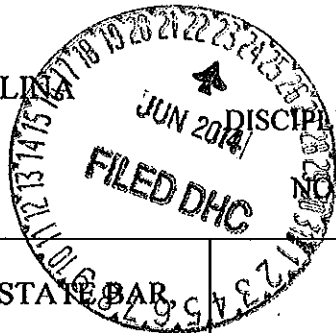


STATE OF NORTH CAROLINA  
WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
14 DHC 13

THE NORTH CAROLINA STATE BAR  
Plaintiff

v.

MARY SUSAN PHILLIPS, Attorney,  
Defendant

FINDINGS OF FACT,  
CONCLUSIONS OF LAW, AND  
CONSENT ORDER OF DISCIPLINE

THIS MATTER was considered by a hearing panel of the Disciplinary Hearing Commission composed of Fred M. Morelock, Chair, Joshua W. Willey, Jr., and Christopher R. Bruffey pursuant to 27 N.C. Admin. Code 1B § .0114 of the Rules and Regulations of the North Carolina State Bar. Plaintiff, the North Carolina State Bar, was represented by Brian P.D. Oten. Defendant, Mary Susan Phillips, was represented by Douglas J. Brocker. Defendant waives a formal hearing in this matter and both parties stipulate and consent to the entry of this order and to the discipline imposed. Defendant waives any right to appeal this consent order or to challenge in any way the sufficiency of the findings.

Based upon the consent of the parties, the hearing panel hereby makes, by clear, cogent and convincing evidence the following

FINDINGS OF FACT

1. Plaintiff, the North Carolina State Bar ("Plaintiff" or "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 it in Chapter 84 of the General Statutes of North Carolina, and the rules and regulations of the North Carolina State Bar promulgated thereunder.
2. Defendant, Mary Susan Phillips ("Defendant" or "Phillips"), was admitted to the North Carolina State Bar on 22 August 1987 and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the rules, regulations and Rules of Professional Conduct of the North Carolina State Bar and the laws of the State of North Carolina.
3. During all or a portion of the relevant periods referred to herein, Phillips was actively engaged in the private practice of law in the city of Wallace, Duplin County, North Carolina.

4. Defendant was properly served with process and received due notice of the hearing in this matter.

5. Beginning in 2007, Phillips served as executrix of the estate of Virginia Whitehead Knowles, Duplin County file no. 07 E 387 ("the Knowles estate").

6. During 2010 and 2011, Phillips failed to file annual accountings regarding the Knowles estate as required by law.

7. On 21 July 2011, the Duplin County Clerk of Court issued to Phillips an Order to Appear and Show Cause for failing to file the required accountings regarding the Knowles estate.

8. Phillips did not timely file the accountings in response to the Clerk's 21 July 2011 Order to Appear and Show Cause.

9. On 15 November 2011, the Duplin County Clerk of Court issued to Phillips another Order to Appear and Show Cause for failing to file the required accountings regarding the Knowles estate.

10. Phillips did not timely file the accountings in response to the Clerk's 15 November 2011 Order to Appear and Show Cause.

11. On 7 February 2012, the Duplin County Clerk of Court issued to Phillips another Order to Appear and Show Cause for failing to file the required accountings regarding the Knowles estate.

12. Phillips did not timely file the accountings in response to the Clerk's 7 February 2012 Order to Appear and Show Cause.

13. On 17 April 2012, the Duplin County Clerk of Court issued to Phillips another Order to Appear and Show Cause for failing to file the required accountings regarding the Knowles estate.

14. Phillips did not timely file the accountings in response to the Clerk's 17 April 2012 Order to Appear and Show Cause.

15. On 24 July 2012, the Duplin County Clerk of Court issued to Phillips another Order to Appear and Show Cause for failing to file the required accountings regarding the Knowles estate.

16. Phillips did not timely file the accountings in response to the Clerk's 24 July 2012 Order to Appear and Show Cause.

17. After receiving the Clerk's Orders to Appear and Show Cause listed above, Phillips assured the Clerk that she would promptly file the delinquent accountings regarding the Knowles estate. As a result, the Clerk cancelled the respective hearings set by the Orders to Appear and Show Cause.

18. Phillips did not promptly file the accountings regarding the Knowles estate as assured.

19. On or about 22 February 2012, the State Bar opened a grievance file against Phillips regarding her handling of the Knowles estate, grievance file no. 12G0193.

20. On or about 14 March 2012, the State Bar sent Phillips a Letter of Notice regarding grievance file no. 12G0193 via certified mail.

21. Phillips was served with the Letter of Notice in grievance file no. 12G0193 on 29 March 2012. The Letter of Notice instructed Phillips to respond within fifteen days of receipt.

22. Phillips did not respond to the Letter of Notice in grievance file no. 12G0193 within the required timeframe.

23. On 7 May 2012, the State Bar sent Phillips a follow-up letter informing her that she had not responded to the Letter of Notice in grievance file no. 12G0193 and instructing Phillips to submit her required response no later than 18 May 2012.

24. Phillips again did not respond to the Letter of Notice as instructed within the required timeframe.

25. On 5 June 2012, the State Bar received Phillips's response to the Letter of Notice in grievance file no. 12G0193.

26. In her response, Phillips indicated that the Knowles estate would be closed and the final accounting approved soon.

27. Phillips did not file the final accounting for the Knowles estate and did not formally close the Knowles estate until 18 September 2012.

28. In or around February 2011, Phillips served as closing attorney for Bobby and Jerri Price in a real estate transaction.

29. In connection with the Prices' closing, Phillips received \$224.40 to be held in trust for the title insurance premium to be paid to Investors Title Insurance Company ("Investors Title").

30. Phillips failed to submit the final title opinion to Investors Title and failed to promptly pay the premium to Investors Title as directed by the Prices and the Prices' lender.

31. Between February 2011 and October 2012, Phillips failed to respond to multiple inquiries from Investors Title regarding the status of the Prices' final title opinion and title insurance premium.

32. As a result of Phillips's delay, Investors Title retained a different attorney to issue the final title opinion for the Prices' transaction.

33. Phillips did not pay the Prices' title insurance premium to Investors Title until February 2013.

34. Phillips never provided the Prices with a yearly accounting of the entrusted funds held in her trust account for their benefit.

35. In or around July 2011, Christopher Floyd ("Floyd") retained Phillips to assist him in administering two estates in Duplin County (Willie Leon Floyd, file no. 11 E 225, and Evelyn Floyd Johnson, file no. 95 E 400) for which he served as administrator/executor.

36. Phillips did not timely file necessary documents concerning the estates and did not otherwise timely pursue the matters for which she was retained.

37. On 23 January 2012, the Duplin County Clerk of Court issued to Floyd a notice to file an inventory regarding the Evelyn Floyd Johnson estate. Phillips was copied on the Clerk's notice to Floyd.

38. On 16 April 2012, the Duplin County Clerk of Court issued to Floyd a notice to file a final accounting regarding the Evelyn Floyd Johnson estate. Phillips was copied on the Clerk's notice to Floyd.

39. On 24 July 2012, the Duplin County Clerk of Court issued to Floyd an order to file an inventory regarding the Evelyn Floyd Johnson estate. Phillips was copied on the Clerk's order to Floyd.

40. On 15 August 2012, the Duplin County Clerk of Court issued to Floyd a notice to file a final accounting regarding the Willie Leon Floyd estate. Phillips was copied on the Clerk's notice to Floyd.

41. Phillips did not assist Floyd so that he could timely file the inventories or accountings in response to the Clerk's notices and order to file.

42. During the course of the representation, Phillips failed to respond to repeated inquiries from Floyd requesting an update on the status of the estates.

43. In or around November 2011, Judy Reynolds ("Reynolds") retained Phillips to assist her in administering the estate of George Wesley Reynolds, Jr. (Pender County file no. 11 E 359) for which Reynolds served as executrix.

44. Phillips received \$500.00 from Reynolds as an initial payment for legal services.

45. Phillips failed to assist Reynolds so that she could file an inventory for the estate and failed to otherwise timely pursue the matter for which she was retained.

46. During the course of the representation, Phillips failed to respond to repeated inquiries from Reynolds requesting an update on the status of the estate.

47. During the course of the representation, Phillips received a check in the amount of \$10,248.69 representing life insurance proceeds for the benefit of the estate.

48. Phillips failed to deposit the insurance proceeds check into an estate account or her attorney trust account.

49. By letter dated 30 April 2012, Reynolds terminated Phillips's representation and asked Phillips to return the estate file and the insurance proceeds check and provide an accounting of all services rendered by Phillips.

50. Phillips received Reynolds's 30 April 2012 letter on 3 May 2012.

51. Phillips did not respond to Reynolds's 30 April 2012 letter.

52. By letter dated 29 May 2012, Reynolds's subsequent counsel asked Phillips to respond to Reynolds's 30 April 2012 letter by providing all requested documents, funds, and information by 8 June 2012.

53. Phillips did not respond to counsel's 29 May 2012 letter and did not provide the documentation, funds, or information as requested.

54. By letter dated 28 August 2012, Reynolds's counsel again asked Phillips to provide all documentation, funds, and information previously requested by both Reynolds and counsel. He also notified Phillips that Reynolds recently received a notice to file the estate's inventory, and that Reynolds could not comply with the notice until Phillips provided the requested materials.

55. Phillips did not timely provide the documentation, funds, and information as requested in the 28 August 2012 letter.

56. Phillips did not provide Reynolds's counsel with the life insurance proceeds check until or around 29 October 2012.

57. By letter dated 14 November 2012, Reynolds's counsel informed Phillips that he had not yet received the estate file as previously requested.

58. Phillips did not provide Reynolds's counsel with the estate file until or around 27 November 2012.

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

#### CONCLUSIONS OF LAW

1. All parties are properly before the hearing panel and the panel has jurisdiction over Defendant, Mary Susan Phillips, and over the subject matter of this proceeding.

2. Defendant's conduct, as set out in the Findings of Fact above, constitutes grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) as follows:

- (a) By failing to timely file the annual accountings for the Knowles estate, by failing to appropriately respond to the Clerk's orders to show cause, and by failing to close out the Knowles estate for nearly five years after the estate was opened, Phillips failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3, failed to render inventories and accountings of fiduciary funds to judicial officials or other persons as required by law in violation of Rule 1.15-3(f), knowingly disobeyed her obligation under the rules of a tribunal in violation of Rule 3.4(c), and engaged in conduct that was prejudicial to the administration of justice in violation of Rule 8.4(d);
- (b) By failing to timely respond to the Letter of Notice in grievance file no. 12G0193, Phillips knowingly failed to respond to a lawful demand for information from a disciplinary authority in violation of Rule 8.1(b) and N.C. Gen. Stat. § 84-28(b)(3);
- (c) By failing to submit the final title opinion and by failing to respond to numerous inquiries from Investors Title regarding the Prices' closing, Phillips failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3;
- (d) By failing to timely pay the title insurance premium to Investors Title as directed by the Prices and the Prices' lender, Phillips failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3 and failed to promptly pay a third party as directed by the client in violation of Rule 1.15-2(m);
- (e) By failing to render an annual accounting to the Prices for the title insurance premium retained in Phillips's trust account from February 2011 to February 2013, Phillips failed to render to her clients an annual accounting of entrusted client funds retained in her trust account in violation of Rule 1.15-3(e);
- (f) By failing to assist Floyd in timely filing necessary documents concerning the Willie Floyd and Evelyn Floyd Johnson estates, by failing to appropriately assist Floyd in responding to the Clerk's notices and order concerning the estates, and by otherwise failing to pursue the matters for which she was retained, Phillips failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3, and engaged in conduct that was prejudicial to the administration of justice in violation of Rule 8.4(d);
- (g) By failing to respond to Floyd's requests for information regarding the status of the estates, Phillips failed to keep her client reasonably informed about the status of the matter in violation of Rule 1.4(a)(3) and failed to promptly comply with reasonable requests for information in violation of Rule 1.4(a)(4);

- (h) By failing to assist Reynolds in timely filing the inventory account and by otherwise failing to pursue the matters for which she was retained, Phillips failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3;
- (i) By failing to respond to repeated requests from Reynolds and her subsequent counsel for information regarding the status of the estate, Phillips failed to keep her client reasonably informed about the status of the matter in violation of Rule 1.4(a)(3) and failed to promptly comply with reasonable requests for information in violation of Rule 1.4(a)(4);
- (j) By failing to deposit the insurance proceeds check into an estate account or trust account, Phillips failed to protect entrusted property in violation of Rule 1.15-2(a) and failed to promptly deposit fiduciary funds in violation of Rule 1.15-2(c); and
- (k) By failing to promptly deliver to Reynolds and Reynolds's subsequent counsel all documentation, funds, and information in her possession regarding the George Wesley Reynolds, Jr. estate upon termination of Phillips's representation and as directed by Reynolds, Phillips failed to take steps to the extent reasonably practicable to protect a client's interests after termination of representation in violation of Rule 1.16(d) and failed to promptly deliver entrusted property as directed by her client in violation of Rule 1.15-2(m).

Based upon the consent of the parties, the hearing panel also finds by clear, cogent, and convincing evidence the following

#### ADDITIONAL FINDINGS REGARDING DISCIPLINE

1. During the relevant periods herein, Defendant suffered from depression and anxiety, which significantly contributed to Defendant's neglect and failure to timely or appropriately respond to her clients and to the court. Defendant has since voluntarily sought out treatment through the Lawyers Assistance Program. Defendant's conditions continue to impact her ability to practice law in accordance with the Rules of Professional Conduct.

2. During the relevant periods herein, Phillips had several important staff members in her office leave for other employment, which contributed to her failure to handle matters timely.

3. During the pendency of the grievance matters, Phillips voluntarily sought consultation concerning managing her practice and general client matters from another attorney in her judicial district.

4. Despite Defendant's efforts to seek treatment and outside assistance for her practice, Defendant's neglect and failure to communicate continued through 2013 and into early 2014. Specifically, Defendant neglected her representation of Shirley Elaine Dereef,

who had retained Defendant to assist with Ms. Dereef's duties as executrix of Edward Dereef's estate.

5. Defendant's lack of communication with her clients and Defendant's delay in pursuing and/or completing the matters for which she was retained caused significant harm to her clients by unnecessarily prolonging her clients' matters and creating a sense of confusion. Defendant's misconduct harmed not only her clients but also third parties who had an interest in the outcome of Defendant's representations, including Investors Title and the heirs of the different estates she represented.

6. Defendant's neglect of multiple clients' cases establishes a pattern of misconduct consisting of multiple violations of the Rules of Professional Conduct.

7. Defendant took remedial action to correct her misconduct associated with the Prices' closing by reimbursing Investors Title for their payment of additional attorneys fees to have a final title opinion issued. Defendant's trust account records also establish that Defendant preserved and retained the Prices' title insurance premium in her trust account from the date of closing until the date she disbursed the premium to Investors Title. Nevertheless, Defendant's conduct caused significant harm to her clients in that Defendant's two-year delay in paying the Prices' title insurance premium unnecessarily prolonged her clients' closing transaction and left her clients unsure of whether they possessed a clean title to their property. At the time of her conduct, Defendant knew or should have known that her actions could cause potential harm to her clients' transaction.

8. Defendant's disregard for or failure to address the Clerk of Court's Orders to Appear and Show Cause regarding the Knowles estate caused significant harm to the administration of justice in that Respondent's delay and failure to complete the tasks ordered by the Clerk unnecessarily prolonged the probate process.

9. Defendant's conduct caused potential significant harm to the standing of the legal profession in the eyes of the public in that such conduct by attorneys erodes the trust of the public in the profession. Confidence in the legal profession is a building block for public trust in the entire legal system.

10. There is an absence of any evidence that Defendant intended to harm her clients or that she exhibited a dishonest or selfish motive.

11. Defendant, who was licensed to practice law in North Carolina in 1987, has substantial experience in the practice of law.

12. Defendant enjoys a reputation of honesty, integrity, and good character in her professional and personal life.

13. In 2010, Defendant was reprimanded twice by the Grievance Committee of the North Carolina State Bar for failing to promptly handle an estate matter for which she had been retained, for failing to respond to the State Bar's inquiries, and for failing to diligently prepare a divorce order for the court's review despite the clerk reminding Defendant on numerous occasions of her need to prepare and submit the order. Phillips' underlying actions



resulting in those prior reprimands occurred during the same time frame as the violations in this case and as the depression and anxiety mentioned above. In 2001, Defendant was admonished by the Grievance Committee for neglecting her clients' case and for misrepresenting the status of her clients' case to her clients.

14. Defendant has acknowledged her conduct violated the Rules of Professional Conduct, is extremely remorseful for her actions, and voluntarily has taken proactive steps in an effort to address and correct the causes of these and her prior violations.

Based upon the Findings of Fact, Conclusions of Law, and Additional Findings Regarding Discipline, the hearing panel also enters 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. Admin. Code 1B § .0114(w)(3) of the Rules and Regulations of the North Carolina State Bar and determines the following factors are applicable:

- a. Defendant's prior disciplinary offenses;
- b. Defendant's lack of a selfish or dishonest motive;
- c. Defendant's good faith efforts to make restitution or rectify consequences of her misconduct;
- d. Defendant's pattern of misconduct;
- e. Defendant's multiple offenses;
- f. The effect of Defendant's personal or emotional problems on the conduct in question;
- g. Full and free disclosure to the hearing panel;
- h. Remorse;
- i. Good character and reputation; and
- j. Defendant's substantial experience in the practice of law.

2. The hearing panel concludes that none of the factors enumerated in 27 N.C. Admin. Code 1B § .0114(w)(2) of the Rules and Regulations of the North Carolina State Bar are present in this case.

3. The hearing panel has carefully considered all of the factors enumerated in 27 N.C. Admin. Code 1B § .0114(w)(1) of the Rules and Regulations of the North Carolina State Bar and determines the following factors warrant suspension of Defendant's license:

- a. Defendant's actions potentially had a negative impact on her clients' and the public's perception of the legal profession;
- b. Defendant's actions had a negative impact on the administration of justice;
- c. Defendant's conduct impaired her clients' abilities to achieve the goals of the representation; and
- d. Defendant's conduct had a potential adverse effect on third parties.

4. The hearing panel has considered all other forms of discipline and concludes that any sanction less than suspension would fail to acknowledge the seriousness of the offenses committed by Defendant, would not adequately protect the public, and would send the wrong message to attorneys and to the public regarding the conduct expected of members of the Bar.

5. The hearing panel further concludes that due to the extensive client neglect described in the present action, the public will only be adequately protected by imposing a period of active suspension of Defendant's law license. Additionally, the hearing panel concludes that Defendant should be allowed the opportunity to apply for a stay of a portion of the suspension imposed by this Order upon compliance with certain conditions designed to ensure protection of the public and to ensure Defendant's compliance with the Rules of Professional Conduct.

6. Under other circumstances, the misconduct in this case would warrant more serious discipline as set forth in the additional findings above. However, the unique circumstances surrounding this case justify lesser discipline than would otherwise be appropriate. The factors that particularly warrant lesser discipline include: Defendant's depression and anxiety significantly contributed to Defendant's misconduct; Defendant voluntarily attempted to take remedial actions to correct her misconduct; Defendant has accepted personal responsibility for her actions; Defendant acknowledges the wrongfulness and seriousness of her misconduct; and Defendant is genuinely remorseful.

Based upon the foregoing Findings of Fact, Conclusions of Law, and Findings Regarding Discipline, the hearing panel enters the following

#### ORDER OF DISCIPLINE

1. The license of Defendant, Mary Susan Phillips, is hereby suspended for three years. This Order shall be effective 60 days after service of the Order upon Defendant.

2. Defendant shall submit her license and membership card to the Secretary of the North Carolina State Bar no later than 60 days following the effective date of this Order. Defendant shall have 60 days to comply with the wind down provisions contained in Rule .0124 of the North Carolina State Bar Discipline and Disability Rules, located at 27 N.C. Admin. Code 1B § .0124.

3. Defendant shall pay the costs and administrative fees of this proceeding as assessed by the Secretary within 120 days of service of the statement of costs upon her.

4. After serving no less than nine months of the suspension, Defendant may apply for a stay of the remaining period of suspension imposed by this Order by filing a petition with the Secretary of the North Carolina State Bar. In order to be eligible for a stay of the remaining period of suspension, Defendant must demonstrate by clear, cogent, and convincing evidence that, in addition to complying with the general provisions for reinstatement listed in 27 N.C. Admin. Code 1B § .0125 of the North Carolina State Bar Discipline & Disability Rules, she has complied with the following conditions:

- (a) Within 90 days of the effective date of this Order, Defendant was evaluated by a licensed and qualified psychiatrist or psychologist. Such psychiatrist/psychologist shall be approved in advance by the North Carolina State Bar Office of Counsel. Such psychiatrist/psychologist shall certify under oath whether, based on his or her independent and comprehensive evaluation of Defendant and in his or her professional opinion, Defendant currently has any mental, psychological, behavioral, cognitive, or emotional condition or disorder that impairs Defendant's ability to practice law, that impacts Defendant's ability or willingness to comply with the Rules of Professional Conduct, and/or that poses a risk of harm to the public if she engages in the practice of law. Defendant shall sign an authorization form consenting to the release of all medical records and information related to Defendant's evaluation to the Office of Counsel, and Defendant will not revoke that release. Defendant shall simultaneously provide a copy of such signed authorization to the Office of Counsel and the psychiatrist/psychologist. Defendant shall direct the evaluating psychiatrist/psychologist described herein to provide a written report of such evaluation and recommended treatment, if any, to the Office of Counsel within thirty (30) days of the evaluation taking place. All expenses of such evaluation and report shall be borne by Defendant;
- (b) Defendant has complied with all treatment recommendations of the evaluating psychiatrist/psychologist described in paragraph (a) above. Defendant shall sign an authorization form consenting to the release of any medical records and information related to Defendant's treatment to the Office of Counsel, and Defendant will not revoke that release. Defendant shall simultaneously provide a copy of such signed authorization to the Office of Counsel and her treatment provider(s). Within 30 days of beginning treatment, Defendant shall direct her treatment provider(s) to provide the Office of Counsel with a written report detailing Defendant's treatment. Defendant shall also direct her treatment provider(s) to provide the Office of Counsel with a written report concerning Defendant's condition, Defendant's compliance with the treatment plan, and Defendant's progress resulting from treatment. Such report shall be received by the Office of Counsel prior to or with Defendant's application for reinstatement. Defendant shall also comply with any and all requests from the Office of

Counsel seeking updates on the status of her ongoing treatment within fifteen (15) days of receipt of such requests. All expenses of such treatment and reports shall be borne by Defendant;

- (c) Defendant shall arrange for an active member of the North Carolina State Bar to serve as her law practice monitor. Defendant's practice monitor shall be an attorney in good standing who practices law in Defendant's judicial district and who has been approved by the Office of Counsel. The monitor shall agree to supervise all client matters and will ensure that Defendant handles all client matters in a timely fashion, including promptly responding to her clients, promptly responding to notices from the clerk of court, and diligent pursuit of her clients' matters. Defendant shall agree to meet once a month with her monitoring attorney, report the status of all current client matters to the monitor, cooperate with the monitoring attorney, and provide any information the monitoring attorney deems reasonably necessary to ensure that Defendant is properly and timely handling all client matters. The monitor will submit written quarterly reports of this supervision to the Office of Counsel, such reports due on the following dates as they occur during the stay of this suspension: January 15, April 15, July 15, and October 15. Defendant bears the responsibility of ensuring the monitoring attorney sends a written report each quarter to the Office of Counsel as described above. This monitoring will occur for the duration of any stay of this suspension. Defendant will pay the cost, if any, charged by the monitor for this supervision. Defendant must make the arrangements for this monitoring attorney and supply the Office of Counsel with a letter from the monitoring attorney confirming his or her agreement to perform the duties listed above;
- (d) Defendant has kept the North Carolina State Bar membership department advised of her current physical home and business addresses and telephone numbers;
- (e) Defendant has accepted all certified mail from the North Carolina State Bar and responded to all letters of notice and requests for information from the North Carolina State Bar by the deadlines stated in the communication or within fifteen days of receipt of such communication, whichever is earlier;
- (f) Defendant has timely complied with her State Bar membership and continuing legal education requirements, and Defendant has paid all fees and costs assessed by the State Bar and the Client Security Fund by the applicable deadline;
- (g) Defendant has participated fully and timely in the fee dispute program when notified of any petitions for resolution of disputed fees;
- (h) Defendant has not violated any state or federal laws or any provisions of the Rules of Professional Conduct; and

- (i) Defendant has timely paid the costs and administrative fees associated with this case as described in paragraph 3 above.

5. If Defendant successfully seeks a stay of the suspension of her law license pursuant to this Order, the stay will continue in force only as long as Defendant complies with the following conditions:

- (a) Defendant shall continue to comply with all treatment recommendations of the evaluating psychiatrist/psychologist described in paragraph 4(a) above as well as her treatment provider(s) described in paragraph 4(b) above. Defendant shall direct her treatment provider(s) to provide the Office of Counsel with semi-annual written reports concerning Defendant's condition, Defendant's compliance with the treatment plan, and Defendant's progress resulting from treatment for the duration of any stay of her suspension. Such reports shall be received by the Office of Counsel every June 1 and December 1. Defendant shall also comply with any and all requests from the Office of Counsel seeking updates on the status of her ongoing treatment within fifteen (15) days of receipt of such requests. If Defendant switches treatment providers during any stayed period of her suspension, Defendant shall sign an authorization form consenting to the release of any medical records and information related to Defendant's treatment to the Office of Counsel, and Defendant will not revoke that release. Defendant shall simultaneously provide a copy of such signed authorization to the Office of Counsel and her new treatment provider(s). Within 30 days of starting treatment with the new provider(s), Defendant shall direct such new treatment provider(s) to provide the Office of Counsel with a written report detailing Defendant's treatment plan, as well as the semi-annual written reports described above. All expenses of such treatment and reports shall be borne by Defendant;
- (b) Defendant shall meet with her law practice monitor as described in paragraph 4(c) above. Defendant shall meet at least once a month with her monitoring attorney, report the status of all current client matters to the monitor, cooperate with the monitoring attorney, and provide any information the monitoring attorney deems reasonably necessary to ensure that Defendant is properly and timely handling all client matters. Defendant shall direct her law practice monitor to submit written quarterly reports of this supervision to the Office of Counsel, such reports due on the following dates as they occur during the stay of this suspension: January 15, April 15, July 15, and October 15. Defendant bears the responsibility of ensuring the monitoring attorney sends a written report each quarter to the Office of Counsel as described above. This monitoring will occur for the duration of any stay of this suspension. Defendant will pay the cost, if any, charged by the monitor for this supervision;

- (c) Defendant shall cooperate with the Office of Counsel and make appropriate arrangements for an alternate monitoring attorney if needed during any stay of this suspension;
- (d) Defendant shall keep the North Carolina State Bar membership department advised of her current physical home and business addresses and telephone numbers;
- (e) Defendant shall accept all certified mail from the North Carolina State Bar and respond to all letters of notice and requests for information from the North Carolina State Bar by the deadlines stated in the communication or within fifteen days of receipt of such communication, whichever is earlier;
- (f) Defendant shall timely comply with her State Bar membership and continuing legal education requirements, and Defendant shall pay all fees and costs assessed by the State Bar and the Client Security Fund by the applicable deadline;
- (g) Defendant shall participate fully and timely in the fee dispute program when notified of any petitions for resolution of disputed fees; and
- (h) Defendant shall not violate any state or federal laws or any provisions of the Rules of Professional Conduct.

6. If Defendant fails to comply with any one or more of the conditions stated in Paragraph 5 above, then the stay of the suspension of her law license may be lifted as provided in 27 N.C. Admin. Code 1B § .0114(x) of the North Carolina State Bar Discipline and Disability Rules.

7. If Defendant does not seek a stay of any active period of suspension, or if some part of the suspension is stayed and thereafter the stay is revoked, Defendant must provide in her application for reinstatement clear, cogent, and convincing evidence of the following:

- (a) Compliance with the general provisions for reinstatement listed in 27 N.C. Admin. Code 1B § .0125 of the North Carolina State Bar Discipline & Disability Rules; and
- (b) Compliance with the conditions set out in Paragraphs 4(a), (b), and (d) – (i) above.

8. Nothing in this Order shall prohibit the State Bar from investigating and, if necessary, pursuing disciplinary action against Defendant for additional misconduct discovered or reported which occurred during the same time period as the conduct addressed in this Order.

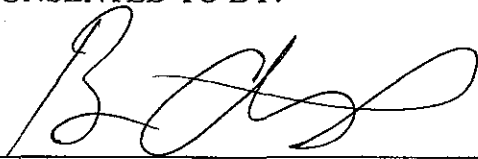
9. The Disciplinary Hearing Commission will retain jurisdiction of this matter pursuant to 27 N.C. Admin. Code 1B § .0114(x) of the North Carolina State Bar Discipline and Disability Rules throughout any period of stayed suspension.

Signed by the Chair with the consent of the other hearing panel members, this the  
18<sup>th</sup> day of June, 2014.

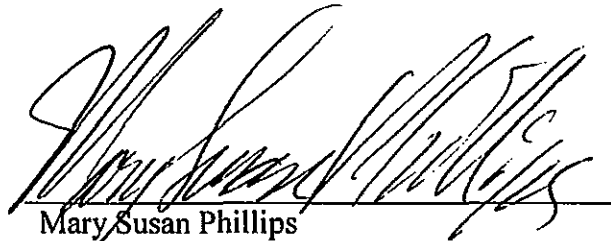


Fred M. Morelock, Chair  
Disciplinary Hearing Panel

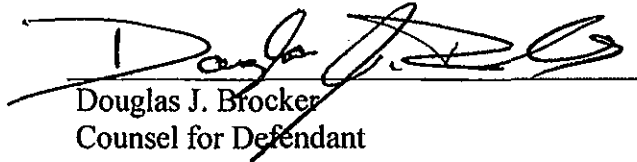
CONSENTED TO BY:



Brian P.D. Oten  
Deputy Counsel  
North Carolina State Bar  
Counsel for Plaintiff



Mary Susan Phillips  
Defendant



Douglas J. Brocker  
Counsel for Defendant