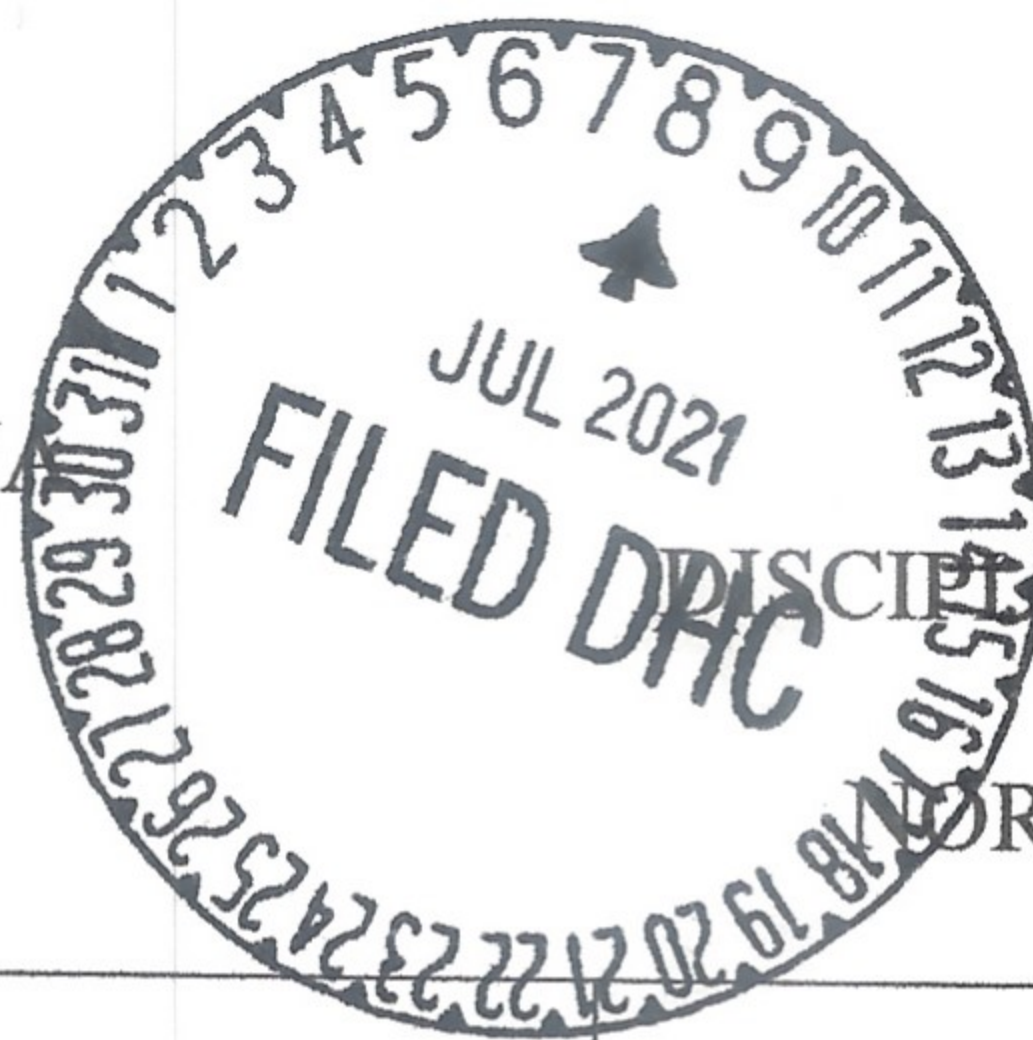


STATE OF NORTH CAROLINA  
WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
21 DHC 19

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

ANGELA S. BEEKER, 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, Angela S. Beeker ("Beeker" or "Defendant"), was admitted to the North Carolina State Bar on 23 August 1991 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 some or all of the periods referred to herein, Defendant was engaged in the practice of law in the State of North Carolina and maintained a law office in Hendersonville, Henderson County, North Carolina.

4. Defendant maintained at least three attorney trust accounts: a First Citizens Bank trust account ending in no. 9956 ("FCB x9956"), a First Citizens Bank trust account ending in no. 9964 ("FCB x9964"), and a Carolina First (now TD Bank) trust account ending in no. 9873 ("CFB x9873").

Avery Riser Development

5. Defendant was retained to serve as closing attorney for client Avery Riser Development, LLC ("ARD") for a real estate closing concerning property located at 402 S. King Street, Hendersonville, North Carolina, on or about 25 September 2007.



6. From 20 July 2007 to 25 September 2007, Defendant deposited funds for client ARD's real estate closing in CFB x9873 totaling \$311,065.31.

7. By 9 November 2007, Defendant had disbursed \$304,197.31 on behalf of ARD, leaving a balance in CFB x9873 for ARD of \$6,868.00.

8. The \$6,868.00 was intended to be disbursed to Carolina First Bank for "Loan Closing" fees.

9. On or about 25 September 2007, Defendant issued trust account check #1116 to Carolina First Bank for \$6,868.00 but the check was not negotiated. Defendant took no further action to disburse these funds.

10. From 9 November 2007 through at least 13 July 2016, Defendant held \$6,868.00 for client ARD in CFB x9873.

11. Defendant failed to take the actions necessary to disburse the \$6,868.00 to Carolina First Bank for client ARD.

12. Defendant did not send client ARD annual accountings of the funds she held in CFB x9873 for ARD.

#### Individual Client A

13. Defendant was retained to serve as closing attorney for Individual Client A for a real estate closing concerning property located at Third Avenue East, Hendersonville, North Carolina, on or about 17 August 2009.

14. On 18 August 2009, Defendant deposited funds for Individual Client A's real estate closing in CFB x9873 totaling \$1,638.69.

15. On 18 August 2009, Defendant issued trust account check #1385 to Henderson County Tax Collector for \$227.55 for "Past Due County Taxes" for Individual Client A.

16. On 21 August 2009, check #1385 cleared CFB x9873 for \$227.35, \$0.20 short of the original amount for which the check had been written.

17. By 1 March 2010, Defendant had disbursed \$1,638.49 on behalf of the Individual Client A, leaving a balance in CFB x9873 for Individual Client A of \$0.20.

18. The \$0.20 was intended to be disbursed to Henderson County Tax Collector for "Past Due County Taxes."

19. From 1 March 2010 through at least 13 July 2016, Defendant held \$0.20 for Individual Client A in CFB x9873.



20. Defendant failed to take the actions necessary to disburse the remaining \$0.20 to Henderson County Tax Collector for Individual Client A.

21. Defendant did not send Individual Client A annual accountings of the funds she held in CFB x9873 for Individual Client A.

Phoenix Housing Group, Inc.

22. Defendant was retained by client Phoenix Housing Group, Inc., (“Phoenix”) on or about 2 September 2008.

23. On 4 September 2008, Defendant deposited funds for client Phoenix in FCB x9964 in the amount of \$420.00.

24. From 4 September 2008 through at least October 2017, Defendant held \$420.00 for client Phoenix in FCB x9964.

25. Defendant failed to take the actions necessary to disburse the \$420.00 for client Phoenix.

26. Defendant did not send client Phoenix annual accountings of the funds she held in FCB x9964 for Phoenix.

Individual Client B

27. Defendant was retained by Individual Client B for various real estate transactions beginning in about 2007.

28. On 20 July 2007, Defendant deposited funds for Individual Client B’s real estate closings in CFB x9873 in the amount of \$186,178.53 (“the July 2007 funds”).

29. By 10 August 2007, Defendant had disbursed a total of \$185,614.10 of the July 2007 funds on behalf of Individual Client B, leaving a balance from those funds in CFB x9873 of \$564.43.

30. From 10 August 2007 through at least 13 July 2016, Defendant held \$564.43 for Individual Client B in CFB x9873 from the July 2007 funds.

31. Defendant failed to take the actions necessary to disburse the remaining \$564.43 of the July 2007 funds.

32. In 2008, Defendant deposited funds for Individual Client B in FCB x9956 totaling \$766,084.97 (“the 2008 funds”).

33. By 12 June 2009, Defendant had disbursed \$764,583.36 of the 2008 funds, leaving a balance in FCB x9956 for Individual Client B of \$1,501.61.



34. According to Defendant, the \$1,501.61 was intended to be “left on deposit, held for [Individual Client B’s] use generally in real estate matters.”

35. From 12 June 2009 through at least July 2018, Defendant held \$1,501.61 for Individual Client B in FCB x9956.

36. Defendant failed to refund Individual Client B’s \$1,501.61 to Individual Client B when she closed her real estate practice in September 2010 and did not otherwise take the actions necessary to disburse the remaining \$1,501.61 for Individual Client B.

37. On 10 June 2009 and 11 June 2009, Defendant deposited funds for Individual Client B in CFB x9873 totaling \$1,208,980.73 (“the June 2009 funds”).

38. By 14 July 2009, Defendant had disbursed \$1,207,161.52 of the June 2009 funds, leaving a balance from those funds in CFB x9873 of \$1,819.21.

39. Of the \$1,819.21 remaining of the June 2009 funds, \$38.00 was intended to be disbursed to the North Carolina Secretary of State for “filing of UCC cancellation” and \$1,781.21 was intended to be held in the trust account for “utility escrow.”

40. On or about 10 June 2009, Defendant issued trust account check #1358 for \$38.00 to the North Carolina Secretary of State but it was not negotiated. Defendant took no further action to disburse these funds.

41. Defendant did not issue any check for the \$1,781.21 intended for the utility escrow.

42. From 14 June 2009 through at least 13 July 2016, Defendant held \$1,819.21 for Individual Client B in CFB x9873 from the June 2009 funds.

43. Defendant failed to take the actions necessary to disburse the remaining \$1,819.21 for Individual Client B.

44. On 7 August 2009, Defendant deposited funds in CFB x9873 for Individual Client B for a real estate closing for Individual Client B’s company in the amount of \$1,600,000.00 (“the August 2009 funds”).

45. By 3 May 2010, Defendant had disbursed \$1,599,965.00 of the August 2009 funds, leaving a balance from those funds in CFB x9873 of \$35.00.

46. The \$35.00 was intended to be disbursed to the Buncombe County Register of Deeds.

47. On or about 7 August 2009, Defendant issued trust account check # 1368 to the Buncombe County Register of Deeds for \$35.00 but it was not negotiated. Defendant took no further action to disburse these funds.



48. From 3 May 2010 through at least 13 July 2016, Defendant held \$35.00 for Individual Client B in CFB x9873 from the August 2009 funds.

49. Defendant failed to take the actions necessary to disburse the remaining \$35.00 for Individual Client B.

50. Defendant did not send Individual Client B annual accountings with respect to any of the amounts maintained in CFB x9873 and FCB x9956 identified above.

Trust account management

51. Defendant did not reconcile trust accounts CFB x9873, FCB x9956, and FCB x9964 after December 2009.

52. After December 2009, Defendant did not conduct the monthly or quarterly reconciliations or prepare the corresponding reconciliation reports required by Rule 1.15-3(d) for CFB x9873, FCB x9956, and FCB x9964.

53. After 6 January 2011, Defendant did not deposit or disburse any funds from CFB x9873.

54. At some point after 13 July 2016, TD Bank escheated the funds in CFB x9873, which at that time contained entrusted funds belonging to clients ARD, Individual Client A, and Individual Client B.

55. After 26 July 2010, Defendant did not deposit or disburse any funds from FCB x9964.

56. By October 2017, First Citizens Bank escheated the funds in FCB x9964, which at that time contained entrusted funds belonging to client Phoenix.

57. After 28 August 2012, Defendant did not deposit or disburse any funds from FCB x9956.

58. By July 2018, First Citizens Bank escheated the funds in FCB x9956, which at that time contained entrusted funds belonging to client Individual Client B.

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 failing to take the actions necessary to promptly disburse funds held in trust for clients and prevent her clients' funds from being escheated, Defendant failed to properly hold, maintain, and disburse entrusted funds in violation of Rule 1.15-2(a) and (n)<sup>1</sup> and failed to diligently complete client matters in violation of Rule 1.3;

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<sup>1</sup> Previously codified as Rule 1.15-2(m).



- (b) By failing to reconcile trust accounts CFB x9873, FCB x9956, and FCB x9964 after December 2009, Defendant failed to conduct required monthly and quarterly trust account reconciliations and prepare required reconciliation reports in violation of Rule 1.15-3(d)(1) and (2); and
- (c) By failing to provide clients ARD, Individual Client A, Individual Client B, and Phoenix with written accountings of the receipts and disbursements of the client's entrusted funds annually for funds held in trust for the client for more than 12 months, Defendant failed to provide clients with required written accountings in violation of Rule 1.15-3(e).

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 the 8<sup>th</sup> day of July, 2021.



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Jennifer A. Porter  
Deputy Counsel  
State Bar No. 30016  
The North Carolina State Bar  
P.O. Box 25908  
Raleigh, NC 27611  
919-828-4620  
Attorney for Plaintiff

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



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Matthew W. Smith, Chair  
Grievance Committee