

# DISCIPLINARY REVIEW BOARD

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ASSISTANT COUNSEL

January 28, 2014

**VIA CERTIFIED MAIL, R.R.R. & REGULAR MAIL**

David G. Polazzi, Esq.  
c/o Bruce J. Ackerman, Esq.  
Pashman Stein, P.C.  
21 Main Street-Suite 100  
Hackensack, New Jersey 07601

Re: **In the Matter of David G. Polazzi**  
Docket No. DRB 13-252  
District Docket No. XA-2011-0034E  
**LETTER OF ADMONITION**

Dear Mr. Polazzi:

The Disciplinary Review Board has reviewed your conduct in the above matter and has concluded that it was improper. Following a review of the record, the Board determined to impose an admonition.

Specifically, in 2007, while you were an associate at the law firm of Pelio & Ounan, your supervisor, Robert Pelio, Esq., assigned you to help him in the preparation of documents for use in a real estate transaction that, from the start, was seemingly designed to defraud the lender of funds needed to complete the sale. Apparently, the transaction was a "straw purchaser" transaction, where the buyer's credit is used to obtain a mortgage, but the seller never intends to vacate the premises and the buyer never intends to live there.

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The documents that Pelio had you prepare, as attorneys for the buyer, included provisions for the use of lender funds that were not disclosed to the lender, ending in numerous adjustments and credits that did not appear on the HUD-1 closing statement. You knew that the HUD-1 misrepresented the actual terms of the transaction, in violation of RPC 4.1(a) and RPC 8.4(c). You also assisted in conduct that you knew was fraudulent and failed to advise the client on the limitations on your conduct, in violation of RPC 1.2(d) and RPC 1.4(d).

In imposing only an admonition, the Board considered significant, compelling mitigation. Specifically, you were a newly-admitted attorney, with eighteen months' experience at the time, and were following your supervisor's instructions; you expressed extreme contrition and now realize that you should have refused to follow Pelio's instructions; you have no prior discipline and readily acknowledged your misconduct; the buyer was represented by counsel and suffered no economic harm; you are involved in community and charitable causes; and you received no personal gain.

Your conduct has adversely reflected not only upon you as an attorney but also upon all members of the bar. Accordingly, the Board has directed the issuance of this admonition to you. R. 1:20-15(f)(4).

A permanent record of this occurrence has been filed with the Clerk of the Supreme Court and the Board's office. Should you become the subject of any further discipline, it will be taken into consideration.

The Board has also directed that the costs of the disciplinary proceedings be assessed against you. An invoice of costs will be forwarded under separate cover.

I/M/O David G. Polazzi, DRB 13-252

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Very truly yours,



Isabel Frank

Acting Chief Counsel

IF/sj

c: Chief Justice Stuart Rabner  
Associate Justices  
Bonnie C. Frost, Chair  
Disciplinary Review Board (via email)  
Mark Neary, Clerk  
Supreme Court of New Jersey  
Gail G. Haney, Deputy Clerk  
Supreme Court of New Jersey (w/ethics history)  
Charles Centinaro, Director  
Office of Attorney Ethics  
Matthew P. O'Malley, Chair, District XA Ethics Committee  
Caroline Record, Secretary, District XA Ethics Committee  
Mariannette Bonet, III, Grievant