

STATE OF NORTH CAROLINA

WAKE COUNTY

BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
18 DHC 12

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

LISA A. PAGE, Attorney,

Defendant

CONSENT ORDER OF  
DISCIPLINE

This matter came before a hearing panel of the Disciplinary Hearing Commission composed of N. Hunter Wyche, Jr., Chair, Donald C. Prentiss, and Cindy L. Marrelli. G. Patrick Murphy represented Plaintiff. Defendant was represented by Deanna S. Brocker. Defendant waives a formal hearing. The parties stipulate and agree to the findings of fact and conclusions of law recited in this consent order. The parties consent to the discipline imposed by this order. By consenting to entry of this order, Defendant knowingly, freely, and voluntarily waives her right to appeal this consent order or to challenge in any way the sufficiency of the findings.

Based on the foregoing and with 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 (hereafter "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, Lisa A. Page (hereafter "Defendant" or "Page"), was admitted to the North Carolina State Bar on August 26, 2004 and is an Attorney at Law 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 the relevant period referred to herein, Page was actively engaged in the practice of law and maintained a law office in Charlotte, Mecklenburg County, North Carolina.

4. Defendant's law practice includes real estate closings.

5. Defendant maintained, among others, two accounts with SunTrust Bank that she used in her law practice: a general trust account ending in numbers 8375 ("TA 8375"); and an account ending in 2071 ("EA 2071") that Defendant used for earnest money.

6. TA 8375 was designated as a trust account and Defendant held entrusted funds in the account.

7. EA 2071 was not maintained as a trust account by Defendant even though she held entrusted funds in the account.

8. Defendant did not conduct quarterly reconciliations of EA 2071 for the period January 1 through June 30, 2015.

9. Defendant did not conduct quarterly reconciliations of TA 8375 for the period January 1 through June 30, 2015.

10. During the period January 1 through June 30, 2015, Defendant maintained an office ledger for TA 8375 labeled MISCLAPAGELAW. Deposits and disbursements of client entrusted funds were tracked by this ledger without maintaining dedicated client ledgers for the transactions.

11. Defendant could not identify the owner(s) of all entrusted funds in accounts TA 8375 and EA 2071.

12. An analysis of MISCLAPAGELAW by the State Bar revealed that deposit and disbursement transactions recorded on MISCLAPAGELAW could not always be paired, and in instances where transactions could be paired, some disbursements took place before deposits.

13. Further analysis of TA 8375 and EA 2071 for the period January 1 through June 30, 2015 showed the following: 1) at least three disbursements were made from TA 8375 when the client's entrusted funds had not yet been transferred from EA 2071 to TA 8375; 2) client ledger cards were not created or maintained for EA 2071; 3) yearly accountings were not provided for funds held over one year; 4) at least two deposits and/or disbursements were made from TA 8375 without providing client identification on deposit tickets, checks and electronic transfers; and 5) at least one disbursement was made to Defendant's law firm from TA 8375 without client identification.

### **CONCLUSIONS OF LAW**

1. All parties are properly before the Hearing Panel and the Panel has jurisdiction over Defendant, Lisa Page, and over the subject matter.

2. Defendant's conduct, as set forth in the Findings of Fact above, constitutes grounds for discipline pursuant to N.C. Gen. Stat. § 84-28 in that Defendant violated the Rules of Professional Conduct as follows:

- a) By depositing entrusted funds in EA 2071 but not maintaining the account as a trust account, Defendant deposited entrusted funds into an account that was not identified or managed as a trust account in violation of Rule 1.15-2(b);
- b) By failing to maintain separate client ledgers for all entrusted funds deposited to EA 2071 and TA 8375, Defendant failed to maintain client ledgers in violation of Rule 1.15-3(b)(5);
- c) By failing to conduct quarterly reconciliations of TA 8375 and EA 2071, Defendant failed to reconcile the accounts in violation of Rule 1.15-3(d)(1);
- d) By failing to provide annual written accountings to clients with funds held in EA 2071 for more than a year, Defendant failed to render annual accountings in violation of Rule 1.15-3(e);
- e) By failing to properly identify the owner(s) of entrusted funds in her accounts, Defendant violated Rule 1.15-2(a);
- f) By recording client deposits and disbursements for TA 8375 on a ledger labeled MISCLAPAGELAW without dedicated client ledgers, Defendant failed to properly identify entrusted funds and maintain proper client ledgers in violation of Rules 1.15-2(a) and 1.15-3(b)(5);
- g) By depositing and disbursing client funds to and from TA 8375 without always identifying the client to whom the funds belonged on deposit tickets, checks and/or electronic transfers, Defendant violated Rules 1.15-3(b)(1), (2), and (3);
- h) By disbursing funds from TA 8375 prior to related deposits or when funds were held in EA 2071, Defendant failed to properly maintain and disburse funds in violation of Rule 1.15-2(a) and (m); and
- i) By disbursing funds to Defendant's law firm on at least one occasion without properly identifying the client on the disbursement, Defendant violated Rules 1.15-2(h) and Rule 1.15-3(b)(2).<sup>1</sup>

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

---

<sup>1</sup> All Rule violation references are to the then applicable Rules of Professional Conduct.

### **FINDINGS OF FACT REGARDING DISCIPLINE**

1. Defendant has substantial experience in the practice of law.
2. Defendant's conduct has the potential to cause significant harm to the standing of the profession in the eyes of the public because it shows her disregard for her duties as an attorney. Defendant's conduct undermines the public's confidence in lawyers' ability to safely maintain entrusted client funds.
3. There is no evidence of any dishonest motive on the part of Defendant.
4. Defendant cooperated with the State Bar during its investigation and prosecution of this case.
5. Defendant has prior discipline in North Carolina, a Reprimand in file 09G0647 for assisting the unauthorized practice of law.

Based on the foregoing Findings of Fact, Conclusions of Law and Findings of Fact Regarding Discipline, the Hearing Panel enters the following:

### **CONCLUSIONS REGARDING DISCIPLINE**

1. The Hearing Panel has carefully considered all of the different forms of discipline available to it, including admonition, reprimand, censure and suspension. In addition, the Hearing Panel has considered all of the factors contained in 27 N.C.A.C. 1B § .0116(f)(1) of the Rules and Regulations of the State Bar and finds that the following factors warrant suspension of Defendant's license:
  - a) negative impact of the defendant's actions on clients' and the public's perception of the profession; and
  - b) intent of the defendant to commit acts where the harm or potential harm is foreseeable.
2. The Hearing Panel has also considered all of the factors enumerated in 27 N.C.A.C. 1B § .0116(f)(2) of the Rules and Regulations of the North Carolina State Bar and concludes no factors are present in this instance that would warrant disbarment.
3. The Hearing Panel has also considered all of the factors enumerated in 27 N.C.A.C. 1B § .0116(f)(3) of the Rules and Regulations of the North Carolina State Bar and concludes the following factors are applicable in this matter:
  - a) absence of dishonest motive;
  - b) multiple offenses;

- c) prior discipline – Reprimand 09G0647 (assisting unauthorized practice of law);
- d) experience in the practice of law; and
- e) cooperative attitude toward the proceeding.

4. Defendant's conduct resulted in potential significant harm to her clients by placing entrusted client funds at risk of misapplication and misappropriation.

6. Defendant's conduct resulted in potential significant harm to the legal profession in that her actions bring the legal profession into disrepute.

7. The Hearing Panel has considered lesser alternatives but finds that a censure, reprimand, or admonition would be insufficient discipline because of the potential significant harm to Defendant's clients and the legal profession caused by Defendant's conduct.

9. The Hearing Panel finds and concludes that the public will be adequately protected by suspension of Defendant's law license, stayed with conditions imposed upon Defendant designed to ensure protection of the public and Defendant's continued compliance with the Rules of Professional Conduct.

Based on the foregoing Findings of Fact, Conclusions of Law, Findings of Fact Regarding Discipline and Conclusions of Law Regarding Discipline, the Hearing Panel hereby enters the following:

#### **ORDER OF DISCIPLINE**

1. The law license of Defendant, Lisa A. Page is hereby suspended for two (2) years effective on the date this Consent Order of Discipline is filed. The period of suspension is stayed for two (2) years as long as Defendant complies and continues to comply with the following conditions:

- a) Within the first year of the stayed period of suspension, Defendant shall complete three (3) hours of continuing legal education in the area of trust account management approved by the Office of Counsel of the State Bar to include, in part, attendance at the Trust Accounting Rules Continuing Legal Education Program and provide documentation of compliance with this condition to the Office of Counsel of the State Bar within 10 days of completion of the CLE. These three (3) hours are in addition to the continuing legal education requirements set out in 27 N.C.A.C. 1D § .1518;
- b) Within thirty (30) days of this order's effective date, Defendant shall, at her own expense, retain a certified public accountant or an

accountant (hereafter collectively "CPA") approved in advance by the Office of Counsel who shall audit her trust and fiduciary accounts to identify the beneficial owners of all funds in Defendant's trust and fiduciary accounts and to confirm that Defendant's trust and fiduciary accounts are in compliance with the Rules of Professional Conduct. Defendant will cooperate with the CPA to ensure the audit is completed in a timely fashion. The CPA shall provide monthly written reports to the State Bar updating the State Bar on the audit's progress until the audit is complete. Upon completion of the audit, the CPA shall provide the State Bar with a written final audit report identifying the owner of entrusted funds in Defendant's trust and fiduciary accounts and confirming that Defendant's accounts comply with the Rules of Professional Conduct. The CPA's completed audit report is due, and shall be submitted to the State Bar, within 120 days of the effective date of this order. It is Defendant's sole responsibility to ensure that the CPA completes and submits the reports required herein;

- c) Within sixty (60) days of completion of the CPA's audit of Defendant's trust and fiduciary accounts, Defendant shall disburse all identified client funds in Defendant's accounts that are due or overdue for distribution to their rightful owner(s);
- d) Defendant shall comply with Rule 1.15-2(r) regarding all unidentified funds in Defendant's accounts and comply with Chapter 116B of the General Statutes within sixty (60) days of being statutorily permitted to escheat funds to the State;
- e) Defendant shall provide the Office of Counsel with copies of the following trust account records quarterly, due on or before the 15<sup>th</sup> day of the month following the end of each quarter (January, April, July, and October):
  - (i) Monthly reconciliations of the balance of the trust accounts as shown on Defendant's records and the current bank balance for the trust account; and
  - (ii) Reconciliations of the individual client ledger balances, the ledger of a general trust account, and the current bank statement balance for the trust account as a whole;
- f) Defendant shall provide her bank statements, cancelled checks, client ledgers, and general ledger with each quarterly submission;
- g) Defendant shall provide any other records requested by the Office of Counsel within ten (10) days of the request;

- h) During the period of the stay, Defendant will permit random audits of her trust account(s) by the Office of Counsel upon ten (10) days advance written notice. Such audit will be conducted at Defendant's expense;
- i) Beginning six months from entry of this order, Defendant shall have the CPA audit Defendant's trust accounts on a semi-annual basis to ensure Defendant's compliance with the Rules of Professional Conduct. The CPA must report to the Office of Counsel concerning the compliance of Defendant's account(s) with the Rules of Professional Conduct including, but not limited to, any accounting irregularities and any deviance from the requirements of the Rules of Professional Conduct, with a copy of the report sent simultaneously to Defendant. The CPA's reports are due no later than 30 days after the end of each semi-annual audit. Defendant shall be solely responsible for ensuring that the CPA completes and submits the reports as required herein and Defendant shall be solely responsible for all costs associated with preparation of the CPA's reports;
- j) If any of the CPA's reports note any irregularities or deficiencies, Defendant shall take all remedial action necessary to bring the trust account into compliance with the Rules of Professional Conduct and shall provide proof of the remedial action and compliance to the Office of Counsel of the State Bar and to the CPA within thirty (30) days of the date of the CPA's report;
- k) Defendant shall keep the North Carolina State Bar Membership Department advised of her current business and home addresses; Defendant shall notify the Bar of any change in address within ten (10) days of such change. Her current business address must be a street address, not a P.O. Box or drawer;
- l) Defendant shall respond to all communications from the North Carolina State Bar, including communications from the Attorney Client Assistance Program, within thirty (30) days of receipt or by the deadline stated in the communication, whichever is sooner, and shall participate in good faith in the State Bar's fee dispute resolution process for any petition of which she receives notice after the effective date of this order. This provision applies to all communications from the State Bar except requests from the Office of Counsel for records which is governed by paragraph g) above;
- m) Defendant shall timely comply with all State Bar membership and Continuing Legal Education requirements, and timely pay all dues, costs, fees or assessments related thereto;

- n) Defendant shall not violate the Rules of Professional Conduct or the laws of the United States or of any state or local government during her suspension; and
- o) Defendant shall pay all administrative fees and costs assessed against her in this disciplinary proceeding within thirty (30) days of service of this order upon her.

2. If Defendant fails to comply with any of the conditions of the stayed suspension provided in paragraph 1(a) – (o) above, the stay of the suspension may be lifted as provided in § .0118(a) and (b) of the North Carolina State Bar Discipline and Disability Rules.

3. If the stay granted herein is lifted or the suspension of Defendant's license is activated for any reason, before seeking reinstatement of her license to practice law, Defendant must show by clear, cogent and convincing evidence that she has complied with paragraph 1(a) – (d) above and with each of the following conditions:

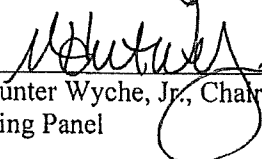
- a) Defendant submitted her license and membership card to the Secretary of the North Carolina State Bar within thirty (30) days after the date of the order lifting the stay and/or activating the suspension of her law license;
- b) Defendant complied with all provisions of 27 N.C.A.C. 1B § .0128 of the State Bar Discipline and Disability Rules following the order lifting the stay and/or activating the suspension of her law license;
- c) That Defendant timely paid all administrative fees and costs assessed against her in this proceeding as reflected on the statement of costs served upon her by the Secretary of the State Bar;
- d) That within thirty (30) days of entry of the order lifting the stay and/or activating the suspension of Defendant's law license, Defendant disbursed all identified client funds in Defendant's trust accounts to their rightful owner(s) account as shown on bank records and complied with Rule 1.15-2(r) regarding all unidentified funds in Defendant's trust accounts;
- e) That within sixty (60) days of being statutorily permitted to escheat funds to the State, Defendant complied with Chapter 116B of the General Statutes;
- f) Defendant has kept the North Carolina State Bar Membership Department advised of her current business and home street addresses (not P.O. box or drawer addresses) and notified the Bar of any change in address within ten (10) days of such change;




- g) Defendant has responded to all communications from the North Carolina State Bar, including communications from the Attorney Client Assistance Program, within thirty (30) days of receipt or by the deadline stated in the communication, whichever is sooner, and has participated in good faith in the State Bar's fee dispute resolution process for any petition of which she receives notice after the effective date of this Order;
- h) That at the time of her petition for stay, Defendant is current in payment of all membership dues, fees, and costs, including all Client Security Fund assessments and other charges or surcharges the State Bar is authorized to collect from her, and including all judicial district dues, fees, and assessments;
- i) That, at the time of her petition for stay, there is no deficit in Defendant's completion of mandatory Continuing Legal Education (CLE) hours, in reporting of such hours or in payment of any fees associated with attendance at CLE programs;
- j) Defendant has not violated the Rules of Professional Conduct or the laws of the United States or of any state or local government during her suspension; and
- k) Defendant has complied with all provisions of 27 N.C.A.C. 1B § .0129(b).


4. Defendant is taxed with the administrative fees and costs of this action as assessed by the Secretary which Defendant shall pay within thirty (30) days of service of the notice of costs upon the Defendant.

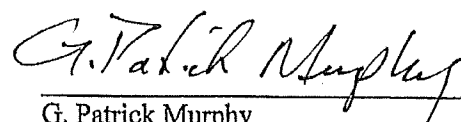
Signed by the undersigned Chair with the full knowledge and consent of the other members of the Hearing Panel, this is the 14 day of FEBRUARY, 2018.

  
\_\_\_\_\_  
N. Hunter Wyche, Jr., Chair  
Hearing Panel

CONSENTED TO BY:

  
\_\_\_\_\_  
Lisa A. Page  
Defendant

  
Deanna S. Brocker  
*Attorney for Defendant*

  
G. Patrick Murphy  
*Attorney for Plaintiff*