

Plaintiff

٧.

CONSENT ORDER STAYING SUSPENSION

JULIA LEIGH SITTON, Attorney,

Defendant

This matter was considered by a Hearing Panel of the Disciplinary Hearing Commission composed of Barbara B. Weyher, Chair, and members Ronald R. Davis and Christopher R. Bruffey, pursuant to North Carolina Administrative Code, Title 27, Chapter 1, Subchapter B, § .0114(x). Plaintiff was represented by Jennifer A. Porter. Defendant Julia Leigh Sitton ("Sitton") was represented by Joseph E. Zeszotarski, Jr. The parties stipulate to the findings of fact set forth herein.

Based upon the pleadings in this matter, the parties' stipulations of fact, and with the consent of the parties, the Hearing Panel hereby finds by clear, cogent, and convincing evidence the following:

### **Findings of Fact**

- By Consent Order of Discipline entered June 24, 2014, Sitton was suspended for three years from the practice of law, effective September 21, 2012. The Consent Order provided that no less than twelve months following the effective date of suspension, Sitton would be eligible to apply for a stay of the remaining period of suspension upon satisfaction of the conditions stated in the Order of Discipline.
- The date of the entry of the Order of Discipline was more than twelve months after the suspension's effective date of September 21, 2012. Accordingly, on June 24, 2014, Sitton submitted a petition requesting a stay of the remaining period of her suspension under the Order of Discipline.
- In her verified petition, Sitton certified that she complied with all conditions for a stay of the remaining period of suspension set out in the Order of Discipline.
- 4. The State Bar's records confirm Sitton has maintained a physical address with the State Bar's membership department, has submitted payment for the fees and

costs from the DHC case, and is current on her membership fees and her CLE fees and hours.

Based upon the foregoing Findings of Fact, the Hearing Panel hereby makes the following:

### **Conclusions of Law**

1. The petitioner, Julia Leigh Sitton, has satisfied the requirements set out in Rule .0125(b) of the North Carolina State Bar Discipline and Disability Rules and the conditions in the Order of Discipline for a stay of her suspension.

## THEREFORE, it is hereby ORDERED:

- 1. The remaining period of Sitton's three year suspension of her license to practice law is stayed as long as she continues to meet all of the conditions set forth in the Order of Discipline in this case.
- 2. This stay of the remainder of Sitton's three year suspension is effective upon the signing and filing of this order.
- 3. The Disciplinary Hearing Commission will retain jurisdiction of this matter pursuant to 27 N.C. Admin. Code Chapter 1, Subchapter B, § .0114(x) of the North Carolina State Bar Discipline and Disability Rules throughout the period of the stayed suspension.

Signed by the Chair with the consent of the other hearing panel members, this the day of 2014.

Barbara B. Weyher Chair Disciplinary Hearing Panel

Agreed and consented to by:

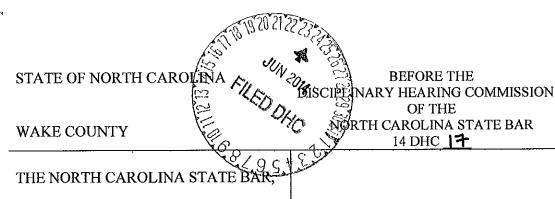
Jennifer A. Porter Attorney for Plaintiff

Julia Leigh Sitton

**D**efendant

Joseph E. Zeszotarski, Jr.

Attorney for Defendant



Plaintiff

٧.

CONSENT ORDER OF DISCIPLINE

JULIA LEIGH SITTON, Attorney,

Defendant

This matter was considered by a Hearing Panel of the Disciplinary Hearing Commission composed of Barbara B. Weyher, Chair, and members Ronald R. Davis and Christopher R. Bruffey, pursuant to North Carolina Administrative Code, Title 27, Chapter 1, Subchapter B, § .0114(h). Plaintiff was represented by Jennifer A. Porter. Defendant Julia Leigh Sitton ("Sitton") was represented by Joseph E. Zeszotarski, Jr. Both Plaintiff and Defendant stipulate and agree to the findings of fact and conclusions of law recited in this consent order and to the discipline imposed. Sitton has freely and voluntarily stipulated to the foregoing findings of fact and consents to the conclusions of law and entry of the order of discipline. Sitton freely and voluntarily waives any and all right to appeal the entry of this consent order of discipline.

Based upon the pleadings in this matter, the parties' stipulations of fact, and with the consent of the parties, the Hearing Panel hereby finds by clear, cogent, and convincing evidence the following:

## **Findings of Fact**

- 1. Plaintiff, the North Carolina State Bar ("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 (Chapter 1 of Title 27 of the North Carolina Administrative Code).
- 2. Defendant, Julia Leigh Sitton ("Sitton"), was admitted to the North Carolina State Bar in 1987 and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.
- 3. The State Bar transferred Sitton's law license to inactive status pursuant to her petition in 2004. Sitton remained in inactive status until 2011, when her petition to be

transferred back to active status was granted. Although transferred back to active status in 2011, Sitton has not engaged in the practice of law.

- 4. Sitton was properly served with process and the matter came before the Hearing Panel with due notice to all parties.
- 5. Sitton worked for the Bev Perdue Committee ("Committee") in 2007 and 2008. The Bev Perdue Committee was a political committee to which the requirements of N.C. Gen. Stat. § 163-278.8 and § 163-278.11 applied.
  - 6. Sitton was paid \$3,000.00 per month by the Committee.
- 7. In about August 2007, Sitton entered into an arrangement under which she purportedly provided consulting services to Tryon Capital Ventures, LLC for \$2,000.00 per month.
  - 8. Sitton did not provide consulting services to Tryon Capital Ventures, LLC.
- 9. The \$2,000.00 per month paid to Sitton by Tryon Capital Ventures, LLC, was funded by Beverly Perdue supporter Charles Michael Fulenwider, who provided the funds to compensate Sitton for her work on the Perdue campaign.
- 10. Peter Reichard made the arrangements for Sitton to receive the extra \$2,000.00 per month for her work on the campaign through the purported consulting contract with Tryon Capital Ventures, LLC funded by Fulenwider. Reichard was the finance director for the Committee. Reichard was also a principal of Tryon Capital Ventures, LLC.
- 11. As a result of this arrangement, Fulenwider exceeded the limit on allowable contributions by a contributor under N.C. Gen. Stat. § 163-278.13. Additionally, the reports filed by the Committee identifying all contributions and expenditures made for the benefit of the candidate pursuant to N.C. Gen. Stat. § 163-278.8 and § 163-278.11 did not include the extra compensation being paid under this arrangement with Tryon Capital Ventures, LLC and Fulenwider.
- 12. On September 21, 2012, Sitton pled guilty in Wake County Superior Court to misdemeanor obstruction of justice for participating in this arrangement under which she received an extra \$2,000.00 per month for her work on the Bev Perdue campaign through a purported consulting contract under which she was not providing consulting services, which contributed to the above violations of campaign finance reporting laws.

Based upon the consent of the parties and the foregoing stipulated Findings of Fact, the Hearing Panel enters the following:

#### Conclusions of Law

- 1. All parties are properly before the Hearing Panel and the Panel has jurisdiction over Defendant and the subject matter of this proceeding.
- 2. Defendant's conduct as set out in the stipulated Findings of Fact above constitutes grounds for discipline as follows:
  - a. Pursuant to N.C. Gen. Stat. § 84-28(b)(1), for her conviction in state court of common law misdemeanor obstruction of justice, a criminal offense showing professional unfitness; and
  - b. Pursuant to N.C. Gen. Stat. § 84-28(b)(2), for violations of the Rules of Professional Conduct. By participating in an agreement with Reichard and Fulenwider under which she entered into a purported consulting contract with Tryon Capital Ventures LLC and received outside compensation for her work on the Perdue campaign, which resulted in Fulenwider exceeding limits on contributions and the Committee inaccurately reporting contributions and expenditures made for the benefit of the candidate, Defendant committed a criminal act that reflects adversely on her honesty, trustworthiness or fitness as a lawyer in other respects in violation of Rule 8.4(b), and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c).

Based upon the consent of the parties, the Hearing Panel also finds by clear, cogent, and convincing evidence the following:

# Findings of Fact Regarding Discipline

- 1. Although it was not Sitton's intent to cause violations of campaign finance laws, Sitton acknowledges this was the effect of the arrangement with Tryon Capital Ventures, LLC and Fulenwider.
- 2. Defendant fully cooperated with the SBI investigation of this matter and admitted her conduct to the SBI, to the lawyers who prosecuted the criminal case, to the court in the criminal case, to the Grievance Committee and to the Disciplinary Hearing Commission.
- 3. The court in the criminal action against Defendant imposed the following sentence: 45 days incarceration, suspended; 12 months unsupervised probation with the condition that she not be employed by, or receive or solicit contributions for, any political candidate, campaign, or party; fine of \$5,000.00; and court costs.
- 4. Defendant acknowledges that she relied on the assurances of Reichard, the campaign finance manager, about the legitimacy of the arrangement rather than exercise her independent judgment. Defendant understands that her reliance was misplaced and that it was inappropriate to allow anyone to persuade her to do the wrong thing.
  - 5. Defendant has expressed sincere remorse and contrition.

- 6. With the exception of the professional misconduct at issue in this case, Defendant has demonstrated good character in her professional life.
  - 7. The misconduct at issue appears to be uncharacteristic of Defendant.
  - 8. Defendant has no prior discipline.
- 9. Defendant did not begin practicing law when she was transferred to active status in 2011 and has voluntarily not engaged in the practice of law since she was convicted on September 21, 2012.
- 10. Defendant's misconduct received public attention, causing significant harm by bringing the legal profession into disrepute and significantly undermining the public's confidence in the integrity of the profession.
- 11. The Hearing Panel has carefully considered all of the different forms of discipline available to it, including admonition, reprimand, censure, suspension, and disbarment, in considering the appropriate discipline to impose in this case.

Based on the Findings of Fact and Conclusions of Law above and the additional Findings of Fact Regarding Discipline, the Hearing Panel makes the following:

## **Conclusions With Respect To 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.A.C. 1B § .0114(w)(1) of the Rules and Regulations of the North Carolina State Bar and concludes the following factors warrant suspension of Defendant's license:
  - a. Intent of Defendant to commit acts where the harm or potential harm is foreseeable;
  - b. Circumstances reflecting Defendant's lack of honesty, trustworthiness, or integrity;
  - c. Negative impact of Defendant's actions on client's or public's perception of the profession; and
    - d. Acts of dishonesty, misrepresentation, deceit, or fabrication.
- 2. The Hearing Panel has considered all of the factors enumerated in 27 N.C.A.C. 1B § .0114(w)(2) of the Rules and Regulations of the North Carolina State Bar and concludes that although some factors are present the circumstances of this case do not warrant disbarment in order to protect the public.

- 3. The Hearing Panel has considered all of the factors enumerated in 27 N.C.A.C. 1B § .0114(w)(3) of the Rules and Regulations of the North Carolina State Bar and concludes the following factors are applicable in this matter:
  - a. Lack of prior discipline;
  - b. Selfish motive;
  - c. A pattern of misconduct;
  - d. Full and free disclosure to the Hearing Panel and cooperative attitude toward the proceedings;
    - e. Remorse;
  - f. Other than the conduct at issue in this proceeding, Defendant has demonstrated good character and judgment in her professional career;
    - g. Defendant's years of experience in the practice of law.
- 4. The integrity of the election process requires compliance with the applicable rules and regulations. Defendant's conduct, if continued or tolerated by the Bar, poses significant potential harm to the public and the profession.
- 5. The Hearing Panel has considered issuing an admonition, reprimand or censure but concludes that such discipline would not be sufficient discipline because of the gravity of the potential harm to the public and the profession. The Panel further concludes that such discipline would fail to acknowledge the seriousness of the offenses committed by Defendant and send the wrong message to attorneys regarding the conduct expected of members of the Bar in this State.
- 6. This Hearing Panel has considered lesser alternatives and concludes that a suspension with the possibility for the suspension to be stayed upon compliance with certain conditions is necessary to adequately protect the public and the profession
- 7. For these reasons, this Hearing Panel finds that an order imposing discipline short of a suspension of Defendant's law license would not be appropriate.

Based upon the foregoing findings of fact and conclusions of law and the findings of fact and conclusion regarding discipline, and based upon the consent of the parties, the Hearing Panel enters the following:

# **Order of Discipline**

- 1. Defendant, Julia Leigh Sitton, is hereby suspended from the practice of law for three years.
- 2. The effective date of the suspension shall be the date of Defendant's conviction, September 21, 2012.
- 3. Defendant is taxed with the administrative fees and the costs of this action as assessed by the Secretary. Defendant shall be served with a statement of costs stating the costs assessed against Defendant. Defendant shall pay the costs within thirty days of service of the statement of costs upon her.
- 4. Because Defendant has not engaged in the practice of law since she was transferred back to active status in 2011, it is unnecessary for her to comply with the wind-down provisions of 27 N.C. Admin. Code 1B § .0124 of the North Carolina State Bar Discipline & Disability Rules.
- 5. After no less than twelve months following the effective date of the suspension, September 21, 2012, Defendant may file a verified petition for a stay of the remaining period of the suspension. The remaining period of suspension may be stayed if Defendant establishes by clear, cogent, and convincing evidence that she has complied with the following conditions:
  - a. Defendant has complied with the general provisions for reinstatement listed in 27 N.C. Admin. Code 1B § .0125(b)(3) of the North Carolina State Bar Discipline & Disability Rules;
  - b. Defendant has paid the fees and costs taxed to her in this action within thirty days of receipt of the statement of costs;
  - c. Defendant has responded to all letters of notice and requests for information from the N.C. State Bar by the deadline stated in the communication;
  - d. Defendant has kept the State Bar Membership Department advised of her current physical home address and notified the State Bar of any change in address within ten days of such change;
  - e. Defendant paid all outstanding membership fees, Client Security Fund assessments, local judicial district dues, fees, and assessments, any other charges or surcharges the State Bar is authorized to collect, and any fees or costs assessed by the DHC or the State Bar;
  - f. 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 such hours or in payment of any fees associated with attendance at CLE programs; and

- g. Defendant has not violated the Rules of Professional Conduct or the laws of the United States or any state.
- 6. If Defendant is granted a stay of her suspension, the stay of her suspension will remain in effect only if Defendant complies, and continues to comply, with the following conditions:
  - a. Defendant shall keep the State Bar Membership Department advised of her current business and home addresses. Defendant shall notify the State Bar of any change in address within ten days of such change. Her current business address must be a street address, not a P.O. box or drawer;
  - b. Defendant shall accept all certified mail from the State Bar sent to the address on record with the Membership Department of the North Carolina State Bar;
  - c. Defendant shall respond to all letters of notice and requests for information from the North Carolina State Bar by the deadline stated therein with full and complete responses and all requested documentation;
  - d. Defendant will timely comply with the State Bar continuing legal education requirements and will pay all fees and costs assessed by the applicable deadline:
  - e. Defendant will pay all membership, Client Security Fund, and any other related dues, fees, and/or costs by the applicable deadline;
  - f. Defendant will not violate any of the Rules of Professional Conduct in effect during the period of the stay;
  - g. Defendant will not violate any laws of the State of North Carolina or of the United States during the period of the stay; and
  - h. Defendant shall comply with such other and further requirements as may be imposed by any hearing panel that may grant a stay of Defendant's suspension.
- 7. If an order staying any period of the suspension imposed by this Order is entered and Defendant fails to comply with any one or more of the conditions set out in this Order of Discipline, then the stay of the suspension of her law license may be lifted as provided in § .0114(x) of the North Carolina State Bar Discipline and Disability Rules.
- 8. If Defendant does not seek a stay of the active portion of the suspension of her law license or if some part of the suspension is stayed and thereafter the stay is revoked, Defendant must comply with the conditions set out in paragraph 5 of this section as well as the requirements of 27 N.C. Admin. Code 1B, § .0125(b) in order to be reinstated from this suspension to active status.
- 9. The Disciplinary Hearing Commission will retain jurisdiction of this matter pursuant to 27 N.C. Admin. Code Chapter 1, Subchapter B, § .0114(x) of the

North Carolina State Bar Discipline and Disability Rules throughout the period of any stayed suspension.

Signed by the Chair with the consent of the other hearing panel members, this the day of \_\_\_\_\_\_\_ 2014.

Barbara B. Weyher, Chair Disciplinary Hearing Panel

Agreed and consented to by:

Jennifer A. Porter Attorney for Plaintiff

Julia Leigh Sitton Defendant

Joseph E. Zeszotarski, Jr. Attorney for Defendant