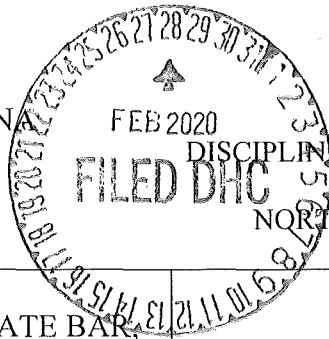


STATE OF NORTH CAROLINA
WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
20 DHC 02 N

THE NORTH CAROLINA STATE BAR,

Petitioner

v.

HAROLD R. CREWS, Attorney,

Respondent

ORDER OF
NONCOMPLIANCE
SUSPENSION

THIS MATTER came on for hearing on 28 February 2020 by the Chair of the Disciplinary Hearing Commission pursuant to 27 N.C. Admin. Code 1B .0135. Petitioner, the North Carolina State Bar, was represented by Maria J. Brown. Respondent, Harold R. Crews, did not appear and was not represented.

Based upon the filings in this matter and the evidence presented at the hearing, the Chair of the Disciplinary Hearing Commission finds by clear, cogent, and convincing evidence the following

FINDINGS OF FACT

1. Petitioner, the North Carolina State Bar ("State Bar"), is a state agency 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. Respondent, Harold R. Crews ("Crews"), was licensed to practice law in North Carolina in 1999.

3. The State Bar's membership database shows the following address for Crews: P.O. Box 1247, Walkertown, NC 27051.

4. Crews maintains two attorney trust accounts at First National Bank, a real estate trust account number ending with 3346 ("FNB 3346") and a general trust account number ending with 8706 ("FNB 8706").

5. Crews' trust accounts were subject to procedural audit by the State Bar in March 2018.

6. That audit revealed that Crews had not performed any reconciliations of FNB 8706 since the account was opened in 2013.

7. After the audit, Crews was given an additional four months to demonstrate that he had reconciled his trust accounts as required, and he did not complete the reconciliations.

8. On 10 August 2018, the State Bar opened a grievance file, no. 18G0800, to address the apparent violations of the Rules of Professional Conduct stemming from the 2018 procedural audit.

9. Grievance file no. 18G0800 remains pending.

10. Crews was served with the Letter of Notice in grievance file no. 18G0800 on 18 June 2019.

11. The Letter of Notice in grievance file no. 18G0800 directed Crews to provide copies of the reconciliations of his trust accounts for March 2018 through May 2019 with supporting documentation. Crews requested and received an extension of time through 17 July 2019 to respond to the Letter of Notice in grievance file no. 18G0800.

12. On 14 July 2019, Crews indicated he required additional time to provide the trust account records and that he intended to hire an accountant to bring his trust account into compliance.

13. On 16 July 2019, Crews provided the State Bar a link to an electronic file containing a portion of the trust account information he had been directed to produce, specifically bank statements for FNB 8706 for June 2018 through May 2019 and Excel spreadsheets denominated "reconciliations" for the months of June 2013 through September 2015.

14. The "reconciliations" consisted of lists of transactions and appeared to be for FNB 3346.

15. The "reconciliations" also appeared to reflect multiple instances of overdisbursements from the trust account and unidentified or unidentifiable funds.

16. Crews asked for additional time to hire an accountant and complete the reconciliations of his trust account, and the State Bar indicated to him that the State Bar would give him additional time if he consented to be enjoined from handling entrusted funds.

17. On 29 July 2019, the court entered a Consent Order of Preliminary Injunction against Crews.

18. On 12 August 2019, Crews retained an accountant to bring his trust account into compliance.

19. Crews did not provide any information to the State Bar regarding the accountant's work on his trust account.

20. By letter dated 6 November 2019, pursuant to the Consent Order of Preliminary Injunction and in conjunction with grievance file no. 18G0800, the State Bar asked Crews to produce certain records related to his handling of entrusted funds.

21. The 6 November 2019 letter recited a deadline of 5 p.m. on 27 November 2019 for Crews' production of the records.

22. Crews did not respond to the State Bar's 6 November 2019 letter.

23. By letter dated 2 December 2019, pursuant to the Consent Order of Preliminary Injunction and in conjunction with grievance file no. 18G0800, the State Bar again directed Crews to provide the trust account records as recited in the letter of 6 November 2019.

24. The 2 December 2019 letter recited a deadline of 5 p.m. on 16 December 2019 for Crews' production of records.

25. On 16 December 2019, Crews provided the State Bar a link to an electronic file containing a portion of the trust account information he had been directed to produce.

26. The information Crews made available to the State Bar on 16 December 2019 consisted of (1) approximately 200 individual Microsoft Excel files showing receipts and/or disbursements related to particular clients/matters and (2) a Microsoft Excel file containing what appears to be a cumulative list of still-outstanding checks issued from one of Crews' trust accounts.

27. All of the information Crews made available to the State Bar on 16 December 2019 appears to relate to FNB 3346.

28. Crews was directed to provide copies of client ledgers for all clients on whose behalf he held any entrusted funds at any point since 1 January 2013.

29. Although Crews provided client ledger information for many clients/matters involving the disbursement of entrusted funds from FNB 3346, his production of that ledger information was incomplete, as the list of outstanding checks he provided included checks written in conjunction with matters for which he provided no ledger information.

30. Crews did not provide any records or information relating to FNB 8706 in December 2019.

31. In spite of multiple requests, Crews has failed to provide the following records:

- a. Copies of client ledgers for **all clients** on whose behalf he has held any entrusted funds at any point since 1 January 2013;
- b. Copies of all receipt books/slips from 1 January 2013 through 31 July 2019;

- c. Copies of the front and back of all canceled checks for FNB 3346 and FNB 8706 for 1 January 2013 through 31 July 2019;
- d. Copies of bank statements for FNB 3346 for 1 January 2013 through 31 July 2019 and FNB 8706 for 1 January 2013 through 31 December 2017 and June and July 2019;
- e. Copies of all deposit slips for FNB 3346 and FNB 8706 from 1 January 2013 through 31 July 2019;
- f. For 1 January 2013 through 31 July 2019, for FNB 3346 and FNB 8706, copies of documentation for all wire/electronic transfers or credits into the account, showing the source, amount, date of receipt of funds, and the name of the client or other person to whom the funds belong;
- g. For 1 January 2013 through 31 July 2019, for FNB 3346 and FNB 8706, copies of documentation for all wire/electronic transfers or debits from the account, showing the amount, date, recipient of the funds, and the name of the client or other person to whom the funds belong; and
- h. Copies of the quarterly and monthly reconciliations of FNB 3346 and FNB 8706 for 1 January 2013 through 31 July 2019 with all supporting documentation, including a list of client balances, a copy of the general ledger/checkbook register, a list of outstanding checks, and a list of outstanding deposits.

32. All of the records Crews has been directed to provide are records he is required to maintain pursuant to Rule 1.15-3(g) of the Rules of Professional Conduct.

33. Crews has failed to respond fully and timely to the Letter of Notice issued to him in grievance file no. 18G0800.

34. Crews has failed to respond fully and timely to the State Bar's additional requests that he produce his trust account records in connection with the investigation of grievance file no. 18G0800.

35. Crews is noncompliant with the investigation of grievance file no. 18G0800 as defined in 27 N.C. Admin. Code 1B.0135(a).

36. Crews has not shown that he was and is fully in compliance with the investigation of grievance file no. 18G0800.

37. Crews has not shown that he has fully cured his noncompliance with the investigation of grievance file no. 18G0800.

38. Crews has not shown that there is good cause for his noncompliance with the investigation of grievance file no. 18G0800.

CONCLUSIONS OF LAW

1. All parties are properly before the Chair of the Disciplinary Hearing Commission, and the Disciplinary Hearing Commission has jurisdiction over Respondent, Harold R. Crews, and over the subject matter of this proceeding.

2. Respondent has been noncompliant with the investigation of grievance file no. 18G0800 as follows:

- a. Respondent has failed to fully and timely respond to the Letter of Notice issued to him in grievance file no. 18G0800; and
- b. Respondent has failed to respond fully and timely to the State Bar's requests that he produce his trust account records in connection with the investigation of grievance file no. 18G0800.

3. Respondent's noncompliance constitutes grounds for the suspension of his law license pursuant to 27 N.C. Admin. Code 1B.0135(e)(3) and (g).

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

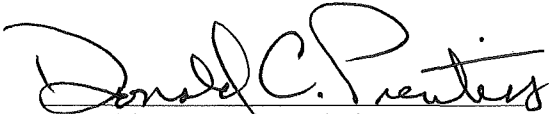
ORDER

1. Respondent, Harold R. Crews, is hereby suspended from the practice of law, effective thirty (30) days following the date this Order is served upon him.

2. Respondent shall comply with the wind-down provisions referenced in 27 N.C. Admin Code 1B.0135(h).

3. Any petition by Respondent to be reinstated to the practice of law shall be governed by 27 N.C. Admin. Code 1B.0135(i).

This the 28th day of February, 2020.


Donald C. Prentiss, Chair
Disciplinary Hearing Commission