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IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
FILE NO.: 08 CVS 06869

WAKE COUNTY

THE NORTH CAROLINA STATE BAR, 400 1, 0.8.0.

Petitioner

v.

CONSENT ORDER OF PRELIMINARY INJUNCTION

MICHELLE T. SHEPHERD, Attorney,

Respondent

THIS MATTER came on to be heard and was heard by the undersigned Judge of Superior Court of Wake County pursuant to a petition for preliminary injunction and motion for temporary restraining order filed by the North Carolina State Bar. Petitioner, the North Carolina State Bar, was represented by Jennifer A. Porter. Respondent, Michelle T. Shepherd, was not represented by counsel. Based upon the consent of the parties, the Court makes the following:

FINDINGS OF FACT

- 1. Respondent, Michelle T. Shepherd ("Shepherd"), was licensed to practice law in North Carolina in 1996.
- 2. Shepherd's law office is located at 545 East Main Street, Jefferson, NC 28640. Shepherd appears to have a post office box address of Post Office Box 820, Jefferson, NC 28640. The information of record in the membership database of the North Carolina State Bar reflects a post office address of Post Office Box 1617, West Jefferson, NC 28694 for Shepherd.
- 3. Shepherd maintains two trust accounts, one located at First Charter Bank in Jefferson, North Carolina, and one located at AF Bank in Jefferson, North Carolina.
- 4. The State Bar has received evidence indicating that funds held in trust by Shepherd were mishandled by Shepherd.
 - 5. Shepherd desires to cooperate with the State Bar.
- 6. A need for prompt action exists to ensure that further entrusted funds are not mishandled.

Based upon the foregoing Findings of Fact, the Court makes the following

CONCLUSIONS OF LAW

- 1. Prompt action, pursuant to N.C. Gen. Stat. 84-28(f), is necessary to preserve the status quo while the State Bar conducts an analysis of Shepherd's trust and operating accounts and to ensure that no client funds are mishandled.
- 2. Shepherd should be enjoined from accepting any further funds from or on behalf of clients or other individuals in a fiduciary capacity, from writing checks against any account in which client or fiduciary funds have been deposited, and from directing any employee or agent to draw a check on any account in which client or fiduciary funds have been deposited, except as expressly authorized by this order.
- 3. To assist the State Bar's analysis of her trust and operating accounts, Shepherd should provide the State Bar with records of all accounts in which client or fiduciary funds have been deposited or in which mishandled client or fiduciary funds have been deposited.

THEREFORE, IT IS HEREBY ORDERED:

- 1. Michelle T. Shepherd is enjoined from accepting or receiving any funds from clients or third parties in a fiduciary capacity, from withdrawing any funds from and/or drawing any checks or other instruments against any account in which client or fiduciary funds have been deposited and from directing any employee or agent to withdraw funds from and/or to draw any checks or other instruments against any account in which client or fiduciary funds have been deposited until and unless permitted by subsequent orders of the Court.
- 2. Michelle T. Shepherd is enjoined from serving in any fiduciary capacity, including trustee, escrow agent, settlement agent, personal representative, executor or attorney-in-fact, until further order of this Court.
- 3. Michelle T. Shepherd or any other person having custody or control of records relating to any account into which client or fiduciary funds have been deposited shall immediately produce to the North Carolina State Bar for inspection and copying all of Shepherd's financial records relating to any account into which client or fiduciary funds have been deposited, including, but not limited to bank statements, canceled checks, deposit slips, client ledger cards, check stubs and debit memos and any other records relating to the receipt and disbursement of client and/or fiduciary funds.
- 4. Michelle T. Shepherd or any other person having custody or control of records relating to any account into which mishandled client or fiduciary funds have been deposited shall immediately produce to the North Carolina State Bar for inspection and copying all of Shepherd's financial records relating to any account into which mishandled

client or fiduciary funds have been deposited, including, but not limited to bank statements, canceled checks, deposit slips, client ledger cards, check stubs and debit memos and any other records relating to the receipt and disbursement of client and/or fiduciary funds.

- 5. Michelle T. Shepherd or any other person having custody or control over records relating to individuals for whom she has provided legal services shall produce to the North Carolina State Bar for inspection and copying all records and documents including but not limited to client files, billing statements, memoranda and receipts. Current client files shall be produced within 24 hours of demand by the State Bar and closed client files shall be produced within 3 days of demand by the State Bar.
- 6. If Shepherd does not have possession of the minimum records required to be maintained regarding trust and fiduciary funds pursuant to Rule 1.15-3 of the Revised Rules of Professional Conduct, she shall direct the bank(s) where her bank account(s) are maintained, within 10 days of the date of this order, to copy and transmit any such missing records directly to the North Carolina State Bar at Shepherd's expense.
- 7. This Consent Order of Preliminary Injunction shall remain in effect until further orders of this Court.

THIS the And day of April

ر, 2008.

Wake County Superior Court Judge

WE CONSENT:

Jennifer A. Porter Deputy Counsel

Attorney for Petitioner

Michelle T. Shepherd

Respondent

STATE OF NORTH CAROLINA

IN THE GENERAL COURT OF JUSTICE MUSEUPERIOR COURT DIVISION

WAKE COUNTY	FILE NO.: 08 CVS 06869
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THE NORTH CAROLINA STATE BAR,

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v.

BY_____

CERTIFICATE OF SERVICE

MICHELLE T. SHEPHERD, Attorney,

Respondent

CERTIFICATE OF SERVICE

The undersigned hereby certifies that Plaintiff mailed a copy of the filed Consent Order of Preliminary Injunction in this matter to Michelle T. Shepherd. The above listed document was sent to Michelle T. Shepherd along with a copy of this certificate of service by regular first class mail to the addresses below:

209 Kemp Drive West Jefferson, NC 28694

P.O. Box 1617 West Jefferson, NC 28694

P.O. Box 820 Jefferson, NC 28640

This the 25th day of April, 2008.

Jennifer A. Porter Deputy Counsel

The North Carolina State Bar

P.O. Box 25908 Raleigh, NC 27611

919-828-4620

Counsel for Plaintiff