SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
Docket No. DRB 24-116
District Docket No. XIV-2022-0003E

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In the Matter of Paul O. Paradis
An Attorney at Law

Argued
July 25, 2024

Decided
October 30, 2024

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John J. Hays, II appeared on behalf of the
Office of Attorney Ethics.

Respondent did not appear for oral argument.

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## Introduction

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 (the OAE), pursuant to R. 1:20-13(c)(2), following respondent's guilty plea and conviction, in the United States District Court for the Central District of California, to one count of theft or bribery concerning programs receiving federal funds, in violation of 18 U.S.C. § 666(a)(1)(B). The OAE asserted that respondent's actions underpinning this offense constitute violations of RPC 1.7(a) (engaging in a concurrent conflict of interest); RPC 3.3(a)(1) (making a false statement of material fact to a tribunal); RPC 3.3(a)(2) (failing to disclose a material fact to a tribunal when disclosure is necessary to avoid assisting in an illegal, criminal, or fraudulent act); RPC 8.4(b) (committing a criminal act that reflects adversely on the lawyer's honesty, trustworthiness, or fitness as a lawyer); and RPC 8.4(c) (engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation).

For the reasons set forth below, we determine to grant the motion for final discipline and recommend to the Court that respondent be disbarred.

**Ethics History**

Respondent earned admission to the New Jersey bar in 1990 and to the New York bar in 1991. The record before us did not disclose whether respondent maintained a practice of law in New Jersey during the relevant time.

On April 19, 2022, the Supreme Court of New York, Appellate Division, First Judicial Department, disbarred respondent, effective January 28, 2022, in connection with his criminal conduct underlying this matter.[1] Matter of Paradis, 205 A.D.3d 88 (2022).

On June 29, 2022, the Court temporarily suspended respondent from the practice of law in connection with his criminal conduct underlying this matter. In re Paradis, __ N.J. __ (2022).

**Facts**

On November 29, 2021, respondent entered a guilty plea to one count of theft or bribery concerning programs receiving federal funds, in violation of 18

[1] In New York, an attorney who has been disbarred may apply for reinstatement to practice after the expiration of seven years from the entry of the order of disbarment." 22 NYCRR § 1240.16(c)(1).

U.S.C. § 666(a)(1)(B).[2]

On November 7, 2023, the Honorable Stanley Blumenfeld, Jr., U.S.D.J., sentenced respondent to a thirty-three month term of incarceration followed by a three-year term of supervised release, with conditions. In addition, pursuant to an addendum to the plea agreement, respondent agreed to forfeit $44,425.33, as well as property seized from his home and business offices located in California.

The facts underlying respondent's criminal conduct follow.

*Collusive Litigation and the "Kickback" Scheme*

In or around fall of 2014, respondent's law firm, Paradis Law Group, PLLC, received inquiries from customers of the Los Angeles Department of Water and Power (the DWP) concerning potential litigation stemming from the DWP's billing system, which incorrectly had billed hundreds of thousands of customers and resulted in multiple class action lawsuits against both the DWP

[2] 18 U.S.C. § 666(a)(1)(B) provides, in pertinent part, "Whoever, if the circumstance described in subsection (b) of this section exists – being an agent of an organization, or of a State, local, or Indian tribal government, or any agency thereof – corruptly solicits or demands for the benefit of any person, or accepts or agrees to accept, anything of value from any person, intending to be influenced or rewarded in connection with any business, transaction, or series of transactions of such organization, government, or agency involving anything of value of $5,000 or more; shall be fined under this title, imprisoned not more than 10 years, or both."

and the City of Los Angeles (the City).

In or around December 2014, Antwon Jones retained respondent to represent him in connection with a potential lawsuit concerning the DWP billing practices.

On December 16, 2014, respondent and another California attorney, Paul Kiesel, Esq., with whom respondent was acquainted, met with two officials from the Los Angeles City Attorney's Office (the CAO) to discuss obtaining the City's help with a potential lawsuit, on behalf of Jones, against PricewaterhouseCoopers LLP (PWC), the vendor for the DWP billing system. During that meeting, respondent and Kiesel agreed to represent the City in a lawsuit against PWC. Respondent informed the CAO official that he also represented Jones for the purpose of potential litigation related to the DWP billing system.

In January and February 2015, respondent, Kiesel, and the CAO pursued a parallel litigation strategy, which entailed respondent and Kiesel representing both the City and Jones in contemporaneous lawsuits against PWC. The parallel litigation strategy required convincing the attorneys for the plaintiffs in the existing class action lawsuits against the City to dismiss their claims and to join the City in a coordinated lawsuit against PWC. In furtherance of the parallel

litigation, respondent drafted a complaint, on behalf of Jones, against PWC (hereinafter Jones v. PWC) and circulated it among the members of the CAO for their review and comment. In late February 2015, members from the CAO informed respondent that the City no longer intended to proceed with the parallel litigation strategy.

On February 23, 2015, respondent, Kiesel, and respondent's partner met with at least one member of the CAO to discuss how the City intended to proceed in lieu of the abandoned parallel litigation strategy. At the meeting, respondent and Kiesel were directed and authorized to find outside counsel that was friendly to the City and its litigation goals, who would then purport to represent Jones in a class action lawsuit against the City. The new strategy was dubbed the "white knight strategy" to reflect the understanding that this plaintiff would not be adverse to the City's goals and would allow the City to orchestrate a collusive lawsuit for the purpose of quickly settling all existing DWP claims on terms favorable to the City. Respondent and Kiesel would continue to prepare the City's anticipated lawsuit against PWC.

On February 25, 2015, in furtherance of the white knight strategy, respondent contacted an Ohio attorney (the Ohio Attorney), with whom he was acquainted, and asked him to "play the role" of the attorney representing Jones,

and the other class members, in the lawsuit against the City (hereinafter Jones v. City). Respondent explained to the Ohio Attorney that the case would be "pre-settled" on the City's desired terms. Respondent explained that he would do all the work in the case in exchange for twenty percent of the Ohio Attorney's legal fees. The Ohio Attorney agreed to this scheme.

Respondent and the Ohio Attorney further agreed that, because the City did not intend for the lawsuit to be adversarial and wanted it to be resolved quickly on the desired terms, the Ohio Attorney would refrain from demanding any discovery or filing any adversarial motions against the City. They agreed that the Ohio Attorney only would purport to represent the interests of Jones and the other class members while guiding the case to the preordained resolution that the City had orchestrated. By agreement, respondent's involvement in Jones v. City would be kept hidden from the client.

Because the white knight strategy had been authorized by at least one member of the CAO, respondent made no attempt to conceal the strategy from other members of the CAO. In or around February or March 2015, respondent informed multiple members of the CAO that the Ohio Attorney would be filing a new class action lawsuit to serve as a vehicle for the City to settle all DWP billing claims on terms favorable to the City.

On March 6, 2015, respondent and Kiesel filed a lawsuit against PWC, on behalf of the City, alleging that PWC was responsible for the DWP's billing issues (hereinafter City v. PWC).[3]

Sometime in March 2015, respondent drafted a detailed class action complaint against the City with Jones as the named class representative. The complaint contained voluminous nonpublic information provided to respondent by the CAO and the DWP. Further, it was strikingly similar to the draft complaint in the Jones v. PWC matter that respondent prepared and circulated to members of the CAO in the preceding months of 2015. Respondent also drafted a detailed settlement demand letter for the Jones v. City matter and provided it to the Ohio Attorney to be served on the City after filing the complaint.

On March 26, 2015, respondent introduced his client, Jones, to the Ohio Attorney and informed him that the Ohio Attorney would be working on his case as well. Respondent intentionally omitted, however, the salient fact that he concurrently represented the City in another matter related to DWP's billing system. At the same time, respondent provided the Ohio Attorney with the draft

[3] Respondent and Kiesel represented the City in the lawsuit against PWC for four years, before resigning, at the City's request, in March 2019.

complaint in the Jones v. City matter and directed him to file it by April 1, 2015, to preempt settlement efforts that the City's class action counsel was pursuing at that time in connection with another class action plaintiff.

On April 1, 2015, the Ohio Attorney filed, in the Los Angeles County Superior Court, the Jones v. City complaint. The following day, the Ohio Attorney forwarded to the City the detailed settlement letter that respondent had prepared on behalf of Jones.

Respondent drafted all correspondence and pleadings in connection with the litigation, which the Ohio Attorney then signed, thus, creating the false impression that the Ohio Attorney independently was litigating the matter and conducting the investigation into the merits of the potential settlement with the goal of obtaining the best result for his client.

In June and July 2015, and again in October 2016, in furtherance of the white knight strategy, and to conceal the collusive nature of the Jones v. City settlement, respondent and the Ohio Attorney participated in sham mediation sessions with the City. During the sessions, they each pretended to zealously advocate for their respective clients, despite knowing that the City and the Ohio Attorney already had agreed upon the key settlement terms prior to the first mediation session. Respondent and the Ohio Attorney actively concealed the

collusion from the clients; the counsel for the other plaintiffs; the mediator; the court; and the public. With respondent's knowledge, the Ohio Attorney instructed Jones not to attend the mediation sessions to prevent Jones from discovering that respondent, whom Jones still believed was representing him in his lawsuit against the City, was, in fact, participating in the mediation on behalf of the City.[4]

On August 17, 2015, at respondent's direction, and for the purpose of aiding the City in its case against PWC, the Ohio Attorney filed an amended complaint in the Jones v. City matter to include additional factual allegations because the original complaint did not encompass all claims asserted by other classes against the City, as the white knight strategy had contemplated. At the same time, with respondent's knowledge and support, the Ohio Attorney moved for preliminary approval of the class action settlement to which he and the City had agreed. The preliminary settlement included approximately $13 million in attorneys' fees. On May 5, 2017, again with respondent's knowledge and support, the Ohio Attorney filed a declaration containing a demand for an additional $6 million in attorneys' fees from the City, for a total of $19 million

[4] Respondent acted on behalf of the City in all mediation sessions in the Jones v. City matter, despite not being counsel of record for the City in that matter.

in fees. In support of the demand, the Ohio Attorney falsely attested to the work he purportedly performed in the Jones v. City matter.

From the outset, respondent and the Ohio Attorney agreed to maximize the counsel fee award for their mutual benefit. At respondent's direction, the Ohio Attorney submitted falsified billing records reflecting that he had commenced work on the Jones v. City matter in November 2014 when, in fact, he had not become involved in the scheme until February 2015. The falsified billing records included hundreds of hours of work which the Ohio Attorney did not perform, including the drafting of pleadings, conducting discovery, and engaging in legal analysis and strategy.

On July 20, 2017, relying on the false representations made by the Ohio Attorney – which respondent knew to be false – the Los Angeles Superior Court judge overseeing the Jones v. City matter granted final approval of the settlement agreement, including an attorneys' fee award of approximately $19 million, of which the Ohio Attorney received approximately $10.3 million. In July 2017, respondent reminded the Ohio Attorney of their prior agreement that respondent would receive twenty percent of the Ohio Attorney's share of the awarded fees, totaling $2.175 million. Respondent and the Ohio Attorney then agreed they would each form a shell company to facilitate and conceal the

illegal "kickback" payment.

In furtherance of the scheme, on November 1, 2017, respondent created S.M.A. Property Holdings, LLC, (SMA) which he solely intended to use as a vehicle to transfer and conceal the illegal payment. Although the operating agreement for SMA stated that the entity's mission was "to create a portfolio of income-producing assets that will appreciate in value over a three to five year time horizon," respondent never added any such assets to the company because it was not a legitimate investment company. On November 10, 2017, the Ohio Attorney transferred $2.175 million to respondent through his shell company, Tarten Investments, Inc.

*The Aventador Bribery Scheme*

At some point in time, respondent held the position of special counsel to the DWP. Through his work as special counsel, which involved investigating, filing, and litigating the City v. PWC matter, respondent developed specialized knowledge of the DWP's billing system. On October 19, 2015, the DWP's five-person Board of Commissioners (the board) awarded a one-year, no-bid contract, worth more than $1.3 million, to respondent's law firm for the purpose of providing project management services in connection with the DWP's billing

system remediation. On May 23, 2016, the board extended the project management services contract for an additional year and awarded respondent's law firm an additional $4,725,675.

In or around December 2015, the Los Angeles Superior Court judge overseeing the Jones v. City lawsuit appointed an independent monitor to supervise the settlement agreement reached in that case, which required the DWP to remediate the flawed billing system and to meet various benchmarks over a specific period. As part of monitor's duties, the court required periodic unbiased reports describing, among other things, the DWP's progress in meeting the remediation benchmarks.

During the monitor's tenure, respondent developed a personal relationship with the monitor by treating them to sporting events, as well as meals and drinks, on multiple occasions. With the knowledge and approval of multiple DWP officials and employees, respondent drafted nearly all the monitor's reports to the court. Specifically, respondent circulated the draft reports to the monitor, and others, and then incorporated any edits before the monitor signed the reports and filed them with the court.

Through his involvement with the City v. PWC matter and by providing project management services for the DWP billing system, respondent developed

a close working and personal relationship with the general manager of the DWP. The two traveled together for both work and personal purposes, attended concerts and other events, and dined at expensive restaurants, for which respondent paid.

During his remediation work with the DWP, respondent learned about certain cybersecurity vulnerabilities that posed potential threats to the DWP's network, computer systems, and operations. After learning of these vulnerabilities, respondent, the general manager, and other DWP employees discussed the possibility of expanding respondent's work for the DWP to include cyber-related services to specifically address these vulnerabilities.

In or around early 2017, respondent determined that his law firm could no longer provide remediation or other additional services to the DWP because of the state bar rules prohibiting law firms from providing non-legal services. Respondent and the general manager discussed and agreed that, for respondent to provide future remediation and other non-legal services to the DWP, including the cybersecurity services, he would need to form a new company that could contract with the DWP in lieu of respondent's law firm. Thus, he created Aventador Utility Solutions, LLC (Aventador) for the purpose of securing future contracts with the DWP.

On February 10, 2017, respondent met privately with the general manager of DWP, at a hotel, where they discussed his formation of Aventador for the purpose of securing a lucrative no-bid contract to provide the DWP with continued remediation services, as well as cyber-security services. The two agreed that the general manager would work to ensure the board awarded the contract to Aventador. In exchange, respondent agreed that, upon his retirement from the DWP, the general manager would join Aventador as the Chief Executive Officer with an annual salary of $1 million, a new Mercedes SL 550 as his company car, and a potential signing bonus. They further agreed that Aventador would pursue, and the general manager would work to ensure, that Aventador secured a no-bid contract with the DWP valued at approximately $30 million. On March 28, 2017, respondent registered Aventador with the California Secretary of State.

In or around early May 2017, as had become his regular practice, respondent drafted the next independent monitor's court report for the primary purpose of providing the general manager with support for the board's vote to award the $30 million no-bid contract to Aventador. On May 5, 2017, the monitor filed the report with the court in the Jones v. City matter.

Respondent drafted the report to include specific talking points for the

general manager to present to the board, including that the DWP was grossly understaffed in the information technology (IT) area, had difficulty hiring IT staff; lacked well-qualified IT project management personnel, and lacked the ability to manage large-scale IT implementation projects. These talking points were intended to persuade the board that the DWP needed to procure these services from an outside vendor.

Respondent also worked with the general manager to position Aventador to secure the no-bid contract, including editing drafts of a letter sent to the board summarizing the purpose and terms of the Aventador contract and explaining why alternatives to awarding the contract on a non-bid basis were unsatisfactory. He also prepared and refined the general manager's oral and written presentation to the board concerning the Aventador contract, strategized to remove impediments to Aventador receiving the contract, and omitted respondent's ownership of the company from the presentation.

In late May 2017, a member of the board contacted respondent concerning an unrelated litigation matter. The board member initially supported the Aventador contract but, as the date of the vote approached, the member began expressing his reluctance to support Aventador. However, he continued to communicate with respondent concerning the unrelated litigation and

solicited information from respondent about the judge handling the litigation and the various pleadings and legal documents to use in the litigation. Respondent provided information and materials to the board member for the purpose of gaining favor with the member and to secure his support for the Aventador contract.

On or around June 4, 2017, the board member agreed to vote in favor of the contract if a committee consisting of himself and one other board member was established to oversee the progress of the contract. Shortly before the June 6, 2017 board meeting, respondent encountered the board member in the hallway and, during that brief encounter, the board member expressed appreciation for respondent's assistance with the litigation matter and stated words to the effect of, "[y]ou take care of me, I take care of you." Respondent understood that to mean the board member would vote to approve the contract so long as respondent continued to provide the board member with free legal services.

Later that morning, the DWP board met to consider the Aventador contract. During his presentation to the board, the general manager cited to the May 5, 2017 independent monitor's report, which respondent had drafted, and informed the board that the DWP could not meet its obligations under the

settlement agreement unless it contracted with Aventador. The general manager failed to disclose that he had solicited, and respondent had agreed to offer him, the CEO position with Aventador at an annual salary of $1 million. Following the general manager's presentation, the board unanimously voted to award Aventador a three-year, $30 million no-bid contract. Later that same date, at the board member's request, respondent forwarded various legal documents to a colleague of the board member.

Between June and August 2017, respondent and his law partner performed legal work for the board member in satisfaction of the implied agreement that respondent would provide legal services in exchange for the board member's vote in favor of the Aventador contract

On June 15, 2017, respondent relayed to the general manager that the board member repeatedly had been contacting him concerning the board member's unrelated litigation. The general manager informed respondent that the board member had been appointed for another four years, which indicated to respondent that he should continue to assist that board member to ensure his support on the ongoing Aventador contract, as well as any future Aventador matters.

In total, respondent and his law partner provided the board member with

approximately thirty-six hours of legal work, at no charge, which respondent valued at more than $30,000 based on their respective billing rates.

In May 2018, the general manager, other DWP officials, and respondent joined a delegation on a visit to Israel. During the trip, respondent and the general manager met with officials from a cybersecurity company that provided training to governmental and business organizations. The company had franchises in the United States and abroad. Respondent and the general manager decided to invest in bringing a franchise facility to Los Angeles. Respondent agreed to invest $5 million in capital for a controlling interest and the general manager would have an ownership interest as well. The general manager told respondent that the DWP would purchase five years of cybersecurity training from the franchise facility at a cost of $3 million per year, although the general manager did not have the authority to make such an agreement without the board's approval. The two agreed that the general manager would again use his position and influence to convince the members of the board to vote in favor of this expenditure.

In January 2019, respondent entered into a joint venture with the cybersecurity company and agreed to invest $5 million to open a franchise in Los Angeles, which would provide training to DWP employees.

Over the course of the three bribery schemes, respondent and his companies amassed approximately $24 million. In or around March 2019, respondent began cooperating extensively with law enforcement and engaged in approximately 184 "undercover operations."[5]

On November 19, 2021, respondent signed a forty-six-page plea agreement, in which he agreed to plead guilty to an information filed with the United States District Court for the Central District of California alleging that he committed the felony of bribery in federally funded programs, in violation of 18 U.S.C. § 666(a)(1)(B). On January 28, 2022, respondent pleaded guilty to the sole count of the information.

On November 7, 2023, Judge Blumenfeld sentenced respondent to thirty-three-month term of incarceration, followed by a three-year term of supervised release, with conditions.

In determining respondent's sentence, Judge Blumenfeld considered the substantial aggravating circumstances and sought an upward variance of the sentencing guidelines based on respondent's decision to go down a "path of illegality and corruption," and position himself at the center of "a sophisticated and greedy scheme" and "corruption on multiple fronts." In further aggravation,

[5] It is unclear from the record what prompted respondent's cooperation with law enforcement.

he emphasized that:

> [respondent] placed himself there squarely time and again through careful, calculating, and charismatic cultivation of individuals and exploitation of his trusted position. And he engaged in . . . three bribery schemes, all of which are in and of themselves troubling, the collection of which is staggering.
>
> [ExG11:15-20.][6]

Moreover, Judge Blumenfeld added:

> what is clear to this Court is that there is no individual in this entire sordid affair who bears more responsibility, even remotely, compared to [respondent]. He is clearly someone who had an outsized role in all of this, and all roads or many roads lead back to him. And he did cause substantial societal damage. He contributed to corrupting the City Attorney's Office as well as the DWP. He's shattered public confidence in government and in the legal profession.
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> [ExG13:12-20.]

**New York Discipline**

On April 19, 2022, the Supreme Court of New York, Appellate Division, First Judicial Department, disbarred respondent for his criminal conduct underlying this matter, retroactive to January 28, 2022.

[6] "ExG" refers to the transcript of the November 7, 2023 sentencing hearing.

On November 8, 2021, eleven days prior to executing his plea agreement in the criminal matter, respondent filed an affidavit asking the Supreme Court of New York to accept his non-disciplinary resignation from the New York State bar. In his supporting affidavit, respondent asserted that, since his admission to the New York State bar, he had not been "arrested, charged with, indicted, convicted, tried, and/or entered a plea of guilty to any felonies, misdemeanors, violations, and/or traffic infractions." He claimed that he was resigning because he had been diagnosed with a pituitary adenoma which he alleged caused "significant negative impact on [his] health and required ongoing medical care and treatment . . . and [his] resignation from the Bar."

In opposition to his resignation application, the Attorney Grievance Committee (the committee) argued that respondent was "fully aware that as of November 19, 2021, when he entered into the plea agreement and while his resignation motion was still pending before [the] Court, his prior attestation in his affidavit – that he had not been charged with or entered a guilty plea to any crime – was no longer accurate." The committee asserted that respondent had an obligation to notify the court and the committee of that development, which he failed to do, and was no longer eligible for resignation for non-disciplinary reasons.

Ultimately, the court entered an order disbarring respondent, effective January 28, 2022, the date of his guilty plea. The court dismissed, as moot, respondent's motion to resign for non-disciplinary reasons and his subsequent motion to be placed on medical disability suspension.

**The Parties' Positions Before the Board**

In support of its motion for final discipline, the OAE observed that criminal convictions for conspiracy to commit crimes such as bribery of public officials or official misconduct, as well as crimes related to theft by deception or fraud, ordinarily result in disbarment. See In re Cammarano, 219 N.J. 415 (2014) (disbarring an attorney who pled guilty to conspiracy to obstruct interstate commerce by extortion under color of official right); In re Izquierdo, 209 N.J. 5 (2012) (disbarring an attorney who bribed a local zoning official); In re Tuso, 104 N.J. 59 (1986) (disbarring an attorney for attempting to bribe a public official); In re Hughes, 90 N.J. 32 (1982) (disbarring an attorney who bribed an IRS agent); In re Colsey, 63 N.J. 210 (1973) (disbarring an attorney who facilitated client's bribe of a public official); In re Hyett, 61 N.J. 518 (1973) (disbarring an attorney who bribed a police officer).

The OAE, both in its brief and during oral argument, urged us to

recommend to the Court that respondent be disbarred for his prolonged bribery and kickback scheme. Further, the OAE emphasized that the scheme was motivated by his own personal greed and the expectation that he would profit significantly. Moreover, respondent abused both his position as an attorney and the legal system to advance a collusive litigation for his personal financial gain, thereby depriving Jones and the other plaintiffs of a settlement that was not the product of the pervasive collusion that characterized his conduct. In short, respondent failed to protect the interests of his client; the other plaintiffs; the DWP ratepayers; the City of Los Angeles; and the taxpayers of Los Angeles.

Respondent did not submit a brief for our consideration or appear at oral argument, despite proper notice.

## Analysis and Discipline

*Violations of the Rules of Professional Conduct*

Following a review of the record, we determine to grant the OAE's motion for final discipline. Final discipline proceedings in New Jersey are governed by R. 1:20-13(c). Under that Rule, a criminal conviction is conclusive evidence of guilt in a disciplinary proceeding. R. 1:20-13(c)(1); In re Magid, 139 N.J. 449, 451 (1995); In re Principato, 139 N.J. 456, 460 (1995).

Respondent's guilty plea and conviction for theft or bribery concerning programs receiving federal funds, in violation of 18 U.S.C. § 666(a)(1)(B), establishes his violation of RPC 8.4(b) and RPC 8.4(c). Pursuant to these respective Rules, it is professional misconduct for an attorney to "commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer" or to "engage in conduct involving dishonesty, fraud, deceit or misrepresentation."

Specifically, the record is brimming with evidence illustrating respondent's rampant fraud and deception. He did not find himself inadvertently entangled in the bribery and collusion schemes. Rather, he devised those ruses; developed a network of co-conspirators; actively participated in the schemes; and upheld those deceptions for more than five years, solely for the financial gain of himself and other co-conspirators. Respondent deliberately misled his client; the other attorneys and class members involved in the litigation; the mediator; and the court.

Respondent actively undermined the legitimacy of the legal system by covertly preordaining the outcome of the litigation with the City and, thus, barring Jones and the other class members from obtaining a fair settlement. Respondent also directed the Ohio Attorney to submit falsified billing records

related to the litigation scheme to maximize his kickback.

Respondent took every opportunity to exploit, for his own benefit, the relationships he made with the DWP general manager and the board member, as well as the court-appointed independent monitor. Unbeknownst to the court and the other DWP board members, respondent also covertly prepared the reports submitted by the supposedly independent monitor, which reports served as the basis to manipulate the outcome of the DWP board vote that resulted in respondent's company being awarded a $30 million no-bid contract. Respondent's actions throughout this entire enterprise were, in one form or another, fraudulent and deceitful.

In our view, even in the face of his impending criminal conviction, respondent continued his pattern of deception by attempting to mislead the New York disciplinary authorities in an effort to secure a non-disciplinary resignation and to avoid the full disciplinary consequences of his actions. Specifically, a mere eleven days before he executed his plea agreement, respondent submitted an affidavit falsely representing that had not been arrested, charged with, indicted, convicted, tried, or entered a plea of guilty to any felonies, misdemeanors, violations, or traffic infractions. Respondent then failed to inform the New York disciplinary authorities of his subsequent guilty plea.

Respondent's misconduct also ran afoul of RPC 1.7(a). As the Court observed in In re Berkowitz, 136 N.J. 134, 145 (1994), "[o]ne of the most basic responsibilities incumbent on a lawyer is the duty of loyalty to his or her clients. From that duty issues the prohibition against representing clients with conflicting interests." (Citations omitted).

In that vein, RPC 1.7(a) prohibits a lawyer from representing a client if the representation involves a concurrent conflict of interest. Under the Rule, a concurrent conflict of interest exists if "the representation of one client will be directly adverse to another client." Pursuant to RPC 1.7(b), however, "[n]otwithstanding the existence of a concurrent conflict of interest," a lawyer may represent a client, if:

> (1) each affected client gives informed consent, confirmed in writing, after full disclosure and consultation;
>
> (2) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;
>
> (3) the representation is not prohibited by law; and
>
> (4) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

Respondent violated RPC 1.7(a) by representing Jones in his lawsuit

against the City, while concurrently representing the City. For respondent to have been permitted to concurrently represent both parties, both Jones and the City would have had to waive the conflict. However, the record lacks any evidence that respondent sought or obtained a waiver of the conflict in accordance with RPC 1.7(b). Quite the contrary, the evidence established that respondent actively and deliberately sought to conceal the conflict from Jones. He knew that the Ohio Attorney had directed Jones not to appear for the sham mediation sessions for the sole purpose of preventing Jones from discovering that respondent was attending the mediation on behalf of the City. The respective interests of Jones and the City in the litigation were inherently adverse to each other. Respondent's actions throughout demonstrated that his representation of the City materially limited his duty to Jones. Instead of zealously representing Jones in the lawsuit against the City, he secretly negotiated the terms of a settlement that were favorable to the City, presumably to the detriment of Jones.

The record, however, does not support a finding that respondent violated RPC 3.3(a)(1), which prohibits an attorney from knowingly making a false

statement of material fact or law to a tribunal.[7] The OAE asserted that respondent violated this Rule by preparing the pleadings on behalf of the Ohio Attorney with the knowledge that the documents would be filed with the court; actively concealing his performance of the Ohio Attorney's work to create the false appearance of an adversarial lawsuit; and preparing, what the court presumed to be, unbiased reports for the independent monitor and knowingly allowing those reports to be filed with the court.

Although "ghostwriting" generally is not permitted in New Jersey and can be viewed as a violation of RPC 3.3(a)(5) (failing to disclose to the tribunal a material fact knowing that the omission is reasonably certain to mislead the tribunal), RPC 8.4(c), and RPC 8.4(d) (engaging in conduct prejudicial to the administration of justice), respondent was not charged with having violated RPC 3.3(a)(5) or RPC 8.4(d). See In the Matter of Ali A. Ali, DRB 19-171 (December 16, 2019).

Respondent clearly orchestrated and participated in the efforts to conceal the collusive litigation and mislead the court. However, even if we were to consider every identified false statement made throughout the entirety of

[7] A tribunal is defined as "a court, an arbitrator in an arbitration proceeding, a legislative body, or an administrative agency acting in an adjudicative capacity (i.e. making a binding decision after the presentation of evidence." Kevin H. Michels, New Jersey Attorney Ethics § 30:2 at 491 (Gann 2024).

respondent's schemes, the evidence presented does not clearly and convincingly establish that respondent violated RPC 3.3(a)(1). Specifically, that Rule addresses false statements that knowingly were made by an attorney. By its express terms, the Rule does not apply to false statements made by others. The record before us does not include clear and convincing evidence to establish that respondent, himself, made any false statements to a tribunal. Further, the record does not include any evidence to establish that any pleadings or independent monitor reports drafted by respondent contained false statements.

The OAE alleged that respondent violated RPC 3.3(a)(1) by knowingly failing to notify the tribunal of the many false statements. However, it would have been more appropriate to have charged that misconduct as violative of RPC 3.3(a)(4), which requires an attorney to notify the tribunal of false evidence, or RPC 3.3(a)(5), which prohibits an attorney from failing to disclose "a material fact knowing that the omission is reasonably certain to mislead the tribunal." Respondent's misconduct in this respect also could support a charge of having violated RPC 8.4(a) (violating or attempting to violate the Rules of Professional Conduct).[8]

[8] We have, historically, sustained RPC 8.4(a) charges "where the attorney has, through the acts of another, violated or attempted to violate the RPCs, or where the attorney himself has attempted, but failed, to violate the RPCs." In the Matter of Stuart L. Lundy, DRB 20-227 (April 28, 2021) at 11.

In addition, RPC 3.3(a)(2) prohibits an attorney from "knowingly" failing "to disclose a material fact to a tribunal when disclosure is necessary to avoid assisting an illegal, criminal, or fraudulent act by the client." The OAE asserted that respondent knew that the Ohio Attorney and other individuals made false statements to the court concerning the settlement and failed to inform the court of that fact. By its express terms, subsection (a)(2) of this Rule applies when the client is involved in illegality, criminality, or fraud but the lawyer fails to disclose that fact to the court, facts that are not present in the instant matter. Specifically, none of respondent's omissions to the court served to assist Jones, or any other client, in any illegal, criminal, or fraudulent acts. In fact, Jones was a victim of respondent's illegal schemes and fraudulent acts. Thus, the record before us lacks any evidence to conclude respondent violated RPC 3.3(a)(2).

In sum, we conclude that respondent violated RPC 1.7(a), RPC 8.4(b), and RPC 8.4(c). We determine to dismiss the charged violations of RPC 3.3(a)(1) and RPC 3.3(a)(2). Hence, the sole issue left for our determination is the extent of discipline to be imposed. R. 1:20-13(c)(2); Magid, 139 N.J. at 451-52; Principato, 139 N.J. at 460.

*Quantum of Discipline*

In determining the appropriate measure of discipline, we must consider the interests of the public, the bar, and respondent. "The primary purpose of discipline is not to punish the attorney but to preserve the confidence of the public in the bar." Magid, 139 N.J. at 452. Fashioning the appropriate penalty involves the consideration of many factors, including "the nature and severity of the crime, whether the crime is related to the practice of law, and any mitigating factors such as respondent's reputation, his prior trustworthy conduct, and general good conduct." In re Lunetta, 118 N.J. 443, 445-46 (1989).

The Court has noted that, although it does not conduct "an independent examination of the underlying facts to ascertain guilt," it will "consider them relevant to the nature and extent of discipline to be imposed." Magid, 139 N.J. at 452. In motions for final discipline, it is acceptable to "examine the totality of the circumstances, including the details of the offense, the background of respondent, and the pre-sentence report" before reaching a decision as to the sanction to be imposed. In re Spina, 121 N.J. 378, 389 (1990). The "appropriate decision" should provide "due consideration to the interests of the attorney involved and to the protection of the public." Ibid.

In addition to the disciplinary precedent cited by the OAE in support of

disbarment, we consider another line of precedent. The Court consistently has found that attorneys who commit crimes that are serious or that evidence a lack of "moral fiber" must be disbarred to protect the public, the integrity of the bar, and the confidence of the public in the legal profession. See, e.g., In re Grant, __ N.J. __ (2022), 2022 N.J. LEXIS 1069 (disbarment for an attorney who pleaded guilty to wire fraud and conspiracy to commit wire fraud; together with co-conspirators, the attorney obtained $4.8 million through fraud over a period of roughly five years; after his arrest, the attorney began to cooperate with the government; although the attorney also separately misappropriated client funds, in violation of the principles of Wilson, we found that the attorney's wire fraud conviction was an independent basis for disbarment); In re Luthmann, 246 N.J. 568 (2021) (disbarment for an attorney following his conviction, in federal court, for conspiracy to commit wire fraud and conspiracy to commit extortionate collection of credit; the attorney recruited clients to conspire with him to create fraudulent companies for the purpose of defrauding legitimate businesses seeking to buy scrap metal; he recruited one client on the belief that he was involved with organized crime and, thus, could settle disputes; the attorney used his status as an attorney to give an air of legitimacy to a serious fraudulent scrap metal scheme); In re Quatrella, 237 N.J. 402 (2019) (disbarment

for an attorney convicted of conspiracy to commit wire fraud after taking part in a scheme to defraud life insurance providers via three stranger-originated life insurance policies; the victims affected by the crimes lost $2.7 million and the intended loss to the insurance providers would have been more than $14 million); In re Klein, 231 N.J. 123 (2017) (disbarment for an attorney convicted of wire fraud for engaging in an advanced fee scheme that lasted eight years and defrauded twenty-one victims of more than $819,000; the attorney and his co-conspirator used bogus companies to dupe clients into paying thousands of dollars in advanced fees, in exchange for a promise of collateral that could be used to borrow much larger sums of money from well-known financial institutions; the clients, however, never received legitimate financial instruments that were acceptable to banks as collateral for financing; the attorney leveraged his status as a lawyer to provide a "veneer of respectability and legality" to the criminal scheme, including the use of his attorney escrow account).

In In re Goldberg, 142 N.J. 557 (1995), the Court enumerated the aggravating factors that normally lead to the disbarment of attorneys convicted of crimes:

> Criminal convictions for conspiracy to commit a variety of crimes, such as bribery and official

> misconduct, as well as an assortment of crimes related to theft by deception and fraud, ordinarily result in disbarment. We have emphasized that when a criminal conspiracy evidences 'continuing and prolonged rather than episodic, involvement in crime,' is 'motivated by personal greed,' and involved the use of the lawyer's skills 'to assist in the engineering of the criminal scheme,' the offense merits disbarment.
>
> [In re Goldberg, 142 N.J. at 567.] (citations omitted) (emphasis added)

Like the attorney in Klein, who was disbarred, respondent actively and knowingly engineered a sophisticated scheme that spanned at least five years, leveraging his status as an attorney to manipulate the legal system to reach a preordained result. Respondent's misconduct is akin to that of attorneys the Court has disbarred for their extensive involvement in crime, which involved the use of their attorney skills in furtherance of the criminal enterprise, for their pecuniary gain.

In our view, respondent's serious crime demonstrates a total lack of moral fiber that endangers the public, the integrity of the bar, and the public's confidence in the legal profession, thereby warranting his disbarment.

Mitigating and Aggravating Factors

In crafting the appropriate quantum of discipline, we also consider mitigating and aggravating factors which solidify our recommendation that respondent be disbarred.

In mitigation, respondent has no prior discipline in his twenty-four years at the bar. However, this sole mitigating factor is insufficient to overcome the gravity of his crimes.

In aggravation, as described by Judge Blumenfeld when he imposed an upward variance of the sentencing guidelines, respondent's fraudulent litigation and bribery schemes were so serious that they caused substantial societal damage, contributed to corrupting the CAO and the DWP, and shattered public confidence in government and in the legal profession.

The Court has stated that, "[l]awyering is a profession of 'great traditions and high standards.'" In re Jackman, 165 N.J. 580, 584 (2000) (quoting Speech by Chief Justice Robert N. Wilentz, Commencement Address-Rutgers University School of Law, Newark, New Jersey (June 2, 1991), 49 Rutgers L. Rev. 1061, 1062 (1997)). Attorneys are expected to hold themselves in the highest regard and must "possess a certain set of traits -- honesty and truthfulness, trustworthiness and reliability, and a professional commitment to

the judicial process and the administration of justice." In re Application of Matthews, 94 N.J. 59, 77-78 (1983).

The Court has explained, when considering the character of a Bar applicant, that:

> [t]hese personal characteristics are required to ensure that lawyers will serve both their clients and the administration of justice honorably and responsibly. We also believe that applicants must demonstrate through the possession of such qualities of character the ability to adhere to the Disciplinary Rules governing the conduct of attorneys. These Rules embody basic ethical and professional precepts; they are fundamental norms that control the professional and personal behavior of those who as attorneys undertake to be officers of the court. These Rules reflect decades of tradition, experience and continuous careful consideration of the essential and indispensable ingredients that constitute the professional responsibility of attorneys.
>
> [In re Application of Matthews, 94 N.J. at 77-78.]

Adherence to these basic ethical and professional precepts are demanded of all attorneys, from the newly admitted to the most seasoned practitioners. As the Court has recognized, "[s]ome criminal conduct is so utterly incompatible with the standard of honesty and integrity that we require of attorneys that the most severe discipline is justified by the seriousness of the offense alone." In re Hasbrouck, 152 N.J. 366, 371-72 (1998). Respondent deliberately exploited his

trusted position as an attorney. His conduct demonstrated that he has abandoned the trustworthiness, honesty, integrity, and professional commitment to the administration of justice required of all New Jersey attorneys. Respondent's brazen and pervasive acts of deception towards a court, coupled with his shameless corruption and his utter dereliction of his duty to his client, clearly support a recommendation for his disbarment.

**Conclusion**

In conclusion, respondent willfully cast aside his ethical obligations to engage in brazen conspiracy for his own personal gain. In our view, respondent represents a clear and unmistakable example of the type of attorney who is incapable of meeting the standards that must guide all members of the profession and the New Jersey bar. Thus, to effectively protect the public and preserve confidence in the bar, we recommend to the Court that respondent be disbarred.

Member Hoberman was absent.

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
Hon. Mary Catherine Cuff, P.J.A.D. (Ret.),
Chair

By: */s/ Timothy M. Ellis*
Timothy M. Ellis
Chief Counsel

SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
VOTING RECORD

In the Matter of Paul O. Paradis
Docket No. DRB 24-116

Argued: July 25, 2024

Decided: October 30, 2024

Disposition: Disbar

| ***Members*** | Disbar | Absent |
|---|---|---|
| Cuff | X | |
| Boyer | X | |
| Campelo | X | |
| Hoberman | | X |
| Menaker | X | |
| Petrou | X | |
| Rivera | X | |
| Rodriguez | X | |
| Spencer | X | |
| Total: | 8 | 1 |

*/s/ Timothy M. Ellis*
Timothy M. Ellis
Chief Counsel