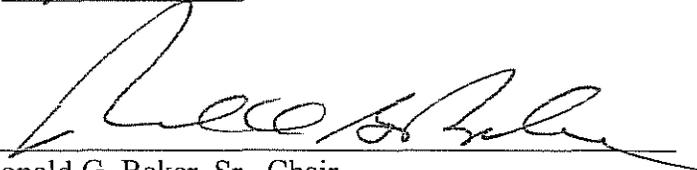
C.C.'s informed consent to disclose confidential information to a third party, you violated Rule 1.6(a). By relying exclusively on a third party to communicate important information about the representation, you failed to reasonably consult with your client, failed keep your client reasonably informed, and failed explain matters to the extent necessary to allow your client to make informed decisions, in violation of Rule 1.4(a) & (b). Your acquiescence to this arrangement made it possible for L.M. and D.M. to orchestrate the fraud and thereby cause significant harm to your client, C.C.

In addition, by failing to ascertain that L.M. and D.M.'s home was in foreclosure prior to the initially-scheduled closing date and by failing to obtain the statutorily-required signature(s) from C.C.'s wife on the closing documents, you failed to act with reasonable diligence in violation of Rule 1.3.

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 January 24, 2008 by the Council of the North Carolina State Bar regarding the taxing of administrative fees and investigative costs to any attorney issued a censure by the Grievance Committee, an administrative fee in the amount of \$100.00 is hereby taxed to you.

Done and ordered, this 22 day of Dec., 2011.


Ronald G. Baker, Sr., Chair
Grievance Committee
The North Carolina State Bar