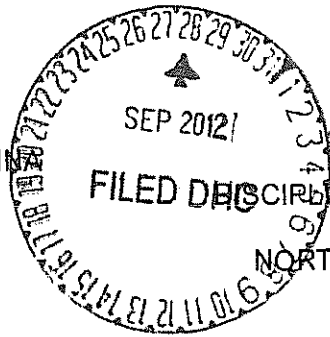


NORTH CAROLINA  
WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
11 DHC 28

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THE NORTH CAROLINA STATE BAR, )  
Plaintiff )  
v. )  
LOUIE WILSON III, Attorney, )  
Defendant )

CONSENT ORDER  
OF DISCIPLINE

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THIS MATTER was considered by a Hearing Panel of the Disciplinary Hearing Commission composed of Sharon B. Alexander, Chair, Harriett Smalls and Karen B. Ray pursuant to 27 N.C.A.C. 1B §.0114 of the Rules and Regulations of the North Carolina State Bar. Defendant Louie Wilson III appeared pro se. Plaintiff was represented by Deputy Counsel Margaret Cloutier. Defendant waives a formal hearing in this matter and both parties stipulate and consent to the findings of fact and conclusions of law recited in this order and to the discipline imposed. Defendant waives any right to appeal this consent order or challenge in any way the sufficiency of the findings by consenting to the entry of this order.

Based upon 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 (hereinafter "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 promulgated thereunder.

2. Defendant, Louie Wilson III (hereinafter "Wilson" or "Defendant"), was admitted to the North Carolina State Bar on September 11, 1998 and is, and was at all times referred to herein, an Attorney at Law licensed to practice in North Carolina, subject to the rules, regulations, and Rules of Professional Conduct of the North Carolina State Bar and the laws of the State of North Carolina.

3. During the times relevant herein, Defendant actively engaged in the practice of law in the State of North Carolina and maintained a law office in Murfreesboro, Hertford County, North Carolina.

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4. Between January 23, 2007 and December 31, 2010, Defendant maintained a client trust account with RBC Centura Bank, account number ending in the digits 5894 (hereinafter the "RBC trust account").

5. Defendant used the RBC trust account as a general trust account in which Defendant deposited and disbursed client funds.

6. Defendant employed an assistant over whom Defendant had direct supervisory authority.

7. Defendant delegated all aspects of the use and maintenance of the RBC trust account to his assistant, including receiving entrusted funds, depositing funds, preparing checks and receiving monthly bank statements.

8. Defendant did not instruct his assistant regarding the proper use and maintenance of the trust account, nor did Defendant routinely review his assistant's activities regarding her handling of entrusted funds.

9. Defendant did not personally review any trust account or other records to determine whether the entrusted funds being received by his assistant were properly deposited, accounted for, and disbursed.

10. Defendant did not reconcile the RBC trust account at least quarterly between January 2007 and December 2010.

11. Between approximately March 2008 and May 2009, Defendant's assistant received at least \$1,400.00 in installments paid by and belonging to Defendant's clients. Defendant's assistant signed receipts for the funds indicating that the funds were to be deposited into Defendant's trust account. The funds were not deposited into Defendant's trust or other bank accounts and remained unaccounted for. There is no credible evidence that Defendant personally received the funds.

12. Defendant's lack of oversight of his trust account records and of his assistant's activities allowed the failure to account for the funds to go undetected.

Based upon the foregoing Findings of Fact, the Panel enters the following:

#### CONCLUSIONS OF LAW

1. All parties are properly before the Hearing Panel and the Panel has jurisdiction over the Defendant, Louie Wilson III, and the subject matter of this proceeding.

2. Defendant's conduct, as set out in the Findings of Fact above, constitutes grounds for discipline pursuant to N.C.G.S. §84-28(b)(2) as follows:

a. by failing to properly instruct his assistant, to routinely review his assistant's activities, and to review trust account and other records, Defendant did not make reasonable efforts to ensure that the conduct of a nonlawyer over whom he had direct supervisory authority was compatible with Defendant's professional responsibilities in violation of Rule 5.3(b); and

b. by failing to reconcile his trust account at least quarterly, Defendant failed to total and reconcile the account with the current bank balance each quarter in violation of Rule 1.15-3(d).

Based upon the consent of the parties, the Hearing Panel also finds by clear, cogent and convincing evidence the following

#### ADDITIONAL FINDINGS REGARDING DISCIPLINE

1. There is no evidence that any of Defendant's actions relating to his trust account described in the Findings of Fact above were intentional misappropriations but rather were the result of gross inattention to the status of the account in general. However, such mismanagement in the handling of client funds puts the entrusted funds at risk and erodes the confidence clients place in attorneys who handle their affairs. As a result, such conduct harms the profession as a whole.

2. The misappropriated funds belonged to his clients, Mr. and Mrs. Brooks. Defendant has since fully reimbursed Mr. and Mrs. Brooks from his own funds.

3. Mr. and Mrs. Brooks relied on Defendant to protect their funds. Defendant's misconduct caused them anxiety over the uncertainty of the status of their funds.

4. Defendant's conduct reflects a pattern of misconduct in that the trust account mismanagement occurred over a period of many months.

5. Defendant has not been previously disciplined by the State Bar.

6. In this proceeding before the Disciplinary Hearing Commission Defendant fully and freely disclosed the facts and circumstances surrounding the subject of this action and was cooperative in his participation.

7. Defendant has expressed remorse for his conduct.

8. Defendant enjoys a good reputation in the legal community.

9. Defendant did not act with a dishonest or selfish motive when he engaged in the conduct described in the Findings of Fact above relating to his trust account.

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

#### CONCLUSIONS REGARDING DISCIPLINE

1. The Hearing Panel has carefully considered all of the different forms of discipline available to it. In addition, the Hearing Panel has considered all of the factors enumerated in 27 N.C.A.C. 1B §.0114(w)(1) of the Rules and Regulations of the North Carolina State Bar and concludes the following factors warrant suspension of Defendant's license:

(a) Defendant's actions potentially had a negative impact on the public's perception of the legal profession; and

(b) Defendant's actions impaired his client's ability to achieve the goals of the representation.

2. The Hearing Panel has also considered all of the factors enumerated in 27 N.C.A.C. 1B §.0114(w)(2) of the Rules and Regulations of the North Carolina State Bar and concludes no factors are present in this instance that would warrant disbarment.

3. The Hearing Panel has also considered all of the factors enumerated in 27 N.C.A.C. 1B §.0114(w)(3) of the Rules and Regulations of the North Carolina State Bar and concludes the following factors are applicable in this matter:

(a) Defendant's lack of prior disciplinary offenses;

(b) Absence of a dishonest or selfish motive;

(c) Defendant's good reputation;

(d) Defendant engaged in multiple offenses;

(e) Defendant engaged in a pattern of misconduct;

(f) Defendant's full and free disclosure to the Hearing Panel and cooperative attitude toward the proceedings; and

(g) The vulnerability of Defendant's clients.

4. The Hearing Panel has considered issuing an admonition, reprimand or censure but concludes that such discipline would not be sufficient discipline because of the gravity of the actual harm to his clients and the potential harm to client funds. The Panel further concludes that such discipline would fail to acknowledge the seriousness of the offenses committed by Defendant and send the wrong message to attorneys regarding the conduct expected of members of the Bar in this State.

5. For the nature and extent of Defendant's trust account violations and the protection of the public, this Panel would consider an active suspension of Defendant's license to practice law if it were not for the factors in Defendant's favor, Defendant's recognition of the impropriety of his conduct and his commitment to refrain from such conduct in the future. Given those circumstances, the Hearing Panel finds and concludes that the public will be adequately protected by suspension of Defendant's license, stayed for a period of time with conditions imposed upon Defendant designed to ensure protection of the public and Defendant's continued compliance with the Rules of Professional Conduct.

Based upon the foregoing Findings of Fact, Conclusions of Law, and Findings Regarding Discipline, and upon consent of the parties, the Hearing Committee enters the following

#### ORDER OF DISCIPLINE

1. The license of Defendant, Louie Wilson III, is hereby suspended for two years from the date this Order of Discipline is served upon him. The period of suspension is stayed for two years for so long as he complies with the following conditions:

a. Within twenty days of the effective date of this order, Defendant shall demonstrate, to the satisfaction of the Office of Counsel of the North Carolina State Bar, that Defendant has identified all clients with funds remaining in his attorney trust account. Once those clients are identified to the satisfaction of the Office of Counsel, Defendant shall properly disburse the identified funds within sixty days of the effective date of this order. Within ten days Defendant shall provide to the Office of Counsel such proof of disbursement as it might require. In the event the account does not contain sufficient funds for clients identified who should have funds in the account, Defendant shall reimburse to the account those amounts from his own funds in order to properly disburse funds on behalf of those clients;

b. During the period of stayed suspension Defendant will retain the services of a Certified Public Accountant to review the status of any accounts into which client or fiduciary funds have been deposited. Defendant will deliver to the

Office of Counsel a report prepared and signed by the Certified Public Accountant certifying that Defendant has reconciled each account with the bank balance, that he has maintained client ledgers identifying all funds in each account, and that Defendant is otherwise meeting all requirements of Rule 1.15-3 of the Rules of Professional Conduct.

c. Defendant is to submit such reports by each January 15, April 15, July 15, and October 15 during the period of stay, and shall provide the certified public accountant the necessary information to satisfactorily prepare such quarterly reports. Defendant will be solely responsible for all costs associated with the monitoring of his trust account(s);

d. In the event Defendant chooses to close his trust account after properly disbursing all funds therein and to no longer handle any entrusted funds, in lieu of the provisions in subparagraphs b and c above, Defendant shall submit to the Office of Counsel monthly affidavits signed by Defendant indicating that for the preceding month Defendant has not opened or maintained a trust account and has not received any entrusted funds on behalf of any clients. Defendant shall submit such affidavits on the first day of each month during the remaining period of the stay. In the event Defendant does accept entrusted funds and/or opens a trust account for the holding of client funds at any time during the remainder of the stay, he shall again be subject to the CPA review and reporting requirements of subparagraphs b and c above.

e. Defendant will complete an accounting course, either a continuing legal education course teaching trust accounting practices or other accounting course with an emphasis on trust accounts and/or fiduciary funds approved in advance by the Office of Counsel. Defendant will complete the course within six months of the service of this order upon him and will provide the Office of Counsel proof of completion within ten days of completion of the course;

f. Defendant shall not violate any state or federal laws or any provisions of the Rules of Professional Conduct during the period of the stayed suspension;

g. Defendant shall respond to all State Bar requests for information by the earlier of the deadline stated in the communication or within 30 days, as required by Rule 8.1(b) of the Rules of Professional Conduct;

h. Defendant shall timely comply with all State Bar membership and Continuing Legal Education requirements; and

i. Defendant shall keep the North Carolina State Bar membership department advised of his current home and business street (not P.O. Box) addresses and telephone numbers.

2. If Defendant failed to comply with any one or more of the provisions of Paragraph 1 above at any point during the period of time the suspension is stayed, the stay of the suspension of his law license may be lifted as provided in §.0114(x) of the North Carolina State Bar Discipline and Disability Rules.

3. If the stay granted herein is revoked or the suspension of Defendant's license is activated for any reason, the DHC may enter an order providing for such conditions as it deems appropriate and/or necessary for reinstatement of Defendant's law license. Furthermore, before seeking reinstatement of his license to practice law, Defendant must show by clear, cogent and convincing evidence that he has complied with each of the following conditions:

a. Submitted his license and membership card to the Secretary of the North Carolina State Bar within thirty days after the date of the order suspending his law license;

b. Complied with all provisions of 27 N.C.A.C. 1B § .0124 of the State Bar Discipline and Disability Rules on a timely basis following the order suspending his law license;

c. Paid all due and owing membership fees, Client Security Fund assessments and costs assessed by the DHC or the State Bar and complied with all continuing legal education requirements imposed by the State Bar.

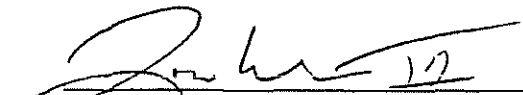
4. Defendant is taxed with the fees and costs of this action as assessed by the Secretary which shall be paid within sixty days of service of the notice of costs upon the Defendant.

Signed by the Chair with the full knowledge and consent of the other members of the Hearing Committee, this 27 day of September, 2012.

  
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SHARON B. ALEXANDER, CHAIR  
HEARING COMMITTEE

CONSENTED TO:

  
\_\_\_\_\_  
Margaret Cloutier, Deputy Counsel  
Attorney for Plaintiff

  
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Louie Wilson III, Defendant