

BEFORE THE DISCIPLINARY HEARING COMMISSION
OF THE NORTH CAROLINA STATE BAR
98 BCS §



ORDER OF DISBARMENT

Based upon the affidavit, the Council finds that John Frank Harris' conduct of misappropriating client funds and continuing to practice law after he was notified that his license was suspended was grounds for discipline pursuant to N.C. Gen. Stat. Section 84-28(b)(2) and (3) in that John Frank Harris violated Rule 1.2(c), Rule 10.1(a) & (c), 10.2(d), 3.3 and 3.1(b) of the Rules of Professional Conduct and Rules 8.4(c), 1.15-1(a) & (d), 1.15-2(g), 5.3 and 5.5(a) of the Revised Rules of Professional Conduct and was in contempt of an order of the Council suspending his license to practice law.

1. The tender of surrender of license of John Frank Harris be accepted.
2. John Frank Harris be and hereby is DISBARRED from the practice of law in North Carolina.
3. John Frank Harris shall comply with the provisions of Subchapter B, Section .0024 of the Rules and Regulations of the North Carolina State Bar and shall surrender his license and permanent membership card to the Secretary of the North Carolina State Bar along with the affidavit required by Subchapter B, Section .0024.
4. That the costs of this action be taxed against John Frank Harris.

RHC SW

Robert C. Sink, President
North Carolina State Bar

STATE OF NORTH CAROLINA

COUNTY OF WAKE

AFFIDAVIT

TO: The Council of the North Carolina State Bar

I, John Frank Harris, hereby tender my license to practice and desire to resign from the North Carolina State Bar. My resignation is extended freely and voluntarily, and is not the result of coercion or duress, and I am fully aware of the implications of submitting this, my resignation.

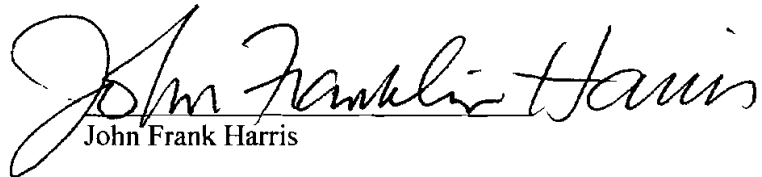
I am aware that there is presently pending an investigation or other proceedings regarding allegations that I have been guilty of misconduct, specifically that:

1. I misappropriated \$30,042.29 of funds from my client trust account to purchase a personal residence in October 1994.
2. I misappropriated an additional \$32,400 by disbursing seven separate checks from my client trust account to my general account between February and December 1996.
3. In February 1997, \$24,100 of client funds was deposited into my general account. I became aware that client funds were deposited into my general account, did not transfer the funds to my trust account and ultimately misappropriated them for my own personal use.
4. From 1994 through 1998, I incurred bank charges for return checks and other service charges in my client trust account. I did not reimburse the account for these charges. The total amount of client funds I misappropriated to pay bank charges during these five years was \$6,244.75.
5. On November 25, 1997, one of my staff erroneously deposited \$3,406.62 of client funds into my general account. Those funds subsequently were used for my own personal purposes.
6. Additionally, between 1994 and 1998, an additional \$160,607.11 of client funds were unintentionally appropriated to pay other clients and third parties as a result of erroneous disbursements of funds, a failure to deposit funds into a trust account, and a failure to collect all necessary funds for a real estate closing either by myself or other employees in my office.
7. After the State Bar began an investigation involving my misappropriation of client funds, I had discussions with the State Bar, provided all information requested, conducted my own audit of my trust account, have attempted to repay all clients for funds that were misappropriated by me and otherwise fully cooperated in the investigation.
8. I failed to pay my State Bar dues for 1996, 1997 and 1998, as required by State Bar Rules.
9. As a result of my failure to pay my 1996 dues, the Council of the State Bar suspended my license to practice law by Order dated October 18, 1996.
10. The Order of suspension was formally and properly served on me on May 19, 1997 by certified mail return receipt requested.

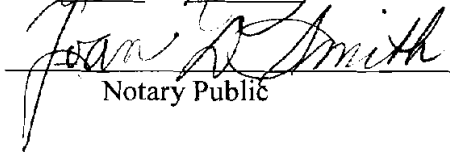
11. After receiving formal notice of the Order of Suspension on May 19, 1997, I continued to practice law until the State Bar obtained a temporary restraining order against me on July 8, 1998. From May 19, 1997 until July 8, 1998, I closed at least 900 real estate transactions and represented clients in approximately ten civil actions, some of which required me to appear in civil court.

I acknowledge that the facts as set forth in paragraphs 1-11 are true. I am submitting my resignation because I know if charges were predicated upon the misconduct under investigation, I could not successfully defend against them.

This the 25th of November 1998.


John Frank Harris

Sworn to and subscribed before me,
this 25 of November 1998.


Notary Public

My Commission Expires:

