SUPREME COURT OF NEW JERSEY Disciplinary Review Board Docket No. DRB 01-367

.....

IN THE MATTER OF

GARY H. UNTRACHT

AN ATTORNEY AT LAW

Decision

Argued:

December 20, 2001

Decided:

April 12, 2002

Nitza I. Blasini appeared on behalf of the Office of Attorney Ethics.

Thomas R. Valen appeared on behalf of respondent.

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

This matter was before us based on a recommendation for discipline (disbarment) filed by special master Kenneth J. Cesta.

Respondent was admitted to the New Jersey bar in 1979. He maintains an office for the practice of law in Millburn, New Jersey. Respondent admitted that he had practiced law in 1999, while ineligible for failure to pay the annual assessment to the New Jersey Lawyers'

Fund for Client Protection. The matter was diverted and respondent successfully completed the diversionary program.

The ethics complaint alleged violations of <u>RPC</u> 1.15(a) (knowing misappropriation of trust funds), <u>RPC</u> 1.15(d) (recordkeeping violations) and <u>RPC</u> 8.4(c) (conduct involving dishonesty, fraud, deceit or misrepresentation).

* * *

This matter arose out of an Office of Attorney Ethics' ("OAE") random compliance audit of respondent's attorney records. The audit, which began on April 28, 2000, covered the period from January 1998 through March 2000. The OAE auditor found a \$28,577.39 shortage in respondent's trust account as of March 31, 2000. Subsequently, the auditor and an accountant engaged by respondent determined that the actual shortage was \$55,437.06. Respondent replaced the funds between April and June 2000.

Most of the material facts are not in dispute. Respondent admitted that he misused clients' funds, but denied that his conduct was knowing. As set forth below, respondent contended that the trust account shortages were the result of poor recordkeeping and personal problems.

The misappropriated funds were taken from settlements of clients' personal injury claims. Count one of the complaint charged that, in at least fourteen client matters, respondent drew checks for his fees and/or costs prior to depositing the corresponding

settlement funds in his trust account, thereby invading the funds of other clients. Count two charged that respondent issued to himself more than 140 trust account checks — totaling \$137,545 — for fees and costs, without attributing the disbursements to any client matter. According to the complaint, the "excessive number and total amount of those checks indicated that respondent had to know that he did not have those amounts of funds in earned fees available in the trust account." Count three charged that, in at least twenty-seven matters, respondent paid settlement funds to clients months after he had deposited the settlement proceeds and taken his fee. According to the complaint, respondent used the funds — \$85,641.88 — to "cover [his] advanced and excessive fees to himself." Count four alleged that, in at least forty matters in which medical expenses were to be paid from the settlement proceeds, respondent delayed paying the various doctors. The complaint charged that respondent used the funds — \$38,572.06 — to cover his advanced fees.

The OAE auditor's reconciliations of respondent's trust account from January 1998 through March 2000 show that, in all but two months, there was a shortage in respondent's trust account. The auditor explained that, in preparing the reconciliations, he took into account the ending bank balance on the last day of the banking cycle, the outstanding checks as of that date and the net settlement amounts owed to each client. The auditor testified that he did not take into account any payments owed to medical providers to be held in the trust account or any fees due respondent. The auditor opined that, had he included those amounts in the reconciliations, it was "more than likely" that the shortage for each month would have

been greater. The auditor testified about two examples where respondent was clearly out of trust. Specifically, on October 21, 1998, the trust account balance dropped to \$18.32, when respondent should have been holding at least \$3,950 for one client, Larry Lynch. On December 22, 1999, respondent's trust account balance was \$83.58, when he should have been holding at least \$3,366.67 for another client, Douglas Grant.

In eleven of the twenty-seven months covered by the reconciliations, the outstanding checks exceeded respondent's trust account balance. Therefore, if those checks had cleared the account, it would have been overdrawn. However, respondent never had an overdraft in his trust account. That fact was significant to the auditor because it indicated that respondent knew the status of the funds in his account. The auditor opined that, if respondent's misappropriations had been the result of negligence and poor recordkeeping, he would have caused his trust account to be overdrawn.

According to the auditor, respondent engaged in a practice known as "lapping," that is, he used clients' monies to make up for shortages in funds that he should have been holding for other clients.

The complaint also charged that respondent failed to maintain the attorney records required by R.1:21-6. During the audit period, respondent only maintained a trust account checkbook with check stubs, but did not keep a running balance in the checkbook. Respondent admitted that he did not maintain trust receipts and disbursement journals, as well as client ledger cards, and that he did not perform reconciliations of his trust account.

Respondent also admitted that the only record that he maintained for his business account was a checkbook with check stubs.

Count One

It is undisputed that, in at least fourteen client matters, between June 1998 and December 1999, respondent took \$19,149.70 in fees and/or costs from his trust account prior to depositing the corresponding settlement funds in the account. It is also undisputed that those withdrawals invaded other clients' funds.

The auditor testified that, in three of the cases, documents found in respondent's files proved that he knew, when he took his fees and/or costs, that he had not yet deposited the relevant settlement checks in his trust account. The first case, Connors, settled for \$5,000 on or about September 25, 1998. Respondent took \$450 for costs on October 2, 1998 and \$1,500 for his fee on October 9, 1998. As of October 9, 1998, respondent had not yet sent his client's signed release to the insurance company. In an October 28, 1998 letter, the insurance company's attorney advised respondent that he had not yet received the release, requested that respondent send it to him "so that the settlement process may be further initiated" and stated that it would take "approximately 90 days for the settlement draft to be prepared." In his November 5, 1998 letter, the insurance company's attorney informed respondent that he had received the release, requested that respondent sign the stipulation of dismissal and return it to him and again stated that it would take approximately ninety

days for the settlement check to be prepared. Respondent did not deposit the settlement check until March 2, 1999, five months after he issued to himself checks for fees and costs.

In the second case discussed by the auditor – the <u>Johnson</u> matter – respondent settled the claim for \$5,500 on December 21, 1998. On that same day, respondent confirmed the settlement in a letter to the insurance company and stated that he had sent a release to his client, which he would forward as soon as received. On December 24, 1998, three days after settling the claim, respondent reimbursed himself \$450 for costs. On December 28, 1998, he took his \$1,683.33 fee. The settlement check was issued on January 22, 1999 and was deposited in his trust account on March 1, 1999. It is not known when respondent received the check.

In the third case, Williams, respondent settled the claim for \$7,500, sometime prior to October 19, 1998. By letter dated October 19, 1998, respondent forwarded his client's release to the insurance company. The settlement check was issued on October 27, 1998, but was not deposited in respondent's trust account until January 19, 1999. Respondent took \$450 for costs and \$2,350 for his fee on December 7 and 28, 1998, respectively. The auditor did not explain why the chronology in the Williams case showed that respondent knew that he had taken his fee and costs prior to depositing the settlement check. The record does not show when respondent received the settlement check. It is possible that, if respondent received the check shortly after October 27, 1998, he could have believed that he had deposited the check prior to withdrawing his fees and costs in December 1998. In fact, in

three additional cases, the settlement checks were issued before respondent's removal of his fees and/or costs, but were not deposited in his trust account until sometime after the removal. As in the Williams matter, it is not known when respondent received those settlement checks. As set forth below, we determined that respondent knowingly misappropriated clients' fund by advancing fee and costs. However, there is no clear and convincing evidence of knowing misappropriation in the four cases in which respondent received the settlement checks prior to taking monies for himself, since respondent may have believed that he had deposited the funds in his trust account before taking his fees and/or costs.

Respondent admitted that, during the relevant time, he did not satisfy himself that the specific settlement funds had been deposited in his trust account, before withdrawing his fees and expenses for the case. He conceded knowing, at the time, that he could not draw against settlement funds until they had been credited to his trust account. Although respondent admitted that his advance of fees and costs invaded other clients' trust funds, he denied that he had knowingly misappropriated trust funds. Respondent testified as follows:

What may have happened in some of these cases, because I needed money for whatever reason, to pay bills, I wasn't on a salary and what I would do is look at my list of cases and see what I had settled. I would find a case...where I saw that the case was settled, knew the amount that it was settled for and wrote myself costs and fees checks on those cases without checking as to whether or not the settlement draft was there.

Respondent explained that, in those cases, as soon as he received the settlement checks, he realized that he had already taken his fee and, therefore, "immediately deposited

the settlement check and got the money out to the client as best I could."

Respondent knew, at the time, that he did not have accurate trust account records, but did nothing to rectify the problem because "I just had too many time problems, emotional problems and things that distracted me away from the practice to do that." He would periodically call his bank to ascertain his trust account balance so that he would not overdraw the account. He stated that he "rarely" reviewed his bank statements.

When asked why he believed that he had already deposited the <u>Connors</u> settlement check in his trust account when he withdrew his fees and costs, respondent admitted that he had no basis for such belief.

As to the <u>Johnson</u> matter, respondent insisted that he believed that he had already received the settlement draft, when he took his costs and fees, even though he took his costs only three days after sending confirmation of the settlement to the insurance company and before sending his client's release to the company. Respondent testified that, sometime after he had taken his fee, he discovered that he had not deposited the <u>Johnson</u> settlement check. He added that he then called his client, who was in Florida, who told him to "hold onto it" until he returned from Florida, sometime in March 1999.

Respondent admitted that he realized, at that time, that he had wrongfully taken funds from his trust account in the <u>Johnson</u> matter. However, that did not cause him to take any steps to correct the trust account problems. According to respondent, he did not believe that was "a regular occurrence. I made a mistake. There is nothing I can do about it now. It

never occurred to me to start looking through all of my files, again because of all the distractions that I had in my life." Despite the fact that respondent was admittedly on notice, prior to March 1999, that he had invaded Johnson's funds by advancing fees and costs to himself, six of the fourteen advance fee matters – the <u>Bertrand</u>, <u>Geffard</u>, <u>Hadley</u>, <u>Phillippe</u>, <u>Sosa</u> and <u>Williams</u> matters – occurred after March 1999.

Count Two

The complaint charged that, between December 1997 and April 2000, respondent issued more than 140 trust account checks to himself, totaling \$137,545, without attributing the checks to any client matter. As explained below, the auditor testified that the checks actually totaled \$134,020, but did not explain the discrepancy. The checks were made payable in even dollar amounts, ranging from \$100 to \$6,000. On one of the checks, respondent wrote "costs." There were no notations on any of the remaining checks and no other records identifying the reason for the withdrawals. According to the auditor, the majority of the checks were deposited in respondent's personal and investment accounts, not in his attorney business account.

The auditor testified that the fact that the checks were numerous and written in even dollar amounts "raised a red flag." The auditor pointed out that an attorney's fee in a personal injury case is rarely an even dollar amount, as evidenced by respondent's legitimate checks for attorney's fees. Furthermore, the auditor noted, in those cases where respondent

took a legitimate fee, the client matters were identified on the checks. In August 1999 alone, respondent issued ten trust account checks to himself, totaling \$17,500, without attributing the checks to a client matter. During that month, only two legitimate trust checks cleared the account.

The auditor stated that he had attempted to allocate the \$134,020 to thirty-two cases, in which it appeared that respondent had not taken his fees and/or costs, by crediting respondent \$450 for costs and one-third of the settlement amount for fees. That allocation resulted in a \$67,037.90 credit to respondent. However, there remained \$66,982.10 in withdrawals that could not be allocated to any client matter.

Respondent did not dispute the OAE's calculation of the checks written to himself without client identification. He also did not dispute that the checks exceeded the amounts to which he was entitled. He asserted that, at the time, he believed that he was entitled to those funds. According to respondent, he issued the checks because he knew that he had settled cases and was entitled to fees and also knew that there were fees in his trust account so "rather than take the time to figure out what belonged to what case, I started writing myself checks." Respondent stated that he did not keep a record of the fees owed to him, admitting that he "kept very little in the way of records."

As to the even dollar amounts on the checks, respondent explained that he did not keep track of his actual costs, charging either \$350 or \$450 in costs, "depending on the

The auditor explained that respondent routinely took \$450 for his costs.

case." Respondent admitted that his retainer agreements did not explain his method of assessing costs, but contended that he discussed it with his clients "most of the time." As to the even amounts of his fees, respondent stated that, if he believed his fee was \$1,666, for example, he would simply round it down to \$1,600.

Count Three

The auditor's schedule showed that, in twenty-seven cases, respondent delayed paying his clients their settlements from forty-two to 210 days. The longest delayed payment involved Adriana Cruz, who was entitled to receive \$5,233.33. Respondent deposited the settlement check on October 22, 1998, but did not issue Cruz's check until May 22, 1999, seven months later. The auditor testified that his monthly reconciliations showed that respondent's "trust account had negative balances in that Mrs. Cruz, along with other clients' funds were not kept intact." On several days between October 1998 and May 1999, the bank balance fell below \$5,233.33, the amount respondent should have been holding for Cruz. Furthermore, the auditor's reconciliations showed that there were shortages in respondent's trust account at the end of every month from November 1998 through April 1999. On those dates, respondent's trust account balance was insufficient to cover the amounts that he should have been holding for all his clients, including Cruz. Unquestionably, thus, Cruz's trust funds were invaded.

Respondent testified that some of the delays in payments to clients were the result of

frequently. However, respondent admitted that, in some cases, he "just never got to it...And then when I realized that I better get to it, I got the money out." He denied that he intentionally delayed payments to clients because he did not have sufficient funds in his trust account due to excess disbursements to himself.

Count Four

In at least forty cases, between February 1998 and March 2000, respondent delayed sending payments to medical providers, which were to be satisfied out of the settlement proceeds. The delays ranged from ninety-nine to 852 days.² The total amount owed for the forty cases was \$38,572.06.

The auditor testified that the funds to pay the medical providers were not maintained intact in respondent's trust account. In fact, the auditor stated, most of the \$55,437.06 that respondent replaced in his trust account, between April and June 2000, was used to pay medical providers. As set forth above, the trust account reconciliations for January 1998 through March 2000 showed that, in every month, except for two, there was a shortage in respondent's trust account, which did not include amounts owed to medical providers.

Respondent denied that he intentionally delayed payments to medical providers. He stated that "I would have multiple doctors and cases and I didn't keep track of which doctors

Although the auditor testified that the longest delay was 693 days, his schedule shows that one provider was not paid for 852 days, or more than twenty-eight months.

were in which case, who was entitled to X number of dollars. I never figured it out."

Therefore, according to respondent, he only paid those doctors who contacted him about their outstanding bills:

If a doctor contacted me and said listen did this case settle or you owe me X amount of dollars, I would make out the check to the doctor and they would be paid. Otherwise they weren't. And that's what accounts for most of that shortfall in the account.

Respondent denied that he deliberately delayed those payments because he did not have sufficient funds in his trust account.

Count Five

It is undisputed that respondent failed to maintain the attorney books and records required by R.1:21-6. The only records he kept were trust and business account checkbooks with their check stubs.

* * *

Respondent testified that, prior to 1995, he was an associate in various law firms, performing defense work. Between 1992 and 1995, respondent was in partnership with another attorney, specializing in the defense of asbestos and chemical exposure claims. According to respondent, he never had any responsibility for attorney trust or business records, either as an associate or as a partner. He claimed that it was not until he started his own law practice, in 1995, that he became responsible for keeping such records. At that

time, respondent began representing plaintiffs in personal injury cases. Respondent estimated that, during the audit period, approximately seventy-five percent of his practice was plaintiffs' personal injury work. The remainder consisted of corporate work and workers' compensation cases. Respondent supplemented his practice by doing per diem work for other attorneys.

Respondent calculated that, during the period of the random audit, he had approximately 100 to 125 files open at any one time. He stated that he did not employ any support staff, secretaries, accountants, bookkeepers or associates.

Beginning in November 1994, respondent became involved in a contentious and time-consuming divorce proceeding. In early 1996, he began representing himself in the case. The property settlement portion of the case was still pending as of the April 2001 ethics hearing. Respondent explained that his divorce was complicated by a number of factors, most significantly his former wife's emotional problems. In March 2000, a court-appointed psychiatrist stated that "it is quite possible that [she] is suffering from a bipolar disorder with mixed depressive and manic features and paranoid delusions." Thereafter, the court appointed a guardian ad litem for her and, in September 2000, a guardian for "any and all purposes."

In December 1998, respondent's son moved in with him. Two years later, his daughter joined them. As of the April 2001 ethics hearing, respondent's son was nineteen years old and his daughter was fourteen. During the period covered by the audit, respondent

was also the primary caregiver for his elderly mother, who suffered a stroke in 1997.

Respondent testified at length about the problems created by his former wife's psychiatric condition. He stated that he received frequent telephone calls from his children, complaining about their mother and her behavior, and that he feared for their safety and well-being. According to respondent, his former wife neglected the day-to-day responsibilities for maintaining the household and caring for the children, such as paying utility bills. The property settlement was still an issue in April 2001, according to respondent, because his former wife was unable to "commit" to any of his "numerous" proposals. Respondent described the prolonged divorce and his wife's psychiatric problems as "an absolute nightmare...a disaster...destroyed my practice...destroyed my life."

Respondent testified that these problems consumed most of his time and caused him to neglect his law practice, particularly his attorney trust and business account records. As of the April 2001 hearing, respondent had given up his own practice and was only doing per diem work for other firms.

Respondent denied that he had financial problems in 1998 and 1999, often a motive in knowing misappropriation cases. He explained that he filed a Chapter 13 bankruptcy petition in January 1996 to stall a foreclosure proceeding on the house in which his former wife and children were living. It was later converted to a Chapter 7 case, respondent explained, "upon my attorney's advice to eat up some more time, which was pretty much the reason for filing was the buying of time to get my kids through school."

Respondent also presented letters from attorneys, clients and friends, who vouched for his good character and professional abilities.

* * *

The special master found that respondent knowingly misappropriated client trust funds. He rejected, as incredible, respondent's contention that he did not know that he was invading clients' funds. The special master noted that respondent was confronted with clear evidence, in March 1999, that he had invaded Johnson's funds and yet continued his practice of writing checks to himself, with no regard for whether there were corresponding settlement checks in his trust account.

The special master also rejected respondent's contention that he did not know that he was invading other client's funds, when he wrote checks to himself for fees and costs without attributing the payments to any client matter. The special master noted that respondent's own testimony confirmed that he treated his trust account as his own personal account.

With respect to the delayed payments to clients and medical providers, the special master rejected respondent's contention that the delays were simply the result of negligence.

He remarked that the delays were pervasive and extended for the entire period covered by the audit. Furthermore, he noted, the OAE's reconciliations showed that respondent was out of trust for all but two of the twenty-seven months covered by the audit. He concluded that

respondent's "inability to timely pay his clients and medical providers was a by-product of respondent's overdrawing of his trust account to pay his own fees and costs when deemed necessary."

Finally, the special master found that respondent failed to maintain the attorney records required by R. 1:21-6.

The special master acknowledged respondent's testimony regarding his personal problems and had no doubt that they consumed a great deal of respondent's time and emotional energy. However, the special master rejected respondent's contention that those events showed that his misappropriations were negligent. The special master also considered the character letters submitted on respondent's behalf, but stated that they did not "mitigate the clear and convincing evidence...that Respondent knew that his practices resulted in the invasion of other clients' funds."

The special master recommended that respondent be disbarred.

* * *

Upon a <u>de novo</u> review of the record, we are satisfied that the special master's conclusion that respondent was guilty of unethical conduct is fully supported by clear and convincing evidence.

The special master correctly concluded that respondent knowingly misappropriated client trust funds in various ways, between January 1998 and March 2000. Respondent

admitted that he had misappropriated trust funds, but denied that the misappropriations were knowing. However, an "inculpatory statement is not an indispensable ingredient of proof" that a lawyer knowingly misappropriated client funds. In re Roth, 140 N.J. 430, 445 (1995). "Circumstantial evidence can add up to the conclusion that a lawyer 'knew' or 'had to know' that clients' funds were being invaded." (Citations omitted). Ibid. Here, there is clear and convincing evidence that respondent was aware that trust funds were being invaded.³

Respondent admitted that he knew, at least by March 1999, that his practice of writing trust account checks, without assuring himself that the corresponding settlement funds had been received, was leading to the invasion of trust funds. Furthermore, respondent made a knowing decision not to rectify this practice. He testified that, when he realized that he had taken his fees and costs before receiving the settlement proceeds, his only response was to make sure that his clients were paid when he received the settlement funds. In fact, respondent admitted that he "pretty much wrote [himself] a check for costs and fees, on certain occasions without regard to whether or not the [settlement] check was deposited."

For at least the twenty-seven months covered by the audit, respondent took funds from his trust account whenever he needed them, without verifying that he was entitled to them. Indeed, he withdrew \$134,020 from the account without attributing the withdrawals

We did not find clear and convincing evidence that respondent knowingly misappropriated clients' funds in the four cases in which he received the settlement checks prior to taking his fees and costs, since he may have reasonably believed that he had deposited the settlement funds in his trust account before disbursing monies to himself.

to any client matter. Respondent's contention that he believed that he had an adequate "cushion" of earned fees in the account is not credible. Even if respondent were given maximum credit for cases in which it appeared that he did not withdraw his fees or costs, he would have only been entitled to \$67,037.90 of the \$134,020 that he took from his trust account by means of identified checks. Respondent could not have reasonably believed that he was entitled to twice the amount of fees legitimately owed to him.

Furthermore, respondent never caused his trust account to be overdrawn, evidence that he was keeping close track of its balance. In fact, even during the eleven months that the outstanding checks exceeded his trust account balance, he did not overdraw his account.

In <u>In re Warhaftig</u>, 106 <u>N.J.</u> 529 (1987), on twenty-two occasions, the attorney advanced his fees for real estate closings before the closings had occurred. After the closings, the attorney deleted the client's name and fee from a list that he maintained. If the closing did not occur, the attorney would replace the fee. The attorney admitted knowing that his premature withdrawal of fees was improper, but contended that he did not perceive it as misappropriation of clients' funds because he only advanced to himself monies to which he had a colorable interest. The Court rejected the distinction and reiterated that, under <u>In re Wilson</u>, 81 <u>N.J.</u> 451 (1979) and <u>In re Noonan</u>, 102 <u>N.J.</u> 157 (1986), knowing misappropriation "consists simply of a lawyer taking a client's money entrusted to him, knowing that it is the client's money and knowing that the client has not authorized the taking...a lawyer's subjective intent, whether it be to 'borrow' or to steal, is irrelevant to the

determination of the appropriate discipline in a misappropriation case." In re Warhaftig, supra, 106 N.J. at 533.

At a minimum, respondent's conduct amounted to "willful blindness" that client trust funds were being invaded. In re Skevin, 104 N.J. 476, 486 (1986), cert. denied 481 U.S. 1028 (1987) ("willful blindness satisfies [the] requirement of knowledge"). Respondent did not maintain client ledger cards or receipts and disbursements journals. He "rarely" reviewed his bank statements. He took funds from his trust account without attributing the withdrawals to any client matter. He never even bothered to pay the medical providers, unless they called him to request payment. Such conduct amounts to willful blindness that trust funds were being invaded.

In <u>In re Skevin</u>, <u>supra</u>, 104 <u>N.J.</u> 476, the attorney was disbarred for taking fees and costs from the settlements of clients' cases, before he received the settlement proceeds. Like respondent, Skevin testified that he believed that he had sufficient funds of his own in his trust account to cover the disbursements, although he did not keep a running balance or any other accounting of those funds. The Court found that such "willful blindness" satisfied the knowledge requirement for knowing misappropriation. <u>Id.</u> at 486. <u>See</u>, <u>also</u>, <u>In re Pomerantz</u>, 155 <u>N.J.</u> 122, 135 (1998) ("Even if we accept respondent's contentions that she was unaware that she was out-of-trust, her willful blindness satisfies us that she knowingly misappropriated client funds."); <u>In re Johnson</u>, 105 <u>N.J.</u> 249, 260 (1987) ("the intentional and purposeful avoidance of knowing what is going on in one's trust account will not be

deemed a shield against proof of what would otherwise be a knowing misappropriation.")

Like the attorney in In re Mininsohn, 162 N.J. 62, 74 (1999), respondent "failed to offer evidence to sustain the contention that his belief in the existence of an adequate cushion was reasonable or justifiable." Mininsohn did not offer any specific factual basis for his belief and his own expert testified that his reconciliation of the trust account revealed that there were not "always sufficient funds on hand, and he was always indeed out of trust."

Id. at 73-74. Like Mininsohn, respondent did not offer any reasonable factual basis for his belief that he had an adequate cushion to cover his advanced fees. Like Mininsohn, respondent's accountant found that he was out-of-trust. Furthermore, the OAE's reconciliations showed that respondent was out-of-trust for twenty-five of the twenty-seven months of the audit period. See, also, In re Davis, 127 N.J. 118, 129-130 (1992) (Court could "only conclude" that the misappropriations that occurred after respondent had been placed on notice about his egregious bookkeeping practices "were either knowing misappropriations or at the very least the product of 'willful' ignorance.")

In light of the foregoing, we unanimously determined to recommend that respondent be disbarred for knowing misappropriation of trust funds. Two members concurred with this result, but believed that respondent was only guilty of "willful blindness" that trust funds were being invaded. We further unanimously determined to require respondent to reimburse the

Disciplinary Oversight Committee for administrative costs.

By:

ROCKY L PETERSON

Chair

Disciplinary Review Board

SUPREME COURT OF NEW JERSEY DISCIPLINARY REVIEW BOARD VOTING RECORD

In the Matter of Gary H. Untracht Docket No. DRB 01-367

Argued:

December 20, 2001

Decided:

April 12, 2002

Disposition:

Disbar

Members	Disbar	Suspension	Reprimand	Admonition	Dismiss	Disqualified	Did not participate
Peterson	X						
Maudsley	X						
Boylan	X						
Brody	X						
Lolla	X						
O'Shaughnessy	X						
Pashman	X						
Schwartz	X						
Wissinger	X						
Total:	9						

Robyn M. Hill Chief Counsel