

STATE OF NORTH CAROLINA
MOORE COUNTY

FILED

IN THE GENERAL COURT OF JUSTICE
DISTRICT COURT DIVISION
FILE NO.: ___ CVD ___

7003-100-b-12-19

MOORE CO., C.9.07

IN THE MATTER OF
ARTHUR M. BLUE, Attorney

LMO

PRELIMINARY INJUNCTION AND
ORDER TO SHOW CAUSE

The undersigned, pursuant to the inherent authority of the judiciary to regulate the conduct of attorneys, and the Court’s duty to safeguard the efficiency and integrity of the administration of justice, issues the following Preliminary Injunction and Order to Show Cause directing attorney Arthur M. Blue to appear before the Court on the **31st day of May, 2023 at 9:30 am**, in the Moore County Courthouse for a hearing to determine whether he is disabled as defined by 27 N.C. Admin. Code §1B.0103(19) and should be immediately transferred to disability inactive status, or has violated the Rules of Professional Conduct, and if so, what discipline or sanction is appropriate, and further enjoining attorney Arthur M. Blue from engaging in the practice of law as defined in N.C. Gen. Stat. § 84-2.1 until such time as the proceedings have concluded and a decision entered. As this matter is set on for contempt which can be either criminal or civil, Attorney Blue’s **first appearance shall be set for 25th day of April, 2023 at 9:00am** before Chief District Court Judge Creed.

FINDINGS OF FACT

1. Respondent, Arthur M. Blue, was licensed to practice law in North Carolina in 1990 and issued North Carolina Law License #17339.
2. Attorney Blue is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Court’s inherent authority to regulate the conduct of the attorneys appearing before it, and the North Carolina Rules of Professional Conduct.
3. During the periods referred to herein, Attorney Blue was engaged in the practice of law in the State of North Carolina and maintained a law office (d/b/a Arthur M. Blue Law Office, P.A.) in Moore County, North Carolina.
4. Attorney Blue has engaged in misconduct before the undersigned, discussed in greater detail in the subparagraphs below, which poses a significant risk of harm to clients, the public, and the administration of justice. Attorney Blue’s misconduct indicates that his professional judgment, performance and/or competence may be impaired.

- a. On April 5, 2023, Jonathan Silverman, also a licensed attorney, approached the undersigned requesting a continuance in *Rodgers v. Rodgers* 12 CVD 001423;
- b. The *Rodgers* case had been previously set for a two day setting with day 1 to be April 6, 2023. This setting was the **seventh trial setting** for the matter. This matter was original filed in 2020 as a motion to modify custody and has been pending since then without a hearing in the case.
- c. The undersigned judge denied the Motion to Continue.
- d. On April 6, 2023, prior to court beginning at 9:30 am for the trial of the *Rodgers* matter, Attorney Silverman and Attorney Blue requested to speak with the undersigned Judge in chambers.
- e. The undersigned Judge observed that Attorney Blue was visibly inebriated in chambers. He could not walk steadily (he was waving and shuffling), his eyes were bloodshot, and he had slurred speech. Both attorneys requested a motion to continue. The undersigned Judge agreed to continue the matter today given the circumstances, but also explained that there would be an announcement in open court by the undersigned Judge with the clients present that no further continuances would be granted. I also explained I would be setting it peremptorily.
- f. The undersigned Judge then asked to speak with Attorney Blue separately in chambers. I explained that I had heard that there were issues with Mr. Blue appearing in court and/or being ready to proceed through the usual courthouse chatter, but I preferred to directly speak with him about his cases before me. I asked him if he was too inebriated to proceed today. Mr. Blue said "yes, he was." I explained that I had a great deal of respect for him. I also explained that I was concerned about his clients. I asked him what his plan was as far as transferring his clients to other representation. He told me he planned to partner with Mr. Silverman and transfer his cases over. He said he almost had an agreement with the State Bar to go for treatment and that in 90 days he would be back and ready to go. I explained that the clients before me today could not be represented by Mr. Silverman because he was the opposing counsel. Mr. Blue then began telling me about his knee injury and his need for surgery. I refocused him on the present issue of the client he was representing today. He said "I haven't thought about a conflict plan." I told him I believe he needed to transfer representation of the files. He directly told me he was not planning to talk with any clients about his "health issues." I explained to Mr. Blue that he needed treatment. I said to him that being honest about addiction and handling it honestly would make me have greater respect for a person not less, but that ignoring problems and leaving clients in bad circumstances was not acceptable. At that point, he became frustrated about the "people" talking about him and said they could "fuck off." I said that I believed he needed to focus on himself but that we should return to the courtroom and manage the matter before the Court.

- g. On the record I continued the matter, set a peremptory setting, and then explained to everyone that I would not be continuing it again for any reason whatsoever or for any party. I explained that even if a party's lawyer did not appear, was not ready, or was fired I would move forward with the case without excuse. The only acceptable excuse was if someone in the courtroom today (a party or an attorney) unexpectedly died. Mr. Blue's client was visibly upset and began to cry. During the court proceeding, Mr. Blue's cell phone was ringing out loud and he was unable to turn it off despite trying several different times. He dropped and fumbled the phone multiple times. His client attempted to speak with him multiple times as well and he leaned over toward her unsteadily but was not able to communicate well any of her concerns to the Court. When he stood to address the Court he was very unsteady in standing.
 - h. Mr. Blue asked that the parties be "admonished" about getting along because his client was going to get very little visitation with her children over the summer. I declined that admonishment, but I did explain to the parties my role in custody cases, that custody was inquisitorial, that I believed parties had the right to be heard but that the reality in custody cases was that I would be judging the parties case after spending a few hours with them. I explained I felt I was good at that work, again reiterated the right to be heard, but also stated those were the realities of custody trials.
5. By appearing before this court inebriated and unable to try a case set on for hearing after 7 continuances, Attorney Blue failed to act with reasonable diligence and promptness in representing his client in violation of Rule 1.3, failed to make reasonable efforts to expedite litigation consistent with the interests of the client in violation of Rule 3.2, knowingly disobeyed his obligation to the rules of the tribunal in violation of Rule 3.4(c), and engaged in conduct that is prejudicial to the administration of justice in violation of Rule 8.4(d).
 6. By failing to inform his clients in *Rodgers v. Rodgers*, 12 CVD 001423, that he would not be prepared to move forward or able to move forward with the Motion to Modify Custody, Attorney Blue failed to keep his client reasonably informed about the status of the client's matter in violation of Rule 1.4(a)(3), and failed to explain a matter to extent reasonably necessary to permit the client to make informed decisions regarding the client's representation in violation of Rule 1.4(b).
 7. Upon information and belief, opposing counsel in the *Rodgers* matter, Jonathan Silverman, represents Attorney Blue in a different show cause issued to him by another District Court Judge in Judicial District 19D which is going to hearing in April, 2023.
 8. The State Bar's Discipline and Disability Rules define disability as "a mental or physical condition which significantly impairs the professional judgment, performance, or competence of an attorney." 27 N.C. Admin. Code §1B.0103(19).
 9. By admitting that he was incapable of proceeding with a scheduled trial due to his inebriation and indicating that he needs treatment to manage his inebriation, Attorney Blue

has provided evidence that he is currently disabled pursuant to 27 N.C. Admin. Code §1B.0103(19) and his law license should be immediately transferred to disability inactive status.

10. A need for prompt action exists to protect the public, clients, and the administration of justice from continuing misconduct by Attorney Blue.
11. Attorney Blue has received notice of this Preliminary Injunction and Order to Show Cause.

CONCLUSIONS OF LAW

12. This Court has personal jurisdiction over Respondent and jurisdiction over the subject matter of this action.
13. The courts of this State have inherent authority to regulate the conduct of lawyers. *See Beard v. State Bar*, 320 N.C. 126, 129 (1987); *In re Hunoval*, 294 N.C. 740, 744 (1977); *In re Burton*, 257 N.C. 534, 542-43 (1962); *Couch v. Private Diagnostic Clinic*, 146 N.C. App. 658, 665 (2001).
14. The court's authority to regulate and discipline attorneys is well established. "This power is based upon the relationship of the attorney to the court and authority which the court has over its own officers to prevent them from, and punish them for, acts of dishonesty or impropriety calculated to bring contempt upon the administration of justice." *In re Northwestern Bonding Co.*, 16 N.C.App. 272, 275 (1972).
15. Prompt action, pursuant to the Court's inherent authority to regulate and discipline attorneys is necessary to preserve the status quo and to protect the public, clients, and the administration of justice from continuing professional misconduct by Attorney Blue.
16. Attorney Blue should be enjoined from engaging in the practice of law as defined in N.C. Gen. Stat. § 84-2.1 until such time as the proceedings pursuant to this Order are concluded and a decision entered.
17. For the protection of Attorney Blue's clients and the administration of justice, Attorney Blue should be required to promptly withdraw from all pending cases in which he is counsel of record, and to cooperate with any trustee who may be appointed pursuant to N.C. Gen. Stat. § 84-28(j) to protect the interests of his clients while he is prohibited from practicing law. Attorney Blue should be required to provide the trustee with access to all his client files within 24 hours of the trustee's appointment and respond to any subsequent inquiries and communications from the trustee within 24 hours.

THEREFORE, IT IS HEREBY ORDERED:

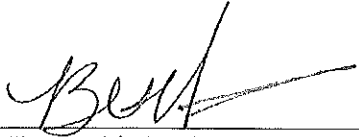
18. Arthur M. Blue is hereby enjoined from engaging in the practice of law as defined in N.C. Gen. Stat. § 84-2.1 until such time as the proceedings in this Order to Show Cause are

concluded and a decision entered, or until he is permitted to resume practicing law by subsequent order of this Court.

19. Attorney Blue shall file motions to withdraw from all pending district court cases in which he is counsel of record within five days of entry of this order, and shall provide the undersigned Judge file-stamped copies of all motions to withdraw within seven days of entry of this order.
20. Attorney Blue shall cooperate with any trustee who may be appointed pursuant to N.C. Gen. Stat. § 84-28(j) to protect the interests of his clients while he is prohibited from practicing law. Attorney Blue shall provide the trustee with access to all of his client files within 24 hours of the trustee's appointment and shall respond to any subsequent inquiries and communications from the trustee within 24 hours
21. This Order of Preliminary Injunction shall remain in effect until further order of this Court.
22. Attorney Blue shall appear, with counsel if he so chooses, on the 31st day of May, 2023 in the Moore County Courthouse, or such other date to be determined by the judge appointed to preside with due notification to Attorney Blue, for a hearing to determine if he is currently disabled as defined by 27 N.C. Admin. Code §1B.0103(19) and should be immediately transferred to disability inactive status with the North Carolina State Bar, and if he does not meet that definition, whether he violated any of the Rules of Professional Conduct as outlined in this Order, and if so, what discipline or sanction is appropriate;
23. Pursuant to the Court's inherent authority, this court also appoints the State Bar's Office of Counsel to investigate and present evidence regarding whether Attorney Blue is currently disabled pursuant to 27 N.C. Admin. Code §1B.0103(19), and evidence regarding the potential Rule violations outlined in this Order to Show Cause;
24. The hearing will be governed by the North Carolina Rules of Evidence;
25. The judge assigned to hear this matter will preside over the hearing, serve as the finder of fact, enter judgment, and, if applicable, determine whether Attorney Blue should be immediately transferred to disability inactive status or what discipline or sanction is appropriate;
26. Attorney Blue and the State Bar's Office of Counsel may stipulate to facts and the authenticity of documents or evidence by filing with the Court signed stipulations by consent at any point prior to the hearing;
27. The hearing will be comprised of two phases; the first phase will be entirely focused on determining if Attorney Blue is currently disabled as defined by 27 N.C. Admin. Code §1B.0103(19) and/or whether he violated the Rules as outlined in the Motion for Order to Show Cause;

28. During the first phase of the hearing, Attorney Blue and the State Bar's Office of Counsel may call witnesses, submit evidence, and, at its conclusion, make closing arguments as to the potential Rule violations outlined in the Motion for Order to Show Cause;
29. At the conclusion of the first phase of the hearing, the Court will announce whether there is clear, cogent and convincing evidence that Attorney Blue is currently disabled as defined by 27 N.C. Admin. Code §1B.0103(19), and if not, whether there is clear, cogent, and convincing evidence that Attorney Blue violated any of the potential Rule violations alleged in Motion for Order to Show Cause;
30. If the Court determines that Attorney Blue is currently disabled as defined by 27 N.C. Admin. Code §1B.0103(19), the Court shall immediately transfer Attorney Blue to disability inactive status and reserve judgment regarding whether Attorney Blue violated any Rules as alleged in this Order to Show Cause and should be disciplined or otherwise sanctioned for any such violations until such time as Attorney Blue has been transferred back to active status with the North Carolina State Bar.
31. The second phase of the hearing, necessary only if the Court determines that Attorney Blue is not currently disabled but has violated any of the Rules as alleged in this Order to Show Cause, will be entirely focused on what discipline or sanction is appropriate;
32. During the second phase of the hearing, Attorney Blue and the State Bar's Office of Counsel may call witnesses, submit evidence, and, at its conclusion, make closing arguments as to what discipline or sanction is appropriate;
33. During the second phase of the hearing, the Court will consider any evidence relevant to what discipline or sanction is appropriate, including but not limited to the factors outlined in 27 N.C. Admin. Code, Chapter 1B, § .0116(f);
34. At the conclusion of the second phase of the hearing, the Court will announce what discipline or sanction it is entering and may direct Attorney Blue or the State Bar's Office of Counsel to draft an order consistent with its holding;
35. At the conclusion of the second phase of the hearing, the Court may tax Attorney Blue with the costs of this action, to include actual expenses incurred by the State Bar's Office of Counsel in connection with this matter; and
36. A copy of this Preliminary Injunction and Order to Show Cause, shall be served on Attorney Blue and the State Bar's Office of Counsel.

This the 6th day of April, 2023.



The Honorable Beth Tanner
District Court Judge, Presiding

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Preliminary Injunction and Order to Show Cause has been served upon the Plaintiff by sheriff addressed to:

Arthur M. Blue
Arthur M. Blue Law Office, P.A.
406 Monroe Street
P.O. Box 1540
Carthage NC 28327

2023 APR -6 10 11:19
MOORE CO., C. 2007
BY LMD

I hereby certify that the foregoing Preliminary Injunction and Order to Show Cause has been served upon the following parties below as indicated:

Moore County Clerk of Court

Hand Delivery

Judicial District 19D Resident Superior Court Judge

Hand Delivery

Arthur M. Blue
Arthur M. Blue Law Office, P.A.
406 Monroe Street
P.O. Box 1540
Carthage, NC 28327

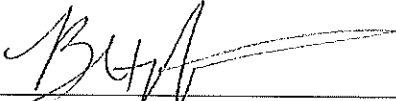
By U.S. Mail
Properly addressed
Postage Prepaid Envelope

State Bar Office of Counsel
N.C. State Bar
P.O. Box 25908
Raleigh, NC 27611

By U.S. Mail
Properly addressed
Postage Prepaid Envelope

By email:
kdeangelus@ncbar.gov
cbannon@ncbar.gov

This the 6^m day of April, 2023.



The Honorable Beth Tanner
District Court Judge, Presiding