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FILED

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SUPERIOR COURT DIVISION
NORTH CAROLINA WAKE COUNTY, C.S.C. 14 CVS _____

BY

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| THE NORTH CAROLINA STATE BAR, PETITIONER | ) | |
| v. | ) | CONSENT ORDER OF PRELIMINARY INJUNCTION |
| RICHARD Z. POLIDI, ATTORNEY, RESPONDENT | ) | |

THIS MATTER is before the undersigned Judge of Superior Court of Wake County on motion of the North Carolina State Bar. Petitioner, the North Carolina State Bar, is represented by Carmen Hoyme Bannon. Respondent, Richard Z. Polidi, is represented by Alan Schneider. Based upon the consent of the parties, the Court makes the following:

FINDINGS OF FACT

1. Petitioner, the North Carolina State Bar, is an agency of the State 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. The State Bar brings this action pursuant to N.C. Gen. Stat. § 84-28(f).

2. Respondent, Richard Z. Polidi, was licensed to practice law in North Carolina in 2004.

3. Respondent's address of record on file with the North Carolina State Bar is 2501 Blue Ridge Road, Suite 250, Raleigh, NC 27607.

4. On 4 December 2013, the North Carolina State Bar served Respondent with a subpoena issued by the Grievance Committee which required Respondent to produce and permit inspection of bank records, including documentation related to his attorney trust account.

5. The State Bar's preliminary examination of the records produced by Respondent pursuant to the subpoena indicates that Respondent has not handled funds in accordance with North Carolina Rules of Professional Conduct 1.15-2 and 1.15-3, regarding handling entrusted funds and trust account management.

6. Respondent desires to cooperate with the North Carolina State Bar.

7. Since the preliminary examination, with the consent of the State Bar, Respondent has disbursed all entrusted funds in his trust account for the benefit of several clients.

8. A need for prompt action exists to ensure that client funds are not mishandled.

9. Respondent stipulates to the Wake County Superior Court's jurisdiction over his person, acknowledges the Court's subject matter jurisdiction pursuant to N.C. Gen. Stat. § 84-28(f), and waives any right to challenge or appeal this order on jurisdictional grounds.

Based upon the foregoing findings, and with the consent of the parties, the Court makes the following:

CONCLUSIONS OF LAW

1. This Court has personal jurisdiction over Respondent and jurisdiction over the subject matter. This matter is properly before the Wake County Superior Court pursuant to N.C. Gen. Stat. § 84-28(f).

2. Prompt action, pursuant to § 84-28(f), is necessary to preserve the status quo while the State Bar conducts an analysis of Respondent's accounts and to ensure that no client funds are mishandled.

3. Respondent 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 or withdrawing funds from any account in which client or fiduciary funds have been deposited, and from directing any employee or agent to write a check against, or withdraw funds from any account in which client or fiduciary funds have been deposited, unless and until expressly permitted by subsequent order of the Court.

4. To assist the State Bar's analysis of his trust and operating accounts, Respondent should provide the State Bar with records of all accounts in which client or fiduciary funds have been deposited and with all client files requested by the State Bar as set forth below.

5. To assist the State Bar's analysis of his trust account, Respondent should provide the State Bar with the reconciliation reports that North Carolina lawyers are required to prepare and maintain pursuant to Rule 1.15-3(d) of the Rules of Professional Conduct.

6. Respondent should be prohibited from serving as trustee, attorney-in-fact, executor, personal representative or in any other fiduciary capacity. Notwithstanding this general prohibition, Respondent may continue to serve as attorney-in-fact for his father pursuant to the power of attorney that was in place prior to the entry of this order.

THEREFORE, IT IS HEREBY ORDERED:

1. Respondent, Richard Z. Polidi, is enjoined from accepting any further funds from clients or third parties in a fiduciary capacity, from withdrawing any funds from and/or writing any checks 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 write a check against any account in which client or fiduciary funds have been deposited until permitted by subsequent order of the Court.

2. Respondent, 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 at its Raleigh offices for inspection and copying all of Respondent'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, deposited items and debit memos and any other records relating to the receipt and disbursement of client and/or fiduciary funds, as requested by the State Bar.

3. If Respondent 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 Rules of Professional Conduct, he shall direct the bank(s) where his trust and operating bank account(s) are maintained, within ten days of the date of this order, to copy and transmit any such missing records directly to the North Carolina State Bar at its Raleigh offices, at Respondent's expense.

4. Respondent, or any other person having custody or control over records relating to individuals for whom Respondent has provided legal services, shall produce to the North Carolina State Bar at its Raleigh offices for inspection and copying all records and documents related to the provision of those services including but not limited to: client files, billing statements, memoranda and receipts. Current client files shall be produced within twenty-four hours of demand by the State Bar and closed client files shall be produced within three days of demand by the State Bar.

5. Respondent is hereby enjoined from serving in any fiduciary capacity, including attorney-in-fact, escrow agent trustee, executor, or personal representative, until further order of this Court. As a limited exception to this prohibition, Respondent may continue to serve as attorney-in-fact for his father pursuant to a preexisting power of attorney.

6. This Order of Preliminary Injunction shall remain in effect until further order of this Court.

This the 2 day of January, 2014.

Donald W. Stephens

Wake County Superior Court Judge

WE CONSENT:

Carmen Hoyme Bannon
Attorney for Petitioner
The North Carolina State Bar

Alan M. Schneider
Attorney for Respondent

Richard Z. Polidi
Respondent