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STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE  
GRIEVANCE COMMITTEE  
OF THE  
NORTH CAROLINA STATE BAR  
89G 0030(I)

IN THE MATTER OF  
  
THOMAS L. JONES  
ATTORNEY AT LAW

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PUBLIC REPRIMAND

On July 13, 1989, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by Beatrice A. Strayhorn.

Pursuant to Section 13(7) of Article IX of the Rules and Regulations of the North Carolina State Bar, the Grievance Committee, after considering the evidence, including your response to the Letter of Notice, found probable cause which 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 a Private Reprimand, a Public Reprimand, or a Public Censure to the accused attorney.

The Grievance Committee was of the opinion that a complaint and hearing are not required in this case and issues this Public Reprimand to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this Public Reprimand and I am certain that you will understand fully the spirit in which this duty is performed.

A Public Reprimand is a serious form of discipline imposed by the Grievance Committee. The Grievance Committee felt that your conduct warranted public discipline due to your violation of the Rules of Professional Conduct. The committee trusts that this misconduct will not recur.

In 1979, you loaned \$6,550 to Beatrice A. Strayhorn. You drafted a promissory note whereby Ms. Strayhorn agreed to repay the loan at 15% annual interest. The note was secured by a deed of trust against property owned by Ms. Strayhorn. In 1982, you foreclosed on the note and deed of trust when Ms. Strayhorn failed to make payments as promised. You purchased the property at the foreclosure sale. In July 1982, you paid taxes owed on this property using a check drawn on your attorney trust account.

By paying a personal obligation from funds in your attorney trust account, you violated Rule 9-102. This violation is mitigated by the fact that you had earned fees in the trust account at the time the check was issued and because the check was issued as a result of an oversight or mistake on the part of your clerical staff.

By drafting a note calling for Ms. Strayhorn to repay her debt to you at the rate of 15% annual interest, at a time when the maximum legal rate of

interest was 12%, you engaged in conduct that adversely reflects on your fitness to practice law in violation of DR1-102(A)(6). Although Ms. Strayhorn was not your client, you were on notice that she was not represented by independent counsel and that she was not sophisticated in matters of business or law. This financial transaction clearly smacks of overreaching and your willingness to participate in it does not reflect well on you as a member of the Bar.

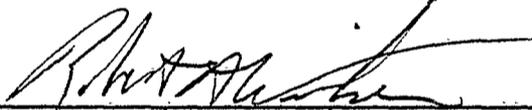
You are hereby publicly reprimanded by the North Carolina State Bar due to your professional misconduct. The Grievance Committee trusts that you will ponder this Public Reprimand, recognize the error that you have made, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession. This Public Reprimand 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.

This Public Reprimand will be maintained as a permanent record in the judgment book of the North Carolina State Bar. Since a complaint was made and professional misconduct has been found, the complainant will receive a copy of this Public Reprimand. A copy also is available to the public upon request.

Within 15 days after this Public Reprimand is served upon you, you may refuse this Public Reprimand and request that charges be filed. Such refusal and request must be addressed to the Grievance Committee and filed with the Secretary. If you do file such refusal and request, counsel shall thereafter be instructed to prepare and file a complaint against you with the Disciplinary Hearing Commission of the North Carolina State Bar. The Hearing before the Disciplinary Hearing Commission is public and all of its proceedings and its decision are public.

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 reprimand by the Grievance Committee, the costs of this action in the amount of \$50.00 are hereby taxed to you.

Done and ordered, this 2 day of August, 1989.

  
Robert A. Wicker, Chairman  
The Grievance Committee  
North Carolina State Bar

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