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NORTH CAROLINA

WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
05G0622

IN THE MATTER OF)
JANET W. BROWN,)
)
ATTORNEY AT LAW)
)

CENSURE

On October 19, 2006, 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.

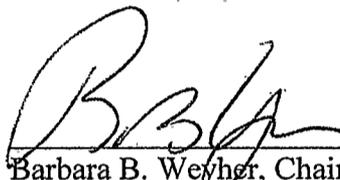
You represented two buyers/borrowers in a total of three real estate closings that were referred to you by Isaac Woods. You had a preexisting attorney-client relationship with Woods. In the transactions at issue, you represented the borrowers and, for at least some purposes, the lenders. You also provided sworn opinions of title to the title insurance company. The lenders were all entities controlled by Woods. The lenders were also either the sellers in the transactions or recent prior owners of the properties. You never met or spoke with the borrowers. When your title searches revealed circumstances that were indicators of possible wrongful conduct, you sought clarification from Woods rather than from the borrowers. Since the transactions, it has been shown that the loan documents for at least one of the borrowers are forgeries and that all three transactions were fraudulent. The Grievance Committee found that you were ignorant of the fact that Woods was using your legal services to

perpetrate fraud. The Grievance Committee concluded that you were naïve and that you lacked the necessary competence to recognize the fraudulent nature of the transactions. The Grievance Committee determined that your conduct violated Rules 1.1, 1.3, 1.4(a) and (b), 1.7(a) and 5.4(c) of the Revised Rules of Professional Conduct. The Grievance Committee found as a mitigating factor that you have practiced twenty years with no prior discipline.

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

Done and ordered, this 8th day of December, 2006.



Barbara B. Weyher, Chair
Grievance Committee
The North Carolina State Bar