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NORTH CAROLINA  
WAKE COUNTY

BEFORE THE  
GRIEVANCE COMMITTEE  
OF THE  
NORTH CAROLINA STATE BAR  
96G0873(I)

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IN THE MATTER OF	)	
	)	
BRUCE HUGGINS,	)	REPRIMAND
ATTORNEY AT LAW	)	
	)	

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On January 23, 1997, the Grievance Committee of the North Carolina State Bar met and considered the grievance filed against you by AEGIS Administrative Services.

Pursuant to section .0113(a) of the Discipline and Disability Rules of the North Carolina State Bar, the Grievance Committee conducted a preliminary hearing. After considering the information available to it, including your response to the letter of notice, the Grievance Committee 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 and I am certain that you will understand fully the spirit in which this duty is performed.

AEGIS Administrative Services is the administrator of the N.C. Forestry Self Insurers Fund. AEGIS paid your client, Milton Moore, \$10,397.70 in worker's compensation benefits in 1993 due to Moore's work related injury. AEGIS had a statutory subrogation lien on any funds generated from

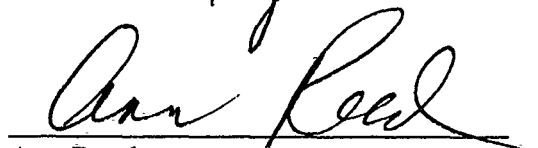
Moore's third party claim which you represented Moore on. You were aware of AEGIS's subrogation lien. You were advised of the amount of AEGIS's lien by letter dated October 13, 1994. You settled Moore's third party claim in early December 1994 for \$60,000. You failed to pay AEGIS's lien as required by N.C.G.S. §97-10.2. AEGIS made numerous contacts with your office concerning the status of the third party claim and when they could expect to receive the lien amount. Although you had received the letters and received memos about the telephone calls, you failed to advise AEGIS that your client's claim had been settled. Your office never advised AEGIS that the third party claim had been settled during any of their contacts with your office as late as May 17, 1996. After receiving a letter of notice in this matter, you got an order from the Industrial Commission authorizing the distribution of the third party recovery which allowed you to take an attorney's fee for collecting AEGIS's lien. This order also authorized distribution of Mr. Moore's portion of the proceeds and your attorney fee for representing Moore. You had disbursed those amounts without having an order authorizing those disbursements signed. Since you were receiving an attorney fee for collecting AEGIS's lien, you had a duty to AEGIS to truthfully respond to their inquiries for a status update and to promptly disburse their portion of the lien amount to them. Your failure to promptly distribute AEGIS's lien funds to them violated Rule 10.2(e). Your failure to respond to requests for a status update violated Rule 6(b)(1). Your having misled AEGIS about whether or not Moore's claim had been settled violated Rule 1.2(c).

The Grievance Committee was concerned about the management of your law office. The Committee did not refer this matter to the LMAP program because they felt you deserved this reprimand. However, the Committee wanted me to suggest that you voluntarily complete the LMAP program.

You are hereby reprimanded by the North Carolina State Bar due to 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 October 15, 1981 by the Council of the North Carolina State Bar regarding the taxing of the administrative and investigative costs to any attorney issued a reprimand by the Grievance Committee, the costs of this action in the amount of \$50.00 are hereby taxed to you.

Done and ordered, this 5<sup>th</sup> day of May, 1997.



Ann Reed  
Chair, Grievance Committee  
The North Carolina State Bar