

STATE OF NORTH CAROLINA
WAKE COUNTY

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
19 DHC 3 SC

THE NORTH CAROLINA STATE BAR,
Plaintiff

v.

CHARLES D. COPPAGE, Attorney,
Defendant

ORDER LIFTING STAY &
ACTIVATING SUSPENSION

Defendant, Charles D. Coppage, was ordered to appear and show cause why the stay of the suspension imposed by the Order of Discipline entered in this case on May 1, 2019 should not be lifted and the suspension activated. This matter was heard on September 14, 2020 by a Hearing Panel of the Disciplinary Hearing Commission composed of Allison C. Tomberlin, Chair, Margaret M. Hunt, and Ronald C. Brinson, pursuant to 27 N.C. Admin. Code 1B.0118. Plaintiff, the North Carolina State Bar, was represented by Mary D. Winstead. Defendant appeared *pro se*.

Based upon the pleadings and the evidence presented at hearing, the Hearing Panel hereby finds by the greater weight of the evidence the following:

FINDINGS OF FACT

1. On May 1, 2019, the Disciplinary Hearing Commission (“DHC”) entered a Consent Order of Discipline (“Order”) finding that Defendant violated the Rules of Professional Conduct by failing to maintain his trust accounts in compliance with the Rules of Professional Conduct.
2. The DHC suspended Defendant’s license to practice law for two years and stayed the suspension for two years on condition that Defendant comply with the requirements specified in the order.
3. The Order was effective thirty days after service of the Order.
4. Defendant, through counsel, accepted service of the Order on May 2, 2019.
5. On February 3, 2020, the State Bar filed a Motion Seeking to Activate Suspension of Law License alleging that Defendant had violated the following terms of the Order:
 - (a) Paragraph 2(b) of the Order which provides: Within ninety days of the effective date of the Order, Defendant must submit to the State Bar Office of Counsel an audit report of any and all accounts into which Defendant has deposited client funds (“trust accounts”). This audit report shall be prepared by an accounting professional approved in advance

by the Office of Counsel. The audit report must identify the beneficial owners of the funds currently in Defendant's trust accounts and establish whether the balance in the accounts is sufficient to cover all client funds Defendant should be holding in trust;

- (b) Paragraph 2(n) of the Order which provides: Within 30 days of the effective date of the Order, Defendant shall complete 2 hours of continuing legal education on the topic of trust account management approved by the Office of Counsel; and
- (c) Paragraph 2(o) of the Order which provides: On or before June 30 each year the stay is in effect, Defendant must submit an affidavit certifying that all general trust accounts, dedicated trust accounts, and fiduciary accounts maintained by him or his law firm are administered, to the best of his knowledge, in compliance with Rule 1.15 or that he is exempt from this provision because he does not maintain any trust or fiduciary accounts for North Carolina clients.

6. At the hearing in this matter, Defendant testified and admitted that he had failed to ask the State Bar's approval of an accounting professional to conduct an audit, failed to have his accounts audited by an accounting professional, and failed to provide the State Bar Office of Counsel with an audit report.

7. Defendant further admitted that although he took trust accounting CLE courses as required in the Order, he did not do so until January 2020 nor did he obtain prior approval for the courses from the Office of Counsel as required by the Order.

8. Defendant further admitted that he failed to submit the affidavit required by paragraph 2(o) the Order.

9. Defendant also closed his trust accounts and escheated funds without having the trust accounts audited and without notifying the State Bar that he was taking these actions.

10. Defendant's failure to comply with the conditions of the stay of his suspension as required by the Order requires activation of the suspension of his law license.

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

CONCLUSIONS OF LAW

1. All parties are properly before the Hearing Panel, and the Panel has jurisdiction over Defendant, Charles D. Coppage, and over the subject matter of this proceeding.

2. The State Bar has proven by the greater weight of the evidence that Defendant has violated the following conditions of the stay of his suspension contained in the Consent Order of Discipline previously entered in this case:

- (a) Defendant failed to provide the State Bar Office of Counsel with the audit report which was required pursuant to paragraph 2(b) of the Order.

- (b) Defendant failed to seek approval for and failed to timely take the additional two hours of continuing legal education on the topic of trust account management which was required pursuant to paragraph 2(n) of the Order.
- (c) Defendant failed to submit an affidavit certifying that all general trust accounts, dedicated trust accounts, and fiduciary accounts maintained by him or his law firm are administered, to the best of his knowledge, in compliance with Rule 1.15 or that he is exempt from this provision because he does not maintain any trust or fiduciary accounts for North Carolina clients, which was required pursuant to paragraph 2(o) of the Order.

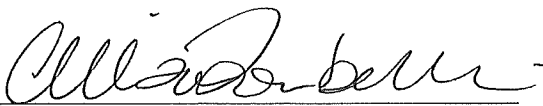
3. These violations of the terms of the Order warrant lifting the stay and activating the suspension.

Based upon the foregoing Findings of Fact and Conclusions of Law, the Hearing Panel enters the following:

ORDER

- 1. The stay of the two-year suspension imposed in the Consent Order of Discipline previously entered in this case is hereby lifted and the suspension is hereby activated. This activation is effective, and Defendant's license will be suspended, 30 days from the date this Order is served upon him.
- 2. All costs and administrative fees associated with this hearing are taxed to Defendant as provided in Rule .0118(a)(4) of the North Carolina State Bar Discipline and Disability Rules and must be paid within 30 days of the Secretary's service upon Defendant of the statement of costs.
- 3. Defendant shall submit his license and membership card to the Secretary of the North Carolina State Bar no later than 30 days following the date that this Order is served upon him.
- 4. Defendant shall comply with the wind down provisions contained in Rule .0128 of the North Carolina State Bar Discipline and Disability Rules.
- 5. At the expiration of the two-year active suspension, Defendant may petition for reinstatement of his license as set forth in Rule .0129 of the North Carolina State Bar Discipline and Disability Rules.

Signed by the Chair with the consent of the other Hearing Panel members, this the 23rd day of September, 2020.


Allison C. Tomberlin, Chair
Disciplinary Hearing Panel