



STATE OF NORTH CAROLINA
WAKE COUNTY

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
19 DHC 22

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

MATTHEW CARL COXE, Attorney,

Defendant

ORDER OF DISCIPLINE

THIS MATTER was heard by a hearing panel of the Disciplinary Hearing Commission composed of Stephanie Davis, Chair, Maya Madura Engle, and Brandon Gosey upon Plaintiff's Motion for Order of Discipline Based on Default pursuant to Rule .0115(g)(2)(B) of the North Carolina State Bar Discipline and Disability Rules. Margaret T. Cloutier and J. Cameron Lee represented Plaintiff, the North Carolina State Bar. Defendant, Matthew Carl Coxé, initially appeared *pro se*. Defendant's answer was struck by order of the hearing panel and his default was entered by the clerk. Defendant did not file a written submission in response to Plaintiff's Motion for Order of Discipline by Default and he has not been represented by counsel.

After review of the pleadings, the hearing panel determines it is appropriate to grant Plaintiff's Motion for Discipline Based on Default and to enter this order.

Based upon the pleadings and the facts deemed admitted by default in this case, pursuant to Rule .0115(f) and (g)(2)(B) of the North Carolina State Bar Discipline and Disability Rules, 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 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, Matthew Carl Coxé, was admitted to the North Carolina State Bar in December 2005, 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. 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 Jacksonville, Onslow County, North Carolina.

4. Defendant was properly served with process and this matter came before the hearing panel with due notice to all parties.

5. During all or part of the relevant periods referred to herein, Defendant maintained three trust accounts. Two of the trust accounts, a Bank of America account ending in number 4928 (the "BoA Trust Account") and a Branch Banking & Trust account ending in number 1064 (the "BB&T Trust Account"), were general trust accounts. The third, a Bank of America account ending in number 4931 (the "Real Estate Trust Account"), was used for real estate transactions.

6. During the same time, Defendant also maintained two operating accounts, Bank of America account ending in number 4915 (the "BoA Operating Account") and Branch Banking & Trust account number ending in 1080 (the "BB&T Operating Account").

7. On January 4, 2016, Defendant's credit card processor, PayJunction, debited its monthly service charge of \$81.35 from Defendant's BoA Trust Account.

8. The funds in Defendant's BoA Trust Account were insufficient to pay the \$81.35, resulting in an overdraft from the account in the amount of \$11.75.

9. On February 2, 2016, Defendant presented a check in the amount of \$176.35 for payment against his BoA Trust Account.

10. The funds in Defendant's BoA Trust Account were insufficient to pay the \$176.35, resulting in an overdraft from the account in the amount of \$88.10.

11. On February 9, 2016 the State Bar opened a grievance against Defendant and conducted an audit of his trust accounts.

12. The audit revealed the following deficiencies in Defendant's trust account management and handling of entrusted funds:

- a. Defendant did not at least quarterly prepare a reconciliation report showing the balance that appeared in the general ledger as of the reporting date, the total of all positive subsidiary ledger balances in the trust account as of the reporting date, and the adjusted bank balance and verify that the balances were identical;
- b. Defendant did not monthly reconcile the balance of his trust accounts as shown in his records with the current bank statement balance for each account;
- c. Defendant failed to maintain proper client ledgers containing a record of receipts and disbursements for each person or entity from whom and for whom funds were received and showing the current balance of entrusted funds held in each of his trust accounts for each such person or entity;

- d. Defendant accepted entrusted funds and did not immediately deposit them in his trust account;
- e. Defendant failed to list client names on electronic transfers from his trust accounts; and
- f. Defendant disbursed funds from his trust accounts on behalf of clients for whom Defendant did not maintain in the trust account sufficient funds for such clients, resulting in negative client balances.

13. In addition to the deficiencies identified in paragraph 12, the audit also revealed instances in which Defendant misappropriated entrusted funds, including the following:

TRANSFERS AND DISBURSALS FROM DEFENDANT'S REAL ESTATE TRUST ACCOUNT

14. Between October 2014 and December 2015, Defendant made the following transfers from his Real Estate Trust Account to his BoA Trust Account:

- a. \$200.00 on October 30, 2014;
- b. \$100.00 on March 30, 2015;
- c. \$100.00 on April 30, 2015;
- d. \$100.00 on July 2, 2015;
- e. \$100.00 on October 1, 2015;
- f. \$100.00 on November 2, 2015; and
- g. \$100.00 on December 1, 2015.

15. None of the transfers identified in paragraph 14 were attributed to any client.

16. Each transfer identified in paragraph 14 cured or averted a negative balance in Defendant's BoA Trust Account that would have resulted from PayJunction debiting its monthly fee of \$81.35 from the account.

17. In or around spring 2014, A. Brahosky hired Defendant to conduct a closing on a re-finance loan.

18. Brahosky intended to use a portion of the re-finance loan proceeds to pay the outstanding balance of a loan from Navy Federal Credit Union (NFCU loan).

19. On June 4, 2014, the date of the closing, the lender wired the proceeds from the re-finance loan into Defendant's Real Estate Trust Account.

20. On that date, Defendant issued check number 3541 in the amount of \$27,692.00 to Navy Federal Credit Union from his Real Estate Trust Account.

21. The outstanding balance of the NFCU loan was \$27,029.14. After applying the necessary funds to the outstanding balance, Navy Federal Credit Union disbursed the remaining \$662.86 to Defendant in cash.

22. The \$662.86 were entrusted funds that belonged to Brahosky.

23. Defendant did not deposit the \$662.86 in any of his trust accounts.

24. Defendant did not return the \$662.86 to Brahosky.

25. Between May 2015 and December 2015, Defendant made the following transfers from his Real Estate Trust Account to his BoA Operating Account:

a. \$2,500.00 on May 7, 2015;

b. \$150.00 on November 2, 2015; and

c. \$100.00 on December 1, 2015.

26. None of the transfers identified in paragraph 25 were attributed to any client.

27. Each transfer identified in paragraph 25 cured or averted a negative balance in Defendant's BoA Operating Account.

28. The transfers from his Real Estate Trust Account identified in paragraphs 14 and 25 and the cash refund Navy Federal Credit Union issued to Defendant in the Brahosky case totaled \$4,212.86.

29. Defendant was not entitled to the \$4,212.86.

30. Defendant knew he was not entitled to the \$4,212.86.

31. Defendant misappropriated the \$4,212.86 for his own benefit or for the benefit of others.

TRANSFERS FROM DEFENDANT'S BB&T TRUST ACCOUNT

32. Between August and November 2015, Defendant transferred the following funds from his BB&T Trust Account to his BB&T Operating Account via electronic transfer or check:

a. \$3,500.00 on August 21, 2015 (electronic transfer);

b. \$3,500.00 on November 13, 2015 (electronic transfer); and

c. \$100.00 on November 13, 2015 (check no. 2506).

33. Each of the transfers identified in paragraph 32 cured or averted a negative balance in Defendant's BB&T Operating Account.

34. The funds for the \$3,500.00 transfers made on August 21, 2015 and November 13, 2015 were not attributed to any client.

35. Defendant attributed the November 13, 2015 transfer of \$100.00 from his BB&T Trust Account to his BB&T Operating Account to client C. Smith.

36. All funds Defendant held in trust for C. Smith had been disbursed from Defendant's BB&T Trust Account prior to November 13, 2015.

37. Defendant knew that C. Smith had no funds in Defendant's BB&T Trust Account on November 13, 2015.

38. Through the transfers identified in paragraph 32, Defendant transferred a total of \$7,100.00 from his BB&T Trust Account to his BB&T Operating Account.

39. Defendant was not entitled to the \$7,100.00.

40. Defendant knew he was not entitled to the \$7,100.00.

41. Defendant misappropriated the \$7,100.00 for his own benefit or for the benefit of others.

DISBURSEMENTS FROM DEFENDANT'S BANK OF AMERICA TRUST ACCOUNT

42. As of January 1, 2014, Defendant held \$9,168.06 in his BoA Trust Account, of which \$1,618.00 belonged to nine different clients: K. Davis, P. Dennis, M. England, B. Mahmood, W. Marshburn, C. McCabe, M. Minutolo, T. Pilato, and R. Sullivan (the Nine Clients).

43. By February 26, 2014, Defendant had disbursed the entire \$9,168.06 held in his BoA Trust Account, including the \$1,618.00 that belonged to the Nine Clients, for the benefit of himself or other clients.

44. Neither Defendant nor the other clients to or for whom Defendant disbursed the funds were entitled to the \$1,618.00 belonging to the Nine Clients.

45. As of February 27, 2014, Defendant no longer held funds in trust for the Nine Clients.

46. Between March 2014 and December 2014, Defendant made several disbursements from BoA Trust Account on behalf of the Nine Clients totaling \$1,221.00.

47. The disbursements totaling \$1,221.00 that Defendant made from his BoA Trust Account on behalf of the Nine Clients used funds that belonged to other clients.

48. Defendant knew that the disbursements totaling \$1,221.00 made from his BoA Trust Account on behalf of the Nine Clients used funds that belonged to other clients.

49. Defendant misappropriated \$1,618.00 held in trust for the Nine Clients for the benefit of himself or for the benefit of others.

50. Defendant misappropriated \$1,221.00 held in trust for other clients for the benefit of the Nine Clients.

51. On April 8, 2016, Defendant consented to entry of an Order of Preliminary Injunction (the "PI Order") filed in Wake County Superior Court, file number 16CVD004705.

52. The PI Order prohibited Defendant from accepting funds from clients or third parties in a fiduciary capacity, from withdrawing or writing checks against any account in which Defendant held client or fiduciary funds, and from serving as an attorney-in-fact or in any other fiduciary capacity.

53. Defendant acknowledged to the State Bar that he read and understood the PI Order.

54. Defendant was served with a stamped "Filed" copy of the PI Order on April 13, 2016.

55. Thereafter, Defendant continued to accept entrusted funds.

56. Defendant deposited and disbursed the funds he accepted in violation of the PI Order in his operating accounts, including the following:

- a. On April 13, 2016, Defendant received \$700.00 from client R. Smith for representation in a criminal matter. A portion of this money was to be paid to the clerk of court for a civil revocation fee in connection with the criminal matter. Defendant deposited R. Smith's funds in his BB&T Operating Account that same day.
- b. On April 20, 2016, Defendant issued check number 1798 in the amount of \$100.00 from his BB&T Operating Account to the Onslow County Clerk of Superior Court. Check number 1798 was used to pay R. Smith's civil revocation fee.
- c. On April 20, 2016, Defendant received \$230.00 from client K. Sboto for filing fees in a civil matter. Defendant deposited K. Sboto's funds in his BB&T Operating Account that same day.
- d. On April 26, 2016, Defendant issued check number 1806 in the amount of \$225.00 from his BB&T Operating Account to the Onslow County Clerk of Superior Court. Check number 1806 was used to pay the civil filing fee in 16CVD1602, *Sboto v. Blanton*.

57. At least \$100.00 of the funds Defendant received from Smith and \$225.00 of the funds Defendant received from Sboto were entrusted funds.

58. Defendant was named attorney-in-fact for J. Wilson pursuant to a Continuing Power of Attorney executed by Wilson on September 25, 2015, and subsequently recorded with the Onslow County Register of Deeds on October 2, 2015.

59. Defendant was named attorney-in-fact so that Defendant could help Wilson address issues with various creditors and tax authorities.

60. Defendant did not relinquish his position as Wilson's attorney-in-fact when the PI Order took effect.

61. In or around May or June 2017, Defendant began handling Wilson's financial affairs.

62. Defendant closed all of Wilson's bank accounts and, on July 17, 2017, opened a checking account for Wilson at First Bank, account number ending in 5601 (the "Wilson Account").

63. Defendant opened the Wilson Account in Wilson's name, but had signature authority for the Wilson Account.

64. On the date Defendant opened the Wilson Account, Defendant transferred \$25,985.11 belonging to Wilson to the Wilson Account.

65. The Wilson Account was a dedicated fiduciary account.

66. Defendant did not maintain bank receipts, deposit slips, wire and electronic transfer confirmations, or other records listing the source and date of receipt of any funds deposited into the Wilson Account.

67. Defendant did not adequately attend to Wilson's affairs, including failing to pay Wilson's mortgage, and frequently failing to timely pay Wilson's utilities.

68. On August 10, 2017, Defendant transferred \$3,500.00 from the Wilson Account to Defendant's BB&T Operating Account.

69. On August 29, 2017, Defendant deposited check number 1005 in the amount of \$1,800.00 drawn on the Wilson Account into Defendant's BB&T Operating Account.

70. On September 17, 2017, Defendant transferred \$2,500.00 from the Wilson Account to Defendant's BB&T Operating Account.

71. On September 18, 2017, Defendant transferred \$5,000.00 from the Wilson Account to Defendant's BB&T Operating Account.

72. On September 25, 2017, Defendant made the following payments totaling \$920.75 via debit card from the Wilson Account:

- a. \$305.00 to the North Carolina Bar Association;
- b. \$215.75 to the North Carolina State Bar; and
- c. \$400.00 to the North Carolina Advocates for Justice.

73. Defendant acknowledged to the State Bar that the \$920.75 was not disbursed for Wilson's benefit.

74. Defendant did not reimburse the Wilson Account for the \$920.75.

75. On December 19, 2017, Defendant transferred \$2,750.00 from the Wilson Account to Defendant's BB&T Operating Account.

76. On December 26, 2017, Defendant transferred \$3,500.00 from the Wilson Account to Defendant's BB&T Operating Account.

77. On January 1, 2018, Defendant transferred \$1,100.00 from the Wilson Account to Defendant's BB&T Operating Account.

78. On April 20, 2018, Defendant transferred \$1,700.00 from the Wilson Account to Defendant's BB&T Operating Account.

79. On April 23, 2018, Defendant transferred \$1,000.00 from the Wilson Account to Defendant's BB&T Operating Account.

80. In total, through the transfers, checks and debit card payments identified in paragraphs 68 through 79, Defendant disbursed \$23,770.75 from the Wilson Account.

81. Defendant did not disburse the \$23,770.75 for Wilson's benefit.

82. Defendant was not entitled to the \$23,770.75.

83. Defendant knew he was not entitled to the \$23,770.75.

84. Defendant misappropriated the \$23,770.75 for his benefit or for the benefit of others.

85. In October 2017, Defendant hired J. Smith to provide in-home care for Wilson.

86. Between November 16, 2017 and June 4, 2018, Defendant transferred a total of \$15,162.78 from the Wilson Account to Defendant's BB&T Operating Account purportedly to pay for Smith's services.

87. Between November 16, 2017 and June 4, 2018, Defendant paid Smith a total of \$10,089.12 from his BB&T Operating Account, a difference of \$5,073.66.

88. Defendant did not reimburse the Wilson Account for the additional \$5,073.66 that he took under the auspices of paying for Smith's services.

89. Defendant did not spend the \$5,073.66 for Wilson's benefit.

90. Defendant misappropriated the \$5,073.66 for his personal use or benefit.

91. Wilson received a monthly annuity payment of \$919.24.

92. Between July 2017 and May 2018, Defendant deposited only four of Wilson's monthly annuity payments into the Wilson Account.

93. On at least one occasion, Defendant deposited Wilson's \$919.24 monthly annuity payment directly into his BB&T Operating Account.

94. Defendant did not disburse the \$919.24 that he deposited directly into his BB&T Operating Account for Wilson's benefit.

95. Defendant was not entitled to the \$919.24 that he deposited into his BB&T Operating Account.

96. Defendant knew he was not entitled to the \$919.24 that he deposited into his BB&T Operating Account.

97. Defendant disbursed the \$919.24 for his own use and benefit.

98. Defendant misappropriated at least \$919.24 of Wilson's monthly annuity payments.

Based upon the foregoing Findings of Fact, the hearing panel enters the following:

CONCLUSIONS OF LAW

1. All the parties are properly before the hearing panel and the panel has jurisdiction over Defendant, Matthew Carl Coxe, and the subject matter of this action.

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

- (a) By failing to at least quarterly prepare a reconciliation report showing the balance that appeared in the general ledger as of the reporting date, the total of all positive subsidiary ledger balances in the trust account as of the reporting date, and the adjusted bank balance and verify that the balances were identical, Defendant failed to perform quarterly reconciliations of his attorney trust accounts in violation of Rule 1.15-3(d)(1);

- (b) By failing to monthly reconcile the balance of his trust accounts as shown in his records against the current bank statement balance for each account, Defendant failed to perform monthly reconciliations of his attorney trust accounts in violation of Rule 1.15-3(d)(2);
- (c) By failing to maintain proper client ledgers containing a record of receipts and disbursements for each person or entity from whom and for whom funds were received and showing the current balance of entrusted funds held in each of his trust accounts for each such person or entity, Defendant failed to maintain accurate ledgers for his attorney trust accounts in violation of Rule 1.15-3(b)(5);
- (d) By accepting entrusted funds and not immediately depositing them in his trust accounts, Defendant failed to promptly deposit entrusted funds in a general trust account in violation of Rule 1.15-2(b);
- (e) By failing to list clients' names on electronic transfers from his trust accounts, Defendant failed to properly maintain entrusted funds in violation of Rule 1.15-2(a), failed to indicate on items payable to the lawyer the client balance from which the items were drawn in violation of Rule 1.15-2(h), and failed to maintain minimum records required for general trust accounts in violation of Rule 1.15-3(b)(1);
- (f) By disbursing funds from his trust accounts on behalf of clients for whom Defendant did not maintain in the trust account sufficient funds for such clients, Defendant failed to properly maintain entrusted funds in violation of Rule 1.15-2(a), and used entrusted property for the benefit of persons other than the legal or beneficial owners of that property in violation of Rule 1.15-2(k);
- (g) By misappropriating \$4,212.86 from his Real Estate Trust Account, \$7,100.00 from his BB&T Trust Account, and \$2,839.00 from his BoA Trust Account, Defendant committed criminal acts that reflect adversely on his honesty, trustworthiness, or fitness as a lawyer in violation of Rule 8.4(b) and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c);
- (h) By accepting entrusted funds while subject to a court order prohibiting him from accepting funds from clients or third parties in a fiduciary capacity, Defendant 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) and engaged in conduct that is prejudicial to the administration of justice in violation of Rule 8.4(d);
- (i) By failing to maintain bank receipts, deposit slips, and wire and electronic transfer confirmations for the Wilson Account, Defendant failed to maintain all

records listing the source and date of receipt of any funds deposited in the Wilson Account in violation of Rule 1.15-3(b)(1);

- (j) By acting as attorney-in-fact for Wilson while he was under a court order prohibiting him from acting as an attorney-in-fact or in any other fiduciary capacity, Defendant 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) and engaged in conduct that is prejudicial to the administration of justice in violation of Rule 8.4(d); and
- (k) By misappropriating \$23,770.75 from the Wilson Account, \$5,073.66 from funds designated for payment to J. Smith for in-home care, and at least \$919.24 from Wilson's monthly annuity payments, Defendant committed criminal acts that reflect adversely on his honesty, trustworthiness or fitness as a lawyer in violation of Rule 8.4(b) and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c).

Based upon the foregoing Findings of Fact, Conclusions of Law, and the record in this case, the hearing panel hereby finds by clear, cogent, and convincing evidence the following:

ADDITIONAL FINDINGS REGARDING DISCIPLINE

1. Clients are entitled to and expect representation by attorneys they can trust. Fundamental to this trust is the expectation that an attorney will properly protect and maintain entrusted funds; a lawyer's failure to do so erodes the confidence clients place in attorneys who handle their affairs and harms the profession.
2. Defendant caused significant harm and potential significant harm to the clients whose funds he was required to hold in trust but failed to maintain in trust.
3. By misappropriating client funds and those of J. Wilson, Defendant put his own personal interests ahead of his clients' interests.
4. Defendant handled entrusted funds and acted as attorney-in-fact for J. Wilson in direct contravention of an injunction imposed by the Superior Court of Wake County that prohibited Defendant from handling entrusted funds and from acting as an attorney-in-fact. Defendant's conduct evidences a disregard for the rule of law and the purpose for which the court issued the injunction. By engaging in the conduct that led to the very harm that the injunction was imposed to prevent, Defendant defeated the court's effort to protect the public thereby causing significant harm to the public and to the administration of justice.
5. Defendant has been uncooperative during the disciplinary process by failing to respond to discovery requests and disregarding an order compelling his response. Defendant actively undermined the ability of the legal profession to self-regulate, thereby causing harm to the profession and its ability to remain self-regulating.
6. Defendant's conduct involved misappropriation, misrepresentation, and deceit over a period of years.

7. By engaging in conduct involving misappropriation, misrepresentation, and deceit over a number of years, Defendant has shown himself to be untrustworthy.

8. Through his misappropriation, misrepresentation, and deceit, Defendant's conduct tends to undermine the public's trust and confidence in lawyers and the legal system, thereby potentially causing harm to the legal profession.

9. Defendant has failed to acknowledge that he misappropriated client funds.

Based on the foregoing Findings of Fact and Conclusions of Law, and the Additional Findings of Fact Regarding Discipline, the hearing panel makes 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 § .0116(f)(1) of the Rules and Regulations of the North Carolina State Bar and concludes that the following factors are present:

- (a) Intent of the Defendant to commit acts where the harm or potential harm is foreseeable;
- (b) Circumstances reflecting the Defendant's lack of honesty, trustworthiness, or integrity;
- (c) Elevation of Defendant's own interests above those of the clients;
- (d) Negative impact of Defendant's actions on the administration of justice; and
- (e) Acts of dishonesty, misrepresentation, deceit or fabrication.

2. The hearing panel has considered all of the factors enumerated in 27 N.C.A.C. 1B § .0116(f)(2) of the Rules and Regulations of the North Carolina State Bar and concludes that the following factors are present:

- (a) Acts of dishonesty, misrepresentation, deceit or fabrication; and
- (b) Misappropriation or conversion of assets of any kind to which Defendant or recipient is not entitled, whether from a client or other source.

3. The hearing panel has considered all of the factors enumerated in 27 N.C.A.C. 1B § .0116(f)(3) of the Rules and Regulations of the North Carolina State Bar and concludes the following factors are applicable in this matter:

- (a) Dishonest or selfish motive;

- (b) Indifference to making restitution;
- (c) Pattern of misconduct;
- (d) Multiple offenses;
- (e) Bad faith obstruction of the disciplinary proceedings by intentionally failing to comply with rules or orders of the disciplinary agency.
- (f) Degree of experience in the practice of law as he has practiced since 2005; and
- (g) Lack of remorse.

4. The hearing panel has considered lesser alternatives and finds that a public censure, reprimand, admonition, or suspension would not be sufficient discipline because of the gravity of the harm to Defendant's clients, and because of the potential significant harm Defendant's conduct caused to the public, the administration of justice, and the legal profession.

5. The hearing panel has considered all lesser sanctions and finds that discipline short of disbarment would not adequately protect the public, the profession and the administration of justice for the following reasons:

- (a) The factors under Rule .0116(f)(2) that are established by the evidence in this case are of a nature that support imposition of disbarment as the appropriate discipline;
- (b) Entry of an order imposing less serious discipline would fail to acknowledge the seriousness of the offenses Defendant committed and would send the wrong message to attorneys and to the public regarding the conduct expected of members of the Bar of this state; and
- (c) Protection of the public requires that Defendant not be permitted to resume the practice of law unless and until he demonstrates that he has reformed, that he understands his obligations as an attorney, officer of the court, and as a citizen of this state and country. Disbarment is the only sanction that requires Defendant to demonstrate reformation before he may resume the practice of law.

Based upon the foregoing facts, findings and conclusions, the hearing panel hereby enters the following:

ORDER OF DISCIPLINE

1. Defendant, Matthew Carl Coxe, is hereby DISBARRED effective thirty days from the date this Order of Discipline is served on him.

2. Defendant shall surrender his law license and membership card to the Secretary of the North Carolina State Bar no later than thirty days following service of this Order upon Defendant.

3. Defendant shall pay the administrative fees and costs of this proceeding within thirty days of service of the statement of costs upon him by the Secretary of the State Bar.

4. Defendant shall comply with all provisions of 27 N.C.A.C. 1B §.0128.

5. Within sixty days of the effective date of this Order, Defendant will provide the North Carolina State Bar with the following:

- a. Funds sufficient to allow the State Bar to disburse all amounts due to or payable on behalf of all of Defendant's clients who have or should have funds remaining in Defendant's trust account;
- b. Current contact information for all clients who have or should have funds in the trust account. Defendant shall cooperate with the State Bar to account for and disburse all client funds as appropriate; and
- c. An address and telephone number at which clients seeking return of files can communicate with Defendant and obtain such files.

6. Within sixty days of the effective date of this Order, Defendant will reimburse J. Wilson (or his guardian, estate or whatever person or entity is authorized to act on Wilson's behalf) for all of Wilson's funds Defendant has misappropriated as found by this order.

7. Defendant shall return, upon request, client files to clients within five days of receipt of such request. Defendant will be deemed to have received any such request three days after the date such request is sent to Defendant if the request is sent to the address Defendant provided the State Bar pursuant to this Order.

Signed by the Chair with the consent of the other hearing panel members, this the 9th day of November 2020.

Stephanie Davis
Stephanie Davis, Chair
Disciplinary Hearing Panel