

# The North Carolina State Bar Office of Counsel

# 2021 Annual Report

### Office of Counsel Staff

LAWYERS	
Katherine E. Jean, Counsel	Ext. 276
Carmen H. Bannon, Deputy Counsel	Ext. 283
Maria J. Brown, Deputy Counsel	Ext. 213
Susannah B. Cox, Deputy Counsel	Ext. 235
Thomas L. Crosby, Deputy Counsel	Ext. 242
Elizabeth S. Foley, Deputy Counsel	Ext. 254
B. Tessa Hale, Deputy Counsel	Ext. 224
Leanor B. Hodge, Trust Account Compliance Counsel &	Ext. 299
Deputy Counsel	Ent. 2))
David R. Johnson, Deputy Counsel	Ext. 230
J. Cameron Lee, Deputy Counsel	Ext. 293
Barry M. McNeill, Deputy Counsel	Ext. 298
G. Patrick Murphy, Deputy Counsel	Ext. 206
Alex G. Nicely, Deputy Counsel	Ext. 281
Savannah B. Perry, Deputy Counsel	Ext. 219
Jennifer A. Porter, Deputy Counsel	Ext. 262
Robert W. Weston, Deputy Counsel	Ext. 202
Robert W. Weston, Deputy Counser	LAI. 207
<u>ADMNINISTRATIVE STAFF</u>	
Heather Ruth, Director of Operations	Ext. 227
Lori Brooks, Administrative Assistant	Ext. 232
Becky Carroll, Paralegal	Ext. 234
Tyler Gibbens, Paralegal	Ext. 289
Mary Lee, Trust Account Paralegal	Ext. 251
Jeffrey Lundgren, Paralegal	Ext. 120
Michelle Mormando, Paralegal	Ext. 258
Wondella Payne, Paralegal	Ext. 296
Joan Renken, Administrative Assistant	Ext. 295
Jennifer Slattery, Paralegal	Ext. 205
Brittany Wilson, Paralegal	Ext. 280
<u>INVESTIGATORS</u>	
Joe Commisso, Director of Investigations	Ext. 200
Anne Parkin, Field Auditor	Ext. 259
Marty Coolidge, Investigator	Ext. 294
Lori Garner, Investigator -TAC	Ext. 229
Rick Grayson, Investigator	Ext. 274
Doug Miller, Investigator	Ext. 263
Carolyn Page, Investigator	Ext. 341
Fred Patton, Investigator	Ext. 266
Robert Powell, Investigator – CSF	Ext. 200
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Paul Sugrue, Investigator	Ext. 284
Wayne Truax, Investigator	Ext. 292

### <u>INVESTIGATIONS ADMNINISTRATIVE STAFF</u>

Julie Ferrer, Investigative Clerk	Ext. 249
Dawn Patton, Administrative Assistant	Ext. 278
Sonja Puryear, Investigative Clerk	Ext. 203
Chris Woods, Investigative Assistant	Ext. 222

### *ATTORNEY/CLIENT ASSISTANCE PROGRAM STAFF*

Lee A. Ramos, Director	Ext. 277
Todd Bascom, Public Liaison	Ext. 297
Kerri Bianchi, Fee Dispute Facilitator	Ext. 228
Ben Hanley, Public Liaison	Ext. 243
Diane Melching, Senior Administrative Assistant	Ext. 287
Sylvia Santana, Intake Coordinator	Ext. 260

### OFFICE OF COUNSEL

The Office of Counsel ("OOC") is the legal department of the North Carolina State Bar. The OOC consists of disciplinary staff, authorized practice staff, the investigations department, the Attorney/Client Assistance Program (ACAP) staff, and the Trust Accounting Compliance Program. The OOC reports to the Grievance Committee upon all grievance files opened by the State Bar involving allegations of professional misconduct by North Carolina lawyers. It investigates and tries claims of professional misconduct and disability. The OOC assists the Authorized Practice Committee by investigating and reporting upon complaints concerning the unauthorized practice of law, including representing the State Bar in lawsuits to obtain injunctions prohibiting the unauthorized practice of law. It provides legal counsel to the Client Security Fund Board of Directors and pursues subrogation actions for recovery of funds paid by the CSF. It coordinates the appointment of trustees to wind down the practices of deceased, disabled, disbarred and missing lawyers and obtains court orders to disburse funds in their trust accounts. The OOC represents the State Bar in litigation in federal and state trial and appellate courts and provides legal opinions on issues of interest to all departments, committees, and boards of the State Bar.

The ACAP staff helps members of the public resolve problems with lawyers other than matters involving potentially serious violations of the Rules of Professional Conduct. The ACAP staff also provides information about the grievance process, the courts and the justice system, and helps resolve fee disputes between lawyers and their clients.

The OOC includes sixteen lawyers, one of whom serves as trust account compliance counsel, one director of operations, ten investigators, one field auditor, eight paralegals, five administrative assistants, one investigative assistant, two investigative clerks, the ACAP director, who is also a fee dispute resolution facilitator, a second fee dispute resolution facilitator, an intake coordinator and two public liaisons.

The Office of Counsel is located in the State Bar Building, 217 E. Edenton St., Raleigh, N.C. 27601. It is open from 9 a.m. until 5 p.m. on weekdays and may be reached at 919-828-4620. Each staff person's telephone extension appears above.

### 2021 ANNUAL REPORT OFFICE OF COUNSEL THE NORTH CAROLINA STATE BAR

### **Attorney Client Assistance Program**

The Attorney Client Assistance Program ("ACAP") is comprised of seven staff members: the director, who is also a fee dispute resolution facilitator, a second fee dispute resolution facilitator, an intake coordinator, two public liaisons and two administrative assistants. During 2021, the staff responded to 5,216 calls from clients and other members of the public. The ACAP staff also responded to 2,217 letters from inmates and 6,007 email messages from clients and lawyers. The ACAP staff contacted 540 lawyers in attempts to resolve clients' concerns. The Intake Coordinator logged 12,672 entries in 2021.

The State Bar opened 385 fee dispute resolution files during 2021. All 385 fee dispute resolution files were assigned to the two in-house facilitators.

### **Authorized Practice Committee**

The Authorized Practice Committee opened 63 investigations in 2021 compared to 57 investigation files in 2020, 63 investigations in 2019, and 82 files in 2018. The committee resolved 61 files in 2021 compared to 48 files in 2020, 73 files in 2019, and 91 files in 2018.

The committee also registers prepaid legal service plans. Plans must file initial registration statement forms and amended registrations and submit annual renewals. The committee does not approve plans but does review registrations to confirm that proposed plans and amendments fall within the definition of a prepaid legal service plan. During 2021, nine proposed plans were submitted for registration; eight were registered. The OOC is reviewing the remaining submission. Two hundred eighteen amendments were submitted for existing plans, all of which were registered.

In October 2020, the Executive Committee authorized the Office of Counsel to file a lawsuit against Tammy Alexander seeking injunctive relief. It was alleged that Alexander, a paralegal, had been filing documents with the court advocating the legal positions of at least three incarcerated defendants. The court entered a permanent injunction in June 2021.

In April 2021, the Executive Committee authorized the Office of Counsel to file a lawsuit against Brett Allen Fox seeking injunctive relief. It is alleged that Fox, a law school graduate who has not been admitted to practice in North Carolina, is holding himself out to prospective employers as a licensed attorney. Fox has not filed responsive pleadings and the Office of Counsel is pursuing a final judgment by default.

In April 2021, the Executive Committee authorized the Office of Counsel to file a lawsuit against Valerie Arroyo seeking injunctive relief. It is alleged that Arroyo is attempting to represent others in state tort claims before the Industrial Commission. The court denied Arroyo's motion to dismiss and allowed the State Bar's motion to dismiss the counterclaim.

The OOC continues to work closely with the Consumer Protection Division of the North Carolina Attorney General's Office to prevent the unauthorized practice of law in North Carolina, particularly involving persons and entities that offer legal services in the areas of debt adjusting, loan modification, and preparation of living trusts for senior citizens.

### **Trust Accounting Compliance Program**

Fifty-nine lawyers currently participate in the Trust Accounting Compliance Program. In 2021, ten lawyers successfully completed the program. In 2020, thirteen lawyers successfully completed the program. In 2019, seven lawyers successfully completed the program. In 2018, thirteen lawyers successfully completed the program. In 2017, nine lawyers successfully completed the program.

### **Grievance Committee Actions**

During 2021, the Grievance Committee opened 986 grievance files, compared with 927 files opened in 2020.

In 2021, the OOC reviewed one inquiry about lawyer advertising. The OOC did not receive any inquiries about lawyer advertising in 2020.

All grievance files are considered and acted upon by one or more members of the Grievance Committee. The committee considered a total of 937 grievance files in 2021. Of those, 743 were dismissed. Two files were dismissed and retained because the respondent lawyers had been disbarred. Four files were abated because the respondent lawyers had been transferred to disability inactive status. These files represent approximately 80 percent of the grievance files considered by the committee. In addition to the grievance files that were dismissed outright in 2021, 18 files were dismissed with letters of caution and 13 were dismissed with letters of warning.

In 2021, the Grievance Committee issued admonitions in 23 files, reprimands in 18 files and censures in 13 files. Forty files involving 36 lawyers were referred for trial before the Disciplinary Hearing Commission (DHC). A total of 94 grievance files resulted in either imposition of discipline by the Grievance Committee or referral to the DHC. That figure represents approximately ten percent of the grievances considered by the committee in 2021. The committee referred eight lawyers to the Lawyer Assistance Program and referred 27 lawyers to the Trust Accounting Compliance Program.

### **Cases Before the Disciplinary Hearing Commission**

The DHC is the independent tribunal which hears lawyer discipline and disability cases. The 20-member commission hears cases involving alleged violations of the Rules of Professional Conduct, cases in which it is alleged that a lawyer is disabled, petitions from disbarred and suspended lawyers seeking reinstatement of their law licenses, and petitions to require a lawyer to show cause why he or she should not be found to have violated an existing order of the DHC. Each case is heard by a panel of three consisting of two lawyers and one public member.

During 2021, the OOC completed a total of 28 disciplinary cases before the DHC representing 46 files referred by the Grievance Committee. Of those, 11 were resolved by hearing or default judgment and 17 were resolved by consent. The OOC completed one grievance noncompliance case before the DHC. In 2020, the office completed 23 such cases of which six were resolved by trial and 28 were resolved by consent.

### 1. <u>Discipline and Disability Cases</u>

In 2021, the DHC entered nine orders of disbarment. One lawver did not ensure that a client's estate planning documents were properly executed and amended to effectuate the client's desires, notarized a false acknowledgement, knowingly assisted in probating an invalid will, and made false statements to third parties and the Grievance Committee. One lawyer pled guilty to the state felony offenses of possession of marijuana with intent to manufacture, sell, or deliver in violation of N.C. Gen. Stat. § 90-95(a) (three counts); sale or delivery of marijuana in violation of N.C. Gen. Stat. § 90-95(a) (two counts); conspiracy to sell or deliver marijuana in violation of N.C. Gen. Stat. § 90-98 (two counts); maintaining a store, dwelling, vehicle, boat or other place for use, storage, or sale of controlled substances in violation of N.C. Gen. Stat. § 90-I08(a)(7) (three counts); and one count of possession of a Schedule IV substance with intent to manufacture, sell, or deliver in violation of N.C. Gen. Stat. § 90-95(a); and to two counts of the state misdemeanor offense of possession of marijuana paraphernalia in violation of N.C. Gen. Stat. § 90-113.22(a). One lawyer while serving as attorney-in-fact for a client breached his fiduciary duty, misappropriated the client's entrusted funds, engaged in dishonest conduct, collected an excessive fee, entered into a business transaction with the client, did not properly maintain and disburse entrusted funds, and did not maintain required trust account records. One lawyer used for his own purposes funds withheld from his employees' paychecks for health insurance premiums and state and federal taxes and did not file and pay his state and federal income taxes for five tax years. One lawyer embezzled money from a relative while serving as his attorney-in-fact. One lawyer embezzled funds, committee perjury and made false statements. One lawyer was convicted in federal court in California of felony entering an airport area in violation of security requirements and was sentenced to fourteen months in prison, presented false diplomatic credentials to TSA agents to avoid having his bag searched before boarding an airplane, and falsely asserted that he was a diplomat for the International Human Rights Commission. One lawyer did not diligently represent and adequately communicate with multiple clients, did not refund unearned fees, did not respond to notices of mandatory fee dispute resolution, and did not respond to the Grievance Committee. One lawyer did not pay federal and state personal income taxes for multiple years and withheld funds from employees' paychecks but did not remit them to taxing authorities for thirty-seven quarters. Additionally, after being told by a client that she would not accept a settlement offer, the lawyer settled her worker's compensation case and retained the settlement funds for payment of expenses when the client declined to communicate with him.

In 2021, the DHC imposed two active suspensions, three suspensions in which the lawyer could seek a stay after serving some period of active suspension, and eight suspensions entirely stayed upon the lawyer's compliance with enumerated conditions. The DHC censured one lawyer, reprimanded one lawyer, and admonished one lawyer. The DHC entered an interim suspension of the law license of one lawyer while disciplinary proceedings are pending. One case was voluntarily dismissed after the lawyer passed away while the disciplinary proceedings were pending.

### 2. Petitions for Stay and for Reinstatement

In 2021, the DHC considered nine petitions for reinstatement. Two lawyers were reinstated, six lawyers were reinstated upon compliance with enumerated conditions, and one lawyer was denied reinstatement.

### **Actions Before the State Bar Council**

### 1. Tenders of Surrender of License

In 2021, one lawyer surrendered her law license to the State Bar Council and was disbarred. The lawyer continued to engage in the unauthorize practice of law after being suspended by the DHC in 2012, forged the name of another attorney on immigration petitions filed with the Department of Homeland Security, and held herself out to clients as being eligible to practice law. She also pled guilty in federal court to one count of filing a fraudulent naturalization application and notice of representation, a crime in violation of 18 U.S.C.A § 1546(a).

### 2. Reinstatement Proceedings

In 2021, the Council did not consider any reinstatement petitions from disbarred lawyers.

### **Actions Before the Secretary**

The Secretary receives reinstatement petitions from lawyers whose licenses are suspended for disciplinary violations and enters reinstatement orders in uncontested cases. Contested petitions for reinstatement are referred to the DHC for trial.

No lawyers filed reinstatement petitions which were addressed by the Secretary in 2021.

### **Actions Before the State Trial Courts**

#### 1. Judicial Disbarments

In 2021, one lawyer was disbarred by the Buncombe County Superior Court. The lawyer was convicted of disseminating obscene materials to a minor under 16, taking indecent liberties with a minor, contributing to the delinquency of a minor, and giving alcoholic beverages to an underage person.

### 2. Injunction Proceedings

During 2021, the OOC obtained injunctions prohibiting seven lawyers from handling entrusted funds, compared with ten such injunctions in 2020.

### 3. <u>Appointment of Trustees for Law Practices of Missing, Deceased, Disabled</u> and Disbarred Lawyers

In 2021, the OOC petitioned the courts to appoint trustees to wind down the law practices of 23 lawyers. Six lawyers suffered from disabling conditions or other conditions that made them unavailable to clients and seventeen lawyers were deceased. The OOC filed 25 trustee petitions in 2020.

### 4. Other Discipline and Disability Cases in the State Trial Courts

There were no other discipline and disability cases in the State trial courts in 2021.

### 5. Miscellaneous

As usual, in 2021 the State Bar was a party to numerous actions in the State courts and administrative tribunals. The OOC represented the State Bar in many of these actions. In ten cases, the State Bar was represented by the Attorney General.

At the end of 2021, there were no lawsuits pending in superior court seeking reimbursement from a lawyer for payments made by the CSF to the lawyer's client(s).

During 2021, on behalf of the Disbursements Committee, the OOC filed two pleadings in Superior Court for permission to disburse funds in the trust accounts of suspended or disbarred lawyers, attended two hearings on motions to disburse, and obtained two orders directing the disbursement of entrusted funds totaling \$23,858.55. Additional disbursements totaling \$5,458.72 resulted from follow-up trust account investigation. The OOC escheated \$15,853.34 from the trust accounts of suspended or disbarred lawyers to the North Carolina Department of the State Treasurer.

In 2021, the State Bar was also a party to the following cases in state trial courts and administrative tribunals:

**Isabella Amor v. Macon County DSS, Macon County Sheriff's Department, NC State Bar et al (NC Industrial Commission).** Amor filed this purported tort claim against two Macon County agencies and the State Bar. She alleged that she filed a grievance against a lawyer involved in a DSS proceeding involving her children and that the State Bar did not demand that the lawyer be removed from the proceeding. The Deputy Commissioner dismissed the claim against the State Bar with prejudice on February 9, 2021. The Attorney General represented the State Bar.

Ballentine International Express Trust/Trustee Board by Trustee v. State of North Carolina et al (NC Industrial Commission). This is a purported tort claim against numerous defendants. Ballentine is a purported trust formed in an effort to defeat a foreclosure. Ballentine alleges the foreclosure was wrongful because the grantor of the deed of trust conveyed the property to the trust and the trustee cancelled the deed of trust. Ballentine contended that the clerk of court and a lawyer for the trustee were agents of the State Bar because they are licensed to practice law in North Carolina but alleges no facts that could sustain that contention. Ballentine alleged no acts or omissions by the State Bar. The deputy commissioner dismissed all claims against all defendants on his own motion. The Full Commission held that the deputy commissioner lacked authority to dismiss the claim against the State Bar on his own motion and remanded to the deputy commissioner. Meanwhile, the petitioner appealed dismissal of the claims against the other defendants to the North Carolina Court of Appeals. The Court of Appeals dismissed those appeals. On June 1, the deputy commissioner dismissed the claim with prejudice. The Attorney General represented the State Bar.

Jennifer Ghera and Michael Pickman v. The State of North Carolina, Phillip Berger, Timothy Moore, The North Carolina State Bar, David Johnson, Union County, Jeffrey Rowell (Wake County Superior Court). Pickman filed this lawsuit on December 21, 2021, alleging that, as Attorney-in-Fact for Ghera, the Uniform Power of Attorney Act entitles him to advocate for Ghera's legal interests in a state court lawsuit to which Pickman is not a party in any capacity. He seeks referral to a three-judge panel pursuant to N.C. Gen. Stat. § 1-267.1(a1) and N.C. Gen. Stat. § 1-1A, Rule 42(b)(4); a declaratory judgment; and a determination that the Union County Superior Court judge who denied him this purported right and referred him to the district attorney for prosecution violated his rights under Article I, Sections

1, 7, 14 and 19 of the North Carolina State Constitution. He also seeks costs, including attorney fees. The Attorney General represents all defendants.

Valerie Arroyo v. Daniel Zamora et al (NC Industrial Commission). This and the following two entries are purported tort claims filed by Arroyo against the State Bar and other entities and officials. These three files, and six additional claims Arroyo filed against other individuals and agencies, have all been dismissed and have been consolidated into a single appeal to the Full Commission. In this claim, Arroyo alleges that the State Bar failed to "stop, act or prosecute" Daniel Zamora. The Full Commission heard the State Bar's motion to dismiss in November 2020 but has not yet ruled. The Attorney General represents the State Bar.

Valerie Arroyo v. North Carolina State Bar (NC Industrial Commission). In this claim, Arroyo alleges that the State Bar violated her rights by refusing to discipline licensee Zamora. The Full Commission heard the State Bar's motion to dismiss in November 2020 but has not yet ruled. The Attorney General represents the State Bar.

Valerie Arroyo v. North Carolina State Bar (NC Industrial Commission). In this claim, Arroyo alleges that the State Bar violated her rights by refusing to discipline licensee Diamond. The Full Commission heard the State Bar's motion to dismiss in November 2020 but has not yet ruled. The Attorney General represents the State Bar.

Valerie Arroyo v. Josh Stein, et al (Mecklenburg County Superior Court). Arroyo has previously filed claims in state and federal courts against the State Bar which have been dismissed. In August 2020, Arroyo filed this action in Mecklenburg County against the Attorney General of North Carolina, the State of North Carolina, and a host of other state agencies and officials, including the State Bar, two State Bar councilors, and three members of the OOC. Arroyo makes vague allegations about a grievance. The Attorney General represents the State Bar.

Kelvin Exum v. North Carolina State Bar (NC Office of Administrative Hearings). Exum filed a grievance, which was dismissed. Exum demanded an explanation for the dismissal. The OOC complied with that demand, sending Exum a written response. Exum alleges that the written response was unsolicited, that it contained false and unfounded information about him, and that it served no purpose other than to embarrass and harass him. The OAH dismissed Exum's claim. He petitioned the Wake County Superior Court for judicial review. The Attorney General represents the State Bar.

Kareem Abdullah Kirk v. North Carolina State Bar Grievance Committee (NC Office of Administrative Hearings). This is the second claim Kirk, aka Kareem Abdullah Kirk-Bey, has filed against the State Bar at OAH. In this claim, Kirk again alleges that the Grievance Committee did not properly address a grievance. OAH dismissed the claim, concluding that it does not have subject matter jurisdiction. The Wake County Superior Court denied Kirk's petition for judicial review. Kirk gave notice of appeal to the North Carolina Court of Appeals. Kirk has not perfected his appeal and the deadline to do so has passed. The Attorney General represents the State Bar.

Henry Byrd v. NC State Bar and State of North Carolina (NC Industrial Commission). In March 2021, Henry Byrd mailed to the State Bar a form claim for damages under the Tort Claims Act. He did not properly file and serve the document and therefore did not actually commence a tort claim. He alleged that the defendants were under "an affirmative legal nondelegable duty to provide the plaintiff with an affirmative standard of care circumscribed by North Carolina Rules of Professional Conduct..." and

recited that his allegations were continued on attached pages, but they were not. He indicated that he was proceeding under the doctrines of equitable estoppel and promissory estoppel. The Attorney General undertook to represent the State Bar if Byrd successfully commenced a tort claim action. In June 2021, Byrd mailed to the State Bar a notice that he is withdrawing the purported tort claim and will instead file a §1983 action against the State Bar in the US District Court EDNC on a theory of "supervisory liability." If he does file a federal lawsuit, the OOC will represent the State Bar.

Richard Polidi v. Colon Willoughby et al (Wake County Superior Court). Polidi surrendered his law license and was disbarred by the Wake County Superior Court in 2014. He filed this action in 2017 against Colon Willoughby in his official and individual capacities, against Katherine Jean in her official and individual capacities, and against many others. It is unclear whether Polidi sued Colon Willoughby in his official capacity as the former elected district attorney of Wake County or in his official capacity as a State Bar councilor. Polidi makes vague, generalized allegations of wrongful conduct in connection with his decision to surrender his law license and consent to be disbarred. He has never served Willoughby or Jean. If he does, the OOC will represent them.

Richard Polidi v. Carmen Bannon (Wake County Superior Court). Polidi surrendered his law license and was disbarred by the Wake County Superior Court in 2014. In 2017, he filed this action against Carmen Bannon, State Bar deputy counsel, in her official and individual capacities. Polidi makes vague, generalized allegations relating to his decision to surrender his law license and consent to be disbarred. He has never served Bannon. If he does, the OOC will represent her.

Christopher Livingston v. N.C. State Bar, et al (Wake County Superior Court). Livingston is a licensee. In July 2016, the DHC suspended him for five years. The DHC order was affirmed on appeal. In 2018, Livingston filed a lawsuit against the State Bar and the district bar in federal court alleging that the district bar improperly used mandatory district bar dues. Livingston added John Silverstein (chair of the Grievance Committee that found probable cause) and Leanor Hodge (deputy counsel who prosecuted Livingston) as defendants, alleging that they selectively prosecuted him. In 2019, the federal court granted the State Bar defendants' motion to dismiss for lack of subject matter jurisdiction. In March 2019, Livingston filed this nearly identical action in Wake County Superior Court. Livingston never served any defendant. He obtained alias and pluries summonses but never served them. The State Bar first learned of the Wake County lawsuit in September 2019, when the trial court administrator directed the parties to prepare a case management order. The State Bar notified the trial court administrator that, because no defendant has been served, the case should be discontinued. The State Bar has heard nothing further from the trial court administrator and the case has not been scheduled for hearing. The OOC represents the State Bar defendants.

### **Actions Before the State Appellate Courts**

The OOC represented the State Bar in six appeals in 2021.

#### NC State Bar v. Richard Polidi – 14 CVS 0122

In July 2014, Polidi surrendered his license to the Wake County Superior Court and was disbarred. In October 2020, the court entered an order disbursing the funds in Polidi's trust account. Polidi gave notice of appeal. Polidi has received two extensions of time to serve a proposed record on appeal. The court ordered him to serve his proposed record on or before April 9, 2021. He did not serve a proposed record. The State Bar's motion to dismiss the appeal is pending.

### NC State Bar v. Venus Springs - 18 DHC 25

Springs, of Mecklenburg County, posted on her YouTube channel a link to the video deposition of an opposing party's representative. The DHC concluded that posting the video served no substantial purpose other than to humiliate or embarrass the witness. Springs maintained the link on her YouTube channel for eleven months after a federal court ordered her to remove it. The DHC reprimanded her. She appealed. The Court of Appeals affirmed. The North Carolina Supreme Court dismissed Springs' appeal and denied her petition for discretionary review. The United States Supreme Court denied Springs' petition for writ of *certiorari* on October 12.

### In re Phillip Entzminger - 17 CRS 1930 (Pitt County)

The Pitt County Superior Court ordered Entzminger, an assistant district attorney, to show cause why he should not be held in criminal contempt and why he should not be disciplined. The show cause order alleged that Entzminger filed a document showing disregard for the dignity of the court, demonstrated undignified and discourteous conduct that was degrading to the court and that bred disrespect for the court and the legal profession, and made false statements to the court. The court appointed the Office of Counsel to prosecute. The court acquitted Entzminger of contempt but concluded that he violated the Rules of Professional Conduct. The court suspended Entzminger for two years with the possibility of a stay after he serves the first six months of the suspension. Entzminger appealed. The Court of Appeals affirmed in part, reversed in part, and remanded for a new hearing on the appropriate discipline. The Supreme Court denied Entzminger's petition for discretionary review on August 12, 2020. On remand, the court again suspended Entzminger for two years but allowed him to be immediately eligible for a stay upon compliance with enumerated conditions, including payment of costs. Entzminger appealed. Briefs have been filed. The case has not been scheduled for argument.

### NC State Bar v. Patrick Megaro – 18 DHC 41

Megaro, of Orlando, Florida, represented two clients with IQs in the 50s, both of whom were sentenced to death and imprisoned for decades after being wrongfully convicted of the rape and murder of a child. They have now been exonerated. The hearing panel found that Megaro entered into a contract with the clients when he knew they did not have the capacity to understand it, charged an "irrevocable" fee, charged an excessive fee, made misrepresentations to his clients and to tribunals, and made arguments against his clients' interests in an effort to protect his own fee. The DHC suspended Megaro's license for five years. Megaro may petition for a stay after serving three years active suspension upon satisfaction of all enumerated conditions, including the requirement that he reimburse \$250,000.00 to the clients. Megaro filed notice of appeal on May 24, 2021. The proposed record is due in February.

### NC State Bar v. Cabell Regan – 19 DHC 25

Regan, of Pittsboro, was disbarred by the DHC in July 2021. The DHC concluded that, while serving as attorney-in-fact for a client, Regan breached his fiduciary duty, engaged in dishonest conduct, collected an excessive fee, entered into a business transaction with the client, misappropriated the client's entrusted funds, did not properly maintain and disburse entrusted funds, and did not maintain required trust account records. He remains enjoined from handling entrusted funds and from serving in any fiduciary capacity. Regan gave notice of appeal on September 22, 2021. He has not served a proposed record on appeal.

#### NC State Bar v. Lonnie P. Merritt – 21 DHC 5

Merritt, of Wilmington, had a sexual relationship with a domestic client. The DHC suspended Merritt's license for one year. Merritt filed notice of appeal on October 19, 2021. He has not served a proposed record on appeal.

### **Actions Before the Federal Courts**

Valerie Arroyo and Derek Olivaria v. Southwood Realty et al (US District Court EDNC). Arroyo alleged that she and her co-plaintiff were wrongfully evicted and that the government defendants, including the State Bar, The Attorney General of North Carolina, the North Carolina Department of Justice, judges, and the courts, failed to assure that the lawyers and judges involved in the eviction action followed the law and the rules of ethics. The court dismissed the complaint on its own motion following frivolity review. Arroyo appealed to the Fourth Circuit.

Timothy Hankins v. The United States of America (US District Court EDNC). Hankins seeks recovery from the United States for alleged violations of his rights under the United States Constitution by lawyers and judges in litigation relating to the dissolution of his marriage and a subsequent bankruptcy proceeding. Hankins filed an amended complaint adding as defendant #2 "The North Carolina State Bar Association" and mailed it to the President of the NCBA. Summonses have not issued. On August 30, 2021, the Magistrate Judge issued a recommendation to the District Court Judge that the case be dismissed. Hankins did not object to the recommendation by the September 13 deadline. The court dismissed the case on September 24.

Christopher Livingston v. NC State Bar, Susannah Cox and Katherine Jean (U.S. District Court EDNC). On June 21, 2021, Christopher Livingston filed this lawsuit in the US District Court EDNC against the State Bar, counsel Katherine Jean and deputy counsel Susannah Cox. He purports to assert claims under 42 U.S.C. §§ 1983 and 1989 for alleged violations of his speech, petition, due process and equal protection rights under the United States Constitution; his freedom of speech, open courts, law of the land and equal protection rights under the North Carolina Constitution; and alleged "malicious administrative prosecution." He alleges that the State Bar did not discipline lawyers who he alleged committed violations of the RPCs against him, has a practice and official policy of arbitrarily disciplining some lawyers and not disciplining other lawyers, selectively prosecutes solo practitioners, is overfunded and its staff is underworked; that Jean and Cox violated the RPCs by requiring him to respond to letters of notice; and that Cox should have dismissed a grievance filed against him. The State Bar's motion to dismiss and Livingston's motion to amend the complaint are pending. The OOC represents the defendants.

### SUMMARIES OF DISCIPLINARY, DISABILITY & REINSTATEMENT ACTIONS

#### **COUNCIL DISBARMENTS**

Lawyer	File No.	Date of Disbarment
Roydera D. Hackworth	21BCS1	July 16, 2021

#### JUDICIAL DISBARMENTS

Lawyer	File No.	<b>Date of Disbarment</b>
Daniel R. Green	19CRS83353-56 (Buncombe County)	August 12, 2021

### **JUDICIAL DISCIPLINE & DISABILITY**

There were no other discipline and disability cases in the State trial courts in 2021.

### TRANSFERS TO DISABILITY INACTIVE STATUS

Lawyer	File No.	Date of Transfer
David G. Belser	21G0640	August 25, 2021

### **BEFORE THE DISCIPLINARY HEARING COMMISSION**

### **Completed Discipline & Disability Cases**

Lawyer	File No.	Outcome
Daniel C. Flint	19DHC4	Disbarred (hearing)
Hayley C. Sherman	19DHC8	Disbarred (hearing)
Cabell J. Regan	19DHC25	Disbarred (hearing)
Martin M. Brennan, Jr.	20DHC7	Disbarred (consent)
Janet P. Reed	20DHC16	Disbarred (default/hearing)
Judith Birchfield	20DHC21	Disbarred (consent)
Katherine H. Pekman	20DHC23	Disbarred (default/no hearing)
Karen C. Wright	21DHC2	Disbarred (default/no hearing)
H. Bright Lindler	21DHC9	Disbarred (consent)
Scott H. Shelton	20DHC18	5-year suspension (consent)
Lonnie P. Merritt	21DHC5	1-year suspension (hearing)
Patrick M. Megaro	18DHC4`	5-year suspension; possible stay after 2 years (hearing)
Daniel S. Rufty	20DHC17	5-year suspension; possible stay after 6 months (consent)
Wesley S. White	20DHC20	2-year suspension; possible stay after 3 months (consent)
William H. Morgan Jr.	20DHC5	4-year suspension; stayed 4 years (consent)
Kenneth G. Ording	20DHC6	4-year suspension; stayed 4 years (consent)
James E. Rogers	21DHC3	3-year suspension; stayed 3 years (consent)

Lawyer	File No.	Outcome
Beverly B. Cook	21DHC4	3-year suspension; stayed 3 years (consent)
Angela S. Beeker	21DHC19	3-year suspension; stayed 3 years (consent)
Guangya Liu	21DHC12	2-year suspension; stayed 3 years (consent)
Mark D. Lackey	21DHC16	2-year suspension; stayed 2 years (consent)
Robin Dale Fussell	19DHC7	1-year suspension; stayed 1 year (hearing)
Christie B. Smith	20DHC12	Censure (consent)
Robert N. Weckworth Jr.	16DHC22	Reprimand (hearing)
Nicolle T. Phair	21DHC8	Admonition (hearing)
Cindy C. Huntsberry	21DHC20	Disability Inactive (consent)
Melvin L. Wall Jr.	20DHC22	Voluntary Dismissal
Joshua M. Reed	21DHC17	interim suspension (consent)

### **Completed Grievance Noncompliance Actions**

Lawyer	File No.	Outcome	
Christi Misocky	21DHC10N	Suspended	

### **Completed Show Cause Hearings**

There were no completed show cause hearings in 2021.

### **Completed Reinstatement Cases**

Lawyer	File No.	Outcome
Craig M. Blitzer	17DHC23R	Reinstated
Mark V.I. Gray	17DHC31R	Reinstatement Denied
Julie A. Parker	17DHC21R	Suspension Stayed
James M. Goard	18DHC11R	Suspension Stayed
Christopher A. Stella	18DHC28R	Suspension Stayed
Susan M. Lynch	18DHC47R	Suspension Stayed

Charles L. Morgan, Jr.	19DHC18R	Suspension Stayed
Frank W. Erwin	19DHC21R	Reinstated
Wesley S. White	20DHC20R	Suspension Stayed

### **Pending Discipline & Disability Cases**

Lawyer	File No.	Hearing Date
Robert Melville	13DHC9	Stayed (Disability)
Michael J. Anderson	15DHC47/15DHC47D	Stayed
Wendelyn R. Harris	18DHC14/18DHC14D	Stayed (Disability)
Michael H. Griffin	18DHC20	Stayed (Disability)
Robert Lewis	18DHC36	March 24-25
H. Trade Elkins	18DHC50	Interim Suspension
Nikita V. Mackey	19DHC9/19DHC23	January 27
George Rouco	20DHC13	Interim Suspension
Victoria Block	21DHC1	Not Scheduled
Frank Chut, Jr.	21DHC6	Stayed
Jim Melo	21DHC7	February 17-18
Thomas Harper, III	21DHC11	March 21
Camille Hill	21DHC13	February 10
Gregory A. Bullard	21DHC14	Not Scheduled
Penny K. Bell	21DHC17	Not Scheduled
Meg Wood	21DHC18	Not Scheduled
Cindy C. Huntsberry	21DHC20	Stayed (Disability)
Lloyd T. Kelson	21DHC21	Not Scheduled
Patricia Harvey	21DHC22	Not Scheduled
Mark A. Key	21DHC23	Not Scheduled
Kelley R. Routh	21DHC24	Not Scheduled
Mark Raynor	21DHC25	January 24
Perry Mastromicalis	21DHC26	Not Scheduled
R. Cherry Stokes	21DHC28	Not Scheduled
Ryan A. Spencer	21DHC29	Not Scheduled
Michael DeMayo	22DHC1	Not Scheduled
Paris Peppers	22DHC2	Not Scheduled

### **Pending Grievance Noncompliance Actions**

There were no pending grievance noncompliance actions at the end of 2021.

### **Pending Reinstatement Cases**

Lawyer	File No.	Hearing Date
Theodore G. Hale	20BCR1	Not scheduled
Jeffrey Smith	15 DHC 27R2, 18 DHC 6R2	Not scheduled

### **Pending Motions to Show Cause**

There were no pending motions to show cause at the end of 2021.

### **BEFORE THE STATE TRIAL COURTS**

### **Trustees Appointed in 2021**

Lawyer	Reason Trustee Sought
Daniel J. Park	Disabling Condition
Carl F. Parrish	Deceased
Michael P. Hugo	Deceased
Robb Derek Hill	Unavailable
Larry C. Economos	Deceased
Kenneth Gregory Gunter	Disabling Condition
John P. McNeill	Deceased
Daniel A. Manning	Deceased
Richard Benjamin Faulkner	Deceased
Randy D. Duncan	Deceased
James C. Hord	Deceased
M. Marion Watts	Deceased
Lloyd Clifford Brisson	Deceased
Beth Bizousky Carter	Deceased
Philllip Keith Anderson	Deceased
David G. Belser	Unavailable (Disability Inactive Status)
John V. Matthews	Deceased
William Dial Delahoyde	Deceased
Edward D. Seltzer	Deceased
Clarissa Kay Halks	Deceased
George L. Jenkins	Disabling Condition
Christopher David Munz	Deceased
Dean R. Davis	Disabling Condition

### **TROs and Preliminary Injunctions Obtained in 2021**

Lawyer	Date of Injunction
David M. Godwin, Wilmington	February 11, 2021
Jonathan H. Metcalf, Charlotte	February 15, 2021
Kelley R. Routh, Charlotte	April 28, 2021
Jonathan William Trapp, Wake Forest	June 16, 2021
Stuart L. Egerton, Wilmington	December 3, 2021
Lloyd T. Kelso, Gastonia	December 9, 2021
David Ahmadi, Raleigh	December 9, 2021

### BEFORE THE GRIEVANCE COMMITTEE

### Totals for 2021

Total Grievance Files Opened – 986 Total Files Considered by Committee – 937

Dismissals – 743

Files Dismissed & Retained – 2

Files Abated – 4

Files referred to the Lawyer Assistance Program – 8

Files referred to the Trust Accounting Compliance Program – 27

Files Dismissed with Letters of Caution – 18

Files Dismissed with Letters of Warning – 41

Files issued Admonitions – 23

Files issued Reprimands – 18

Files issued Censures – 13

Files issued Reciprocal Discipline – 0

Files referred to DHC – 40

### **GRIEVANCE COMMITTEE MEETING: JANUARY 13, 2021**

- 74 files were dismissed
- 0 files were dismissed and retained
- 0 files were abated
- 1 file was stayed/continued
- 2 lawyers were referred to the Lawyer Assistance Program
- 3 lawyers were referred to the Trust Accounting Compliance Program
- 0 lawyers received reciprocal discipline
- 4 lawyers received letters of caution
- 17 lawyers received letters of warning
- 3 lawyers received admonitions
- 6 lawyers received reprimands
- 4 lawyers received censures
- 6 lawyers were referred to the Disciplinary Hearing Commission

### **GRIEVANCE COMMITTEE MEETING: APRIL 14, 2021**

- 149 files were dismissed
  - 1 file was dismissed and retained
  - 0 files were abated
  - 2 files were continued
  - 0 lawyers were referred to the Lawyer Assistance Program
  - 7 lawyers were referred to the Trust Accounting Compliance Program
  - 0 lawyers received reciprocal discipline
  - 6 lawyers received letters of caution
  - 8 lawyers received letters of warning
  - 5 lawyers received admonitions
  - 4 lawyers received reprimands
  - 3 lawyers received censures
  - 6 lawyers were referred to the Disciplinary Hearing Commission

### **GRIEVANCE COMMITTEE MEETING: JULY 15, 2021**

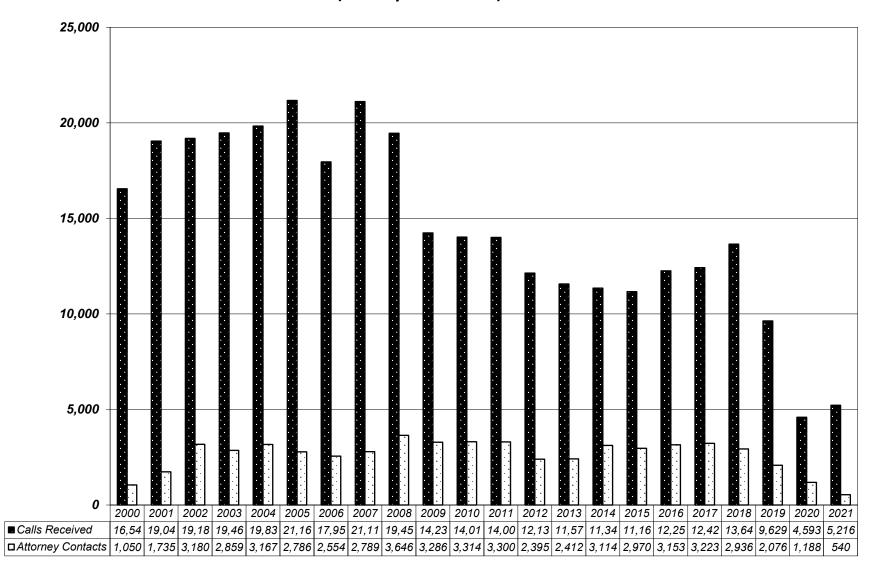
- 69 files were dismissed
- 0 files were dismissed and retained
- 0 files were abated
- 0 files were continued
- 1 lawyer was referred to the Lawyer Assistance Program
- 10 lawyers were referred to the Trust Accounting Compliance Program
- 0 lawyers received reciprocal discipline
- 5 lawyers received letters of caution
- 5 lawyers received letters of warning
- 9 lawyers received admonitions
- 5 lawyers received reprimands
- 3 lawyers received censures
- 11 lawyers were referred to the Disciplinary Hearing Commission

### **GRIEVANCE COMMITTEE MEETING: OCTOBER 7, 2021**

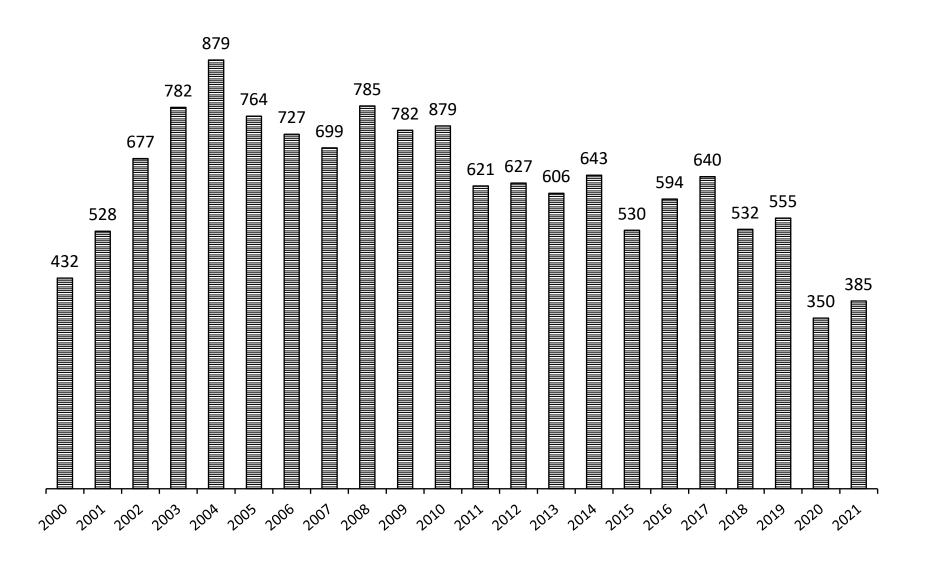
- 273 files were dismissed
  - 0 files were dismissed and retained
  - 0 files were abated
  - 4 files were continued
  - 2 files were denied reconsideration
  - 1 lawyer was referred to the Lawyer Assistance Program
  - 10 lawyers were referred to the Trust Accounting Compliance Program
  - 0 lawyers received reciprocal discipline
  - 3 lawyers received letters of caution
  - 11 lawyers received letters of warning
  - 5 lawyers received admonitions
  - 5 lawyers received reprimands
  - 2 lawyers received censures
  - 10 lawyers were referred to the Disciplinary Hearing Commission

## ATTORNEY CLIENT ASSISTANCE PROGRAM Calls Received and Attorney Contacts

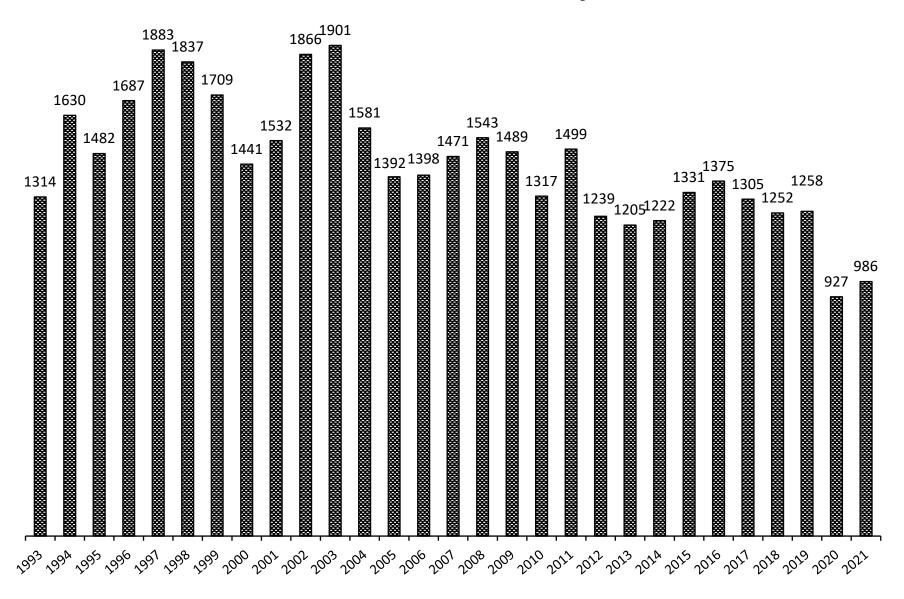
(January - December)



### Fee Dispute Resolution Petitions Filed



### **Grievances Filed Annually**



## Surrenders and Disbarments (DHC, Council and Courts)

