

NORTH CAROLINA  
WAKE COUNTY

BEFORE THE  
GRIEVANCE COMMITTEE  
OF THE  
NORTH CAROLINA STATE BAR  
16G0117 & 16G0124

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IN THE MATTER OF )  
 )  
F. GREY POWELL, ) CENSURE  
ATTORNEY AT LAW )

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On July 21, 2016, the Grievance Committee of the North Carolina State Bar met and considered the grievances filed against you by the North Carolina State Bar and T. B. The grievances were assigned to a Subcommittee, which thoroughly reviewed the results of the State Bar staff's investigation of these matters.

Pursuant to section .0113(a) of the Discipline and Disability Rules of the North Carolina State Bar, the Grievance Subcommittee conducted a preliminary hearing. After considering the information available to it, including your response to the letter of notice, the Grievance Subcommittee found probable cause. Probable cause is defined in the rules as "reasonable cause to believe that a member of the North Carolina State Bar is guilty of misconduct justifying disciplinary action."

The rules provide that after a finding of probable cause, the Grievance Committee may determine that the filing of a complaint and a hearing before the Disciplinary Hearing Commission are not required and the Grievance Committee may issue various levels of discipline depending upon the misconduct, the actual or potential injury caused, and any aggravating or mitigating factors. The Grievance Committee may issue an admonition, a reprimand, or a censure.

A censure is a written form of discipline more serious than a reprimand, issued in cases in which an attorney has violated one or more provisions of the Rules of Professional Conduct and has caused significant harm or potential significant harm to a client, the administration of justice, the profession or a member of the public, but the misconduct does not require suspension of the attorney's license.

The Grievance Committee believes that a hearing before the Disciplinary Hearing Commission is not required in this case and issues this censure to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this censure.

You associated with at least seven out-of-state law firms (Credit Advocates Law Firm, Granite Law, Legal Helpers Debt Resolution, Phoenix Legal Group, Lighthouse Tax and Financial, Cornerstone Legal Group, and Pioneer Law) engaged in debt adjusting and the unauthorized practice of law in North Carolina. During your association with these firms, you provided legal services to North Carolina residents on behalf of and at the direction of out-of-state parties.

By providing legal services to North Carolina residents on behalf of and at the direction of these out-of-state firms, you aided other entities in the unauthorized practice of law and in the crime of debt adjusting in violation of Rule 5.5(f) and Rule 8.4(b), respectively. By claiming to provide legal services via an out-of-state law firm that is not authorized to provide legal services here, you made false or

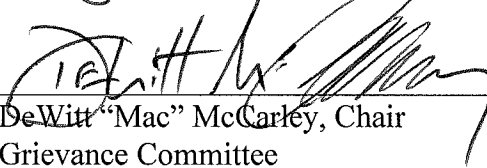
misleading statements about your services, in violation of Rule 7.1(a). Moreover, you shared a fee with a nonattorney and collected an illegal fee by accepting a portion of the fees collected by these firms from North Carolina consumers in violation of Rule 5.4(a) and Rule 1.5(a), respectively.

In determining that a censure was appropriate in this case, the Committee took into account the harm that necessarily results whenever attorneys aid unregistered, out-of-state entities in the unauthorized practice of law and debt adjusting, particularly when money exchanges hands, court appearances are made, and legal forms are drafted or filed on behalf of others. The Committee also considered the fact that you were participating with at least seven different entities engaged in the unauthorized practice of law. The Committee considered the significant number of cases on which you worked, the substantial amount of money you made, the remedial actions you took by immediately terminating your relationship with these firms and taking steps to protect the interests of your clients after your departure, and the remorse you expressed that inspires confidence that this behavior will not be repeated.

You are hereby censured by the North Carolina State Bar for your violation of the Rules of Professional Conduct. The Grievance Committee trusts that you will ponder this censure, recognize the error that you have made, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession. This censure should serve as a strong reminder and inducement for you to weigh carefully in the future your responsibility to the public, your clients, your fellow attorneys and the courts, to the end that you demean yourself as a respected member of the legal profession whose conduct may be relied upon without question.

In accordance with the policy adopted July 23, 2010 by the Council of the North Carolina State Bar regarding the taxing of administrative fees and investigative costs to any attorney issued a censure by the Grievance Committee, an administrative fee in the amount of \$350.00 is hereby taxed to you.

Done and ordered, this 4<sup>th</sup> day of August, 2016.

  
DeWitt "Mac" McCarley, Chair  
Grievance Committee  
The North Carolina State Bar

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