

STATE OF NORTH CAROLINA
WAKE COUNTY

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
21 DHC 15

THE NORTH CAROLINA STATE BAR,
Plaintiff
v.
CHRISTOPHER D. LANE, Attorney,
Defendant

CONSENT ORDER
OF DISCIPLINE

This matter was considered by a Hearing Panel of the Disciplinary Hearing Commission composed of Shannon R. Joseph, Chair, and members, Brian O. Beverly and Synthia Kearny. Alex G. Nicely represented Plaintiff, the North Carolina State Bar. Defendant, Christopher D. Lane, represented himself. Defendant waives a formal hearing in this matter. The parties stipulate and agree to the findings of fact and conclusions of law recited in this Order, and consent to the discipline imposed by this Order. By consenting to the entry of this Order, Defendant knowingly, freely, and voluntarily waives his right to appeal this consent order or to challenge in any way the sufficiency of the findings and conclusions herein.

Based on the pleadings and the stipulated facts, and with the consent of the parties, the Hearing Panel hereby finds by clear, cogent, and convincing evidence the following:

FINDINGS OF FACT

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, Christopher D. Lane (“Defendant”), was admitted to the North Carolina State Bar in September 1993 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. Defendant was properly served with process and the matter came before the Hearing Panel with due notice to all parties.

4. 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 Clemmons, Forsyth County, North Carolina.

5. Defendant is not licensed to practice law in any state other than North Carolina.

6. During all or part of the relevant periods referred to herein, Defendant was the owner and managing attorney of Law Offices of Christopher D. Lane.

CLSA

7. In or around February 2011, Defendant entered into an “Of Counsel Agreement” with Consumer Legal Services America, Inc. (“CLSA”), an out-of-state corporation providing and attempting to provide legal services to debtors and other “financially distressed consumers” in numerous states, including North Carolina.

8. CLSA is not and has never been authorized to provide legal services in North Carolina.

9. CLSA has never been registered with the North Carolina State Bar as an interstate law firm and has never obtained a certificate of authority from the Secretary of State to transact business in North Carolina.

10. CLSA, by itself and through its nonlawyer employees and agents, agreed to provide and did provide Defendant and his law firm with marketing services, client referral services, administrative services, debt negotiation services and legal services.

11. CLSA, by itself and through its nonlawyer employees and agents, agreed to provide and did provide Defendant’s North Carolina clients with services related to its “Forensic Mitigation” program.

12. CLSA’s “Forensic Mitigation” program was a debt settlement program whereby CLSA’s nonlawyer employees and agents engaged in direct negotiations with creditors on behalf of debtors in an alleged attempt to reduce the debtors’ debts.

13. CLSA also agreed to provide Defendant’s North Carolina clients with various legal services, including: (i) legal representation in lawsuits and arbitrations relating to CLSA’s Forensic Mitigation program; (ii) attempting to settle legal matters; (iii) answering civil complaints and preparing civil discovery; and (iv) handling legal work in connection with bankruptcy filings.

14. CLSA, by itself and through its nonlawyer employees and agents, provided legal services to Defendant’s North Carolina clients.

15. Defendant agreed to provide and did provide a variety of legal services in North Carolina to North Carolina residents on behalf of and at the direction of CLSA.

16. Defendant also agreed to provide “a variety of legal services including Forensic Mitigation to consumers throughout the United States and its possessions.”

17. In consideration for the arrangements described in paragraphs 10 through 16 above, Defendant and CLSA agreed to share any legal fees received from Defendant’s CLSA clients.

18. CLSA collected considerable fees from Defendant’s CLSA clients and remitted a small portion of those fees to Defendant for any legal services that he rendered.

19. Defendant allowed CLSA to keep a significant portion of the fees that were paid by Defendant’s CLSA clients.

False and Misleading Advertising

20. CLSA solicited prospective clients through various means, including advertising on its own website and on the websites of its marketing partners.

21. CLSA advertised that it had “at least one affiliated lawyer admitted to practice in all 50 States” and that it was “capable of assisting consumers nationwide in need of legal services.”

22. CLSA held itself out as able to provide debtors and other “financially distressed consumers” in North Carolina with legal services in connection with a variety of matters, including litigation, debt settlement matters, contract disputes, loan modifications, bankruptcy matters and Fair Debt Collection Practices Act matters.

23. The CLSA website indicated the following: “CLSA determines if in its opinion particular contracts and their related documents are valid and enforceable under applicable laws. If during a contract review, a CLSA lawyer in his or her professional opinion determines a contract is not valid and therefore not enforceable, CLSA helps its client to take steps to invalidate the contract and eliminate any of the obligations set out in the invalid contract. Should a loan be a part of a contract, CLSA directly communicate [sic] with the lender and advises the lender in appropriate situations when a loan and its underlying contract is invalid and not subject to enforcement.”

24. The advertising statements described in paragraphs 21 through 23 above were false and misleading in that CLSA was not authorized to provide legal services to North Carolina debtors in North Carolina, either by itself or through one of its affiliated lawyers.

25. By entering into the Of Counsel Agreement with CLSA and by maintaining his affiliation with CLSA, Defendant enabled CLSA to continue to falsely hold itself out to North Carolina residents as able to provide them with legal services in North Carolina through Defendant.

Client Communication

26. The websites of CLSA and its marketing partners contained toll-free telephone numbers for debtors to call to receive a “free consultation.”

27. When North Carolina debtors called these toll-free telephone numbers, they spoke with nonlawyer employees and agents of CLSA who attempted to enroll the debtors in CLSA’s Forensic Mitigation program.

28. Some of Defendant’s CLSA clients called these toll-free telephone numbers and discussed their debts and legal issues with nonlawyer employees and agents of CLSA.

29. These nonlawyers were the primary point of contact for some of Defendant’s CLSA clients, answering most of the clients’ questions during the representation.

30. Defendant rarely communicated with the CLSA clients that he purported to represent.

31. In fact, some of Defendant’s CLSA clients informed the State Bar that they had never spoken with, or even heard of, Defendant.

32. Defendant failed to keep some of his CLSA clients informed about the status of their legal matters.

33. Defendant failed to consult with some of his CLSA clients about the steps they wished to take during the course of the representation.

34. Nonlawyer employees and agents of CLSA advised some of Defendant's CLSA clients to stop paying their creditors. In doing so, these nonlawyers provided North Carolina debtors with legal advice and opinions upon their legal rights.

35. Defendant did not adequately supervise the nonlawyer employees and agents of CLSA during their telephone conversations with his clients, thereby enabling the nonlawyers to provide legal advice to his clients.

Illegal Debt Adjusting and Unsupervised Legal Negotiations

36. The Debt Adjusting Act, N.C. Gen. Stat. § 14-423 *et seq*, prohibits any person from engaging in, or offering or attempting to engage in, the business or practice of "debt adjusting."

37. Pursuant to N.C. Gen. Stat. § 14-424, illegal debt adjusting is a Class 2 misdemeanor.

38. N.C. Gen. Stat. § 14-423(2) defines "debt adjusting" as follows:

"Debt adjusting" means entering into or making a contract, express or implied, with a particular debtor whereby the debtor agrees to pay a certain amount of money periodically to the person engaged in the debt adjusting business and that person, for consideration, agrees to distribute, or distributes the same among certain specified creditors in accordance with a plan agreed upon. Debt adjusting includes the business or practice of any person who holds himself out as acting or offering or attempting to act for consideration as an intermediary between a debtor and his creditors for the purpose of settling, compounding, or in any way altering the terms of payment of any debt of a debtor, and to that end receives money or other property from the debtor, or on behalf of the debtor, for the payment to, or distribution among, the creditors of the debtor. Debt adjusting also includes the business or practice of debt settlement or foreclosure assistance whereby any person holds himself or herself out as acting for consideration as an intermediary between a debtor and the debtor's creditors for the purpose of reducing, settling, or altering the terms of the payment of any debt of the debtor, whether or not the person distributes the debtor's funds or property among the creditors, and receives a fee or other consideration for reducing, settling, or altering the terms of the payment of the debt in advance of the debt settlement having been completed or in advance of all the services agreed to having been rendered in full.

39. CLSA and its nonlawyer employees and agents engaged in illegal debt adjusting in North Carolina.

40. CLSA, by itself and through its employees and agents, made and entered into "engagement agreements" with some of Defendant's debtor-clients whereby the debtor-clients

agreed to pay a certain amount of money periodically to CLSA. In consideration for these payments, CLSA agreed to provide the debtor-clients with debt settlement services and legal services, and to distribute the debtor-clients' money among certain specified creditors in accordance with a plan agreed upon.

41. CLSA and its nonlawyer employees and agents received money from some of Defendant's North Carolina clients for the payment to, or distribution among, the creditors of those clients.

42. Nonlawyer employees and agents of CLSA acted as intermediaries between some of Defendant's North Carolina clients and their creditors for the purpose of reducing, settling or altering the terms of the clients' debts.

43. Nonlawyer employees and agents of CLSA engaged in legal negotiations with creditors regarding the debts of some of Defendant's CLSA clients.

44. CLSA collected substantial fees from Defendant's clients for the services described in paragraphs 41 through 43 above.

45. Defendant did not adequately supervise the nonlawyer employees and agents of CLSA, thereby enabling them to engage in debt adjusting and perform legal negotiations on behalf of Defendant's North Carolina clients.

Entrusted Funds

46. Nonlawyer employees and agents of CLSA required some of Defendant's CLSA clients to authorize automatic debit payments from their bank accounts into an account with Secure Account Service, LLC ("Secure Account Service"), a third-party payment processor and independent account administration company located in Arizona.

47. CLSA and Secure Account Service debited funds from the personal bank accounts of some of Defendant's CLSA clients on a monthly basis and placed the funds into an account with Secure Account Service.

48. A portion of the funds that CLSA and Secure Account Service collected from Defendant's CLSA clients was to be used for payment to, or distribution among, the creditors of those clients.

49. A portion of the funds that CLSA and Secure Account Service collected from Defendant's CLSA clients was intended as an advance fee for future debt settlement services to be performed by CLSA. CLSA later billed against these funds after performing debt settlement services on behalf of Defendant's CLSA clients.

50. A portion of the funds that CLSA and Secure Account Service collected from Defendant's CLSA clients was collected as an advance payment for future legal services by Defendant and CLSA. Defendant and CLSA later billed against these funds after performing legal services on behalf of Defendant's CLSA clients.

51. Therefore, at least some of the funds that CLSA and Secure Account Services collected from Defendant's CLSA clients were entrusted funds.

52. The entrusted funds that CLSA and Secure Account Services collected from Defendant's CLSA clients were not held in a trust account maintained at an "eligible bank" pursuant to 27 N.C. Admin. Code 1D.1316(b).

53. The entrusted funds that CLSA and Secure Account Services collected from Defendant's CLSA clients were not held in a trust account maintained by Defendant.

54. Defendant failed to deposit, maintain and supervise the entrusted funds of some of his CLSA clients in accordance with Rule 1.15 *et. seq.* of the North Carolina Rules of Professional Conduct.

Representation of Client J.F.

55. On or about April 26, 2013, Defendant entered into a "Class B Agreement" with The Law Offices of Prince & Associates, LLC ("Prince Law"), a Florida law firm.

56. In 2014, Prince Law contracted to provide J.F., a North Carolina resident, with legal representation in a bankruptcy matter. At the time, Prince Law was not authorized to provide legal services in North Carolina.

57. J.F. paid Prince Law a total of \$1,500.00 for the legal representation by making a series of monthly installment payments.

58. Prince Law paid Defendant \$600.00 for his role in representing J.F. in the bankruptcy matter.

59. Prince Law kept the remaining \$900.00 in legal fees paid by J.F.

60. Nonlawyer employees and agents of Prince Law were the primary point of contact for J.F. during the representation.

61. Nonlawyer employees and agents of Prince Law engaged in telephone conversations with J.F. in which they answered J.F.'s questions about her debts, her legal issues and her bankruptcy case.

62. Defendant was not a party to the telephone conversations these nonlawyers had with J.F.

63. Defendant did not adequately supervise the nonlawyer employees and agents of Prince Law during their telephone conversations with J.F.

64. In or around May 2015, J.F. received notice that she may be entitled to a settlement award ("the Settlement") in connection with a civil action that she previously filed in the United States District Court for the Western District of Louisiana ("the Civil Action").

65. J.F. informed Prince Law that she was expecting to receive a personal injury settlement and stated that she wanted to use her settlement proceeds to pay her creditors.

66. J.F. made her final installment payment to Prince Law in August 2015.

67. Soon thereafter, Prince Law informed J.F. that Defendant would be representing her in the bankruptcy matter.

68. On August 22, 2015 and September 17, 2015, J.F. entered into two separate contracts to purchase real property in North Carolina (“the Properties”).

69. In September 2015, Defendant had a brief telephone conversation with J.F. regarding her creditors and her bankruptcy petition.

70. Outside of this brief conversation, Defendant failed to have any substantive conversations with J.F. regarding her financial situation or her bankruptcy case.

71. Defendant failed to engage in sufficient communication with J.F. to obtain all necessary information about her assets and debts, including information about the Civil Action, the Settlement and the Properties.

72. On October 1, 2015, Defendant sent J.F. a “rough draft” of her Chapter 7 petition.

73. Defendant revised J.F.’s bankruptcy petition on three separate occasions between December 2015 and January 2016. Defendant provided J.F. with copies of the three revised petitions via emails sent on December 22, 2015, January 5, 2016 and January 6, 2016.

74. On January 7, 2016, Defendant filed a Chapter 7 bankruptcy petition on behalf of J.F. in the United States Bankruptcy Court for the Eastern District of North Carolina (“Bankruptcy Petition”).

75. Defendant did not meet with J.F. before filing the Bankruptcy Petition on her behalf.

76. Neither the Settlement nor the Properties were disclosed in the Bankruptcy Petition.

77. On January 15, 2016, J.F. received an email from an administrative assistant at the Law Offices of Christopher D. Lane. Attached to the email was a Uniform EDNC Bankruptcy Document Request Form (“Document Request Form”). The administrative assistant asked J.F. to complete, sign and date the Document Request Form and to return the same.

78. Defendant did not adequately consult with J.F. about the Document Request Form, nor did he adequately explain the requirements contained therein.

79. Defendant did not adequately assist J.F. in filling out the Document Request Form.

80. In paragraph 8 of the Document Request Form, J.F. was asked to provide the following: “Copies of all documents evidence and equitable distribution, property division, alimony, separation, or divorce agreements, settlements or orders, all documents evidencing unusual assets (e.g., personal injury claims, rights to any bequest or inheritance); and business property tax listings for any business property owned by the Debtor(s).”

81. When responding to paragraph 8 of the Document Request Form, J.F. did not disclose her personal injury settlement and instead indicated that “no copies are available.”

82. J.F. returned a signed copy of Document Request Form to Defendant on January 19, 2016. Defendant, in turn, provided this signed copy to the Bankruptcy Trustee.

83. A Meeting of Creditors was held in J.F.’s case on February 3, 2016.

84. Defendant did not meet with J.F. prior to the Meeting of Creditors.

85. Neither Defendant nor J.F. disclosed the Settlement or the Properties to the Bankruptcy Trustee at the Meeting of Creditors.

86. Based on the representations of Defendant and J.F., the Bankruptcy Trustee determined the matter to be a no asset case.

87. J.F.'s bankruptcy case was discharged on April 7, 2016.

88. In November 2016, J.F.'s attorney in the Civil Action contacted the Bankruptcy Trustee to inquire as to whether the bankruptcy estate had an interest in the Settlement of the Civil Action. The attorney also informed the Trustee that the gross minimum amount received as a result of the Settlement was \$244,944.00.

89. On November 28, 2016, the Trustee filed a Motion to Reopen J.F.'s bankruptcy case based upon this information.

90. In a Motion for Turnover filed on December 27, 2016, the Trustee asked the Bankruptcy Court to order that the Settlement proceeds and the Properties become part of the bankruptcy estate. In support of his motion, the Trustee cited the fact that the Settlement proceeds and the Properties were not disclosed in the Bankruptcy Petition or during the Meeting of the Creditors.

91. On January 18, 2017, an Order for Turnover was entered declaring the Settlement proceeds and the Properties part of the bankruptcy estate.

92. On April 28, 2017, the Court entered an order revoking J.F.'s prior bankruptcy discharge.

Communications with the State Bar

93. On November 4, 2015, Defendant received a Censure from the Grievance Committee of the State Bar in grievance file 15G0488 for sharing fees with nonlawyers at Prince Law in violation of Rule 5.4(a), assisting Prince Law in the unauthorized practice of law in violation of Rule 5.5(t) (formerly 5.5(d)), and providing false or misleading statements to the public about his legal services in violation of Rule 7.1.

94. On September 17, 2019, J.F. filed a State Bar grievance against Defendant based on his representation of J.F. in the bankruptcy matter, grievance file 19G0977.

95. Defendant was served with a Letter of Notice in grievance file 19G0977 on September 27, 2019.

96. In an October 31, 2019 response to the Letter of Notice, Defendant attempted to explain why he continued to represent J.F. after receiving a Censure in grievance file 15G0488 for assisting Prince Law in the unauthorized practice of law. Defendant stated: "This was pursuant to guidance from the State Bar that I was to finish cases that I was working on instead of leaving the clients stranded."

97. A search of the records of the State Bar Ethics Department revealed no evidence that State Bar staff advised Defendant or any members, employees, agents or representatives of Prince Law that Defendant “was to finish cases that [he] was working on instead of leaving the clients stranded.”

98. The statement of Defendant referenced in paragraph 96 above was materially false.

99. At the time Defendant made the statement referenced in paragraph 96 above, he knew the statement was false.

Based upon the foregoing Findings of Fact and with the consent of the parties, the Hearing Panel makes the following:

CONCLUSIONS OF LAW

1. All parties are properly before the Hearing Panel and the Hearing Panel has jurisdiction over Defendant, Christopher D. Lane, and over the subject matter of this proceeding.

2. Defendant’s conduct, as set out in the stipulated Findings of Fact above, constitutes grounds for discipline as follows:

- a) 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:
 - i. By enabling nonlawyer employees and agents of CLSA to provide legal advice to his clients and by enabling nonlawyer employees and agents of CLSA to engage in legal negotiations with creditors regarding the debts of his clients, Defendant violated the Rules of Professional Conduct through the acts of another in violation of Rule 8.4(a), assisted a person and a corporation in the unauthorized practice of law in violation of Rule 5.5(d)¹ and committed criminal acts pursuant to N.C. Gen. Stat. §§ 84-4, 84-5 and 84-8 that reflect adversely on a lawyer’s honesty, trustworthiness or fitness as a lawyer in violation of Rule 8.4(b);
 - ii. By providing legal services to North Carolina residents on behalf of and at the direction of CLSA, Defendant assisted CLSA in the unauthorized practice of law in violation of Rule 5.5(d)² and committed a criminal act pursuant to N.C. Gen. Stat. §§ 84-5 and 84-8 that reflects adversely on a lawyer’s honesty, trustworthiness or fitness as a lawyer in violation of Rule 8.4(b);
 - iii. By enabling CLSA to advertise and hold itself out to the public that, through Defendant, it was able to practice law in North Carolina, Defendant made misleading statements about his services in violation of Rule 7.1(a), violated the Rules of Professional Conduct through the acts of another in violation of Rule 8.4(a), engaged in conduct involving dishonesty, fraud, deceit or misrepresentation that reflects adversely on the lawyer’s fitness as a lawyer in violation of Rule 8.4(c), assisted CLSA in the unauthorized practice of law

¹ Now codified as Rule 5.5(f).

² Now codified as Rule 5.5(f).

in violation of Rule 5.5(d)³ and committed a criminal act pursuant to N.C. Gen. Stat. §§ 84-5 and 84-8 that reflects adversely on a lawyer's honesty, trustworthiness or fitness as a lawyer in violation of Rule 8.4(b);

- iv. By enabling nonlawyer employees and agents of CLSA to engage in negotiations with creditors regarding the debts of his clients, by enabling nonlawyers at CLSA to hold themselves out as intermediaries between Defendant's North Carolina debtor-clients and their creditors for the purpose of reducing, settling or altering the terms of a debt and by enabling CLSA to receive a fee for reducing, settling or altering the terms of debt payments in advance of the work having been completed, Defendant aided CLSA and its nonlawyer employees and agents in debt adjusting, thereby committing criminal acts pursuant to N.C. Gen. Stat. §§ 14-423 and 14-424 that reflect adversely on a lawyer's honesty, trustworthiness or fitness as a lawyer in violation of Rule 8.4(b);
- v. By accepting a portion of the legal fees that CLSA collected from Defendant's CLSA clients and by permitting CLSA to keep a portion of the legal fees paid by Defendant's CLSA clients, Defendant shared legal fees with nonlawyers in violation of Rule 5.4(a) and collected illegal fees in violation of Rule 1.5(a);
- vi. By accepting legal fees pursuant to an arrangement that contemplated and incorporated illegal debt adjusting and the unauthorized practice of law, Defendant collected illegal fees in violation of Rule 1.5(a);
- vii. By failing to adequately communicate with the CLSA clients that he was purporting to represent and by failing to consult with his clients about the steps they wished to take during the course of the representation, Defendant failed to reasonably consult with his clients about the means by which the clients' objectives would be accomplished in violation of Rule 1.4(a)(2), failed to keep his clients informed about the status of their legal matters in violation of Rule 1.4(a)(3) and failed to explain a matter to the extent reasonably necessary to permit the clients to make informed decisions regarding the representation in violation of Rule 1.4(b);
- viii. By failing to deposit and maintain his clients' entrusted funds in accordance with the requirements of Rule 1.15 *et. seq.* and by permitting CLSA to hold the entrusted funds of his clients at an institution that does not constitute an "eligible bank" pursuant to 27 N.C. Admin. Code 1D.1316(b), Defendant failed to deposit, disburse and distribute all entrusted funds as required by the Rules of Professional Conduct in violation of Rule 1.15-2(a) and failed to promptly deposit his clients' entrusted funds into a general or a dedicated trust account of the lawyer in violation of 1.15-2(b);
- ix. By failing to supervise the handling of entrusted funds paid by his North Carolina clients to CLSA and by failing to supervise the nonlawyer employees of CLSA such that they were permitted to provide legal services and legal

³ Now codified as Rule 5.5(f).

advice to his clients, thereby engaging in the unauthorized practice of law, Defendant failed to make reasonable efforts to ensure that the firm or organization has in effect measures giving reasonable assurance that the nonlawyers' conduct was compatible with the professional obligations of the lawyer in violation of Rule 5.3(a) and failed to make reasonable efforts to ensure that the nonlawyer's conduct is compatible with the professional obligations of the lawyer in violation of Rule 5.3(b);

- x. By failing to adequately assist J.F. in filling out the Document Request Form and by failing to meet with or talk to J.F. to verify the current status of her assets and debts before filing the Bankruptcy Petition, Defendant failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3;
 - xi. By engaging in only one substantive conversation with J.F. regarding her financial situation and her bankruptcy case, by failing to engage in sufficient communication with J.F. to obtain all necessary information about her assets and debts, including information about the Civil Action, the Settlement and the Properties, and by failing to adequately consult with J.F. about the Document Request Form and failing to adequately explain the requirements contained within that form, Defendant failed to reasonably consult with his client about the means by which the client's objectives would be accomplished in violation of Rule 1.4(a)(2) and failed to explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation in violation of Rule 1.4(b); and
 - xii. By stating in his response to the Letter of Notice in grievance file 19G0977 that his representation of J.F. after November 4, 2015 "was pursuant to guidance from the State Bar that [Defendant] was to finish cases that [he] was working on instead of leaving the clients stranded," Defendant knowingly made a false statement of material fact in connection with a disciplinary matter in violation of Rule 8.1(a) and engaged in conduct involving dishonesty, deceit or misrepresentation that reflects adversely on the lawyer's fitness as a lawyer in violation of Rule 8.4(c).
- b) Pursuant to N.C. Gen. Stat. § 84-28(b)(3) for knowing misrepresentation of facts or circumstances surrounding an allegation of misconduct in a disciplinary matter by making a false statement in response to the Letter of Notice in grievance file 19G0977.

Based upon the Findings of Fact, Conclusions of Law, and with the consent of the parties, the Hearing Panel also finds by clear, cogent, and convincing evidence the following:

ADDITIONAL FINDINGS REGARDING DISCIPLINE

1. The findings of fact and conclusions of law above are reincorporated as if set forth herein.

2. Defendant's misconduct caused significant harm and the potential for significant harm to his clients. Defendant agreed to provide legal services to North Carolina debtors on behalf of out-of-state entities not authorized to practice law in this State. Defendant's clients were economically vulnerable, unfamiliar with the legal process and reliant upon Defendant to protect their legal interests. Nevertheless, Defendant failed to properly supervise the nonlawyer employees of these out-of-state entities such that they were allowed to provide Defendant's clients with improper legal advice and legal services. Defendant also failed to adequately communicate with his clients, causing significant frustration for his clients and impairing their ability to achieve the goals of the representation.

3. Defendant caused significant harm and the potential for significant harm to the public and the legal profession by aiding nonlawyers and out-of-state entities in the unauthorized practice of law and debt adjusting. Such conduct brings the legal profession into disrepute and undermines public confidence in the integrity of the profession.

4. Defendant was licensed in North Carolina in 1993 and has substantial experience in the practice of law. At the time of Defendant's conduct, he knew or should have known that his actions would cause significant harm and the potential for significant harm to his clients, the public and the legal profession.

5. Defendant has received the following discipline in North Carolina for failing to supervise nonlawyers or assisting others in the unauthorized practice of law: Reprimand in March 2014, Censure in November 2015, Reprimand in May 2017, and Censure in May 2018. All of these were subsequent to the failure to supervise and assisting unauthorized practice of law being addressed in this Order. Had all of Defendant's conduct been addressed in one disciplinary action, the level of discipline for all of the conduct would likely have been that being imposed in this Order.

6. Defendant's misconduct as it relates to CLSA occurred between 2010 and 2012, before Defendant received the discipline described in paragraph 5 of this section of the Order. Accordingly, Defendant had not had the benefit of discipline and the chance to rehabilitate his conduct prior to engaging in the conduct with CLSA.

7. Defendant received minimal compensation from CLSA and was not involved in the operation or management of CLSA.

8. Defendant's misconduct as it relates to J.F. occurred between June 2014 and April 2017, before Defendant received the May 2017 Reprimand and the May 2018 Censure described in paragraph 5 of this section of the Order.

9. After receiving the November 2015 Censure addressing his conduct with Prince Law, Defendant attempted to rectify the effects of his actions. Defendant severed his relationship with Prince Law, notified his clients of the change in relationship between Defendant and Prince Law, informed his clients of their right to freely choose counsel, and expressed a willingness to represent his clients moving forward.

10. Defendant states that he has not provided legal services to any clients on behalf of out-of-state law firms or entities since 2018 and will not do so in the future.

11. Defendant now understands and acknowledges the harm that is caused when attorneys assist others in the unauthorized practice of law.

12. Defendant has expressed remorse for his actions.

13. Defendant has been forthright during this case before the Disciplinary Hearing Commission and forthcoming with information requested by the State Bar.

Based upon the Findings of Fact, Conclusions of Law and Additional Findings Regarding Discipline, and with the consent of the parties, the Hearing Panel also enters the following:

CONCLUSIONS REGARDING DISCIPLINE

1. The Hearing Panel has considered all of the factors enumerated in 27 N.C. Admin. Code 1B.0116(f)(1) of the Discipline and Disability Rules of the North Carolina State Bar and concludes that the following factors that warrant suspension or disbarment are present:

- a) Intent of the Defendant to commit acts where the harm or potential harm is foreseeable;
- b) Circumstances reflecting on the Defendant's lack of honesty or trustworthiness;
- c) Negative impact of Defendant's actions on the client's or public's perception of the profession;
- d) Impairment of the client's ability to achieve the goals of the representation; and
- e) Acts of dishonesty, misrepresentation or deceit.

2. The Hearing Panel has considered all of the factors enumerated in 27 N.C. Admin. Code 1B.0116(f)(2) of the Discipline and Disability Rules of the North Carolina State Bar and concludes the following factors are applicable in this matter:

- a) Acts of dishonesty, misrepresentation, deceit or fabrication.

3. The Hearing Panel has considered all of the factors enumerated in 27 N.C. Admin. Code 1B.0116(f)(3) of the Discipline and Disability Rules of the North Carolina State Bar and concludes the following factors are applicable in this matter:

- a) Prior disciplinary offenses in this State;
- b) Remoteness of prior offenses;
- c) A pattern of misconduct;
- d) Multiple offenses;
- e) Remorse;
- f) Full and free disclosure to the hearing panel or cooperative attitude toward the proceedings;
- g) Delay in the disciplinary proceedings through no fault of the Defendant;

- h) Vulnerability of the victim;
- i) Significant experience in the practice of law;
- j) Imposition of other penalties or sanctions;
- k) Acknowledgement of wrongdoing; and
- l) Demonstration of willingness to conform his conduct to the Rules of Professional Conduct.

4. The Hearing Panel has considered issuing an admonition, reprimand or censure but concludes that such discipline would not be sufficient, as such discipline would fail to acknowledge the seriousness of the violations committed by Defendant, would not sufficiently protect the public and would send the wrong message to attorneys and the public regarding the conduct expected of members of the Bar in this State.

5. The Hearing Panel has also considered imposing disbarment but concludes that disbarment is not necessary to protect the public in this case.

6. The Hearing Panel concludes that the public will be adequately protected by the imposition of a stayed suspension in this case, given Defendant's acknowledgment of wrongdoing, his expressed remorse and his demonstrated willingness to conform his conduct to the Rules of Professional Conduct and the laws of this State moving forward.

Based upon the foregoing Findings of Fact, Conclusions of Law, Additional Findings Regarding Discipline and Conclusions Regarding Discipline, and based upon the consent of the parties, the Hearing Panel enters the following:

ORDER OF DISCIPLINE

1. Defendant, Christopher D. Lane, is hereby suspended from the practice of law for two years, effective thirty days from service of this Order upon Defendant.

2. Defendant is taxed with the costs and administrative fees of this action as assessed by the Secretary. Defendant shall pay the costs and administrative fees within sixty days of service of the statement of costs and administrative fees upon him.

3. The two-year suspension is stayed for a period of two years as long as Defendant complies, and continues to comply during the period of the stay, with the following conditions:

- a) No later than thirty days from service of this Order upon Defendant, Defendant shall arrange for an active member of the North Carolina State Bar to serve as his practice monitor. The monitoring attorney must be in good standing, must practice law in the county in which Defendant primarily practices and must be approved in advance by the State Bar Office of Counsel. No later than thirty days from service of this Order upon Defendant, Defendant shall supply the Office of Counsel with a letter from the monitoring attorney confirming his or her agreement to serve as Defendant's practice monitor and to perform the duties listed below for the duration of the stay of this suspension:

- (i) Meet with Defendant monthly to review each of Defendant's pending cases, discussing the goals and anticipated course of each representation and identifying any deadlines or scheduled court dates in each case;
 - (ii) Monitor Defendant's law practice to ensure that Defendant is timely handling client matters, adequately communicating with his clients, properly supervising his nonlawyer assistants and otherwise complying with the Rules of Professional Conduct in each pending case; and
 - (iii) Submit written reports of the practice monitor's monthly meetings with Defendant to the State Bar Office of Counsel on a quarterly basis, with such reports being due on January 30, April 30, July 30, and October 30 of each year.
- b) Defendant shall come prepared each month to meet with his practice monitor to discuss each of his pending client matters. For each of Defendant's pending client matters, Defendant shall identify to the practice monitor the goals and anticipated course of the representation, any deadlines or scheduled court dates in the case, and the role of any nonlawyer assistants in the case. Defendant shall provide any information and documentation the practice monitor deems reasonably necessary to ensure that Defendant is handling all client matters in accordance with the Rules of Professional Conduct. Defendant shall ensure that the practice monitor submits written reports of the practice monitor's monthly meetings with Defendant to the State Bar Office of Counsel on a quarterly basis, with such reports being due on January 30, April 30, July 30, and October 30 of each year. This monitoring must occur during the duration of the stay of this suspension. Defendant shall pay all costs, if any, charged by the practice monitor;
- c) Defendant shall pay the administrative fees and costs of this proceeding as assessed by the Secretary of the State Bar within sixty days of service of the statement of fees and costs upon him;
- d) Defendant shall keep the State Bar Membership Department advised of his current contact information, including his physical business address (no post-office box or drawer addresses), telephone number and e-mail address, and shall notify the Membership Department of any change in his contact information within ten days of such change;
- e) Defendant shall accept all certified mail from the State Bar sent to the address on record with the State Bar Membership Department;
- f) Defendant shall provide full and complete responses to all requests for information from the State Bar within thirty days of receipt of any such request or by the deadline stated in any such request, whichever is sooner;
- g) Defendant shall participate in good faith in the State Bar's fee dispute resolution process for any petition that is pending at the time of entry of this Order or of which he received notice after the effective date of this Order;

- h) Defendant shall pay all membership dues, fees, costs and assessments, including all Client Security Fund assessments and other charges or surcharges the State Bar is authorized to collect from him, including all judicial district dues and assessments, by the applicable deadline;
- i) Defendant shall timely comply with all State Bar continuing legal education ("CLE") requirements and pay all fees and costs assessed by the applicable deadline; and
- j) Defendant shall not violate any of the Rules of Professional Conduct, the laws of the United States, or the laws of any state or local government, other than minor traffic violations, during the period of the stay.

4. Unless Defendant's obligations under this Order are modified by further order of the DHC, Defendant's obligations under this Order end two years from the effective date of the Order provided there are at that time no pending motions and no pending show cause proceedings alleging lack of compliance with the conditions of the stay of the suspension. If a motion or show cause proceeding alleging lack of compliance with the conditions of the stay of the suspension is pending when the period of the stay would otherwise have terminated, the DHC retains jurisdiction to lift the stay and activate the two-year suspension in whole or in part if it finds that any of the conditions of the stay have not been met. The stay of the suspension and Defendant's obligation to comply with the conditions of the stay will continue until resolution of any such pending motion or show cause proceeding.

5. If Defendant fails to comply with any one or more of the conditions set out in paragraph 3 of this section of the Order, then the stay of the suspension may be lifted in accordance with 27 N.C. Admin. Code 1B.0118.

6. If the stay of the suspension is lifted and the suspension is activated for any reason, Defendant may apply for reinstatement after serving the activated suspension by filing a petition with the Disciplinary Hearing Commission along with supporting documentation demonstrating compliance with the requirements of 27 N.C. Admin. Code 1B.0129(b), as well as the following requirements, by clear, cogent, and convincing evidence:

- a) Defendant submitted his law license and membership card to the Secretary of the State Bar within thirty days of the date of the order lifting the stay and/or activating the suspension of his law license;
- b) Defendant properly wound down his law practice and complied with the requirements of 27 N.C. Admin. Code 1B.0128;
- c) Defendant timely paid all administrative fees and costs assessed against him in this proceeding as reflected on the statement of costs served upon him by the Secretary of the State Bar;
- d) That within fifteen days of the effective date of the order activating the suspension, Defendant provided the State Bar with an address and telephone number at which clients seeking return of files could communicate with Defendant and obtain such files;

- e) Defendant provided the client file to any client who requested it within ten days of Defendant's receipt of such request;
- f) Defendant kept the State Bar Membership Department advised of his current contact information, including his physical business address (no post-office box or drawer addresses), telephone number and e-mail address, and notified the Membership Department of any change in his contact information within ten days of such change;
- g) Defendant accepted all certified mail from the State Bar sent to the address on record with the State Bar Membership Department;
- h) Defendant provided full and complete responses to all requests for information from the State Bar within thirty days of receipt of any such request or by the deadline stated in any such request, whichever is sooner;
- i) Defendant participated in good faith in the State Bar's fee dispute resolution process for any petition that was pending at the time of entry of this Order or of which he received notice after the effective date of this Order;
- j) That at the time of his petition for reinstatement, Defendant is current in payment of all membership dues, fees and costs, including all Client Security Fund assessments, and other assessments, charges or surcharges the State Bar is authorized to collect from him, including all judicial district dues and assessments;
- k) That at the time of his petition for reinstatement, there is no deficit in Defendant's completion of mandatory CLE hours, in reporting of such hours, or in payment of any fees associated with attendance at CLE programs; and
- l) Defendant did not violate the Rules of Professional Conduct, the laws of the United States, or the laws of any state or local government, other than minor traffic violations, during his suspension.

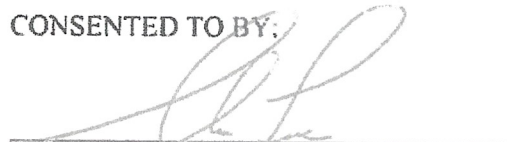
7. If the stay of suspension is lifted and the suspension is activated for any reason, and if Defendant fails to fully comply with 27 N.C. Admin. Code IB.0128, Defendant shall reimburse the State Bar for any expenses incurred by the State Bar in winding down Defendant's practice. Such expenses may include, 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 any appointed trustee and/or the trustee's assistant for time and travel associated with the trusteeship. Defendant shall not be eligible for reinstatement until he has reimbursed the State Bar for all wind-down expenses incurred.

Signed by the Disciplinary Hearing Panel Chair with the consent of the other hearing panel members, this the 4th day of January, 2022.




Shannon R. Joseph, Chair
Disciplinary Hearing Panel

CONSENTED TO BY:



Christopher D. Lane
Defendant



Alex G. Nicely, Deputy Counsel
State Bar No. 40996
Attorney for Plaintiff
The North Carolina State Bar