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SUPREME COURT OF NEW JERSEY

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March 27, 2019

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

Michael K. Chong 2 Executive Drive, Suite 720 Fort Lee, New Jersey 07024

Re: <u>In the Matter of Michael K. Chong</u>

Docket No. DRB 19-027

District Docket No. IIB-2016-0034E **LETTER OF ADMONITION**

Dear Mr. Chong:

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 for your violation of <u>RPC</u> 3.4(g) (presenting, participating in presenting, or threatening to present criminal charges to obtain an improper advantage in a civil matter). The Board determined to dismiss the remaining alleged violations of <u>RPC</u> 1.6(a) (revealing information relating to the representation without the client's consent) and <u>RPC</u> 5.3(a) (failure to make reasonable efforts to ensure that the conduct of nonlawyers is compatible with the lawyer's professional obligations). The <u>RPC</u> 1.5(b) charge (failure to set forth in writing the basis or rate of the fee) was dismissed prior to the hearing before the District IIB Ethics Committee (DEC).

Specifically, on or about May 6, 2016, you retained the grievant, Pamela Starr, who operated a paralegal service based in Atlanta, Georgia, to assist you in filing an emergent Chapter 7 bankruptcy petition in behalf of a client. You executed a service contract with Starr, whereby you agreed to pay her a flat fee of \$725, via credit card. After retaining and paying Starr, you provided her with confidential client information for use in filing the bankruptcy petition. In the

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service contract, Starr's firm agreed to maintain all privileges and ensure the confidentiality of the client's information, in accordance with ABA Model Rules.

Three days later, on May 9, 2016, Starr and her staff filed an emergent, "skeleton" bankruptcy petition in behalf of your client. The purpose of that minimal filing was to secure the automatic stay, after which you and the client would have the benefit of a two-week period to provide all documentation required to perfect the bankruptcy filing. When you learned, on May 9, 2016, that Starr was consulting with and seeking the supervision of another attorney, you sent her an e-mail, reminding her that she represented that she had experience and had not previously mentioned that another attorney would become involved. On May 12, 2106, you directed Starr to provide you with a "specific list of information" needed to perfect the bankruptcy filing.

On May 13, 2016, Starr unilaterally terminated the service agreement, via e-mail, claiming that you had asked her to engage in the unauthorized practice of law. She asserted that the ABA Model Rules required that she terminate the services she was providing to you and the client.

In response, on that same date, you sent Starr a series of e-mails, demanding that she return the \$725 fee; claiming that she had failed to perform as required by the service agreement, which you characterized as "complete assistance" with the matter; and calling her a "complete low life scam artist crook." Moreover, you threatened to report her to the "Attorney General's office," alleging that she had "engaged in fraud on the internet and over state lines;" stating that "[i]t is going to be my mission to see that your unlawful fraud conduct is taken care of;" and concluding "I am going to pursue all legal remedies against you Be guided accordingly." Your final email to Starr cautioned that she would not "be able to spend [your] funds in JAIL." Starr did not reply to your e-mails.

By letter dated July 7, 2016, an attorney representing Starr stated that you had received the services for which you had paid, criticized the "defamatory and virulent" language contained in your e-mails to Starr, including your threat of jail, and demanded that you cease contacting Starr. Finally, Starr's attorney warned that, should you continue to contact Starr and demand reimbursement of the service fee, the attorney would take certain action, including contacting New Jersey attorney ethics authorities and the U.S. Bankruptcy Court, and filing a civil lawsuit against you, in Georgia.

On July 29, 2016, after Starr had failed to comply with your demands for reimbursement, you sent a letter to Visa Card Member Services, claiming to copy the "Attorney General's Office," in which you identified yourself as an attorney-at-law, and accused Starr of consumer fraud in connection with her retention of the \$725 service fee.

In your post-hearing submission to the DEC, you expressed remorse over your conduct, characterizing the e-mails to Starr as having been sent in the "heat of the moment," and caused by your alarm and frustration at Starr's unexpected and improper termination of services. You maintained that your behavior toward Starr was "admittedly not consistent with [your] 18 years of profession[al] conduct as an attorney," and evidenced your loss of composure. You, however, maintained your position that your conduct toward Starr was not violative of RPC 3.4(g), because

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she was neither an "opposing party" nor "opposing counsel." Moreover, you argued that you never threatened criminal prosecution, asserting that your threat of "jail" was not a threat to seek Starr's criminal prosecution or incarceration.

The Board rejected your arguments regarding the <u>RPC</u> 3.4(g) allegation, finding that you committed unethical conduct in your flurry of e-mails to Starr on May 13, 2016, in which you made multiple threats of criminal prosecution and jail in direct connection with your demand that she return the \$725 fee that had been paid to her pursuant to the service agreement. You accused Starr of having violated the contract and committing criminal fraud, and you threatened criminal prosecution. Your actions, thus, represent the very conduct that <u>RPC</u> 3.4(g) is intended to deter.

The Board determined to dismiss the allegations that you violated <u>RPC</u> 1.6(a) and <u>RPC</u> 5.3(a). Specifically, <u>RPC</u> 1.6(a) provides that "disclosures that are impliedly authorized in order to carry out the representation" do not constitute misconduct. In this case, the disclosures you made in pursuit of the bankruptcy stay and proceedings were more than implied, they were expected, because your client was seeking emergent relief from its creditors. In respect of <u>RPC</u> 5.3(a), you satisfied your obligation to supervise Starr, as the record reflects that you were in direct, frequent contact with her and reviewed the bankruptcy petition before it was filed.

Similar violations of RPC 3.4(g) have resulted in admonitions. See In the Matter of Alan Ozarow, DRB 13-096 (September 26, 2013) (attorney, within three weeks, sent four letters to his adversary, threatening to present to the county prosecutor criminal charges of fraud against the adversary's client; in mitigation, the attorney was not motivated by self-interest; he was frustrated by what he perceived to be outrageous circumstances that his client was forced to endure; he expressed remorse; he discontinued his behavior upon learning from his adversary that his conduct violated the Rule; he readily acknowledged his wrongdoing, showing a sense of professional accountability; and he had an unblemished disciplinary history in his twenty-six years at the bar); and In the Matter of Mitchell J. Kassoff, DRB 96-182 (1996) (attorney, after being involved in a car accident, sent a letter to the other driver indicating his intent to file a criminal complaint against him for assault; the letter was sent on the same day that the attorney had received a letter from the other driver's insurance company denying his damage claim).

The Board determined that your conduct is akin to that of the attorneys in <u>Ozarow</u> and <u>Kassoff</u>, and accepted your explanation that your e-mails were sent in the heat of the moment, out of emotion and frustration. Your misconduct, thus, appears to be aberrational.

In imposing only an admonition, the Board also considered your lack of prior discipline in more than eighteen years at the bar, and your proven willingness to volunteer your time and services in the betterment of the legal profession.

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. \underline{R} . 1:20-15(f)(4).

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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.

Very truly yours,

Ellen A. Brodsky Chief Counsel

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c: Chief Justice Stuart Rabner

Associate Justices

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Supreme Court of New Jersey

Bonnie C. Frost, Chair

Disciplinary Review Board (e-mail)

Gail G. Haney, Deputy Clerk

Supreme Court of New Jersey (w/ethics history)

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District IIB Ethics Committee (regular mail and e-mail)

Pamela Starr, Grievant (regular mail)