

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
GRIEVANCE COMMITTEE
OF THE
NORTH CAROLINA STATE BAR
14G1197

IN THE MATTER OF

James L. Goldsmith, Jr.
Attorney At Law

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REPRIMAND

On July 16, 2015 the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by the North Carolina State Bar. The grievance was assigned to a Subcommittee, which thoroughly reviewed the results of the State Bar staff's investigation of this matter.

Pursuant to Section .0113(a) of the Discipline and Disability Rules of the North Carolina State Bar, the Grievance Subcommittee conducted a preliminary hearing. After considering the information available to it, including your response to the letter of notice, the Grievance Subcommittee found probable cause. Probable cause is defined in the rules as "reasonable cause to believe that a member of the North Carolina State Bar is guilty of misconduct justifying disciplinary action."

The rules provide that after a finding of probable cause, the Grievance Committee may determine that the filing of a complaint and a hearing before the Disciplinary Hearing Commission are not required, and the Grievance Committee may issue various levels of discipline depending upon the misconduct, the actual or potential injury caused, and any aggravating or mitigating factors. The Grievance Committee may issue an admonition, a reprimand, or a censure to the respondent attorney.

A reprimand is a written form of discipline more serious than an admonition issued in cases in which an attorney has violated one or more provisions of the Rules of Professional Conduct and has caused harm or potential harm to a client, the administration of justice, the profession, or a member of the public, but the misconduct does not require a censure.

The Grievance Committee was of the opinion that a censure is not required in this case and issues this reprimand to you. As chairman of the Grievance Committee of the North Carolina State Bar, it is now my duty to issue this reprimand.

In 2013, you signed an "Of Counsel Agreement" with Brownstone, P.A., an out-of-state law firm not licensed to practice law in North Carolina. While serving as "of counsel," you aided Brownstone in providing legal services to North Carolina residents. You signed and filed

pleadings on behalf of North Carolina clients of Brownstone in North Carolina courts. You were paid by Brownstone a portion of the fees Brownstone charged the North Carolina clients.

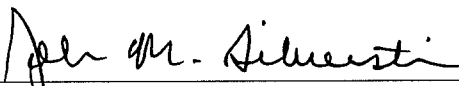
By accepting fees from Brownstone out of a portion of the fees Brownstone charged the clients, you shared a fee with a nonlawyer in violation of Rule 5.4(a). By working with Brownstone to provide legal services to North Carolina residents, you assisted another entity in the unauthorized practice of law in violation of Rule 5.5(f) (formerly 5.5(d)). Finally, by holding out to clients as able to provide legal services via an out-of-state entity that is not licensed to provide legal services here, you participated in making false or misleading statements about your services in violation of Rule 7.1(a).

In determining that a reprimand was appropriate in this case, the Committee took into account the harm that necessarily results whenever attorneys aid unregistered, out-of-state entities in the unauthorized practice of law, particularly when money exchanges hands, court appearances are made, and legal forms are drafted or filed on behalf of others. The Committee specifically considered the pleading you filed in the North Carolina Court of Appeals that was misleading and procedurally deficient and may have led to your client's case being dismissed.

You are hereby reprimanded by the North Carolina State Bar for your professional misconduct. The Grievance Committee trusts that you will heed this reprimand, that it will be remembered by you, that it will be beneficial to you, and that you will never again allow yourself to depart from adherence to the high ethical standards of the legal profession.

In accordance with the policy adopted July 23, 2010 by the Council of the North Carolina State Bar regarding the taxing of administrative fees and investigative costs to any attorney issued a reprimand by the Grievance Committee, an administrative fee in the amount of \$350.00 is hereby taxed to you.

Done and ordered, this the 30th day of JULY, 2015.



John M. Silverstein, Chair
Grievance Committee

JMS/lb