SUPREME COURT OF NEW JERSEY Disciplinary Review Board Docket No. DRB 06-029 District Docket No. XIV-03-296E

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IN THE MATTER OF	:
	:
ROBERT W. LAVESON	. • •
•	•
AN ATTORNEY AT LAW	:
	:

Decision

Argued: April 20, 2006

Decided: June 7, 2006

Walton W. Kingsbery, III appeared on behalf of the Office of Attorney Ethics.

Carl D. Poplar appeared on behalf of respondent.

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

This matter came before us on a disciplinary stipulation between respondent and the Office of Attorney Ethics (OAE). The crux of this case is respondent's improper preparation of real estate contracts providing for title insurance through the title agency with which he was affiliated.

Respondent was admitted to the New Jersey bar in 1982. He has no disciplinary history.

From September 25, 2000 through April 15, 2002, respondent was on the Supreme Court's list of ineligible attorneys for failure to pay the annual assessment to the New Jersey Lawyers' Fund for Client Protection. On September 15, 2003, he was again declared ineligible to practice law.

On June 16, 2005, the OAE issued a three-count complaint charging respondent, in two client matters, with having violated RPC 1.4(b) (failure to explain a matter to the extent reasonably necessary to permit the client to make informed decisions representation), <u>RPC</u> 1.7(b) (conflict of regarding the interest), RPC 1.8(a) (acquisition of a pecuniary interest adverse to a client), N.J. Advisory Comm. On Prof'l Ethics Opinion 532, 107 N.J.L.J. 544 (1984) (hereinafter, Opinion 532) (requiring an attorney who creates another business to keep the business and the law firm "entirely separate"), and N.J. Advisory Comm. On Prof'l Ethics Opinion 682, 143 N.J.L.J. 454 (1996) (hereinafter, Opinion 682) (prohibiting an attorney who holds "substantive beneficial interests in a title insurance

company" from purchasing title insurance from that company "on behalf of [his or her] real estate purchasing clients"). The complaint also charged respondent with practicing law while ineligible, a violation of <u>RPC</u> 5.5(1).

In his answer to the complaint, respondent denied having violated these rules and opinions. However, in January 2006, respondent and the OAE entered into a disciplinary stipulation in which respondent admitted that he violated <u>RPC</u> 1.7(b) and <u>RPC</u> 5.5(a).

Although respondent did not stipulate to violations of the other <u>RPCs</u> and the <u>Opinions</u> charged in the complaint, the OAE maintains that he did commit those violations and that each violation should be considered an "aggravating factor." In addition, the OAE contends that respondent violated <u>RPC</u> 1.8(f) (acceptance of compensation from one other than the client) and <u>N.J. Advisory Comm. On Prof'l Ethics Opinion 540</u>, 114 <u>N.J.L.J.</u> 387 (1984) (hereinafter, <u>Opinion 540</u>) (requiring a corporation that conducts public education programs concerning "the law, the legal process, and intelligent selection of counsel" to keep the corporation's activity and support staff distinct and separate from an attorney's office and prohibiting the corporation from providing legal services or acting as a lawyer referral

service). Although this <u>RPC</u> and <u>Opinion</u> were not part of the complaint or the stipulation, the OAE contends that these too, are "aggravating factors."

The OAE recommends that respondent be reprimanded for his misconduct. Respondent, in turn, urges the imposition of at most an admonition.

This is another ethics case arising out of what is known as the "Ocean City practice," whereby attorneys who have an interest in title insurance companies create a conflict of interest situation by obtaining title insurance for their clients through their companies.

Typically, the Ocean City practice consists of an incurable conflict of interest arising out of an attorney's dual role as lawyer for the buyer of real estate and owner of a title company. The particular method of representation usually involves an attorney who, at the behest of a realtor, drafts an agreement of sale for, and at no charge to, a buyer of residential real estate. <u>In re Poling</u>, 184 <u>N.J.</u> 297 (2005); <u>In</u> <u>re Gilman</u>, 184 <u>N.J.</u> 298 (2005); <u>In re Mott</u>, 186 <u>N.J.</u> 367 (2006). In most cases, the contract is prepared at no charge to the buyer because the contract requires the buyer to purchase title

insurance from the company in which the attorney holds an interest.

Both the attorney and the realtor benefit from the Ocean City practice. The attorney is not paid for the legal work, but benefits through his or her title insurance company's receipt of the title insurance premium. The realtor benefits because the contract does not require a three-day attorney review period; therefore, the parties are bound by the terms of the contract immediately upon its execution.

When attorneys purchase title insurance from their title insurance companies on behalf of their real estate clients, they In re Mott, 186 N.J. 367. In these violate Opinion 682. situations, even full disclosure and the client's consent are conflict permit "insufficient to 'cure' the and the representation." Kevin H. Michels, New Jersey Attorney Ethics, § 19:3-2(b)(1) at 420-21 (2006). Accord, In re Mott, DRB 05-318 (slip op. at 10).

The stipulated facts are as follows. From May 17, 1999 through December 2001, respondent was the Absecon office manager for the Title Company of Jersey (TCJ). In January 2002, he became manager of Congress Title Company (CTC). He was given the responsibility of opening an office in Ocean City.

In the spring of 2002, respondent conferred with an Ocean City attorney on whether he could prepare residential real estate agreements for buyers, even though he was a CTC employee. The attorney opined that respondent could prepare such agreements ethically if he (1) disclosed his CTC employment and (2) "directly conferred and spoke with the prospective purchasers about the details of the real estate transaction and agreement."

The stipulated misconduct took place between March and May 2002. It involved respondent's preparation of twelve residential real estate contracts, three of which were never signed. During this time, respondent did not maintain a law practice.

On May 13, 2002, TCJ filed a complaint and an order to show cause against respondent, an individual named James Garrity, and CTC. TCJ sought an injunction prohibiting respondent from working for CTC, on the ground that he had violated a restrictive covenant and had "solicited real estate brokers to induce them to place their title business with [CTC]." The TCJ complaint also contained a number of counts alleging violations of several ethics rules, including <u>RPC</u> 1.4(b), <u>RPC</u> 1.7, and <u>RPC</u> 1.8.

On June 12, 2002, TCJ's request for injunctive relief was denied. On July 11, 2002, TCJ appealed the order. Two months later, the parties settled the litigation. Respondent agreed not to "prepare real estate contracts for residential transactions designating [CTC] as the closing title company," for "so long as he is employed by [CTC]."

On July 16, 2002, the Chair of TCJ's Board of Directors filed an ethics grievance against respondent, attorneys Gilman and Poling, and Mott's law firm. By this time, respondent was no longer preparing real estate agreements. In fact, respondent had prepared the last of the twelve agreements on May 13, 2002, the day that TCJ filed suit.

Respondent personally prepared the twelve agreements. He never gave his agreement form to a realtor. According to the stipulation, with respect to each of the twelve agreements, respondent expected to benefit financially by means of his CTC salary. CTC, in turn, received payment when the buyers obtained title insurance.

All twelve agreements related to the purchase of property located in Ocean City and provided for the closing to be held at the CTC office. Ten of the agreements identified CTC as the

title insurance producer. Ten of them also contained a provision stating that respondent had prepared the agreement at the request and on behalf of the buyer. Nine were executed.

With respect to each of the twelve agreements, the stipulation provides:

[R]espondent stated in his initial reply to the OAE that he explained the contracts to the prospective purchasers and advised them as follows:

- that he was employed by CTC;

- he was referred to the buyer by his/her realtor;
- he was an attorney who had been asked to prepare an attorney drafted Agreement of Sale on behalf of the buyer;
- that he explained all of the important terms of the contract paragraph by paragraph, to see if there was any particular need of the buyer;
- he explained the Attorney Review Clause, its impact and benefits and detriments and asked whether the buyer wanted one in the contract;
- that, if not, he explained that the contract was final and could not be voided or changed once it was signed;
 - that he explained that his representation was limited to drafting the contract and recommended that the

buyer retain an attorney for any closing related issues or questions;

that he asked if the buyer had any preference as to what title company would conduct their settlement and requested that they use [CTC] if they Contrary to the information did not. contained in the grievance, the respondent there was said no requirement that the buyer use [CTC]; and

that he gave his cell phone number to every client to contact him with any questions.

Respondent acknowledged that, by preparing the twelve contracts and providing the above-referenced "legal advice," he engaged in the practice of law in New Jersey.

Presumably, the OAE and respondent could not agree that respondent had, in fact, done what was represented in paragraph 23 of the stipulation. Accordingly, the OAE conducted an investigation. As part of its investigation, the OAE was able to contact the buyers identified in five of the twelve agreements: Janet Friedman, Andrew C. and Mary Louise Krall, Moira and Stephen Randazzo, Walter Webb, and Carol Newman.

¹ S refers to the disciplinary stipulation.

[[]S123.]¹

Although the parties "stipulated" to certain facts pertaining to these buyers, it is clear that they did not agree upon much of anything.

Janet Friedman

Respondent reviewed the agreement with Friedman and gave her a copy of the commitment for title insurance issued by CTC, the RESPA statement (which identified respondent as the settlement agent), and the deed (which respondent had prepared). Friedman did not recall whether respondent had advised her that a realtor-prepared contract required a three-day review period, and respondent "was unsure whether he told Friedman that he was employed by [CTC]."

Andrew C. and Mary Louise Krall

Paragraph 39 of the agreement provided that it had been prepared by respondent "at the request and on behalf of the buyer." Mr. Krall stated to the OAE that he "never met, spoke with, or retained respondent" with respect to the agreement "or otherwise." Nevertheless, the contract underwent several modifications, including the removal of a clause that required

the seller/builder to install a surround sound system at the seller/builder's expense.

Moira and Stephen Randazzo

Respondent prepared the agreement and met with the Randazzos, at which time he reviewed the contract with them and advised them that realtor-prepared contracts required a threeday right of rescission clause. Although the Randazzos stated that respondent did not inform them that he was a CTC employee, "it was clear" to them that respondent worked with CTC because they met with him at a CTC office.

Walter Webb

Webb did not recall whether respondent had informed him that he was a CTC employee. Webb stated that the realtor had reviewed the contract with him. The realtor explained that the three-day right of rescission clause had been removed from the contract and, therefore, the seller could not back out of the deal due to subsequent offers. Webb stated that, although respondent may have offered to review the contract with him, Webb declined because he was an experienced buyer. Webb stated that he never met with respondent, although he did have a

telephone conversation with him "to inform him that he was 'backing out of the deal.'"

Carol Newman

The facts pertaining to Newman's interaction with respondent are conflicting. These are perhaps the best example of the parties' inability to fully agree upon the facts.

In "an oral statement to respondent," Newman declared that respondent had prepared the contract for her; that she had spoken directly to him; and that she "was made aware" that respondent was a CTC employee. However, in "an unsigned, undated statement" that respondent provided to the OAE, Newman never stated that she met with or spoke to respondent. The statement provided as follows:

> I recall it was a Saturday that I met with [realtor] Tony Cannata; made a decision on a property; Mr. Laveson prepared the contract and I was back in Virginia the same Tony contact [sic] Mr. Laveson who day. worked for Congress Title Company. Speaking with Mr. Laveson, he agreed to prepare the contract. The contract prepared was immediately to my satisfaction, and signed the same day.

[S¶49;Ex.15.]

Similarly confusing are the following "stipulated" facts: "Newman provided an oral statement to respondent in which she stated that the respondent was thorough in explaining the contract to her. However, in the unsigned, undated statement of Carole Newman provided to the OAE by respondent, Newman never stated that respondent explained the contract to her."

Apart from the facts pertaining to the above buyers, the stipulation provided facts relating to four unidentified agreements. According to the stipulation, in three of the "attorney prepared" clause stated agreements, the that respondent had prepared the contract at the request and on behalf of the buyer. In fact, this provision appears in ten of In the Pettit/ Muffley agreement, agreements. the the "attorney-prepared" clause read differently, stating: "No Attorney Review. This Contract has been drafted by a licensed New Jersey Attorney and accordingly is not the subject of attorney review."

Three of the agreements (Bobe, Newman, and Webb) contained an appendix that the realtor had provided to the buyers.² The

² The apparent purpose of the appendix was to emphasize the functions that a lawyer would perform and to enumerate some of the consequences if a lawyer were not retained.

appendix specifically provided, in relevant part: "Ordinarily, the broker and the title company have an interest in seeing that the sale is completed, because only then do they usually receive their commissions. So, their interests may differ from yours." The appendix did not disclose that the person who prepared the agreement was a CTC employee.

Based upon these facts, the OAE and respondent stipulated that he had violated <u>RPC</u> 1.7(b) and <u>RPC</u> 5.5(a). However, as noted the earlier, the OAE set forth "additional contentions" that, it asserts, amount to "aggravating factors." These "aggravating factors" are respondent's alleged violations of other <u>RPCs</u> and <u>Opinions</u>, most of which — but not all — are contained in the complaint. Specifically, the OAE contends that respondent violated <u>RPC</u> 1.4(b), <u>RPC</u> 1.8(a), <u>RPC</u> 1.8(f), and <u>Opinion 532</u>, <u>Opinion 540</u>, and <u>Opinion 682</u>.

For his part, respondent advanced four mitigating factors in the stipulation: (1) his lack of disciplinary history; (2) his cooperation with the OAE's investigation; (3) his consultation with counsel in an attempt to ascertain the appropriate manner in which the agreements could be prepared; and (4) the limited number of agreements that he prepared. Respondent also reserved the right to "argue that lesser

discipline, or a dismissal of the complaint, is appropriate under the particular facts of this case."

Without reference to <u>Poling</u> or <u>Gilman</u>,³ the OAE seeks a reprimand for the stipulated violations and the "aggravating factors" combined. The OAE acknowledges the following mitigating factors: (1) respondent's cessation of the practice of preparing agreements shortly before the grievance was filed, (2) the absence of a disciplinary history, and (3) his cooperation with the OAE.

As to his violation of RPC 5.5(a), respondent argues that it was "very limited." In his brief, he asserts that he should receive no discipline for this violation because other attorneys who have been sanctioned for practicing law while ineligible did so to a greater degree. Specifically, respondent points out that he prepared only three agreements during the period of his ineligibility and that he "ministerially caused his restoration of privileges" as soon as he learned that he was on the ineligible list. He concludes his argument with the following statement: "To suggest that the Respondent be disciplined would

³ <u>Mott</u> had not been decided at the time that this stipulation was submitted to us.

set a precedent that would require public and permanent discipline for all of those lawyers who by inadvertence or neglect for a short period of time appear on the ineligibility list."

As to his violation of <u>RPC</u> 1.7(b), respondent admits that he did not obtain, in writing, the buyers' consent to his representation. Moreover, he concedes that "it is a nonwaiveable conflict for an attorney who represents and/or is employed by a title company to also represent a contract purchaser."

Respondent stipulated that he violated <u>RPC</u> 1.7. Nevertheless, respondent distinguishes his actions from those of "respondents in the related cases"⁴ on the ground that his conduct was "significantly less." Specifically, he asserts:

> This respondent only prepared 12 agreements for contract purchasers. Only one contract purchaser contends that he didn't have a conversation or communication with the respondent. The respondent never gave form agreements to realtors to prepare contracts utilizing his name. The events were during a very short period of time after the respondent made an effort to open up a real estate office in Ocean City. The respondent did, in good faith, make an effort to not

⁴ By "related cases," respondent presumably means <u>Poling</u> and Gilman.

violate the rules of Professional Conduct by seeking advice and counsel of an independent lawyer, although it s [sic] not being asserted that that is a defense to noncompliance with an RPC. The respondent ceased preparing contracts for purchasers prior to the grievance being filed or the lawsuit by the grievant being filed. Further, it appears that the conduct of this respondent in preparing real estate agreements was even less serious then [sic] historical activity of the grievant himself.

This respondent has good character and reputation. He has no prior disciplinary history. He has readily admitted his conduct. He has cooperated with the [OAE]. The circumstances are not likely to reoccur. The conduct was short lived and isolated. There was no injury to any client.

It is clear that the purpose of discipline for attorneys is not to punish but rather to protect the public and preserve the public confidence in the bar.

[S20-S21.]

In his brief, respondent strongly emphasizes that he prepared only twelve agreements, while the other respondents (Poling and Mott) were more heavily involved in the Ocean City practice. He also emphasizes that he ceased engaging in the practice before the grievance and the lawsuit were filed against him, and that he had sought legal advice prior to engaging in the practice. Thus, he claims, his conduct was "de minimis" and deserving of no more than an admonition.

Following a <u>de novo</u> review of the record, we are satisfied that the stipulation contains clear and convincing evidence that respondent's conduct was unethical.

As the parties stipulated and agreed, respondent violated <u>RPC</u> 5.5(a) when he practiced law while ineligible. <u>RPC</u> 5.5(a) prohibits an attorney from "practic[ing] law in a jurisdiction where doing so violates the regulation of the legal profession in that jurisdiction." Respondent engaged in the practice of law when, among other things, he prepared the agreements and explained their "important terms" to the buyers.

It matters not, except in terms of the appropriate measure of discipline, that respondent prepared only three agreements during the period of his ineligibility. Indeed, an attorney may be disciplined for a single act of practicing law while ineligible. <u>See</u>, <u>e.q.</u>, <u>In the Matter of Joseph N. Capodici</u>, Docket No. 00-294 (DRB November 21, 2000) (admonition imposed where attorney accepted money to represent a client while ineligible to practice law); <u>In the Matter of Jerald D.</u> <u>Baranoff</u>, Docket No. 00-258 (DRB October 25, 2000) (admonition

behalf of a client even though he was ineligible). Moreover, respondent's claim that he cured his ineligibility as soon as he learned of it does not ring true. It is not as though respondent drafted contracts at about the same time that he was placed on the ineligible list, in which case it could be argued that he was unaware of his status. Rather, respondent had been on the ineligible list since September 2000, whereas the conduct at issue took place in 2002. Moreover, respondent does not claim that he prepared the three agreements after he had sent in his check to the Client Protection Fund.

Respondent's unethical conduct went further. As stipulated, he violated <u>RPC</u> 1.7(b) when he prepared the agreements. At the time, <u>RPC</u> 1.7(b) provided, in pertinent part:

> A lawyer shall not represent a client if the representation of that client may be materially limited by the lawyer's responsibilities to another client or to a third person, or by the lawyer's own interests, unless:

> (1) the lawyer reasonably believes the representation will not be adversely affected; and

(2) the client consents after a full disclosure of the circumstances and consultation with the client \ldots 5^{5}

Moreover, respondent conceded that "it is a non-waiveable conflict for an attorney who represents and/or is employed by a title company to also represent a contract purchaser." This statement summarizes cogently the misconduct in this case, specifically, respondent's violation of <u>RPC</u> 1.7(b). Indeed, more than twenty years ago, the practice of representing buyers who obtain title insurance from the attorney's title insurance company was declared an impermissible conflict of interest. <u>Opinion 495</u>.

That respondent had no ownership interest in CTC is inmaterial. He stipulated that his economic benefit was the continuation of his salary. Indeed, an attorney need not have an ownership interest in a title company in order for the Ocean City practice to be declared unethical. <u>RPC</u> 1.7(b), as written, prohibits an attorney from representing a client if "that representation . . . may be materially limited by the lawyer's

⁵ Although former <u>RPC</u> 1.7(b) required the client's consent, it did not require written consent. Thus, respondent's failure to obtain the clients' written consent, in and of itself, would not have constituted a violation of the rule, so long as he had obtained their oral consent.

responsibilities to another client or to a third person, or by the lawyer's own interests. . . " The term "interest" is not limited to a financial, business, or property interest. <u>See</u>, <u>e.q.</u>, Kevin H. Michels, <u>New Jersey Attorney Ethics</u> § 19:3-2(b)(1) at 415 (2006). The "interest" may include a lawyer's "personal interest." <u>Ibid.</u>⁶ Thus, the "benefit to be derived by the attorney need not be monetary." <u>Ibid.</u>

In this case, when respondent joined CTC, he was charged with establishing CTC's presence in the Ocean City residential real estate market. Therefore, his allegiance was clearly to CTC. As his attorney wrote, in response to the grievance:

> Respondent found one of the biggest challenges in opening the Ocean City office [CTC] to be finding customers and for generating business. All throughout his employment prior to [CTC], Respondent had exclusively in Atlantic County. worked Prior to opening the [CTC] office in Ocean City, the Respondent had few if any contacts with Ocean City realtors. For that reason, Respondent and Jim Garrity, the regional head of marketing at [CTC,] picked a weekend and personally visited several realtor

⁶ Michels' statement was made in the context of present <u>RPC</u> 1.7(a)(2), which contains the phrase "materially limited by the lawyer's responsibilities to another client, a former client, or a third person or by a personal interest of the lawyer." The former rule, which is at issue here, refers to "the lawyer's own interests."

offices in Ocean City, delivering bagel trays and attempting to make new contacts.

As soon as they introduced themselves, almost every realtor inquired whether the Respondent was doing attorney prepared contracts for buyers. Prior to that day, Respondent had no idea of the prevalence of the practice of attorney drawn contracts in Ocean City. He now knows that this is the practice in much of Cape May County but not in Atlantic County where he had previously worked. The practice of preparing buyer contracts was in place and well established for a number of years before Respondent came to Ocean City.

[Ex.5 at 2.]

This recitation of the facts leading up to respondent's preparation of the agreements shows that he engaged in this conduct in his attempt to establish a successful presence in Ocean City for his employer, CTC. This was his interest, which was not aligned with the interest of his clients. Thus, respondent could not have believed that his representation of their interests would not have been adversely affected by his responsibilities to CTC (establishing a successful Ocean City office) or by his own interests (continued employment).

Because there is clear and convincing evidence to support the conclusion that respondent violated the two <u>RPC</u>s to which he and the OAE stipulated, the analysis of the stipulated facts

against the stipulated violations could end here. Certain procedural aspects of this matter, however, warrant mention. The OAE charged respondent in a formal ethics complaint with having violated several additional RPCs and Opinions. The OAE then entered into a stipulation with respondent, in which it was violated only that respondent had two agreed RPCs. Notwithstanding this stipulation, the OAE continues to maintain 'that respondent not only violated the other RPCs and Opinions charged in the complaint, but that he also violated an and <u>Opinion</u> that were never part of additional RPC the complaint.

In our view, a proper stipulation should contain facts and conclusions — the conclusions being those rules that were violated as a result of the attorney's stipulated conduct. Thus, in this stipulation, the violations purportedly committed by respondent are either stipulated violations or not. They cannot be characterized as "aggravating factors." Simply stated, the OAE should not get through the "back door" what it could not get through the "front door" (the front door being the parties' inability to reach an agreement that certain aspects of respondent's conduct were unethical). Respondent vigorously denied that he had committed the violations; he did not

stipulate them. Moreover, we would not be able to entertain the "aggravating factors" that were never charged in the first place, that is, <u>RPC</u> 1.8(f) and <u>Opinion 540</u>. Serious issues of procedural due process and fundamental fairness would arise if we were to follow the OAE's urged route.

We recognize that another option would be to reject the stipulation and to remand this matter for a hearing so that the OAE may prove all of the violations that it maintains were committed. This option, however, would not be in the interest of judicial economy. We, thus, hold the OAE to the "bargain" that it made with respondent through the execution of the disciplinary stipulation and conclude that respondent violated only <u>RPC</u> 1.7(b) and <u>RPC</u> 5.5(a).

There remains the determination of the appropriate quantum of discipline to be imposed for respondent's ethics violations. In this regard, we first looked to <u>Gilman</u>, <u>Poling</u>, and <u>Mott</u>. In all three cases, we cited <u>In re Berkowitz</u>, 136 <u>N.J.</u> 134, 148 (1994), and acknowledged that, "absent egregious circumstances or serious economic injury to clients, a reprimand is the appropriate discipline in conflict of interest situations." <u>In</u> <u>re Gilman</u>, DRB 04-434 (slip op. at 6); <u>In re Poling</u>, DRB 04-435 (slip op. at 9); <u>In re Mott</u>, DRB 05-318 (slip op. at 10-11).

Because of the absence of egregious circumstances and financial harm to the parties, the attorneys in Poling and Mott received reprimands for their misconduct. Attorney Gilman was given an admonition because he did not engage in a direct conflict of He did not have any interest in the title company, interest. which was owned by Poling, his supervisor in the law firm. Morever, we determined that an admonition was appropriate because (1) there were no egregious circumstances or harm to the first with it Gilman's encounter the client; (2) was disciplinary system; (3) he cooperated fully with the OAE's investigation; and (4) he had been a member of the bar for only three years.

The mitigating factors contained in the stipulation are insufficient to reduce what is the standard form of discipline in a case like this - a reprimand. Respondent's claims that he committed only a limited number of violations and that he ceased the improper practice shortly before the grievance was filed are insufficient to downgrade the discipline to an admonition. First, one violation is enough to warrant a reprimand. Second, neither action was the result of respondent's recognition that his practice was wrong or his contrition for having engaged in such unethical conduct. In fact, his brief fails to give any

reason for his sudden cessation of the activity. Thus, the logical inference is that respondent stopped preparing agreements because a lawsuit had been filed against him, or because he knew that it was about to be filed against him. Indeed, the last agreement was prepared on the same day that the lawsuit was filed.

In addition, respondent's consultation with counsel before engaging in this practice may be considered admirable, but it cannot be deemed a mitigating factor in the face of <u>Opinion 495</u>, a long-standing prohibition of the practice.

Finally, before assessing the appropriate discipline in this case, we considered the similarities and differences between respondent's involvement in the Ocean City practice and that of the attorneys in <u>Gilman</u>, <u>Poling</u>, and <u>Mott</u>. First, as in <u>Poling</u>, most of the contracts here "pre-provided" that Congress would issue the title insurance. <u>In re Poling</u>, <u>supra</u>, DRB 04-435 (slip op. at 3). Second, like the attorney in <u>Mott</u>, respondent claims that he did disclose to his clients his interest in CTC. <u>In re Mott</u>, <u>supra</u>, DRB 05-318 (slip op. at 5). Third, also like the attorney in <u>Mott</u>, respondent reviewed the contracts with his clients. <u>Ibid</u>. Mott and Poling were reprimanded.

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However, unlike the attorneys in the three prior matters, respondent did not own the title company and seemingly had no financial stake in the company. Nevertheless, we do not believe that these circumstances should result in a lesser form of discipline. As with Poling and Mott, respondent had his selfinterest in mind, that is, his mission to establish CTC's successful presence in Ocean City, as well as the continuation of his employment. In addition, that respondent prepared a limited number of agreements should not lessen the appropriate degree of discipline. First, twelve agreements is not so limited a number. Second, each of them represents a violation of <u>RPC</u> 1.7(b). As noted earlier, a reprimand is the minimum discipline for even a single instance of conflict of interest.

Given the infrequent case where an admonition is imposed for conflicts of interest, as well as the vast difference in the positions of Gilman and respondent, we determine that a reprimand is the appropriate measure of discipline for the multiple conflicts of interest in which respondent engaged.

We are mindful that respondent's misconduct did not stop there: he also practiced law while ineligible. Nevertheless, we do not believe that this additional infraction should serve to increase the appropriate discipline. Generally, an

admonition is imposed for practicing law while ineligible, particularly when the attorney was unaware of the ineligibility. In the Matter of Richard J. Cohen, DRB 04-209 (July 16, 2004) for practicing law during nineteen-month (admonition ineligibility); In the Matter of William N. Stahl, DRB 04-166 (June 22, 2004) (admonition for practicing law while ineligible and failing to maintain a trust and a business account; mitigating factors were the attorney's lack of knowledge of his ineligibility, his prompt action in correcting his ineligibility status, and the absence of self-benefit). In our view, however, a reprimand adequately addresses respondent's violations of RPC 1.7(b) and <u>RPC</u> 5.5(a) combined.

Chair O'Shaughnessy voted to impose an admonition. Vice-Chair Pashman did not participate.

We further require respondent to reimburse the Disciplinary Oversight Committee for administrative costs.

> Disciplinary Review Board William J. O'Shaughnessy Chair

Julianne K. DeCor Chief Counsel

SUPREME COURT OF NEW JERSEY DISCIPLINARY REVIEW BOARD VOTING RECORD

In the Matter of Robert Laveson Docket No. DRB 06-029

Argued: April 20, 2006

Decided: June 7, 2006

Disposition: Reprimand

Members	Suspension	Reprimand	Admonition	Disqualified	Did not participate
O'Shaughnessy			x		
Pashman					x
Baugh		X			
Boylan		X			
Frost		X			
Lolla		X			
Pashman	•	X			
Stanton	· 	X			
Wissinger		x			
Total:		7	1		1

Juliane K. De Core Julianne K. DeCore

Chief Counsel