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NORTH CAROLINA

WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
01G1033

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IN THE MATTER OF	)	-
•	)	
DOUGLAS R. HUX,	)	REPRIMAND
ATTORNEY AT LAW	)	
	)	•

On January 17, 2002, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by M.R.G.

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 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.

You undertook to represent Ms. MRG on May 18, 2001, shortly before she was charged with embezzlement by the United States attorney. Your client or her family paid you a fee of \$25,000. In late May 2001 you told a reporter that your client had a gambling problem, that she was "not a normal, well adjusted person" and that she "had thrown away her family and community reputation." The comments, which were made without your client's consent, were printed in the local news media on May 31, 2001.

On June 1, 2001, your client discharged you and demanded a return of the unearned portion of the fee. You offered to refund only \$5,000 of the fee, although you had worked on the case for less than two weeks as of the time of your discharge and dealt primarily with the issue of your client's pre-trial release. The Grievance Committee concluded that you retained a clearly excessive fee in this matter, in violation of Rule 1.5 of the Revised Rules of Professional Conduct.

The Committee also found that your remarks to the news media, which were embarrassing and potentially damaging to your client, violated Rule 1.6(a) of the Revised Rules of Professional Conduct.

The Grievance Committee desires to remind you that there is a distinction between the duty of confidentiality imposed by Rule 1.6(a) of the Rules of Professional Conduct and the attorney-client privilege, which is a separate matter governed by the Rules of Evidence. Pursuant to the Rules of Professional Conduct, attorneys may not disclose any potentially damaging and embarrassing information learned in the course of the professional relationship, unless the client consents or certain other extraordinary situations occur. The fact that other members of the public may also have access to the information from other sources can be relevant for purposes of determining if the evidentiary privilege has been waived, but does not negate the attorney's duty to keep the information confidential pursuant to Rule 1.6(a).

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.

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 \_\_\_\_\_ day of \_\_\_\_\_

Calvin E. Murphy

Chair, Grievance Committee