

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
21G0147

IN THE MATTER OF)	
)	REPRIMAND
STEPHEN M. CORBY,)	
ATTORNEY AT LAW)	

On July 15, 2021 the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by the North Carolina State Bar. The grievance was assigned to a Subcommittee, which thoroughly reviewed the results of the State Bar staff's investigation of this matter.

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 to the respondent attorney.

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

The Grievance Committee was of the opinion that a censure is not required in this case and issues this reprimand to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this reprimand.

You associated with McCarthy Law, PLC, ("McCarthy") an out-of-state law firm engaged in debt adjusting and the unauthorized practice of law in North Carolina. You aided McCarthy in falsely holding out to North Carolina residents as able to provide legal representation, debt relief assistance, loan modification representation, and/or bankruptcy services in this state.

By providing legal services to North Carolina residents on behalf of McCarthy, you aided another entity in the unauthorized practice of law in violation of Rule 5.5(f) and Rule 8.4(a) and engaged in conduct that is prejudicial to the administration of justice in violation of Rule 8.4(d). By aiding another entity in debt adjusting, you committed criminal acts that reflect adversely on a lawyer's professional fitness in violation of Rule 8.4(b). By holding out to clients as able 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) and engaged in conduct involving dishonesty or misrepresentation in violation of Rule 8.4(c). Moreover, by signing settlement offers that were negotiated by nonattorneys for clients with whom you had no interaction, you failed to competently and diligently represent your clients in violation of Rule 1.1 and Rule 1.3. Finally, you shared a fee with a nonattorney and collected an illegal fee by accepting a portion of the fees collected by McCarthy from North Carolina consumers, in violation of Rule 5.4(a) and Rule 1.5(a), respectively.

In determining that a reprimand was appropriate in this case, the Committee took into account the potential for serious harm that is created whenever licensed attorneys aid others in the unauthorized practice of law. The Committee also considered your disciplinary history and the lack of remorse exhibited in your response to the Grievance Committee.

You are hereby reprimanded by the North Carolina State Bar for your professional misconduct. The Grievance Committee trusts that you will heed this reprimand, that it will be remembered by you, that it will be beneficial to you, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession.

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 reprimand by the Grievance Committee, an administrative fee in the amount of \$350.00 is hereby taxed to you.

Done and ordered, this the 9th day of November, 2021.



Matthew W. Smith, Chair
Grievance Committee

MWS/lb