

NORTH CAROLINA

WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
18G0489

IN THE MATTER OF)	
)	REPRIMAND
MELISSA S. GOTT,)	
ATTORNEY AT LAW)	

On July 18, 2019 the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by S. S. 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.

In the course of a real estate closing, you failed to ensure you properly collected and disbursed funds in accordance with the lender’s instructions, despite repeated notices and inquiries from the mortgage broker and lender alerting you to an issue and asking you to verify your numbers against the numbers the lender provided you, in violation of Rule 1.3 and Rule 1.15-2(a) and (n).

In the course of your law practice, you established trust account record-keeping systems and engaged in actions to monitor your trust account activity. There were, however, trust account rule violations established by the evidence as follows:


- Violation of Rule 1.15-2(a) and (n) for over-disbursing funds
- Violation of Rule 1.15-3(d)(1) for not accurately reconciling the trust account. You failed to only include positive client balances when totaling the subsidiary trust account ledgers for the three-way reconciliation, resulting in use of a client balance total artificially lowered by negative client balances
- Violation of Rule 5.3(b) for failing to ensure the staff person to whom you delegated trust account duties timely deposited client funds, tracked client funds on client-specific ledgers as opposed to the "CLIENTS-Other" ledger, and created accurate trust account records and reconciliation reports
- Violation of Rule 1.15-3(b)(5) for failing to ensure client funds were tracked on client-specific ledgers, as opposed to the "ATTORNEY FEES fully earned" ledger
- Violation of Rule 1.15-2(a) and (f) for depositing and maintaining attorney funds in the trust account for purposes not authorized under Rule 1.15-2(f)
- Violation of Rule 1.3 and Rule 1.15-2(n) for failing to timely complete client disbursements, for clients with no account activity since at least 2016-2017 and concerning a 2015 outstanding check and a 2016 outstanding check

The Grievance Committee recognized that you took corrective action regarding the attorney funds in the trust account, the extent of trust account record-keeping and reviews you did have in place, and the actions taken by you during the course of the grievance to further educate yourself on trust account issues and the requirements of the Rules of Professional Conduct. After considering all factors, the Grievance Committee determined that issuance of a reprimand was appropriate.

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 21st day of August, 2019.


A. Todd Brown, Sr., Chair
Grievance Committee

ATB/lb