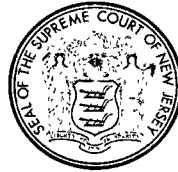


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SUPREME COURT OF NEW JERSEY

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October 25, 2013

Mark Neary, Clerk
Supreme Court of New Jersey
P.O. Box 970
Trenton, New Jersey 08625-0962

Re: **In the Matter of Dan A. Druz**
Docket No. DRB 13-149
District Docket No. XIV-2012-0184E

Dear Mr. Neary:

The Disciplinary Review Board reviewed the motion for discipline by consent (reprimand) filed by the Office of Attorney Ethics (OAE), pursuant to R. 1:20-10(b). Following a review of the record, the Board determined to grant the motion. In the Board's view, a reprimand is the appropriate measure of discipline for respondent's violations of RPC 1.15(d) and R. 1:21-6 (failure to comply with recordkeeping requirements).

Specifically, in December 2011, respondent issued a check from a custodian account to the Disciplinary Review Board. Because the issuance of the check was considered suspicious, the OAE docketed the matter for investigation. Although the OAE did not find unethical conduct with regard to that payment, the OAE's investigation revealed that respondent did not maintain any attorney trust account records, except bank statements. He did not have client ledger cards, checkbook registers, three-way monthly reconciliations, and cash receipts and disbursements journals. In addition, respondent admitted that he deposited personal funds in

October 25, 2013

Page 2 of 3

his attorney trust account, used online banking to transfer funds from his trust account to his business account, without written authorization and confirmation from the bank, and cashed trust account checks. In July 2012, the OAE requested additional recordkeeping documents. Respondent provided some, but not all, of the requested documents. The OAE's review of those documents further evidenced respondent's failure to comply with the recordkeeping requirements.

Respondent had been the subject of a previous random audit, in 2009, when similar deficiencies had been found. By letter dated September 30, 2009, respondent explained to the OAE how he had corrected the found deficiencies. In March 2011, respondent was admonished for the recordkeeping deficiencies.

Based on the deficiencies found during the 2009 random audit and during the present investigation, it was evident that respondent had not changed his recordkeeping practices and continued to violate RPC 1.15 and R. 1:21-6, despite his September 2009 letter, in which he stated that all deficiencies had been corrected. Respondent conceded that his conduct violated RPC 1.15(d) and R. 1:21-6.

Recordkeeping irregularities ordinarily are met with an admonition, so long as they have not caused a negligent misappropriation of clients' funds. However, where, as here, the attorney has failed to learn from a prior disciplinary proceeding the importance of compliance with the recordkeeping requirements, a reprimand is appropriate. See, e.g., In re Colby, 193 N.J. 484 (2008) (reprimand for attorney who violated the recordkeeping rules; although the attorney's recordkeeping irregularities did not cause a negligent misappropriation of clients' funds, he had been reprimanded for the same violations and for negligent misappropriation).

Not only did respondent fail to correct his recordkeeping irregularities, for which he has been admonished, but he represented to the OAE that the recordkeeping issues had been resolved. Clearly, that was not the case. The Board, therefore, determined to impose a reprimand.

In addition, respondent is to provide monthly reconciliations of his trust account to the OAE, on a quarterly basis, for a period of two years.

I/M/O Dan A. Druz, DRB 13-149

October 25, 2013

Page 3 of 3

Enclosed are the following documents:

1. Notice of motion for discipline by consent, dated April 29, 2013.
2. Stipulation of discipline by consent, dated April 29, 2013.
3. Affidavit of consent, dated April 20, 2013.
4. Ethics history, dated October 25, 2010.

Very truly yours,



Isabel Frank
Acting Chief Counsel

IF/paa

encls.

cc: Bonnie Frost, Chair, Disciplinary Review Board
(w/o encls.)

Charles Centinaro, Director, Office of Attorney Ethics
(w/o encls.)

Dan A. Druz, Respondent (w/o encls.)