

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 N.C. Gen. Stat. 84-28(f), is necessary to preserve the status quo while the State Bar conducts an analysis of Kunz's trust accounts and any other accounts into which client or fiduciary funds have been deposited, including, if applicable, operating and personal bank accounts, and to ensure that no further entrusted funds are mishandled.

3. Kunz should be enjoined from receiving or disbursing any further entrusted funds (as defined in the definition of "trust funds" in Rule 1.15-1(o) of the North Carolina Rules of Professional Conduct) from or on behalf of clients, from receiving or disbursing any funds from any individual or entity in any fiduciary capacity, from withdrawing funds from and/or writing checks against any account in which client funds (as defined in the definition of "trust funds" in Rule 1.15-1(o) of the North Carolina Rules of Professional Conduct and hereafter referenced as "client funds" or "trust funds") or fiduciary funds have been deposited, including personal accounts, and from directing any employee or agent to withdraw funds from and/or draw a check on any account in which client or fiduciary funds have been deposited, including personal accounts, except as expressly authorized by this order or until and unless authorized by subsequent order of the Court.

4. To assist the State Bar's analysis of his accounts, Kunz 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 accounts, Kunz should provide the State Bar with the reconciliation reports required to be prepared and maintained pursuant to Rule 1.15-3(d) of the Rules of Professional Conduct.

6. Kunz should be prohibited from serving as a trustee, escrow agent, settlement agent, attorney-in-fact, executor, personal representative or in any other fiduciary capacity.

THEREFORE, IT IS HEREBY ORDERED:

1. Kunz is enjoined from the following until permitted by subsequent orders of the Court: receiving or disbursing any entrusted funds (as defined in the definition of "trust funds" in Rule 1.15-1(o) of the North Carolina Rules of Professional Conduct) from or on behalf of clients; receiving or disbursing any funds from any individual or entity in any fiduciary capacity; writing checks against or otherwise disbursing or withdrawing funds from any account in which client or fiduciary funds have been deposited, including operating or personal accounts into which

misappropriated or mishandled client or fiduciary funds were deposited; and/or directing any employee or agent to draw a check on or otherwise disburse or withdraw funds from any account in which client or fiduciary funds have been deposited, including operating or personal accounts into which misappropriated or mishandled client or fiduciary funds were deposited.

2. Kunz, or any other person having custody or control of records relating to any account into which client funds or fiduciary funds have been deposited, including misappropriated or mishandled client or fiduciary funds, shall immediately produce to the North Carolina State Bar at its Raleigh, North Carolina location for inspection and copying all financial records relating to any account into which client or fiduciary funds have been deposited, such accounts to include his firm's operating account(s) and his personal bank accounts if applicable, and such records to include but not limited to bank statements, canceled checks, deposit slips, client ledger cards, check stubs, deposited items, debit memos, credit card transaction information, and any other records relating to the receipt and disbursement of client and/or fiduciary funds, as requested by the State Bar.

3. Kunz, or any other person having custody or control over records relating to individuals for whom Kunz has provided legal or fiduciary services, shall produce to the North Carolina State Bar at its Raleigh, North Carolina location for inspection and copying any or all client files needed by the State Bar for its audit. "Client files" shall include all records and documents relating to individuals or entities for whom Kunz has provided legal or fiduciary services, including but not limited to settlement statements, HUD-1 Settlement Statements, billing statements, accountings, fee agreements, correspondence, litigation documents, memoranda and receipts. Current client files shall be produced at the State Bar offices in Raleigh, North Carolina within 24 hours of request by the State Bar and closed client files shall be produced at the State Bar offices in Raleigh, North Carolina within 3 days of request by the State Bar, or by the deadline set by the State Bar, whichever is later.

4. If Kunz does not have possession of the records described above or 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 10 days of the State Bar's request for records, to copy and transmit any such missing records necessary to comply with any State Bar request directly to the North Carolina State Bar at its Raleigh, North Carolina location, at Kunz's expense.

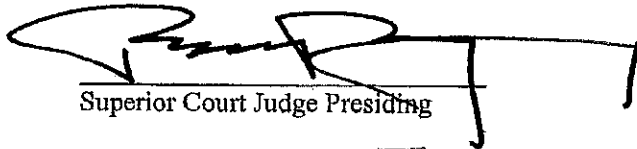
5. Kunz shall immediately produce to the North Carolina State Bar at its Raleigh, North Carolina location the monthly and quarterly reconciliation reports for any and all trust accounts that he is required to produce and maintain pursuant to Rule 1.15-3(d) of the Rules of Professional Conduct. If Kunz has not prepared such reports as required, Kunz is hereby ordered to conduct the monthly and quarterly reconciliations required by Rule 1.15-3(d) of the Rules of Professional Conduct for the time period required under the Rules of Professional Conduct, or a lesser period if so specified by the State Bar, and produce the reports to the State Bar within two weeks of the date of this order or by the deadline set by the State Bar, whichever is later.

6. Prior to any request to this Court to vacate or dissolve this injunction, Kunz shall have provided the North Carolina State Bar at its Raleigh, North Carolina location an accurate three-way reconciliation report compliant with Rule 1.15-3(d)(1) of the North Carolina Rules of Professional Conduct for any and all trust accounts maintained by Kunz with a balance as of the entry of the injunction for the month immediately preceding any such request, with all corresponding documentation, including but not limited to the applicable bank statement, list of client balances with client names and respective balances and total identifying all funds in the trust account, client ledgers compliant with Rule 1.15-3(b)(5) for all clients with funds in the trust account, an office ledger for any office funds in the trust account for maintenance of the account, and a general ledger for the trust account.

7. Kunz shall not serve in any fiduciary capacity, including trustee, escrow agent, settlement agent, personal representative, executor or attorney-in-fact until further order of this Court.

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

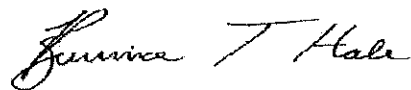
THIS the 27 day of September, 2022.




Superior Court Judge Presiding

CONSENT TO BY:

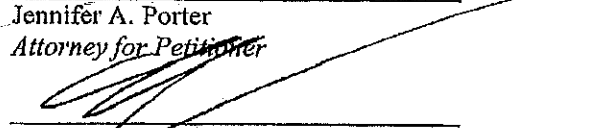
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|---|
| Paul C. Ridgeway Senior Resident Superior Court Judge |
|---|



B. Tessa Hale
Attorney for Petitioner



Jennifer A. Porter
Attorney for Petitioner



Charles M. Kunz
Respondent

STATE OF NORTH CAROLINA
WAKE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
FILE NO.: 22CVS

THE NORTH CAROLINA STATE BAR, 2022 SEP 27 P 1:55

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| <p>Petitioner</p> <p>v.</p> <p>CHARLES M. KUNZ, Attorney,</p> <p>Respondent</p> | <p>WAKE CO., O.S.C.</p> <p>CERTIFICATE OF SERVICE</p> <p>BY _____</p> |
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CERTIFICATE OF SERVICE

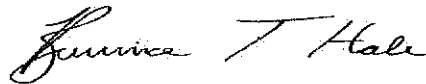
The undersigned hereby certifies that the Consent Order of Preliminary Injunction filed in this case on September 27, 2022, was served upon Respondent, Charles M. Kunz, by depositing it with the United States Postal Service in a postage prepaid envelope, addressed to Respondent as follows:

Charles M. Kunz
PO Box 61915
Durham, NC 27715

The Consent Order of Preliminary Injunction was also e-mailed to Respondent on September 27, 2022, as follows:

charles@kunzlawpllc.com

This the 27th day of September, 2022.



B. Tessa Hale
Deputy Counsel
State Bar No. 49671
The North Carolina State Bar
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Counsel for Petitioner
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