

SUPREME COURT OF NEW JERSEY
Disciplinary Review Board
Docket No. DRB 04-098
District Docket No. XIV-03-278E

IN THE MATTER OF
LOUIS J. RECCHIONE
AN ATTORNEY AT LAW

Decision
Default [R. 1:20-4(f)]

Decided:

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

Pursuant to R. 1:20-4(f), the Office of Attorney Ethics
("OAE") certified the record in this matter directly to us for the
imposition of discipline, following respondent's failure to file an
answer to the formal ethics complaint. The complaint alleged
knowing misappropriation of client funds.

Respondent was admitted to the New Jersey bar in 1980. He
has no prior discipline.

On May 30, 2003, on motion of the OAE, the Supreme Court
temporarily suspended respondent for possible knowing

misappropriation. In re Recchione, 176 N.J. 343 (2003). Respondent remains suspended to date.

The Lucas Matter

On December 20, 2002, respondent represented Brian and Patricia Lucas in connection with their purchase of a house in Ramsey. Respondent acted as the settlement agent in the transaction.

Respondent placed in his trust account \$674,631.49. Respondent failed to disburse \$10,338.38 of that amount, representing unpaid property taxes, the title insurance premium, and client funds.

On May 7, 2003, the OAE received a grievance from Brian Lucas, a former client, alleging that respondent failed to fully disburse the closing proceeds of a real estate transaction.

On May 20, 2003, the OAE conducted a demand audit of respondent's attorney trust and business accounts. At the audit, respondent admitted that he had knowingly misappropriated closing proceeds from the Lucases, without their consent. Respondent estimated that he misappropriated between \$10,000 and \$12,000 of funds from the closing proceeds.

The Geiger Matter

On November 12, 2003, the OAE received a grievance from Frank P. Geiger, alleging that respondent had misappropriated funds in connection with a real estate closing.

On March 19, 2003, respondent represented Frank and Harriet Geiger in connection with a refinancing of their mortgage loan. Respondent obtained \$3,458.76 from the Geigers to pay real estate taxes and \$948 for their title insurance premium.

Respondent did not use the funds to pay the outstanding taxes or title insurance premium. Rather, respondent admitted at the May 20, 2003 audit that he had knowingly misappropriated approximately \$4,000.

The Trust Account Findings

During the demand audit, respondent admitted that he began to misappropriate funds from his trust account in early December 2002 because he needed cash. Respondent estimated that, all told, he had improperly taken between \$30,000 and \$40,000 from his clients between December 2002 and May 2003. Therefore, the OAE concentrated its investigation of his trust account for that period of time.

The OAE investigation revealed that, between December 2002 and May 2003, respondent issued to himself approximately sixty checks, in round dollar amounts, and without memo notations or client

information. The checks totaled \$28,905. In many instances, respondent simply cashed the checks, rather than deposit them first to his business account.

Respondent's trust account statement for April 30, 2003 indicated a balance of \$1,727. However, at the time, respondent should have been holding at least \$14,745.13, representing unpaid obligations in the Lucas and Geiger closings. Therefore, respondent's account showed a shortfall of \$13,018.13 for the two transactions, as of April 30, 2003.

The complaint alleged that respondent knowingly misappropriated the Geiger and Lucas funds, in violation of RPC 1.15(a) and RPC 8.4(c).

On January 7, 2004, the OAE sent a copy of the complaint (Exhibit D) to respondent's last known office address at 1044 Route 23, Wayne, New Jersey 07470, and his home address at 434 Caldwell Drive, Wyckoff, New Jersey 07481, by certified and regular mail, under cover letter of even date. The certified mail receipt was returned as unclaimed. The regular mail was not returned.

Although respondent initially cooperated with the OAE in its investigation of the within matters, he ultimately ceased communication with that office. Therefore, the OAE took the additional step of publishing notice of the complaint, on January 12, 2004, in the New Jersey Law Journal and The Record.

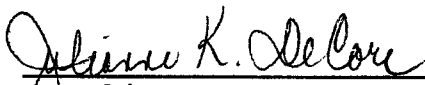
Respondent did not file an answer to the complaint.

Service of process was properly made. Following a review of the record, we find that the facts recited in the complaint support the charges of unethical conduct. Because of respondent's failure to file an answer, the allegations of the complaint are deemed admitted. R.1:20-4(f).

Respondent deposited the Lucases' and Geigers' funds in his trust account and did not utilize them for their intended purpose – the payment of obligations incidental to their respective real estate closings. Instead, respondent used them for his personal benefit and without the Lucases' and Geigers' authorization. He, therefore, knowingly misappropriated in excess of \$13,000 in client and escrow funds. Therefore, we determine that, under the principles of In re Wilson, 81 N.J. 451 (1979), and In re Hollendonner, 102 N.J. 21 (1985), respondent must be disbarred. One member did not participate.

We also determine to require respondent to reimburse the Disciplinary Oversight Committee for administrative expenses.

Disciplinary Review Board
Mary J. Maudsley, Chair

By: 
Julianne K. DeCore
Chief Counsel

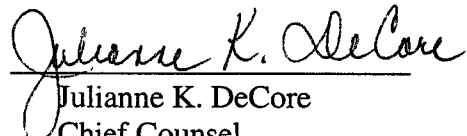
**SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
VOTING RECORD**

In the Matter of Louis J. Recchione
Docket No. DRB 04-098

Decided: June 22, 2004

Disposition: Disbar

<i>Members</i>	<i>Disbar</i>	<i>Suspension</i>	<i>Reprimand</i>	<i>Admonition</i>	<i>Dismiss</i>	<i>Disqualified</i>	<i>Did not participate</i>
<i>Maudsley</i>	X						
<i>O'Shaughnessy</i>	X						
<i>Boylan</i>							X
<i>Holmes</i>	X						
<i>Lolla</i>	X						
<i>Pashman</i>	X						
<i>Schwartz</i>	X						
<i>Stanton</i>	X						
<i>Wissinger</i>	X						
Total:	8						1


Julianne K. DeCore
Chief Counsel