SUPREME COURT OF NEW JERSEY
Disciplinary Review Board
Docket No. DRB 14-185
District Docket No. XIV-2011-0568E

IN THE MATTER OF	
DOUGLAS RAYMOND ARNTSEN	
AN ATTORNEY AT LAW	

Decision

Argued: September 18, 2014

Decided: December 4, 2014

Hillary K. Horton appeared on behalf of the Office of Attorney Ethics.

Respondent waived appearance for oral argument.

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

This matter was before us on a motion for final discipline filed by the Office of Attorney Ethics ("OAE"), pursuant to R. 1:20-13(c), following respondent's guilty plea, in the Supreme Court of New York, County of New York, Criminal Term, to three counts of grand larceny in the first degree, in violation of New York Penal Law §155.40(2), and one count of scheme to defraud in

the first degree, in violation of Penal Law §190.65(1)(b). The OAE recommends that respondent be disbarred. We agree with the OAE's recommendation.

Respondent was admitted to the New Jersey bar in 2003. He has no prior discipline.

On December 28, 2012, the District Attorney for the County of New York filed an information charging respondent with three counts of first-degree grand larceny; one count of first-degree money laundering; one count of first-degree scheme to defraud; and five counts of first-degree falsification of business records.

On October 2, 2012, respondent pleaded guilty to three counts of first-degree grand larceny and one count of first-degree scheme to defraud. On October 17, 2012, the Honorable Jill Konviser sentenced respondent to three concurrent terms of four to twelve years in prison for each of the first-degree grand larceny counts and another concurrent term of one to three years for his conviction of first-degree scheme to defraud. Respondent was ordered to pay restitution and fees in an amount not disclosed in the public portion of the record furnished to us.

The facts contained in the transcript of the plea and sentencing proceedings are sparse. They state that, between February 2007 and September 2011, respondent was an attorney at the law firm of Crowell & Moring, in New York City. Between April 1, 2009 and September 14, 2011, he represented Doina Capital, an investment fund. During that time, he stole in excess of $1,000,000 from Doina.

From April 23, 2010 to April 4, 2011, respondent stole more than $1,000,000 from another client, Regal Real Estate. From February 28, 2011 to September 14, 2011, he stole additional funds from Regal, also exceeding $1,000,000.

The most complete recitation of the facts underlying respondent's crimes is contained in the pre-sentence report, a confidential document.[1]

In recommending respondent's disbarment, the OAE cited a number of cases involving attorneys who were convicted in New York of grand larceny and later disbarred in New Jersey for knowing misappropriation, under In re Wilson, 81 N.J. 451

[1] An October 2, 1012 press release from Cyrus R. Vance, Jr., District Attorney, New York County, states that respondent stole in excess of $10,000,000, under his scheme.

(1979), and In re Hollendonner, 102 N.J. 21 (1985). Those cases are: In re Boyd, 126 N.J. 223 (1991); In re Lurie, 163 N.J. 83 (2000); In re Hsu, 163 N.J. 559 (2000); In re McCoole, 165 N.J. 482 (2000); In re Magnotti, 181 N.J. 389 (2004); In re Singer, 185 N.J. 163 (2005); In re Lee, 188 N.J. 279 (2006); and In re Szegda, 193 N.J. 594 (2008).

Following a review of the full record, we determine to grant the OAE's motion for final discipline.

The existence of a criminal conviction is conclusive evidence of respondent's guilt. R. 1:20-13(c)(1); In re Gipson, 103 N.J. 75, 77 (1986). Only the quantum of discipline to be imposed remains at issue. R. 1:20-13(c)(2); In re Lunetta, 118 N.J. 443, 445 (1989).

Respondent pleaded guilty to three counts of first-degree grand larceny, each count of which dealt with thefts in excess of $1,000,000, in violation of Penal Law §155.40(2), as well as one count of first-degree scheme to defraud, in violation of Penal Law §190.65(1)(b).

Respondent admittedly stole over $3,000,000 from clients Doina and Regal. Those funds were to have been held inviolate, either in the attorney trust account for the client, or in

escrow, pending real estate settlements. In so doing, he violated RPC 1.15(a) and RPC 8.4(c).

Under the principles of In re Wilson, 81 N.J. 451 (1979), and In re Hollendonner, 102 N.J. 21 (1985), we determine that respondent must be disbarred. We so recommend to the Court.

Members Yamner and Rivera 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
Bonnie C. Frost, Chair

By: Ellen A. Brodsky
Ellen A. Brodsky
Chief Counsel

SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
VOTING RECORD

In the Matter of Douglas R. Arntsen
Docket No. DRB 14-185

Argued: September 18, 2014

Decided: December 4, 2014

Disposition: Disbar

Members	Disbar	Suspension	Reprimand	Dismiss	Disqualified	Did not participate
Frost	X					
Baugh	X					
Clark	X					
Gallipoli	X					
Hoberman	X					
Rivera						X
Singer	X					
Yamner						X
Zmirich	X					
Total:	7					2

Ellen A. Brodsky
Chief Counsel