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SUPREME COURT OF NEW JERSEY
Disciplinary Review Board
Docket No. DRB 06-339
District Docket Nos. XIV-2004-0423E
and XIV-2005-0381E

IN THE MATTER OF

DAVID J. DARROW

AN ATTORNEY AT LAW

Decision
Default [R. 1:20-4(f)]

Decided: March 19, 2007

To the Honorable Chief Justice and Associate Justices of the Supreme Court of New Jersey.

This matter came before us on a certification of default filed by the Office of Attorney Ethics (OAE), pursuant to R. 1:20-4(f).

The complaint charged respondent with knowing misappropriation of clients' funds, violations of RPC 1.15(a), RPC 8.4(c), and the principles of In re Wilson, 81 N.J. 451

(1979), and failure to cooperate with disciplinary authorities, a violation of RPC 8.1(b). We determine to recommend respondent's disbarment.

Respondent was admitted to the New Jersey bar in 1978. Although he has no history of final discipline, on May 1, 2006, he was temporarily suspended from the practice of law for failure to cooperate with ethics authorities in the investigation of the within matter. In re Darrow, 186 N.J. 410 (2006). He remains suspended to date.

Service of process was proper. The OAE provided notice by publication in the <u>Star-Ledger</u> on November 1, 2006, and in the <u>New Jersey Lawyer</u> on November 6, 2006. The OAE's previous attempts to serve respondent at an address in West Orange, New Jersey were unsuccessful, as were its attempts to serve him at a West Palm Beach, Florida, address that the OAE obtained from a facility where respondent had stored records.

Respondent did not file an answer to the complaint.

The complaint alleged that, during a sixteen-month period between July 2003 and August 2004, respondent issued more than

¹ According to the attorney registration database, respondent reported the West Orange address as both his home and his office.

seventy attorney trust account checks payable to himself. The checks, written in even dollar amounts ranging from \$40 to \$2,000 and totaling \$29,810, contained no indication that they were related to any client matters. According to the complaint, respondent did not have the authority from his clients to use their funds for his own purposes. Respondent deposited those checks in his business account and then converted the funds to his personal use. Although respondent replaced some of the misappropriated funds by periodically depositing cash into his trust account, those deposits did not completely replenish the stolen funds. As of October 31, 2004, respondent's trust account had a negative balance of \$8,325.

During the same time period, respondent issued other trust account checks identifying the client matters involved. The complaint alleged that the absence of client information on the even dollar checks demonstrated "respondent's knowledge of the above-referenced misappropriations."

On October 26, 2004, respondent's books and records were the subject of an OAE compliance audit, prompted by an overdraft in his attorney trust account. On February 3, 2006, the OAE advised respondent of its strong suspicion that he had improperly handled client funds, and directed him to bring his

records for a demand audit at the OAE office on February 22, 2006. Respondent failed to appear for the audit or to contact the OAE.

The OAE rescheduled respondent's audit for March 22, 2006, and notified him that, if he failed to appear, it would file a motion with the Court for his temporary suspension. Again, respondent failed to appear. As previously noted, on May 1, 2006, the Court temporarily suspended respondent from the practice of law.

Following a review of the record, we find that the facts recited in the complaint support the charges of unethical conduct. Because of respondent's failure to file an answer, the allegations of the complaint are deemed admitted. R. 1:20-4(f).

Between July 2003 and August 2004, respondent wrote more than seventy trust account checks, totaling almost \$30,000, to himself. The OAE learned of the checks during its investigation of an overdraft in respondent's trust account. Despite requests for documents, respondent failed to cooperate with the OAE investigation and did not produce his books and records to ethics authorities. He also failed to attend two scheduled demand audits or to file an answer to the formal ethics complaint, all in violation of RPC 8.1(b).

More serious, however, is the misconduct regarding the seventy-plus checks respondent wrote to himself from the trust account. Those checks, totaling almost \$30,000, were drawn against clients' funds. Respondent did not have his clients' authority to use those funds. Respondent, thus, was guilty of knowing misappropriation of clients' funds, a violation of RPC 1.15(a) and RPC 8.4(c). Under the principles of In re Wilson, supra, 81 N.J. 451, respondent must be disbarred. We so recommend to the Court.

Members Boylan and Lolla did not participate.

We further require respondent to reimburse the Disciplinary Oversight Committee for administrative costs and actual expenses incurred in the prosecution of this matter, as provided in R. 1:20-17.

Disciplinary Review Board William J. O'Shaughnessy, Chair

Julianne K. DeCore

Julianne K. Decore Chief Counsel

SUPREME COURT OF NEW JERSEY DISCIPLINARY REVIEW BOARD VOTING RECORD

In the Matter of David J. Darrow Docket No. DRB 06-339

Decided: March 19, 2007

Disposition: Disbar

| Members | Disbar | Reprimand | Admonition | Disqualified | Did not participate |
|---------------|--------|-----------|------------|--------------|---------------------|
| O'Shaughnessy | x | | · | | |
| Pashman | x | | | | |
| Baugh | x | | | | |
| Boylan | | | | | х |
| Frost | x | | | | |
| Lolla | | | | | x |
| Neuwirth | x | | | | |
| Stanton | х | | | | |
| Wissinger | x | | | | 1 |
| Total: | 7 | | | | 2 |

Julianne K. DeCore
Chief Counsel