

STATE OF NORTH CAROLINA

WAKE COUNTY

THE NORTH CAROLINA STATE BAR



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
21 DHC 9

Plaintiff

v.

H. BRIGHT LINDLER, Attorney,

Defendant

**ORDER OF
DISBARMENT**

This matter came before the undersigned Chair of The Disciplinary Hearing Commission pursuant to 27 N.C. Admin. Code 1B.0121(d) upon an affidavit of surrender of license executed by H. Bright Lindler on December 3, 2021 and filed in the offices of the North Carolina State Bar on December 3, 2021.

Based upon the pleadings and the record, the undersigned makes the following:

FINDINGS OF FACT

1. Plaintiff, the North Carolina State Bar (hereafter "State Bar"), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar promulgated thereunder.
2. Defendant, H. Bright Lindler ("Lindler" or "Defendant"), was admitted to the North Carolina State Bar in 1987, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.
3. On February 25, 2021, the North Carolina State Bar filed a Complaint against Defendant, alleging that he committed violations of the Rules of Professional Conduct. The State Bar's complaint is incorporated by reference herein.
4. The conduct set out in the State Bar's complaint constitutes grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2).
5. Defendant has indicated his consent to disbarment by filing an affidavit of surrender with the Disciplinary Hearing Commission. The affidavit meets all requirements set forth in 27 N.C. Admin. Code 1B.0121(a)(1), (2), (3), (4) and (d).

Based upon the foregoing Findings of Fact, the undersigned makes the following:

CONCLUSIONS OF LAW

1. 27 N.C. Admin. Code 1B .0108(a)(6) provides that the Chairperson of the Disciplinary Hearing Commission has the power and duty to enter orders disbarring members by consent.

2. Defendant's affidavit meets all of the requirements set forth in 27 N.C. Admin. Code 1B .0121(a)(1), (2), (3), (4) and (d) and the facts upon which the affidavit is predicated warrant Defendant's disbarment.

3. Defendant has admitted that the material facts and allegations upon which the State Bar's complaint, incorporated herein by reference, is predicated are true. The Chair finds that the misconduct alleged in the complaint has been established.

Based upon the foregoing Findings of Fact and Conclusions of Law, the undersigned Chair of the Disciplinary Hearing Commission enters the following:

ORDER OF DISCIPLINE

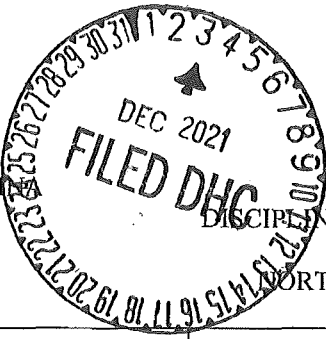
1. The surrender of the license of Defendant, H. Bright Lindler, is hereby accepted.
2. Defendant is DISBARRED from the practice of law in North Carolina effective upon entry of this Order.
3. Defendant may complete any legal matters which were pending on the date of this Order which can be completed within sixty days. Defendant has sixty days from the date of this order in which to comply with all of the duties set out in 27 N.C. Admin. Code 1B.0128.
4. The administrative fees and costs of this action are taxed against Defendant.
5. Within ten days of the date of this Order, Defendant shall provide the State Bar with an address and telephone number at which clients seeking return of files can communicate with Defendant and obtain such files. Defendant shall promptly return all file materials to his clients upon request.
6. If Defendant fails to fully comply with 27 N.C. Admin. Code 1B.0128, he shall reimburse the State Bar for all expenditures made by the State Bar to protect the interests of Defendant's clients. Such expenditures may include, but are not limited to, storage facility fees, rent payments, moving expenses, charges for secure disposal of client files, postage or other mailing expenses, and compensation paid to a court-appointed trustee and/or the trustee's assistant for time and travel associated with the trusteeship. The State Bar shall send an invoice for such expenditures to Defendant at his last known address of record with the North Carolina State Bar upon entry of an Order discharging the trustee.

which Defendant shall pay within thirty days of the date the State Bar mailed the invoice.

This the 3rd day of December, 2021.

A handwritten signature in dark ink, appearing to read "Donald C. Prentiss". The signature is fluid and cursive, with a large initial "D" and "P".

Donald C. Prentiss, Chair
Disciplinary Hearing Commission



STATE OF NORTH CAROLINA

WAKE COUNTY

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OF THE
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21 DHC 9

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

H. BRIGHT LINDLER, Attorney,

Defendant

**AFFIDAVIT OF SURRENDER
OF LAW LICENSE**

H. Bright Lindler, being first duly sworn, deposes and says as follows:

1. I desire to resign and hereby tender my license to practice law in North Carolina.
2. My resignation is freely and voluntarily rendered. It is not the result of coercion or duress. I am fully aware of the implication of submitting my resignation and have had the opportunity to discuss the evidence against me and possible defenses with counsel.
3. I am aware that there is a pending complaint against me in the Disciplinary Hearing Commission alleging that I violated the Rules of Professional Conduct.
4. I acknowledge that the material facts upon which the pending complaint is predicated are true.
5. I am submitting my resignation because I know that I cannot successfully defend against these pending disciplinary charges.

Respectfully submitted, this the 3rd day of December 2021.


H. Bright Lindler

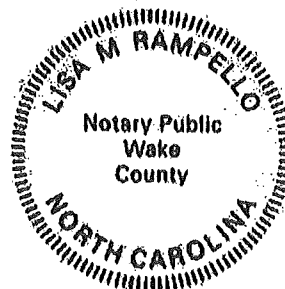
I, LISA M RAMPELLO, Notary Public of the County of WAKE, State of North Carolina, certify that H. Bright Lindler personally appeared before me this day, was sworn, attested that the foregoing Affidavit is true and accurate of his own personal knowledge, and executed the foregoing Affidavit.

This the 3rd day of DECEMBER, 2021.

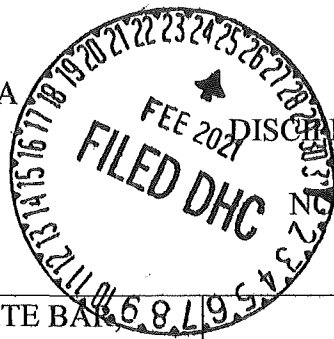

Notary Public

(print name) LISA M RAMPELLO

My commission expires: 12/3/2022



STATE OF NORTH CAROLINA
WAKE COUNTY



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DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
21 DHC 9

THE NORTH CAROLINA STATE BAR

Plaintiff

v.

H. BRIGHT LINDLER, Attorney,

Defendant

COMPLAINT

Plaintiff, complaining of Defendant, alleges and says:

1. Plaintiff, the North Carolina State Bar (State Bar), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar (Chapter 1 of Title 27 of the North Carolina Administrative Code).

2. Defendant, H. Bright Lindler ("Lindler" or "Defendant"), was admitted to the North Carolina State Bar in 1987, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

Upon information and belief:

3. During all or part of the relevant periods referred to herein, Defendant was engaged in the practice of law in the State of North Carolina and maintained a law office in Rockingham, Richmond County, North Carolina.

FIRST CLAIM FOR RELIEF

4. Paragraphs 1-3 are re-alleged and incorporated as if fully set forth herein.

5. Beginning in or about June 2008, Lindler represented client A.M. in a workers' compensation matter.

6. In or about July 2009, Lindler negotiated with the employer and insurance carrier ("the defendants") in A.M.'s case a proposed settlement of \$2,500.00 to resolve A.M.'s workers' compensation claims.

7. Lindler discussed the proposed \$2,500.00 settlement with A.M. and A.M. initially agreed to the settlement.

8. Shortly thereafter, Lindler received a phone message on behalf of A.M. that she no longer wished to resolve her workers compensation claims for \$2,500.00.

9. Before Lindler finalized the \$2,500.00 settlement, Lindler had a phone conversation with A.M. in which A.M. reiterated to Lindler that she would not accept \$2,500.00 in settlement of her workers' compensation claims.

10. Despite his knowledge that A.M. did not agree to the \$2,500.00 settlement, on or about July 13, 2009 Lindler nonetheless signed on A.M.'s behalf an Agreement for Final Compromise Settlement and Release ("the settlement agreement") accepting \$2,500.00 for full and final settlement of A.M.'s workers' compensation claims.

11. By signing the settlement agreement on A.M.'s behalf, Lindler falsely represented to the defendants that A.M. agreed with the terms of the settlement.

12. Based on A.M.'s apparent agreement to the settlement, the settlement agreement was approved by the Industrial Commission and by order dated September 30, 2009 the Industrial Commission awarded \$625.00 in attorney fees to Lindler to be deducted from the \$2,500.00 paid by the defendants.

13. When Lindler received the \$2,500.00 from the defendants, Lindler did not notify A.M. of his receipt of the funds.

14. On November 2, 2009, Lindler sent a letter to A.M. asking her to make an appointment with him and stating, "There have been other developments in your case and I would like for you to call my office and make an appointment to see me in person. One topic of the discussion will be the expenses in the amount of \$2,553.45 that you owe this office. Another topic will be the final resolution of your case."

15. A.M. did not respond to Lindler's November 2, 2009 letter.

16. Lindler made no further efforts to inform A.M. of the receipt of the \$2,500.00 settlement he received on her behalf.

17. Lindler did not disburse to A.M. any portion of the \$2,500.00 he collected on A.M.'s behalf.

18. Instead, Lindler disbursed the entire \$2,500.00 to himself.

19. Lindler was entitled to only the \$625.00 awarded by the Industrial Commission as his fee. The remaining \$1,875.00 belonged to A.M.

20. A.M. did not consent to the disbursement to Lindler of the \$1,875.00 that belonged to her.

21. In or about June 2010, A.M. contacted the Industrial Commission about her claims and learned that her claims had been settled for \$2,500.00.

22. After being contacted by the Industrial Commission about A.M.'s inquiry, Lindler wrote a letter to A.M. on June 25, 2010 setting forth the details of his representation of her.

23. Lindler forwarded a copy of his June 25, 2010 and November 2, 2009 letters to A.M. to the Industrial Commission and to the attorney for the defendants.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- a) By falsely representing to the defendants that A.M. agreed with the terms of the settlement, Defendant engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c) and (d);
- b) By settling A.M.'s case without her consent and knowledge, Defendant did not abide by his client's decision whether to settle a matter in violation of Rule 1.2(a), failed to promptly inform his client of any decision or circumstance with respect to which his client's informed consent is required in violation of Rule 1.4(a)(1) and failed to keep his client reasonably informed about the status of the matter in violation of Rule 1.4(a)(3);
- c) By failing to inform A.M. that he had received funds on her behalf, Defendant did not keep his client reasonably informed about the status of the matter in violation of Rule 1.4(a)(3) and did not promptly notify his client of the receipt of entrusted property belonging in whole or in part to his client in violation of Rule 1.15-2(m);
- d) By disbursing the funds belonging to A.M. to himself and not to her or at her direction, Defendant failed to promptly pay or deliver to his client, or to third persons as directed by his client, any entrusted property belonging to his client and to which his client is currently entitled in violation of Rule 1.15-2(n), used or pledged entrusted property to obtain credit or other personal benefit for the lawyer or any person other than the legal or beneficial owner of that property in violation of Rule 1.15-2(k), committed a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer in other respects in violation of Rule 8.4(b), and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c); and
- e) By sending a copy of his June 25, 2010 and November 2, 2009 letters to A.M. to the Industrial Commission and to the attorney for the defendants, Defendant revealed information acquired during the professional relationship with a client in violation of Rule 1.6(a).

SECOND CLAIM FOR RELIEF

24. Paragraphs 1-3 are re-alleged and incorporated as if fully set forth herein.

Individual Income Taxes

25. During calendar years 2007, 2008, 2009, 2010, 2011, 2012, 2013, and 2014, Lindler's income exceeded the minimum threshold above which an individual is required to file federal and state income tax returns.

26. For these tax years, Lindler was aware of the deadlines for filing state and federal income tax returns and paying any tax liability.

27. Lindler filed, within the times required by law, federal income tax returns showing his tax liability for tax years 2007, 2008, 2009, 2010, 2011, 2012, and 2013.

28. Lindler filed, within the times required by law, state income tax returns showing his tax liability for tax years 2009, 2010, 2011, 2012, 2013, and 2014.

29. Lindler failed to pay, within the times required by law, his federal income tax liability for tax years 2007, 2008, 2009, 2010, 2011, 2012, and 2013.

30. Lindler failed to pay, within the times required by law, his state income tax liability for tax years 2009, 2010, 2011, 2012, 2013, and 2014.

31. The Internal Revenue Service ("IRS") filed the following tax liens against Lindler for income tax, penalties, and interest:

- a. On or about June 9, 2011, in the amount of \$223,261.54, for tax years 2007, 2008, and 2009;
- b. On or about June 5, 2014, in the amount of \$206,171.86, for tax years 2010, 2011, and 2012;
- c. On or about January 23, 2015, in the amount of \$39,210.81, for tax year 2013; and
- d. On or about August 4, 2015, in the amount of \$544,464.41, for tax years 2007, 2008, 2009, 2010, 2011, 2012, and 2013.

32. The North Carolina Department of Revenue placed the following liens on Lindler's property to secure the taxes, penalties, and interest due:

- a. On or about July 11, 2011, in the amount of \$25,448.89, for tax year 2009;
- b. On or about January 13, 2012, in the amount of \$20,040.98, for tax year 2010;
- c. On or about July 25, 2014, in the amount of \$20,569.80, for tax year 2011;
- d. On or about May 14, 2013, in the amount of \$9,838.29, for tax year 2012;
- e. On or about January 21, 2015, in the amount of \$8,802.72, for tax year 2013; and
- f. On or about October 5, 2015, in the amount of \$4,554.33, for tax year 2014;

33. Lindler's failure to pay federal individual income taxes for tax years 2007, 2008, 2009, 2010, 2011, 2012, and 2013 was willful.

34. Lindler's failure to pay state individual income taxes for tax years 2009, 2010, 2011, 2012, 2013, and 2014 was willful.

35. Willful failure to file or pay federal income tax within the time required by law is a violation of 26 U.S.C. § 7203, which is a misdemeanor.

36. Willful failure to file or pay North Carolina income tax within the time required by law is a violation of N.C. Gen. Stat. § 105-236(a)(9), which is a misdemeanor.

Employment Taxes

37. At all times referenced herein, Lindler had one or more employees who provided services for the benefit of Lindler's law firm.

38. When Lindler paid wages to employees of his law firm, he was required by the IRS to withhold funds from his employees' paychecks to pay the employees' social security, Medicare, and federal income taxes ("employment taxes").

39. As the owner of his law firm, Lindler was required to collect, truthfully account for, and timely pay over to the IRS employment taxes for employees of his law firm.

40. Lindler was required to remit employment taxes to the IRS on a periodic basis as specified in the Internal Revenue Code.

41. From the time the employment taxes were withheld until the time they were paid to the IRS, Lindler had a fiduciary duty to hold funds withheld from employees' paychecks in trust for the benefit of the United States Department of the Treasury.

42. Defendant willfully failed to remit employment taxes to the IRS within the time required by law during the following tax periods:

- a. Second, third, and fourth quarters of 2008;
- b. First and second quarters of 2009;
- c. First, second, third, and fourth quarters of 2010;
- d. First quarter of 2011;
- e. First, second, and third quarters of 2012;
- f. First, second, and fourth quarters of 2013;
- g. First, second, third, and fourth quarters of 2014;
- h. Fourth quarter of 2015;
- i. First, second, third, and fourth quarters of 2016;
- j. First, second, third, and fourth quarters of 2017;
- k. First, second, third, and fourth quarters of 2018;
- l. Second, third, and fourth quarters of 2019; and
- m. First quarter of 2020.

43. Lindler knew he had a legal duty to remit employment taxes to the IRS within the times specified in the Internal Revenue Code.

44. On or about March 3, 2015, the IRS filed a tax lien against Lindler's law firm for employment taxes, penalties, and interest in the amount of \$5,688.51 for the tax period ending September 30, 2014 (third quarter of 2014).

45. On or about April 21, 2015, the IRS filed a tax lien against Lindler's law firm for employment taxes, penalties, and interest in the amount of \$1,065.10 for the tax period ending December 31, 2014 (fourth quarter of 2014).

46. On or about December 8, 2017, the IRS filed a tax lien against Lindler's law firm for employment taxes, penalties, and interest in the amount of \$4,490.07 for the tax period ending June 30, 2017 (second quarter of 2017).

47. Lindler's failure to pay the employment taxes to the IRS was willful.

48. Willful failure to collect, account for, and pay any tax imposed by the Internal Revenue Code is a felony pursuant to 26 U.S.C. § 7202.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of his actions as follows:

- a) By failing to pay his 2007, 2008, 2009, 2010, 2011, 2012, and 2013 federal income taxes, and failing to pay his 2009, 2010, 2011, 2012, 2013, and 2014 state income taxes, Defendant committed criminal acts that reflect adversely on his honesty, trustworthiness or fitness as a lawyer in violation of Rule 8.4(b); and
- b) By willfully failing to pay to the IRS the funds he was required to withhold from the paychecks of his law firm's employees as required by 26 U.S.C. § 7202, Defendant committed criminal acts that reflect adversely on his honesty, trustworthiness and fitness as a lawyer in violation of Rule 8.4(b) and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c).

WHEREFORE, Plaintiff prays that:

1. Disciplinary action be taken against Defendant in accordance with N.C. Gen. Stat. § 84-28, as the evidence on hearing may warrant;
2. Defendant be taxed with the administrative fees and costs permitted by law in connection with this proceeding; and
3. For such other and further relief as is appropriate.

This is the 25th day of February, 2021.



Margaret T. Cloutier
State Bar # 19878
Attorney for Plaintiff



Elizabeth S. Foley
State Bar #54825
Attorney for Plaintiff
The North Carolina State Bar
P.O. Box 25908
Raleigh, NC 27611
(919) 828-4620

Signed pursuant to 27 N.C. Admin. Code 1B
§ .0113(m) and §.0105(a)(10).



Matthew W. Smith, Chair
Grievance Committee