

SUPREME COURT OF NEW JERSEY
Disciplinary Review Board
Docket No. DRB 09-156
District Docket No. XIV-09-0067E

IN THE MATTER OF
LOREN K. ROBINSON
AN ATTORNEY AT LAW

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Decision

Decided: October 26, 2009

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 Office of Attorney Ethics ("OAE"), pursuant to R. 1:20-4(f). The two-count complaint charged respondent with violating RPC 1.15(c) (failure to safeguard funds – use of clients' funds without their knowledge and consent), RPC 8.4(c) (conduct involving dishonesty, fraud, deceit or misrepresentation), the principles of In re Wilson, 81 N.J. 451 (1979), and In re Hollendonner, 102 N.J. 21 (1986), and RPC 8.1(b) (failure to cooperate with ethics authorities). We recommend respondent's disbarment.

Respondent was admitted to the New Jersey bar in 2001. At the relevant time, she maintained a law office in Stewartsville, New Jersey.

Respondent was temporarily suspended, on February 3, 2009, for failure to cooperate with the OAE investigation. In re Robinson, 198 N.J. 1 (2009).

Service of process was proper. On April 6, 2009, the OAE mailed a copy of the complaint by regular and certified mail to respondent's home address, 600 Stocker Street, Stewartsville, New Jersey 08886. Because respondent is suspended in New Jersey, a copy of the complaint was also sent by regular and certified mail to her New York office, c/o Fross, Zelnick, Lehrman & Zissu, 866 United Nations Plaza, 6th Floor, New York, New York, 10017. A certified mail receipt was returned showing delivery to the New York address on April 8, 2009. It was signed by "D. Jones." The regular mail was not returned. The certified mail sent to the Stewartsville address was returned marked "unclaimed." The regular mail was not returned.

Respondent did not file an answer to the complaint.

On May 6, 2009, the OAE sent a second letter to the same addresses, by regular and certified mail. The letter notified respondent that, if she did not file an answer within five days from the date of the letter, the allegations of the complaint

would be deemed admitted, the record would be certified to us for the imposition of sanction, and the complaint would be deemed amended to charge a willful violation of RPC 8.1(b). As of the date of the certification of the record, May 14, 2009, neither the certified mail receipts nor the regular mail had been returned and respondent had not filed an answer to the ethics complaint.

We now turn to the allegations of the complaint.

Prior to her temporary suspension, respondent maintained an attorney trust account and a personal, joint checking account with Marc L. Wells at Commerce Bank.

Patricia Charleton, the administratrix of the estates of Lillian M. Charleton and Pearl M. Stewart, retained respondent to represent her in the sale of the decedents' property. The property consisted of a residence at 50 Madison Avenue, Montclair, New Jersey. The closing took place on May 25, 2007.

An escrow agreement was reached among the administratrix as the seller of property, respondent as the escrow agent, and Lenox Title Agency, LLC as agent for the title company insuring title. The title company insured title with the exception of federal estate taxes and New Jersey inheritance taxes for the estates, as the tax returns had not yet been prepared or filed. The escrow agreement provided that the sales proceeds were to be

held in respondent's attorney trust account until Lenox Title Company authorized disbursements requested by respondent, in writing. Disbursements could be made only to the Internal Revenue Service and/or the State of New Jersey, Division of Taxation for the payment of estate taxes.

In connection with the closing, between April 2 and May 29, 2007, respondent deposited \$537,512.91 into her trust account.

Between April 11, 2007 and October 20, 2008, respondent transferred \$37,560.00 from her attorney trust account to her Commerce Bank personal checking account. According to the complaint, the funds belonged to Charleton and to respondent's other clients, none of whom had authorized her use of their money and none of whom were aware that she had taken their funds.

Following the transfers, respondent paid personal expenses out of her joint checking account, including mortgage payments, presumably her own, and she withdrew cash from her personal joint checking account.

Between April 11, 2007 and September 25, 2008, respondent deposited funds relating to other clients (including Newsome, Maika, and Blige), into her attorney trust account. Respondent properly disbursed some of the funds. However, she transferred funds from her attorney trust account to her personal checking

account to pay her personal expenses, thereby invading her clients' funds on twenty occasions, between April 30, 2007 and October 20, 2008, in amounts ranging from \$1,614.18 to \$38,512.91.

By June 2008, all taxes relating to the Charleton matter had been paid. Therefore, the remaining balance of the estates' funds, \$537,512.91, could have been released to Charleton. Because respondent had misappropriated client funds, she was unable to pay Charleton in full. Instead, she sent her a check for \$500,000 and misrepresented to Charleton that the title company held the balance of the funds.

In October 2008, when Charleton contacted the Lenox Title Company, she learned that it was not holding any funds from the sale of the estates' property. Thereafter, on several occasions, an agent from the title company attempted to contact respondent for an explanation, but was unsuccessful.

On October 22, 2008, respondent sent an email to Charleton, stating that she was sending her a check for the remaining funds, via express mail. Two weeks later, respondent still had not mailed Charleton the funds. Charleton, therefore, sent an email to respondent, demanding the monies.

On November 18, 2008, respondent mailed to Charleton her attorney trust account check number 709, made out to Charleton,

dated and signed by respondent. The amount of the check was blank, however. Thereafter, Charleton's attorney attempted to contact respondent, to no avail.

On December 15, 2008, respondent sent Charleton attorney trust account check number 709 for \$30,000. On December 18, 2009, Charleton learned from Commerce Bank that there were insufficient funds in respondent's trust account to cover the check. Respondent's bank statement confirmed that, on December 18, 2008, she had less than \$30,000 in her trust account, even though, on December 4, 2008, she had deposited \$26,954.61 of personal funds into her trust account.

The second count of the ethics complaint alleged that the OAE had left numerous telephone messages on respondent's office and home telephone answering machines, requesting that she contact the OAE about the Charleton matter and about numerous overdrafts in her attorney trust account. The OAE also wrote to respondent at her New Jersey home and at her New York office on September 25 and October 26, 2007, and January 18, February 13, October 23, October 26, November 7, November 20, December 2, and December 23, 2008. Respondent failed to reply to any of the letters.

On January 12, 2009, the OAE filed with the New Jersey Supreme Court a petition for respondent's temporary suspension.

The petition was served on respondent by regular and certified mail, presumably at both addresses. Respondent failed to reply to the petition. On February 3, 2009, the Court granted the OAE's petition for respondent's temporary suspension.

The facts recited in the complaint support the charges of unethical conduct. Respondent's failure to file an answer is deemed an admission that the allegations of the complaint are true and that they provide a sufficient basis for the imposition of discipline. R. 1:20-4(f)(1).

The allegations of the complaint clearly and convincingly establish that respondent failed to cooperate with the OAE's investigation. She ignored the OAE's numerous telephone calls, letters and even its petition for her temporary suspension. Respondent, therefore, violated RPC 8.1(b).

More seriously, however, respondent misappropriated client trust funds by transferring them to her personal checking account without her clients' knowledge or consent and then using those funds for her personal expenses. Between April 30, 2007 and October 20, 2008, respondent invaded client funds on twenty occasions, in amounts ranging from \$1,614.18 to \$38,512.91. As to Charleton's matter, respondent did not have sufficient funds in her trust account to cover the balance due to Charleton, \$30,000, even after respondent deposited almost \$27,000 in

personal funds into her trust account. Moreover, before respondent gave Charleton the bad check, she misrepresented to Charleton that the title company was holding the balance of the estates' funds.


In all, respondent's conduct violated RPC 1.15(c), RPC 8.1(b), RPC 8.4(c) and In re Wilson, supra, 81 N.J. 451, and In re Hollendonner, supra, 102 N.J. 21. Under Wilson and Hollendonner, for respondent's misappropriation of trust funds alone, she must be disbarred. We so recommend to the Court.

Member Baugh did not participate.

We further determine to 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
Louis Pashman, Chair

By:


Julianne K. DeCore
for Chief Counsel


SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
VOTING RECORD

In the Matter of Loren K. Robinson
Docket No. DRB 09-156

Decided: October 26, 2009

Disposition: Disbar

Members	Disbar	Suspension	Admonition	Dismiss	Disqualified	Did not participate
Pashman	X					
Frost	X					
Baugh						X
Clark	X					
Doremus	X					
Stanton	X					
Wissinger	X					
Yamner	X					
Zmirich	X					
Total:	8					1

By 
Julianne K. DeCore
Chief Counsel