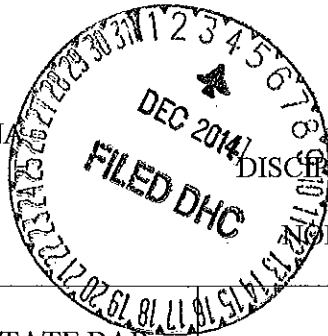


STATE OF NORTH CAROLINA

WAKE COUNTY



BEFORE THE  
DISCIPLINARY HEARING COMMISSION  
OF THE  
NORTH CAROLINA STATE BAR  
14 DHC 22

THE NORTH CAROLINA STATE BAR,

PLAINTIFF

v.

LENA WATTS-ROBINSON, ATTORNEY,

DEFENDANT

ORDER OF DISCIPLINE

This matter was heard on 12, 13, and 14 November 2014 by a hearing panel of the Disciplinary Hearing Commission composed of Steven D. Michael, Chair, Shirley L. Fulton and Patti Head. Leonor Bailey Hodge represented Plaintiff, the North Carolina State Bar. Defendant, Lena Watts-Robinson, appeared *pro se*.

Based upon the evidence presented at the hearing, 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, Lena Watts-Robinson (hereafter "Defendant" or "Watts-Robinson"), was admitted to the State Bar on 29 September 2006 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, Watts-Robinson was actively engaged in the practice of law and maintained law offices in Charlotte, Mecklenburg County, North Carolina and Gastonia, Gaston County, North Carolina.

4. From 1 January 2011 through 29 November 2013, Watts-Robinson received and disbursed entrusted funds on behalf of clients that were either nominal and/or held for a short term.

5. Watts-Robinson was required to deposit these nominal and/or short term entrusted funds into a general trust account.

6. Pursuant to order of the North Carolina Supreme Court, every general trust account must be an interest or dividend-bearing account.

7. Any interest that is generated on funds held in a general trust account must either be paid to the client on whose funds the interest was earned, or to North Carolina Interest on Lawyers Trust Account Program (hereafter "IOLTA") in accordance with 27 N.C. Admin. Code 1D § .1316.

8. The funds received by IOLTA are used for programs concerned with the improvement of the administration of justice.

9. From 1 January 2011 through 14 October 2011, Watts-Robinson deposited the entrusted funds she received for clients into her Wachovia Business High Performance Money Market Account ending in no. 6677 (hereafter "Wachovia 6677"). Watts-Robinson also disbursed entrusted funds from this account.

10. The owner of Wachovia 6677 was listed on each bank statement as: "Law Office of Lena Watts-Robinson, Lena Watts-Robinson, Trust Account IOTA [sic]."

11. Wells-Fargo Bank acquired and/or merged with Wachovia Bank.

12. As a result of the change in bank ownership, beginning on or about 15 October 2011 the title of Wachovia 6677 changed to Wells Fargo Business Performance Savings Account ending in no. 6677 (hereafter "Wells Fargo 6677").

13. There was no reference to "trust account" or "IOTA [sic]" on the bank statements for Wells Fargo 6677.

14. The deposits Watts-Robinson made into the Wachovia 6677 and Wells Fargo 6677 accounts earned interest.

15. Watts-Robinson did not direct the bank to remit the earned interest to IOLTA.

16. Watts-Robinson did not remit the earned interest to the clients on whose funds the interest was earned.

17. As of 31 January 2013, Watts-Robinson had disbursed to herself all but \$.01 of any interest that had been earned on any client funds that had been deposited into Wells Fargo 6677 prior to that date.

18. Watts-Robinson made several disbursements of legal fees to herself from Wells Fargo 6677 by electronic transfer that did not indicate on the item the client balance from which the disbursement was drawn.

19. Watts-Robinson failed to perform quarterly reconciliations of Wachovia 6677 and Wells Fargo 6677.

20. Pursuant to 27 N.C. Admin. Code 1D § .1319 Watts-Robinson was required to certify annually to the State Bar that all general trust accounts that she maintained were established and maintained as IOLTA accounts, or that she was exempt from this provision because she does not maintain any general trust accounts for North Carolina client funds.

21. On her 2008 and 2009 mandatory IOLTA certification form, Watts-Robinson certified that her IOLTA status was exempt because she did not handle client funds because she was either not in private practice, did not maintain general client trust accounts in North Carolina or was not practicing in North Carolina.

22. Although Watts-Robinson falsely indicated that she was exempt from mandatory IOLTA in 2008 and 2009, she mistakenly made this representation.

23. Watts-Robinson mistakenly certified on her 2010, 2011, 2012 and 2013 mandatory IOLTA certification forms that her firm's general trust account was established as a North Carolina IOLTA account.

#### Billips Representation

24. In or about January 2009, L. Billips (hereafter "Billips") consulted with Watts-Robinson about unemployment and employment discrimination matters.

25. In or about April 2009, Billips retained Watts-Robinson to represent him in the employment discrimination matter.

26. Watts-Robinson and Billips had an hourly fee agreement at the outset of the representation.

27. Billips paid Watts-Robinson approximately \$9,200 for fees and costs in 2009, 2010 and 2011 pursuant to the hourly fee agreement.

28. In or about May 2012, Billips and Watts-Robinson changed from an hourly fee arrangement to a contingent fee arrangement.

29. At the time that Watts-Robinson suggested to Billips that they enter into a contingent fee agreement, discovery had already been completed in Billips's employment discrimination case and the judicial settlement conference had already been held.

30. The terms of the contingent fee agreement provided that Watts-Robinson would collect the full hourly fee that she charged through May 2012, payment for costs and expenses of litigation, and 1/3 of any recovery that Billips obtained.

31. The terms of the contingent fee agreement were not fair and reasonable to Billips.

32. During Watts-Robinson's representation of Billips, issues arose between Watts-Robinson and opposing counsel at the beginning of Billips's 30 June 2011 deposition.

33. As a result of these issues, on or about 1 July 2011, opposing counsel filed a motion to compel and for sanctions, and for an expedited hearing and/or decision.

34. After declining to hold an expedited hearing, the Federal District Court heard the motion for sanctions on 3 August 2011.

35. On 8 August 2011 the Honorable David C. Keesler, Magistrate Judge for The United States District Court for the Western District of North Carolina entered an order in Billips's employment discrimination case imposing a \$2,500 sanction against Watts-Robinson "because she impeded, delayed, and frustrated the fair examination of her client."

36. The court's stated purpose for imposing the sanction against Watts-Robinson was "to deter [Watts-Robinson] from similar conduct in the future, and to compensate Defendant for some of its expenses."

37. On 22 May 2012, the Honorable Richard L. Voorhees, United States District Judge, affirmed the order imposing sanctions against Watts-Robinson.

38. Watts-Robinson was personally responsible for payment of the \$2,500 sanction. It was not Billips's responsibility.

39. On or about 30 May 2012, Watts-Robinson issued check no. 1321 for \$2,500 drawn on her operating account as payment of the sanctions imposed by the District Court.

40. On or about 7 May 2013, Billips settled his employment discrimination matter without a trial pursuant to terms set out in a written Settlement and Release Agreement.

41. The terms of the settlement agreement provided, among other things, that three payments would be made: (1) a \$5,000 payment to Billips, less all applicable withholdings, (2) a \$96,011.92 payment to Billips, and (3) an \$83,988.08 payment to Watts-Robinson as payment of her attorney's fees.

42. On or about 29 May 2013, Watts-Robinson received the following three checks in settlement of Billips's case: (1) a check made payable to Billips in the amount of \$3,067.50; (2) a check made payable to Billips in the amount of \$96,011.92; and (3) a check made payable to Law Offices of Lena Watts-Robinson, PA in the amount of \$83,998.08.

43. Watts-Robinson deposited the \$83,998.08 check made payable to her into her business operating account at or near the time that she received the check in May 2013.

44. On or about 3 June 2013, Watts-Robinson mailed the \$3,067.50 check to Billips under cover of letter that promised once she received the \$96,011.92 check she would forward it to Billips.

45. Also on 3 June 2013, Watts-Robinson returned to the defendant in the employment discrimination case the \$96,011.92 check payable to Billips under cover of letter that requested that this check be reissued made payable to either: "Law Office of Lena Watts-

Robinson OR Louis Billips” or “Law Office of Lena Watts-Robinson on behalf of Louis Billips.”

46. Watts-Robinson failed to inform Billips that she had received a check payable to Billips for \$96,011.92 and failed to inform him that he could either sign the check for deposit by her into a trust account or deposit the settlement check into his own bank account and be billed separately for his litigation costs and expenses.

47. Instead, Watts-Robinson informed Billips that the \$96,011.92 check had been issued incorrectly by the employer defendant as part of a scheme by the defendant to further harass Billips.

48. The defendant in Billips’s case would not agree to reissue the check to Watts-Robinson made payable to “Law Office of Lena Watts-Robinson OR Louis Billips.” The defendant would only agree to reissue it payable to “Law Office of Lena Watts-Robinson on behalf of Louis Billips” if Billips executed an amended settlement agreement authorizing the change.

49. On or about 27 June 2013, Billips signed an amendment to the settlement agreement of his employment discrimination case authorizing the settlement check to be reissued made payable to “The Law Offices of Lena Watts-Robinson on behalf of Louis Billips.”

50. Watts-Robinson received the \$96,011.92 in trust for Billips on or about 21 July 2013 during her representation of him.

51. On or about 25 July 2013, Billips wrote to Watts-Robinson requesting that she provide the remaining proceeds of his settlement and requesting that she provide a copy of his file.

52. Watts-Robinson did not respond to Billips’s July 25<sup>th</sup> request.

53. Watts-Robinson deposited the reissued check for \$96,001.92 and \$10 in cash into Wells Fargo 6677 on or about 26 July 2013.

54. On or about 15 August 2013, Billips filed a Petition for Resolution of Disputed Fee with the State Bar, file no. 13FD0379, seeking the \$96,011.92 check which constituted the remainder of his settlement proceeds.

55. On 4 September 2013, Watts-Robinson signed the certified mail receipt indicating her receipt of the Letter of Notice for 13FD0379.

56. On or about 4 September 2013, the same date that Watts-Robinson acknowledged receipt of the Letter of Notice for the Fee Dispute Petition, Watts-Robinson transferred \$9,493.84 to her operating account as reimbursement of purported expenses related to her representation of Billips.

57. Watts-Robinson did not inform Billips about the \$9,493.84 disbursement.

58. Billips did not authorize Watts-Robinson to disburse any portion of the \$96,011.92 settlement proceeds to herself as payment of costs and/or expenses.

59. Watts-Robinson included in the \$9,493.84 disbursement to her herself purported reimbursement for the \$2,500 sanction she paid pursuant to Judge Keesler's order.

60. The \$2,500 sanction against Watts-Robinson was not an expense of Billips.

61. Watts-Robinson was not entitled to use Billips's funds as reimbursement for her payment of this sanction.

62. Watts-Robinson knew that she was not entitled to transfer any portion of Billips's funds to herself in purported reimbursement of the \$2,500 sanction imposed against her.

63. Watts-Robinson misappropriated \$2,500 from Billips's settlement proceeds.

64. Also included in the \$9,493.84 amount Watts-Robinson transferred to herself was a copy fee of \$1,062.00 (\$1.00 per page) that she assessed for providing Billips with a copy of his client file.

65. On 6 September 2013, the State Bar Fee Dispute Facilitator asked Watts-Robinson to provide a copy of the executed contingent fee agreement, Billips's client ledger, the settlement disbursement distribution summary sheet and a copy of the fully executed release.

66. In subsequent communications between 6 September 2013 and 25 September 2013, the State Bar Fee Dispute Facilitator reiterated her requests for the contingent fee agreement, client ledger and other documentation relating to Watts-Robinson's representation of Billips and also asked Watts-Robinson to disburse the remainder of Billips's settlement proceeds to him.

67. On or about 14 September 2013, Watts-Robinson submitted her response to the Letter of Notice for the fee dispute petition.

68. Watts-Robinson failed to provide any substantive response to the petition, failed to provide the documentation requested by the State Bar and also failed to provide any information about the status of the remainder of Billips's settlement proceeds.

69. Watts-Robinson failed to disburse any portion of Billips's \$96,011.92 settlement proceeds to Billips until she disbursed \$86,508.08 to him by cashier's check on or about 24 September 2013.

70. Watts-Robinson did not inform Billips that she had disbursed \$2,500 to herself in purported reimbursement of the sanctions imposed until she sent a "Statement of Costs and Expenses" with the cashier's check she sent to Billips on or about 24 September 2013.

71. Watts-Robinson stated the following on the Statement of Costs and Expenses in support of the \$2,500 "expense" she assessed to Billips: "paid to Benco Steel by order of the

court because Billips' [sic] left the deposition after Billips told his counsel that he felt uncomfortable with Borders being present at Billips' [sic] deposition, preferred Judy White."

72. Watts-Robinson's explanation of the \$2,500 as listed on the statement of costs that she provided to Billips was false and was intended to mislead Billips.

73. On or about 22 November 2013, the State Bar asked Watts-Robinson for a copy of the order imposing sanctions.

74. In response to this request, Watts-Robinson failed to provide a copy of the August 2011 order that imposed the sanctions or the May 2012 order that affirmed the August 2011 order.

75. Instead, Watts-Robinson provided the State Bar with a copy of an order granting her motion for an extension of time to pay the sanction claiming that this order changed the payer of the sanctions from Watts-Robinson to Billips.

76. Billips's funds earned approximately \$13.00 of interest while Watts-Robinson held them in Wells Fargo 6677.

77. Watts-Robinson did not disburse this interest to Billips.

78. Instead, Watts-Robinson appropriated the interest that accrued on Billips's settlement proceeds to Watts-Robinson's benefit.

79. In connection with her representation of Billips, Watts-Robinson collected a total of \$102,691.92: \$93,198.08 in attorney's fees and \$9,493.84 as reimbursement for purported costs and expenses. This amount was \$11,183.84 more than Billips received from the case.

80. Over the three years that Watts-Robinson represented Billips on an hourly basis, she only performed 244.7 hours of work on his behalf (less than 9 weeks of work assuming she worked a 30 hour work week).

81. Watts-Robinson's fee of \$93,198.08 for her representation of Billips in the employment discrimination matter was excessive.

#### Burton Representation

82. In or about the summer of 2012, N. Burton (hereafter "Burton") consulted with Watts-Robinson about an unemployment appeal and Equal Employment Opportunity Commission ("EEOC") Claim.

83. On or about 29 June 2012, Burton retained Watts-Robinson to represent her in the unemployment appeal. Burton did not retain Watts-Robinson to represent her in the EEOC claim.

84. Watts-Robinson charged Burton a flat fee of \$500 for representation in the unemployment appeal.

85. The hearing on Burton's unemployment appeal had already been scheduled for 10 July 2012 when Burton retained Watts-Robinson to represent her.

86. Burton informed Watts-Robinson of the scheduled hearing date at the time that she retained Watts-Robinson.

87. On 5 July 2012, Watts-Robinson informed the Employment Security Commission (hereafter "ESC") hearing officer that she had been retained to represent Burton and requested a continuance of the 10 July 2012 hearing.

88. As of 9 July 2012, Watts-Robinson had not received any response from the ESC hearing officer as to whether her request to have Burton's matter continued had been granted.

89. On 9 July 2012, Watts-Robinson left a message for Burton instructing Burton to contact the hearing officer to check on the status of Watts-Robinson's request for continuance.

90. Burton spoke with the hearing officer on 10 July 2012. However, the hearing officer would not provide Burton with any information about the status of the continuance request because Burton was represented by Watts-Robinson.

91. The hearing officer told Burton that she would contact Watts-Robinson directly about the matter.

92. The hearing officer contacted Watts-Robinson and informed her that the hearing had been continued. Watts-Robinson did not inform Burton about this communication.

93. Between July 10 and July 13, Burton left several voicemail messages for Watts-Robinson and sent several text messages to Watts-Robinson seeking to learn whether the hearing on her unemployment appeal had been continued.

94. On 12 July 2012, Burton again contacted the hearing officer seeking to determine whether the July 10<sup>th</sup> hearing had been held or continued.

95. During this second call, the hearing officer informed Burton that the hearing had been continued.

96. Watts-Robinson failed to respond to Burton's several attempts to contact her until 14 July 2012, four days after the date the hearing on Burton's unemployment appeal was scheduled to occur.

97. On 17 July 2012, Watts-Robinson notified Burton by mail that the ESC hearing on Burton's unemployment appeal had been rescheduled for 13 August 2012.

98. Watts-Robinson stated she would not represent Burton at the rescheduled hearing.

99. On 23 July 2012, Burton requested a refund of her \$500 flat fee payment.



100. Watts-Robinson refused to return the unearned fee to Burton and claimed that she was entitled to keep it as payment of fees Burton owed to Watts-Robinson for her representation of Burton in the EEOC claim that was a part of the initial consultation, but for which matter Burton did not retain Watts-Robinson.

101. Watts-Robinson did not earn any fee for representation of Burton in the unemployment appeal.

102. Watts-Robinson was not entitled to retain the \$500 flat fee that Burton paid to her.

#### Witness Credibility

103. The Panel has had the opportunity to observe the witnesses, including Billips, Burton and Watts-Robinson, during their testimony at this hearing.

104. Billips and Burton testified truthfully.

105. Watts-Robinson's testimony does not comport with the established facts and for that reason is not credible.

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

#### CONCLUSIONS OF LAW

1. All parties are properly before the Hearing Panel and the Panel has jurisdiction over Defendant, Lena Watts-Robinson.
2. The State Bar has failed to establish by clear, cogent and convincing evidence the following:
  - a. That Defendant falsely certified her IOLTA status as exempt thereby engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c); and
  - b. That Defendant falsely certified that her firm's general trust account was established as an IOLTA account thereby engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).
3. Defendant's conduct as set forth in the Findings of Fact above, constitutes grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct as follows:
  - a. By depositing her clients' entrusted funds into her Business Performance Savings Account instead of depositing them into an attorney trust account, Defendant failed to maintain entrusted property

separate from the property of the lawyer in violation of Rule 1.15-2(a) and failed to deposit entrusted funds into either a general trust account or dedicated trust account in violation of Rule 1.15-2(b);

- b. By failing to disburse the interest earned on entrusted property to IOLTA or to the clients on whose funds the interest was earned, Defendant violated Rule 1.15-2(p);
- c. By failing to indicate on disbursements to herself the client balance from which disbursements for legal fees were made, Defendant withdrew funds for payment of lawyer's fees without indicating on the item the client balance on which it was drawn in violation of Rule 1.15-2(h) and failed to maintain minimum records for a bank account in violation of Rule 1.15-3(b);
- d. By failing to reconcile the account into which she deposited entrusted client funds quarterly, Defendant failed to, at least quarterly, total and reconcile individual client balances with the current bank statement balance for the account as a whole, in violation of Rule 1.15-3(d);
- e. By failing to inform Billips of her receipt of his \$96,011.92 settlement proceeds, Defendant failed to promptly notify her client of the receipt of entrusted property belonging in whole or in part to the client in violation of Rule 1.15-2(l) and failed to keep the client reasonably informed about the status of the matter in violation of Rule 1.4(a)(3);
- f. By failing to respond to Billips's request for his settlement proceeds and request for his file, Defendant failed to promptly comply with reasonable requests for information in violation of Rule 1.4(a)(4);
- g. By failing to provide a substantive response to the Letter of Notice for the Fee Dispute Petition and by failing to provide the supporting documentation requested by the Fee Dispute Facilitator, Defendant failed to participate in good faith in the fee dispute resolution process in violation of Rule 1.5(f)(2);
- h. By depositing Billips's settlement proceeds into her Wells Fargo 6677 account, Defendant failed to maintain entrusted property separate from the property of the lawyer in violation of Rule 1.15-2(a) and failed to deposit entrusted funds into either a general trust account or dedicated trust account in violation of Rule 1.15-2(b);
- i. By using Billips's entrusted funds to reimburse herself for sanctions which were imposed by the court against Defendant personally, Defendant used entrusted property for her own personal benefit or for the personal benefit of one other than the legal or beneficial owner without authorization to do so in violation of Rule 1.15-2(j);

- j. By using Billips's entrusted funds to reimburse herself for sanctions which were imposed by the court against Defendant personally, Defendant committed a criminal act (embezzlement) that reflects adversely on her honesty, trustworthiness and fitness as a lawyer in violation of Rule 8.4(b) and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c);
- k. By failing, until after conclusion of the fee dispute matter, to inform Billips about her disbursement of a portion of his settlement proceeds in purported payment of expenses, Defendant failed to keep the client reasonably informed about the status of the matter in violation of Rule 1.4(a)(3);
- l. By disbursing a portion of Billips's settlement proceeds to herself without authorization from Billips in purported payment of expenses, Defendant used entrusted property for her own personal benefit or for the personal benefit of one other than the legal or beneficial owner without authorization to do so in violation of Rule 1.15-2(j);
- m. By charging Billips for a copy of his client file, Defendant failed to surrender papers and property that the client is entitled to upon termination of representation in violation of Rule 1.16(d);
- n. By holding Billips's settlement proceeds for approximately two months without legitimate cause, Defendant failed to promptly deliver to the client any entrusted property to which the client was entitled in violation of Rule 1.15-2(m);
- o. By failing to disburse the interest that accrued on Billips's settlement proceeds to either Billips or IOLTA, Defendant benefited from the interest earned on entrusted funds in violation of Rule 1.15-2(p);
- p. By charging Billips \$93,198.08 for her representation of him in his employment discrimination matter, Defendant collected an excessive fee in violation of Rule 1.5(a);
- q. By failing to provide the State Bar with a copy of the order imposing sanctions against her, Defendant knowingly failed to respond to a lawful demand for information from a disciplinary authority in violation of Rule 8.1(b);
- r. By failing to notify Burton that the hearing on Burton's unemployment appeal had been continued, Defendant failed to act with reasonable diligence in representing her client in violation of Rule 1.3;
- s. By failing to communicate with Burton about the status of her request for continuance, Defendant 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); and

- t. By failing to refund the \$500 flat fee Burton paid Watts-Robinson to represent her in the unemployment appeal, Defendant failed to return an unearned fee upon termination of representation in violation of Rule 1.16(d).

Based upon the foregoing Findings of Fact and Conclusions of Law, the Hearing Panel hereby makes by clear, cogent and convincing evidence the following:

#### ADDITIONAL FINDINGS OF FACT REGARDING DISCIPLINE

1. Defendant was admonished by the State Bar in 2012 for failing to correct an order after notification that correction was required and for refusing to perform work, for which Defendant had already been paid, without additional payment from the client.

2. At the time Billips retained Defendant to handle his employment discrimination and wrongful termination lawsuit; he was unemployed and suffering financial hardship.

3. Billips was vulnerable and trusted that Defendant, as his lawyer, would protect his interests.

4. Defendant intentionally delayed disbursement of Billips's settlement proceeds to him without good cause.

5. Defendant's unnecessary and unjustified delay in providing the settlement proceeds to Billips caused additional stress and financial hardship to her client.

6. Billips was the victim of employment discrimination and has now been victimized by Defendant.

7. Billips appeared in this matter pursuant to subpoena and was required to miss work to comply with the subpoena by appearing to testify.

8. As a result of Defendant's misconduct, Billips no longer trusts that lawyers will protect his interests.

9. Burton had recently started a new job when she retained Watts-Robinson to represent her and depended upon Watts-Robinson to handle her unemployment appeal because Burton was not allowed much time away from her new job.

10. Burton was vulnerable and trusted that Defendant, as her lawyer, would protect her interests.

11. Burton paid another lawyer an additional \$500 to appear and represent her in the unemployment appeal after Defendant withdrew from the representation without returning the unearned fee.

12. Burton appeared in this matter pursuant to subpoena and was required to leave her minor children and miss work to comply with the subpoena by appearing to testify.

13. As a result of Defendant's misconduct, Burton no longer trusts that lawyers will conduct themselves ethically.

14. Defendant placed her interests above the interests of her clients.

15. Defendant, by her misappropriation, has caused harm to her clients by depriving them of their money in a timely manner and caused harm to the standing of the legal profession by undermining trust and confidence in lawyers and the legal system.

16. A cornerstone of client trust in an attorney is that the attorney will properly protect and maintain entrusted funds. Failure to do so erodes the confidence clients place in attorneys who handle their affairs and harms the profession as a whole.

17. Defendant caused significant harm and potential significant harm to the client whose funds she was required to hold in her trust account but failed to maintain in trust.

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

#### CONCLUSIONS OF LAW REGARDING DISCIPLINE

1. The Hearing Panel has considered all of the factors contained in 27 N.C. Admin. Code 1B §.0114(w)(1) and concludes the following factors that warrant suspension or disbarment are present:

- a. Intent of Defendant to cause the resulting harm or potential harm;
- b. Intent of the Defendant to commit acts where the harm or potential harm is foreseeable;
- c. Circumstances reflecting the Defendant's lack of honesty, trustworthiness, or integrity;
- d. Elevation of the Defendant's own interest above that of the client;
- e. Negative impact of Defendant's actions on clients' perception of the profession;

- f. Negative impact of the Defendant's actions on the administration of justice;
- g. Impairment of the clients' ability to achieve the goals of the representation; and
- h. Acts of dishonesty, misrepresentation, deceit, or fabrication.

2. The Hearing Panel has considered all of the factors contained in 27 N.C. Admin. Code 1B §.0114(w)(2) and concludes the following factors that warrant disbarment are present:

- a. Acts of dishonesty, misrepresentation, deceit, or fabrication;
- b. Misappropriation or conversion of assets of any kind to which the Defendant or recipient is not entitled, whether from a client or any other source; and
- c. Commission of a felony.

3. The Hearing Panel has considered all of the factors contained in 27 N.C. Admin. Code 1B §.0114(w)(3) and concludes that the following factors are present:

- a. Prior disciplinary offense;
- b. Dishonest or selfish motive;
- c. Pattern of misconduct;
- d. Multiple offenses;
- e. Vulnerability of victims; and
- f. Eight years experience in the practice of law.

4. Defendant put her own personal interests ahead of her clients' interests.

5. Defendant's misappropriation caused significant actual harm to her clients by depriving them of their funds.

6. Defendant's failure to properly maintain and handle entrusted funds betrays a vital trust that clients and the public place in attorneys and the legal profession.

7. By failing to participate in good faith in the fee dispute resolution process and by knowingly failing to respond to a lawful demand for information from a disciplinary authority, Defendant showed disregard for the lawyer self-regulation process, thereby causing harm to the standing of the legal profession.

8. The Hearing Panel has considered all lesser sanctions including: suspension, censure, reprimand and admonition and finds that discipline less than disbarment would not adequately protect the public from Defendant's future misconduct for the following reasons:

- a. Defendant committed a criminal act, specifically embezzlement, that reflects adversely on her honesty, trustworthiness or fitness as a lawyer in other respects and violated the trust of her client, Billips;
- b. entry of an order imposing less serious discipline would fail to acknowledge the seriousness of the offenses Defendant committed and would send the wrong message to lawyers and the public regarding the conduct expected of members of the Bar of this State;
- c. the protection of the public and the legal profession requires that Defendant not be permitted to return to the practice of law until she demonstrates the following by clear, cogent and convincing evidence: (i) that she has reformed, (ii) that she possesses the moral qualifications required for admission to practice law in North Carolina, taking into account the misconduct that is the subject of this order, (iii) that she understands the current Rules of Professional Conduct, including but not limited to those Rules relating to "Safekeeping Property" as set forth in Rule 1.15 et seq.; and (iv) that reinstatement will not be detrimental to the public or the integrity and standing of the legal profession. Disbarment is the only discipline that will require Defendant to make such a showing before returning to the practice of law.

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

#### ORDER OF DISCIPLINE

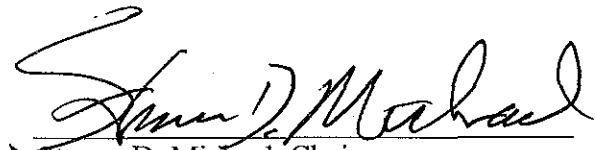
1. Defendant, Lena Watts-Robinson, is hereby DISBARRED from the practice of law.
2. Defendant shall surrender her law license and membership card to the Secretary of the North Carolina State Bar no later than 30 days following service of this order upon Defendant.
3. Defendant shall pay within 30 days of service of the statement of costs upon her by the Secretary of the State Bar the administrative fees and costs of this proceeding.
4. Defendant shall comply with all provisions of 27 N.C. Admin. Code 1B § .0124.

5. Defendant shall provide the following to the State Bar within thirty days of the effective date of this Order:

- a. Current contact information for all clients who have or should have funds in Watts-Robinson's accounts. Defendant shall cooperate with the State Bar to account for and disburse all client funds as appropriate; and
- b. An address and telephone number at which clients seeking return of their files can communicate with Defendant and obtain such files.

6. Defendant shall return client files to client within five days of receipt of a request for return of the client file. Defendant will be deemed to have received any such request three days after the date the request is sent to Defendant if the request is sent to the address Defendant provided to the State Bar pursuant to this Order.

2<sup>nd</sup> Signed by the Chair with the consent of the other Hearing Panel members, this the  
day of December, 2014.

  
Steven D. Michael, Chair  
Disciplinary Hearing Panel