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STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
92G0996 (I) R

IN THE MATTER OF)

CHARLEENE WILSON,)
ATTORNEY AT LAW)

REPRIMAND)

On July 8, 1993, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by David W. Preo.

Pursuant to section 13(A) of article IX of the Rules and Regulations 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, reprimand, or censure to the respondent attorney.

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

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

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In response to your newspaper advertisement listing your charge of \$450.00 for representation in bankruptcy, David W. Preo (Preo) consulted with you about filing bankruptcy. He advised you that he did not want to file a bankruptcy proceeding if doing so would jeopardize his ex-wife's interest in the real property that was their marital home. You advised him that the property would not be at risk because they owned it by the entirety. You then advised Preo that your fee would be \$500.00 which you stated was based upon the \$450.00 fee for preparing the documents and attending the creditor's meeting, \$40.00 as a consultation fee, and \$10.00 for having over ten creditors listed in the petition. Since your ad did not mention the consultation fee and the extra charge for creditors in excess of ten, your ad was misleading in violation of Rule 2.1(A).

After Preo's bankruptcy petition was filed, the trustee filed a motion to sell the entirety property to satisfy the joint debts of Preo and his ex-wife. You erroneously thought that the trustee was seeking to sell the property because you had inadequately identified the property as entirety property in the petition. You filed an amendment to the petition. The trustee subsequently filed a document showing that he was seeking to sell the entirety property because the law allowed the trustee to sell entirety property to satisfy joint debts. At the hearing on the trustee's motion in Wilson, North Carolina, you argued that your amendment had been timely filed. You did not understand the real issue before the court. After the judge explained the issue to you offered no argument on that issue.

Your client subsequently borrowed money to pay the joint debts. He left \$8,500.00 of that money with you which you deposited into your trust account. The trustee took a long time to determine the amount necessary to pay off the joint debts. On April 15, 1992, Preo called you to advise that he wanted to pick up his money held in trust and deal directly with the trustee. You prepared a statement of your services charging an additional \$1,245.00, mostly for services relating to the trustee's motion. Preo did not receive any benefit from these services since you had not understood or given advice on the real issue before the court. Preo subsequently sought a refund of the fees charged for services for which he received no benefit. You refused to give him a refund. This refusal to refund fees charged for services for which the client, Preo, did not benefit violated Rule 2.8(A)(3).

You are hereby reprimanded by the North Carolina State Bar due to your professional misconduct. The Grievance Committee trusts that you will heed this reprimand, that it will be remembered by you, that it will be beneficial to you, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession.

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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 10th day of August, 1993.


Fred H. Moody, Jr., Chairman
The Grievance Committee
North Carolina State Bar

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