28295

NORTH CAROLINA

BEFORE THE

BISCIPLINARY HEARING COMMISSION

OF THE

NORTH CAROLINA STATE BAR

04 DHC 11

THE NORTH CAROLINA STATE

BAR,

Plaintiff,

ORDER OF DISBARMENT

V.

THIS MATTER was heard by the Chairman of the Disciplinary Hearing Commission of the North Carolina State Bar, Richard T. Gammon, pursuant to 27 NCAC 1B § .0117 (d) of the State Bar Discipline and Disability Rules upon the affidavit of tender of surrender of license executed by Robin N. Knight, on January 1, 2005, and filed in the offices of the State Bar on January 2, 2005.

Based on the affidavit, the Chairman finds that:

Defendant.

ROBIN N. KNIGHT,

- (a) In May 2003, Robin N. Knight ("Knight") was the closing attorney for her client's real estate loan re-financing transaction and received \$124,091 in her trust account to pay off her client's prior mortgage loan. Knight failed to pay off that loan and allowed her trust account balance to drop to \$121,724.10 when she closed that trust account in July 2003. Knight did not deposit any of the \$121,724.10 in another trust account. Instead, Knight misappropriated the money and deposited it into her business operating account, payroll account and personal bank account. The money deposited in her operating and payroll accounts was used to pay her business expenses, and the money deposited in her personal account was used to pay her personal expenses. When the State Bar obtained an injunction in November 2003, Knight did not have sufficient funds in all of her bank accounts combined to pay off the \$124,091 loan.
- (b) In June 2003, Knight was the closing attorney in a real estate transaction and received \$162,946 in her trust account that was to be used to pay off a construction loan at closing. Knight failed to pay off the construction loan until August of 2003 after the State Bar initiated an investigation. Between the date of receipt of the loan proceeds in May 2003 and the date of disbursement of the construction loan in

August 2003, Knight did not maintain a sufficient balance in her trust account at all times to account for the \$162,946 in undisbursed loan proceeds from this transaction.

(c) In May and June 2003, Knight misappropriated other client funds and used these entrusted funds that she received on behalf of clients and third parties for my own benefit or for the benefit of someone other than the legal or beneficial owner of the funds.

This conduct constitutes grounds for discipline, under N.C. Gen. Stat. § 84-28 (b)(2), in that Knight violated Rules 1.15-2 (a), (j) & (m) and 8.4 (b) & (c) of the Revised Rules of Professional Conduct.

WHEREFORE, the Chairman enters the following Order:

- 1. The tender of surrender of the license of Robin N. Knight is hereby accepted.
- 2. Robin N. Knight hereby is DISBARRED from the practice of law in North Carolina.
- 3. Robin N. Knight shall comply with the provisions of 27 NCAC 1B § .0124 of the State Bar Discipline and Disability Rules and shall surrender her license and permanent membership card to the Secretary of the North Carolina State Bar along with the affidavit required by 27 NCAC 1B § .0124 of the State Bar Discipline and Disability Rules.

4. The costs of this action are taxed against Robin N. Knight.

Done and ordered this the day of January 2005.

Richard T. Gammon, Chairman Disciplinary Hearing Commission