

SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
Docket No. DRB 25-022
District Docket No. XIV-2024-0047E

In the Matter of Garrett A. Lardiere
An Attorney at Law

Argued
March 20, 2025

Decided
June 19, 2025

Ryan J. Moriarty appeared on behalf of
the Office of Attorney Ethics.

Respondent waived appearance 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 disciplinary stipulation between the Office of Attorney Ethics (the OAE) and respondent. Respondent stipulated to having violated RPC 1.7(a) (engaging in a concurrent conflict of interest); RPC 1.15(d) (failing to comply with the recordkeeping requirements of R. 1:21-6); RPC 5.4(a) (sharing fees with a nonlawyer); and RPC 8.1(b) (failing to cooperate with disciplinary authorities).

For the reasons set forth below, we determine that a two-year deferred suspension, with conditions, is the appropriate quantum of discipline for respondent's misconduct.

Ethics History

Respondent earned admission to the New Jersey bar in 1973. At all relevant times, he maintained a practice of law in Lakewood, New Jersey. Effective January 8, 2021, he retired from the practice of law.¹

On September 25, 2009, in a case involving substantially similar

¹ Respondent's retirement occurred during the pendency of the ethics investigation underlying this matter.

misconduct as the instant matter, the Court censured respondent for having violated RPC 1.15(d), RPC 5.4(a), and RPC 8.1(b). In re Lardiere, 200 N.J. 267 (2009) (Lardiere I). As a condition to the discipline, the Court required respondent to complete an OAE approved course in trust and business accounting. The facts underlying Lardiere I are detailed below.

Facts

In Lardiere I, respondent entered into an improper fee-sharing arrangement with Equinox Research and Recovery Co., Inc. (Equinox), an entity owned and operated by nonlawyers, Peter and Carol Corrigan. In the Matter of Garrett A. Lardiere, DRB 08-255 (July 23, 2009). Equinox researched foreclosed properties to determine whether the sheriff's sale yielded surplus funds, then located and solicited the people or entities that might be entitled to claim the surplus funds held in the New Jersey Superior Court Trust Fund (the SCTF). Id. at 2.

In 1993, the Corrigan's approached respondent concerning their need to engage the services of a collections attorney to prepare and file motions on behalf of their clients for the purpose of securing court orders to recover funds held in the SCTF. Equinox retained respondent to perform the necessary legal services to recover those surplus funds. Equinox conducted the investigative

work necessary to identify the surplus funds and locate the putative owner. Id. at 3. Once Equinox successfully solicited the potential client, the client would execute a contingency agreement with respondent, and Equinox would forward the file to respondent for him to begin the legal work on behalf of the client.² Ibid.

When respondent received the recovered funds, he deposited the funds in his attorney trust account (ATA), and then disbursed the funds to the client, to Equinox, and to himself. Id. at 6. Equinox paid respondent a flat fee of \$750, plus ten percent of their share of the recovered surplus funds.

In October 2005, the OAE conducted a demand audit concerning respondent's ATA, attorney business account (ABA), and financial records. During the audit, the OAE identified seven recordkeeping deficiencies and expressed concern over the possible fee-sharing arrangement. Id. at 10. The OAE directed respondent to resolve the deficiencies. However, respondent could not locate the necessary documents or properly account for client funds and, thus, acknowledged that his records did not comply with the recordkeeping Rules. Ibid.

² In Lardiere I, respondent was not charged with having engaged in a concurrent conflict of interest, in violation of RPC 1.7, or with having an improper partnership with a nonlawyer, in violation of RPC 5.4(b). Rather, he was charged only with having an improper fee-sharing arrangement with a nonlawyer, in violation of RPC 5.4(a), in addition to his recordkeeping and failure to cooperate charges.

In March 2006, the OAE advised respondent that the demand audit would continue on April 6, 2006. Id. at 11. Respondent objected to the continuation of the audit and asserted that he would no longer permit the OAE unfettered access to his financial records. Id. Instead, he only allowed the OAE access to his records for one hour and, despite being present at his office during the review, he failed to provide the requested records. Id.

On April 10, 2006, the OAE directed respondent to appear at its office, on April 24, 2006, for a continuation of the audit. Id. The OAE advised him that, if he failed to appear with his records, the OAE would file a petition with the Court seeking his temporary suspension. Id. Respondent failed to appear for the audit, and, consequently, the OAE filed a petition for his temporary suspension.

On May 23, 2006, the Court ordered respondent to comply with the OAE's directives within thirty days. Id. Although respondent ultimately provided documentation related to his ATA, the production was deficient and did not enable the OAE to verify his reconciliations. Id. at 12.

Ultimately, the Court censured respondent for his violation of RPC 1.15(d) for failing to comply with the recordkeeping requirements of R. 1:21-6, RPC 5.4(a) for engaging in an improper fee-sharing arrangement with Equinox, and RPC 8.1(b) for failing to cooperate with disciplinary authorities.

We now turn to the facts of the matter currently before us, which are both

undisputed and strikingly similar to the facts in Lardiere I.

Fee-Sharing and Concurrent Conflict of Interest

On June 25, 2021, the OAE interviewed respondent in connection with its investigation underlying this matter. During the interview, respondent admitted that he had continued his business relationship with the Corrigan and Equinox, despite having been censured in 2009 for that very misconduct. Moreover, he admitted that he only ceased doing business with the Corrigan for a period of time, when they stopped referring him new clients due to the 2008 real estate collapse.

Specifically, at some point between 2011 and 2013, respondent commenced a similar fee-sharing arrangement with American Tracers & Investigations, Inc. (Tracers), a separate corporation owned by the Corrigan. Respondent explained that Tracers would investigate, locate, and solicit clients who were entitled to receive surplus funds from a “Chose In Action;” charge a contingent fee to the clients; pay for any private investigation costs; and pay respondent on a contingency basis to collect the surplus funds belonging to the clients. Tracers located and solicited all clients and respondent recovered the surplus funds on their behalf.

In January 2018, respondent, Carol, as President of Tracers, and Peter, as

Secretary of Tracers, executed a “Retainer Agreement” (the Retainer Agreement).³ The Retainer Agreement defined Tracers as the “Client” and respondent as the “Attorney.” The Retainer Agreement recounted that Tracers recovered real and personal property for third parties,⁴ and that respondent pursued legal action to assist in the recovery of the property.

The Retainer Agreement further provided that:

Attorney shall, upon conclusion of this matter, provide Client with a letter stating the matter has been concluded, the outcome of the matter, the amount or description of the real or personal property recovered, an accounting of all real or personal property recovered and the amount of the final Attorney's fee. Any real or personal property remaining after the deduction of the Attorney's fee shall be turned over to Client within five (5) days, or as soon thereafter as practical, by Attorney.

[S¶27; Ex6.]⁵

The Retainer Agreement specified that, upon the successful recovery of any property, Tracers agreed to pay respondent for any recovery and “authorized

³ Although respondent stated, during the OAE interview, that he resumed working with the Corrigan's through their corporation, Tracers, sometime between 2011 and 2013, the record includes only the January 23, 2018 “Retainer Agreement” executed by respondent and the Corrigan's.

⁴ The retainer agreement referred to Tracers' clients as “its clients” or “the third-party.”

⁵ “S” refers to the Disciplinary Stipulation, dated January 21, 2025.

“Ex.” refers to the exhibits attached to the Stipulation.

“T” refers to the transcript of the June 25, 2021 demand interview, annexed as Exhibit 5 to the stipulation.

[respondent] to retain, from any recovery . . . the following sums to be calculated on Schedule A herein attached.”⁶ Further, pursuant to the Retainer Agreement, Tracers agreed to pay respondent fifty percent of Tracers’ fee for recovering the surplus funds for Tracers’ clients.

When a Tracers investigator located a potential client, and the client agreed to retain Tracers, the investigator would provide the client with a separate retainer agreement. Respondent stated that the investigators were inconsistent with the retainer agreements they provided to the new clients.⁷ The clients would sometimes execute retainers with only Tracers, sometimes with only respondent, or sometimes an agreement with Tracers and an agreement with respondent.

The agreement between Tracers and the clients was titled “Agreement to Recover Funds” (the Recovery Agreement). The Recovery Agreement defined the client as “Party A” and Tracers as “Party B.” The Recovery Agreement indicated that Tracers engaged in the business of recovering unclaimed assets;

⁶ In the record before us, there was no document titled “Schedule A” attached to the Retainer Agreement. The only document attached to the Retainer Agreement was a September 25, 2019 letter from Carol to respondent, in which Carol confirmed that respondent had been Tracers’ agent in regard “to handling matters in which [Tracers] locates funds due individuals, estates/heirs and companies in New Jersey and in which [respondent] make[s] application[s] for those funds in Court.” It is unclear if this letter was, in fact, Schedule A to the January 23, 2018 retainer agreement.

⁷ At the time, Tracers had difficulty finding new clients solely through solicitation letters. In an effort to secure more clients, Tracers sent private investigators to locate and directly speak to potential clients. On occasion, the investigator would provide the client with respondent’s Retainer Agreement instead of the Tracers’ Recovery Agreement. It is unclear from the record before us which agreement the investigator provided to the twenty-five clients identified in the stipulation.

Tracers intended to retain respondent to perform the legal services necessary “to perfect, recover and collect” the assets; and Tracers would pay all attorney’s fees. The Recovery Agreement further indicated that the client would receive sixty-five percent of the gross assets recovered, and Tracers would receive the remaining thirty-five percent. The Recovery Agreement also included a provision which granted respondent power of attorney to act in the client’s name; to sign all bank notes and bank drafts on the client’s behalf; to deposit the recovered funds in his ATA; and to disburse the funds according to the terms of the agreement.

The agreement between respondent and the clients was titled “Attorney – Client Retainer Agreement,” which respondent drafted and referred to as the “Perfect Retainer Agreement” or “Precise Retainer Agreement” (the Precise Retainer). The Precise Retainer indicated that the client would retain respondent, on a contingency basis, for the purpose of pursuing and recovering surplus funds. Pursuant to the terms of the Precise Retainer, the client would receive sixty-five percent of the gross amount of the funds recovered. The remaining funds would be split between Tracers and respondent, with Tracers receiving twenty percent and respondent receiving the remaining fifteen percent for the legal services rendered to the client. The Precise Retainer included a power of attorney provision, appointing respondent to act as the client’s attorney-in-fact

for the purpose of signing the client's name to "any draft or check or negotiable instrument" that he received as a result of the recovery of surplus funds and, further, permitted him to deposit same in his ATA.

During the June 2021 OAE interview, respondent stated the following regarding the Precise Retainer:

And I told American Tracers, I said, look, our retainer agreements are getting a little confusing, I'm going to draft a real good retainer agreement so that the Ethics Committee can't complain that we're fee-splitting.⁸ So I came up with this brilliant -- it took me many months to come into this brilliant retainer agreement that I came up with. And I said, now, when you go to a client, you could tell them that you're using me to do their collection work, but they have to sign this retainer agreement . . . I always wanted a retainer agreement, even though it was their client, because I wanted to make sure the client knew that there was an attorney involved with their collection process. It wasn't a scam.

[T35:25 – T36:17 (emphasis added)].

Respondent continued:

I felt the finder's fee agreement was too weak. And I wanted to define the relationship between American Tracers, the person who was entitled to the funds, and

⁸ Respondent's admission that he attempted to draft a retainer agreement that would conceal the fee-sharing arrangement respondent had with the Corrigan's could constitute a violation of RPC 8.4(c) (engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation). However, respondent was not charged with, and respondent did not stipulate to, having violated that Rule. We can consider uncharged misconduct in aggravation. See In re Steiert, 201 N.J. 119 (2014) (evidence of unethical conduct contained in the record can be considered in aggravation, even though such unethical conduct was not charged in the formal ethics complaint).

to myself. I wanted to be absolutely clear of the three-party relationship, that the person that was entitled to the funds was retaining American Tracers, and that both of them agreed to use me as the attorney, or whoever else they wanted to use. But that was – my agreement.

And they sort of patterned theirs after mine. So that's the reason why I did it. I didn't want any ethics problems to come up saying, well, who's the client, who's the principal, who's the agent, what's your involvement in this. I made it very, very clear with that agreement. And I thought it was perfect.

[[T51:13 – T52:4.]

When asked if he continued to work with Tracers using his Precise Retainer, respondent answered:

Oh yes. Yes, I did. I really didn't want to anymore, but [Tracers] told me they found more cases in 2018. And so that became a year where I did do a lot of cases with them. And I think it stopped around early 2019, I think it stopped.

[[T48:15-23.]

According to respondent's ATA records, between September 2013 and February 2020, he recovered a total of \$1,971,033.50 on behalf of twenty-five clients. The following table identifies the clients, and the amounts recovered on their behalf:

DATE	CLIENT	Total Recovered
9/9/2013	Wojciechowsky	\$ 27,985.24
10/9/2013	O'Neal	\$ 14,575.41
5/19/2017	Mayank	\$ 35,000.00
7/21/2017	E. Miller	\$ 104,139.96
8/14/2017	Pollack	\$ 239,170.42
9/22/2017	Petschko	\$ 34,234.41
12/12/2017	Allison Estate	\$ 109,946.05
3/16/2018	Williamson	\$ 154,001.20
3/16/2018	Robinson	\$ 187,827.11
4/27/2018	Sprague	\$ 32,085.28
4/30/2018	P. Jones	\$ 41,262.56
5/11/2018	Walchinsky	\$ 186,673.48
5/23/2018	O'Connell Estate	\$ 55,341.25
7/10/2018	Knudsen Estate	\$ 71,869.03
9/24/2018	Branch Estate	\$ 40,619.53
10/29/2018	Seedorf Estate	\$ 92,284.98
11/16/2018	Snape	\$ 30,218.16
1/7/2019	Denney Estate	\$ 76,832.56
1/17/2019	Thoman	\$ 68,922.38
1/18/2019	C. Snape	\$ 23,718.17
4/17/2019	Fabbricatore	\$ 67,826.95
7/18/2019	Shakal	\$ 66,099.99
7/29/2019	Obarowski	\$ 65,094.80
8/1/2019	Lucyk	\$ 63,445.38
2/11/2020	Demoreski Estate	\$ 81,859.20
	TOTAL	\$ 1,971,033.50

The Pollack Matter

On September 22, 2016, Lidia Pollack's home was sold at a sheriff's sale for \$425,000. The amount owed to the lender under the foreclosure was only \$179,675.59. On October 5, 2016, Irving Tobin, Esq., filed a motion on Pollack's

behalf, in the Superior Court of New Jersey, Law Division, Hudson County, Docket No. F-47801-09, to permit Pollack to redeem the residence. However, the court denied the motion.

In February 2017, Tracers contacted respondent and advised him that they had located funds for a client in a “Chose In Action” matter. Tracers asked that respondent prepare a retainer agreement for the client to sign, and the matter would be then assigned to him. Respondent prepared a blank “Attorney – Client Retainer Agreement for Pursuing and Recovering on a ‘Chose In Action’ of Funds” (the Pollack Agreement),⁹ and forwarded it to Tracers to be completed with the “name of their customer who was to become my client.”

On February 23, 2017, Pollack executed the Pollack Agreement, which stated that she retained respondent on a contingency basis for the purpose of “pursuing and recovering funds in the amount of \$230,170.42.” In connection with the recovery, respondent would not charge an attorney fee but would, instead, receive a thirty-five percent “finder fee” from the gross amount recovered.

Specifically, respondent stated:

As far as the disbursements of funds are arranged,
American Tracers has authorized me to deduct my

⁹ Respondent stated, during the June 2021 OAE interview, that Pollack did not sign the Precise Agreement, but instead, had signed a retainer agreement that respondent “hastily prepared sort of at the last minute.”

attorney fee from their 35% finder's fee, and to further deduct and pay their Private Detective fee, and to pay the balance to American Tracers. The 65% is paid by me to the Client, who is also American Tracer's customer. This arrangement is made to minimize extra bookkeeping and to expedite payments to all involved. All of the participants due funds would rather receive an attorney trust check rather than a (sic) American Tracers and Investigations check at a later date.

[S¶52; Ex4.]

On February 28, 2017, Tracers sent Pollack's case file and the executed Pollack Agreement to respondent so that he could proceed with drafting the pleadings and filing the motion on behalf of Pollack. Respondent admitted that he sent Pollack a letter to let her know that he was her attorney, that he had received the Pollack Agreement, and that he would "communicate with her from time to time to let her know what was going on."

Subsequently, Edward Ruhnke, a private investigator retained by Tracers, delivered to Pollack a certification that respondent had prepared for her signature.

On April 18, 2017, and again on June 16, 2017, respondent filed motions with the Superior Court of New Jersey, Chancery Division, Hudson County, Docket No. F-47801-09, seeking to obtain Pollack's surplus funds from the SCTF. On July 7, 2017, the Chancery Division entered an Order releasing \$230,170.42 from the SCTF to Pollack.

On August 21, 2017, Ruhnke transported Pollack to Tobin's office, where she executed an authorization form, which Ruhnke notarized. The form authorized respondent to pay Pollack's share of the recovered funds to her and the ATA of Gluck & Tobin, and to deduct "[respondent's] fee of 35% . . . pursuant to the terms of the retainer agreement signed by [Pollack] and dated February 23, 2017."

Respondent issued ATA check #1840, in the amount of \$149,610.77, to Pollack and the Gluck & Tobin ATA, representing her sixty-five percent share of the recovered funds, which Pollack endorsed to Gluck & Tobin. Respondent also issued ATA check #1841, in the amount of \$34,237.85, to Peter and Carol Corrigan. Respondent then issued ATA check #1842, in the amount of \$6,083.95, and ATA check #1843, in the amount of \$6,000, to Ruhnke. Finally, respondent issued ATA check #1844, in the amount of \$34,237.85, to himself. The combined total of the checks issued to respondent, the Corriganes, and Ruhnke was \$80,599.65, or thirty-five percent of the \$230,170.42 that respondent recovered from the SCTF on behalf of Pollack.

On February 11, 2019, the OAE received an Attorney Fee Arbitration Request Form, dated February 1, 2019 and signed by Pollack, in which she questioned why respondent billed her \$80,599.65 when he only prepared paperwork to recover the money that was owed to her in connection with the

foreclosure action.¹⁰

In his Attorney Fee Response Form, respondent asserted that the amount charged was not for attorney's fees, but rather, a "finder's fee of 35%" of the amount respondent recovered on behalf of Pollack.

On or about September 13, 2019, the District Fee Arbitration Committee (the DFAC) referred the matter to the OAE for investigation to determine if there were potential violations of the Rules of Professional Conduct and governing Court Rules. The matter was assigned to DEC IIIA for investigation.

On September 25, 2019, respondent submitted his reply letter and supporting documents to the DEC investigator. In his letter, respondent detailed how he began to represent Pollack and the work he performed on her behalf. He detailed how he divided the recovered funds between Pollack, Tracers, and himself. Respondent stated that Tracers authorized him to deduct his "attorney fee" from Tracers' "finder's fee" and to further deduct and pay their private investigator fees and to forward the balance to Tracers. Respondent admitted that he made this payment arrangement "to minimize extra bookkeeping and to expedite the payments to all involved." Respondent closed the letter by stating, "I do not construe this disbursement of funds arrangement as fee splitting with

¹⁰ Pursuant to R. 1:20A-5, fee arbitration proceedings are accorded confidentiality. The disciplinary stipulation, however, included the facts addressed herein pertaining to the fee arbitration proceeding, and, thus, respondent waived any confidentiality.

non-attorneys, and I conclude that you are able to concur.”

On October 1, 2019, the DEC investigator recommended that the case be returned to the DFAC and submitted a request for the matter to be administratively dismissed pending the final determination from the DFAC.

On April 26, 2020, the Statewide Ethics Coordinator, on behalf of the DFAC, requested that the OAE undertake an ethics investigation.

During the June 2021 OAE interview, respondent admitted the following regarding the concurrent conflict of interest:

Mrs. Pollack is really the client of American Tracers first. Then she becomes my client. So it's sort of like a principal and agent. She's the principal. She's authorizing her agent American Tracers to collect the monies for her through me. As I always said I wanted a special retainer agreement with the client regardless of the American Tracers does just to cover myself and to let the person know that I'm involved with her, that I'm collecting her money, or his or her money.

So it's a – it's a confusing process, and on the face of it, you know, you can – you could really interpret it several different ways, like you said. It is confusing. But the way I put it in my mind to make it ethically (sic) was that they're the third party, they're the principal, American Tracers – they hire American Tracers through an agreement, whether it's verbal or whatever, to collect money from them, and they both agree to use me. So it's a – it's a three-way process.

[T47:20 – T48:14.]

Recordkeeping Violations and Failure to Cooperate

On October 16, 2020, the OAE directed respondent, through his then counsel, to provide certain information and documentation by October 30, 2020.

On December 3, 2020, respondent replied to the OAE's request for information and documents. However, his reply to the document request was deficient because he failed to provide complete disbursement journals or client ledger cards for each client; the client ledger cards were not fully descriptive; the client monthly balances were not maintained; his three-way reconciliations were conducted incorrectly; and his ATA records were not properly maintained for seven years.¹¹

On February 19, 2021, the OAE directed respondent to cure the deficiencies by March 5, 2021. Respondent, however, failed to do so. On March 15, 2021, the OAE left a message for respondent's counsel concerning the outstanding records. On March 16, 2021, respondent's counsel requested, and the OAE granted, an extension of time to reply until April 5, 2021.

On March 31, 2021, the OAE directed respondent to submit, no later than April 12, 2021, specific client files and to provide an explanation as to how he came to represent those clients.

¹¹ In connection with his practice of law, respondent maintained two separate ATAs with OceanFirst Bank, one ending in 2257, and another ending in 2265. During the relevant time period, respondent did not maintain an ABA.

On April 5, 2021, respondent submitted his reply to the OAE's February 19, 2021 deficiency letter.

On April 14, 2021, the OAE followed up with respondent's counsel concerning his reply to the March 31, 2021 information request. One week later, on April 23, 2021, the OAE again followed up with respondent's counsel seeking a reply to the March 31, 2021 information request, and extended the deadline to respond to May 3, 2021. Respondent failed to submit a reply.

Following the audit of respondent's available financial records, the OAE determined that respondent had failed to (1) maintain an ABA, as R. 1:21-6(a)(2) requires; (2) conduct proper three-way reconciliations of his ATA, as R. 1:21-6(c)(1)(H) requires; (3) maintain fully descriptive ATA receipts and disbursements journals, as R. 1:21-6(c)(1)(A) requires; (4) maintain fully descriptive ABA receipts and disbursements journals, as R. 1:21-6(c)(1)(A) requires; (5) deposit all earned legal fees in an ABA, as R. 1:21-6(a)(2) requires; (6) maintain separate client ledger cards for each client, as R. 1:21-6(c)(1)(B) requires; (7) maintain fully descriptive client ledger cards, as R. 1:21-6(c)(1)(B) requires; (8) maintain separate ledger cards for law firm funds held for bank charges, as R. 1:21-6(c)(1)(B) requires; (9) maintain monthly client balances, in violation of R. 1:21-6(c)(10)(B); (10) timely disburse earned legal fees from an ATA, as R. 1:21-6(a)(2) and RPC 1.15(a) require; (11) maintain an attorney

IOLTA ATA, as R. 1:21-6(a) and R. 1:28A-2 require; (12) retain ATA records for seven years, as R. 1:21-6(c)(1) requires; and (13) separate personal funds, or funds unrelated to the practice of law, from ATA, as RPC 1.15(a) and R. 1:21-6(a)(1) require.¹² Respondent failed to cure the deficiencies and to bring his records in compliance with R. 1:21-6 and RPC 1.15(d).

During the June 2021 OAE interview, respondent acknowledged that he previously had been the subject of a random audit “at least . . . three or four times,” and confirmed that he was familiar with the recordkeeping requirements of R. 1:21-6. He also admitted that he knew he was required to maintain an ABA and acknowledged that he had an ABA when he was the subject of the prior random audits. However, he stated that he had closed his ABA in 2018 and elected to deposit all funds in his ATA to avoid having to reconcile two separate accounts. He felt it was “getting to be a little drudgery having all these bank accounts . . . it was just more expedient for [him],” so he decided to close his ABA. Respondent further stated:

I’m a one-man person here. I have to do everything.
And I said, you know, I know you’re supposed to keep
a business account, but I’m almost done, anyway, now,
so I’m going to do it this way, it’s going to be a lot

¹² The stipulation references commingling of personal funds, and funds unrelated to the practice of law, in respondent’s ATA, as well as failure to timely disburse earned legal fees from his ATA, which would constitute a violation of RPC 1.15(a). However, respondent was not charged with, and he did not stipulate to, having violated this Rule. As previously stated, however, we can consider uncharged misconduct in aggravation. See In re Steiert, 201 N.J. 119.

simpler for me. I just streamlined the whole thing.

[T59:24 – T60:5.]

Despite his admitted knowledge of the ABA requirement, and, further, having completed a course on trust and business accounting as a condition to his 2009 discipline in connection with Lardiere I, respondent persisted in stating that he did not believe he was violating any Rules at the time he closed the ABA, in 2018. Respondent also stated that the OAE “may have a special rule for that.” Id. When questioned by the OAE regarding the use of his ATA as an ABA, the following exchange occurred:

[OAE]: Yeah. But I’ll tell you what the small -- the problem with that is, is that you kind of hit upon it before. There’s a two-hundred-fifty-dollar suggested limit of what you’re allowed to keep in. So as we sit here today, I don’t know if you went over that limit or not.

[Respondent]: I did a couple times. And you know what? I thought that was a very unfair limit. I thought it should be at least \$1,000. But -- but the -- you know, you guys have your own policies and your own rules, and I thought it was unfair. And I sort of changed it.

[OAE]: Yeah. Right. Where we do get into a problem, though, is that when you started paying your personal expenses from the trust account rather than the business account. And that’s -- that’s where the problem occurred.

[Respondent]: Well, it wasn't my personal expenses. It was the expenses of the files, you know? And --

[OAE]: What do you mean -- what do you mean by that?

[Respondent]: Well, it was a personal expense that I was obligated to pay, but it was coming out of my attorney's fees that were from other files. And I would sort of like pay them for the files you're right. It would come from my money, but it was in my -- it was a ledger card -- there was a special ledger card set aside for unearned -- well, for earned fees that were being paid for expenses on other files.

[OAE]: Right. But it's still -- but it's still in your -- it's still in your trust account.

[Respondent]: That's right.

[OAE]: -- which you're not -- the rule is you can't pay your personal expenses from the trust account, even if it's -- no matter how you classify it, as a separate file or anything. It's still coming from the trust account. Your personal expenses have to come from a business account. I mean, that's -- that's where the problem is.

[Respondent]: So I -- I sort of call them -- I didn't call them personal expenses. I called them expenses of the file.

[OAE]: Right. But no matter what you call them, they're still coming -- it's where they're coming from. So --

[Respondent]: That's true.

[T60:6 – T62:3.]

Respondent further stated that he had “perfect records going all the way up to 2017.” Then, in 2017, as a result of him moving and purportedly not having a place to store the files, he elected to destroy his old ledger cards. At the time, respondent was considering retiring from practice and “figured, well, I was retiring anyway, what does it matter. And I just disposed of them.” However, respondent did not retire until January 2021.

Based on the above facts, the parties stipulated that respondent violated RPC 1.7(a) by engaging in a concurrent conflict of interest through his simultaneous representation of both Tracers and twenty-five of Tracers’ clients; RPC 1.15(d) by failing to comply with the recordkeeping requirements of R. 1:21-6; RPC 5.4(a)(2) by sharing fees with the Corriganes, who were nonlawyers; and RPC 8.1(b) for failing to timely provide the OAE with the records demonstrating corrections and accurate records as required by R. 1:20-3 and R. 1:21-6(h) and (i).

The Parties’ Positions Before the Board

In concluding that a one-year suspension was the appropriate quantum of discipline for respondent’s misconduct, the OAE relied upon disciplinary precedent, discussed below, and considered, in aggravation, respondent’s prior

discipline for nearly identical misconduct, including engaging in an improper fee-sharing arrangement and recordkeeping violations, which he failed to remediate despite the opportunity to do so. In further aggravation, respondent failed to exhibit any remorse for his misconduct.

According to the OAE, respondent's cooperation by entering into a disciplinary stipulation was the sole mitigating factor. However, the OAE urged that we accord nominal weight to his cooperation because, although he did not contest the charged violations, he refused to acknowledge his wrongdoing.

In his written submission to us, respondent asserted that, "from his perspective," he did not violate the Rules of Professional Conduct by "splitting fees with non attorneys." He asserted that his matter involved "issues pertaining to agency law," which he argued were overlooked by the ethics authorities. He explained that he had recovered funds on behalf of "disclosed principals" through their "agent," Tracers. Accordingly, he contended that both parties became his client. Respondent further asserted that the agent instructed him to distribute the recovered funds in accordance with the agreement between the agent and the disclosed principal. He argued that the ethics authorities "erroneously interpreted" the remittance to the agent as an impermissible fee-sharing arrangement.

Analysis and Discipline

Violations of the Rules of Professional Conduct

Following a review of the record, we determine that the stipulated facts in this matter clearly and convincingly support respondent's admitted violations of RPC 1.7(a)(2); RPC 1.15(d); RPC 5.4(a); and RPC 8.1(b).

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 under paragraph (a)," 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.

Here, respondent and Tracers entered into the Retainer Agreement which

clearly identified respondent as Tracers' attorney. At the same time, respondent represented twenty-five of Tracers' clients in the various actions to secure the surplus funds. Accordingly, by simultaneously representing Tracers and the individual clients, in which the clients' interests were directly adverse to that of Tracers, and without having secured each client's written informed consent, respondent engaged in a concurrent conflict of interest, in violation of RPC 1.7(a).

Next, the record amply supports the finding that respondent violated RPC 1.15(d) by failing to comply with the recordkeeping requirements of R. 1:21-6 in numerous respects. Specifically, he failed to (1) maintain an ABA, in violation of R. 1:21-6(a)(2); (2) conduct proper three-way reconciliations of his ATA, in violation of R. 1:21-6(c)(1)(H); (3) maintain proper ATA and ABA receipts and disbursements journals, in violation of R. 1:21-(c)(1)(A); (4) deposit all earned legal fees in an ABA, in violation of R. 1:21-6(a)(2); (5) maintain an individual client ledger for each client, in violation of R. 1:21-6(c)(1)(B); (6) maintain fully descriptive client ledger cards, in violation of R. 1:21-6(c)(1)(B); (7) maintain a ledger card identifying attorney funds for bank charges, in violation of R. 1:21-6(d); (8) maintain monthly client balances, in violation of R. 1:21-6(c)(10)(B); (9) timely disburse earned legal fees from his ATA, in violation of R. 1:21-6(a)(2) and RPC 1.15(a); (10) maintain an IOLTA ATA, in violation of R. 1:28A;

(11) retain ATA records for seven years, in violation of R. 1:21-6(c)(1); and (12) separate personal funds from the ATA, in violation of RPC 1.15(a).

Respondent also violated RPC 5.4(a), which prohibits an attorney from sharing a fee with a nonlawyer. Specifically, respondent does not dispute that, from 2011 through 2020, he shared a percentage of the surplus funds that he recovered with nonlawyers, Carol and Peter Corrigan, through their business, Tracers. In doing so, respondent violated this Rule.

Last, RPC 8.1(b) requires attorneys to “respond to a lawful demand for information from...[a] disciplinary authority.” Respondent violated this Rule by failing to cooperate with the OAE’s lawful demands for his financial records in connection with its investigation. Notwithstanding the OAE’s repeat efforts to obtain his cooperation, he failed to produce all of the requested records.

It is well-settled that cooperation short of the full cooperation required by the Rules has resulted in the finding that the attorney violated RPC 8.1(b). See e.g., In re Sheller, 257 N.J. 495 (2024) (although the attorney timely replied to the OAE’s correspondence, he admittedly failed to bring his financial records into compliance, despite the OAE’s extensive efforts spanning fourteen months; indeed, on at least four occasions, the OAE provided the attorney with specific guidance on how to correct his records; notwithstanding the OAE’s repeated good faith efforts to accommodate him, his submissions consistently remained

deficient; we, thus, determined that the attorney violated RPC 8.1(b)); In re Higgins, 247 N.J. 20 (2021) (the attorney failed, for more than seventeen months, to comply with the OAE’s numerous requests for information regarding the matters under investigation, necessitating his temporary suspension; although the attorney ultimately filed a reply to the ethics grievance, brought his records into compliance, and stipulated to his misconduct, we concluded that his lengthy period of non-compliance constituted a failure to cooperate); In re Palfy, 225 N.J. 611 (2016) (wherein we viewed the attorney’s partial “cooperation as no less disruptive and frustrating than a complete failure to cooperate,” noting that “partial cooperation can be more disruptive to a full and fair investigation, as it forces the investigator to proceed in a piecemeal and disjointed fashion”).

To date, respondent has failed to cure the identified recordkeeping deficiencies and, thus, his records remain noncompliant with the Court Rules.

In sum, we find that respondent violated RPC 1.7(a); RPC 1.15(d); RPC 5.4(a); and RPC 8.1(b). The sole issue left for our determination is the appropriate quantum of discipline for respondent’s misconduct.

Quantum of Discipline

Generally, cases involving conflicts of interests, coupled with other ethics infractions or aggravating factors, such as a disciplinary history, have resulted

in discipline ranging from a censure to a term of suspension. See e.g., In re Bagnara, __ N.J. __ (2022), 2022 N.J. LEXIS 1167 (censure for an attorney who steered nineteen of his clients to a title company, without disclosing that he was a salaried employee of that company; the attorney also negligently misappropriated client funds, commingled his personal funds in his trust account and committed recordkeeping violations; no prior discipline); In re LaVan, 249 N.J. 5 (2021) (censure for an attorney who concurrently represented a property owner, in need of remediation on her property, and an environmental remediation corporation; the attorney also failed to disclose that she had a financial interest in the remediation corporation and to obtain a written conflict waiver of the involved parties; prior reprimand in 2019); In re Orlovsky, 257 N.J. 499 (2024) (three-month suspension for an attorney who engaged in a concurrent conflict of interest in seven client matters by representing both his wife, as the lender, and current firm clients, as the borrowers; the attorney also failed to cure recordkeeping deficiencies, including permitting \$462,705.07 in inactive client balances to languish in his account; we weighed, in mitigation, the attorney's cooperation against the aggravating factors of his continued failure to comply with the recordkeeping Rules and his prior two-year suspension).

The appropriate measure of discipline in fee-sharing cases is determined

on a case-by-case basis and ranges from an admonition to a lengthy suspension, depending on the severity of the attorney's misconduct, the presence of other serious violations, and the attorney's ethics history. See, e.g., In the Matter of Paul R. Melletz, DRB 12-224 (November 16, 2012) (admonition for an attorney who hired a paralegal for immigration matters as an independent contractor and, for a few years, evenly divided the flat fee charged to immigration clients); In re Burger, 201 N.J. 120 (2010) (reprimand for an attorney who paid a paralegal employee fifty percent of the legal fees generated by immigration cases that the paralegal referred to the attorney; we determined that the employee's earnings, both from the fee shares and her weekly salary, were not excessive for the position a paralegal/secretary); In re Macaluso, 197 N.J. 427 (2009) (censure for an attorney who, as a nominal partner, participated in a prohibited compensation arrangement with an employee and failed to report the controlling partner's misconduct); In re Fusco, 197 N.J. 428 (2009) (companion case to Macaluso) (three-month suspension for an attorney who paid a nonlawyer claims manager both a salary and a percentage of the firm's net fee recovered in personal injury matters that were resolved with the manager's "substantial involvement;" the claims manager received a larger percentage of the firm's fees in cases that he had referred to the firm; other infractions included failure to supervise nonlawyer employees and failure to report another lawyer's violation of the

RPCs); In re Carracino, 156 N.J. 477 (1998) (six-month suspension for an attorney who agreed to share fees with a nonlawyer, entered into a law partnership agreement with a nonlawyer, engaged in a conflict of interest, committed gross neglect, failed to communicate with a client, engaged in conduct involving misrepresentation, and failed to cooperate with disciplinary authorities; prior discipline including two admonitions and a public reprimand (now an admonition)); In re Berglas, 190 N.J. 357 (2007) (one-year suspension for an attorney, on a motion for reciprocal discipline, who shared legal fees with a nonlawyer and improperly paid third parties for referring legal cases to him; the conduct took place over a period of three years and involved two hundred immigration and personal injury matters; in mitigation, the attorney had no prior discipline in fifteen years at the bar and expressed remorse).

Admonitions typically are imposed for failure to cooperate with disciplinary authorities, if the attorney does not have an ethics history, if the attorney's ethics history is remote, or if compelling mitigation is present. The quantum of discipline is enhanced, however, if the failure to cooperate is with an arm of the disciplinary system, such as the OAE, which uncovers recordkeeping improprieties in a trust account and requests additional documents. See In re Sheller, 257 N.J. 495 (2024) (reprimand for an attorney after a random compliance audit revealed recordkeeping deficiencies that the

OAE previously had identified in a random audit eight years earlier; the attorney failed to cooperate with the OAE's investigation, despite the passage of fourteen months and multiple prompts from the OAE; in mitigation, the attorney had no prior discipline and stipulated to his misconduct), and In re Tobin, 249 N.J. 96 (2021) (censure for an attorney who, following an OAE random audit that uncovered several recordkeeping deficiencies (including more than \$800,000 in negative client balances), failed to provide the documents requested in the OAE's seven letters and eight telephone calls, spanning more than one year; although we noted that a reprimand was appropriate for the attorney's recordkeeping violations and failure to cooperate, we imposed a censure in light of the attorney's prior reprimand for recordkeeping violations and the default status of the matter; in mitigation, however, the attorney had been practicing law for sixty-three years and suffered serious health problems prior to the continuation date of the random audit).

Here, respondent readily admitted that he had resumed the improper fee-sharing relationship with the Corriganes as far back as 2011 and that it continued until 2020, despite his 2009 censure for the same misconduct. Moreover, in 2019, the OAE contacted respondent regarding suspected ethical violations related to fee-sharing that were revealed in connection with the fee arbitration. Most of the work respondent performed for Tracers predated the commencement

of the ethics investigation underpinning this matter. However, in February 2020, after the OAE's initial contact, he recovered an additional \$81,859.20 in surplus funds that were, presumably, shared with Tracers. Thus, respondent blatantly continued the misconduct despite his prior discipline for the same improper fee-sharing arrangement and with the full knowledge that he was under investigation for the same misconduct.

Respondent's improper fee-sharing arrangement with the Corrigan's involved at least twenty-five clients and continued for upwards of nine additional years after the Court already had censured him. Respondent recovered more than \$1.9 million in surplus funds between 2013 and 2020 for Tracers' clients, generating at least \$665,000 in shared fees. This was neither a short-term, nor an insignificant fee-sharing arrangement.

Respondent's misconduct is akin to that of the attorney in Berglas, who received a one-year suspension. Although the Berglas matter involved the use of "runners," in violation of RPC 7.2(c) (a lawyer shall not give anything of value to a person for recommending the lawyer's services), and RPC 7.3(d), the underlying misconduct involved fee-sharing arrangements with nonlawyers. Like here, the fee-sharing persisted for a period of years and involved numerous fee shares. In addition, like other attorneys who have been suspended for improper fee-sharing, respondent also took steps to conceal the fee-sharing, by

attempting to draft a retainer agreement that would evade detection and avoid the DEC “complaining” that he was fee-sharing.

Unlike the attorney in Berglas, however, respondent’s fee-sharing arrangement also encompassed a concurrent conflict of interest for each of the twenty-five clients involved. Moreover, unlike respondent, the attorney in Berglas fully cooperated with the disciplinary authorities and had no prior discipline. Respondent, by contrast, failed to fully cooperate with the disciplinary authorities. In addition, he has a disciplinary history that is particularly relevant to the determination of the appropriate quantum of discipline in the instant matter, to which we accord significant weight in aggravation.

Specifically, in 2009, the Court censured respondent in Lardiere I for having engaged in an identical and improper fee-sharing scheme involving the Corriganes, in violation of RPC 5.4(a). In that matter, respondent also committed similar recordkeeping violations and failed to cooperate with disciplinary authorities in connection with a demand audit.

During his June 2021 interview with the OAE, respondent candidly admitted that he willfully continued his business relationship with the Corriganes, even after the OAE became involved, in 2005, in connection with Lardiere I. Respondent acknowledged that he did not reform his conduct as a result of the

potential discipline but, rather, ceased doing business with the Corrigan's only when they stopped referring him clients due to the 2008 real estate collapse.

Respondent further admitted that, as few as two years after the Court censured him, he readily resumed his business relationship with the Corrigan's when they pursued his services for Tracers and offered to increase his share of the fee from ten percent to fifty percent. The prior business relationship respondent had with Equinox, and the subsequent business relationship he had with Tracers, were identical fee-sharing arrangements. Respondent did not hesitate to resume the same business relationship and engage in the same misconduct that led to his 2009 censure.

As a result of the prior discipline, respondent was fully aware that the disciplinary authorities considered his conduct to be an improper fee-sharing with a nonlawyer. Despite the prior discipline, and amid a subsequent ethics investigation, respondent inexplicably refused to acknowledge his arrangement with the Corrigan's was, in fact, fee-sharing. In his September 2019 reply to the DEC, he detailed the arrangement with Tracers, and stated, "I do not construe this disbursement of funds arrangement as fee splitting with non-attorneys, and I conclude that you are able to concur."

In addition, respondent brazenly admitted, during his OAE interview, that he had drafted "a real good retainer agreement so that the Ethics Committee

can't complain that [he was] fee-splitting." Instead of avoiding a new fee-sharing arrangement, respondent simply scoffed at his prior discipline, sought to modify his retainer agreement to evade future detection by the disciplinary authorities, and resumed his prior misconduct. Although the OAE did not charge respondent with having violated RPC 8.4(c) for his efforts to conceal his fee-sharing arrangement, we consider that misconduct in aggravation.

Respondent similarly scoffed at his recordkeeping obligations under the Court Rules. Not only did respondent have a heightened awareness of those obligations due to his "three or four" prior audits, but he also was required to complete an OAE-approved course in trust and business accounting as a condition to his discipline in Lardiere I. Nevertheless, respondent still failed to maintain accurate and complete records and to correct his recordkeeping deficiencies.

During his 2021 interview with the OAE, respondent admitted that, in 2017, as a result of moving and purportedly not having a place to store his files, he willfully destroyed his ledger cards before the expiration of the required seven-year retention period. Respondent glibly stated that he "was retiring anyway, what [did] it matter. And [he] just disposed of them." However, respondent did not retire until four years later.

Respondent also knew he was required to maintain an ABA. Yet, he

conceded that he had closed his ABA in 2018 and elected to deposit all funds in his ATA simply to avoid the hassle of having to reconcile two separate accounts. Respondent felt it was “getting to be a little drudgery having all these bank accounts . . . it was just more expedient” for him to use his ATA as his sole account. Astonishingly, respondent claimed he did not think he was violating any Rules at the time he closed the ABA despite admitting he was aware of the ABA requirement under the Rules, as well as admitting he had taken the trust and business accounting course. Respondent was fully aware of the Rules, yet he flippantly stated during his interview that the OAE “may have a special rule for that.”

Respondent openly and repeatedly admitted that he knowingly violated the Rules. He primarily was motivated by expediency rather than his obligation to comply with the Rules. When a particular Rule did not suit his needs or objectives, or when he disagreed with the Rule, he simply ignored it. Respondent stated, “you guys have your own policies and your own rules, and I thought it was unfair. And I sort of changed it.” Then, when pressed on his failure to comply with the Rules, respondent sought to justify his conduct.

Respondent also had a heightened awareness of his obligation to cooperate with disciplinary authorities. Nevertheless, he refused to fully cooperate, just as he previously had done in connection with the 2005 audit. In that matter,

respondent refused to provide the OAE investigators with access to his records or adequate time to review same. Here, respondent refused to provide the OAE with the requested documentation and information, despite having received extensions of time to do so. He also failed to cure the deficiencies identified by the OAE.

The Court has signaled an inclination toward progressive discipline and stern treatment of repeat offenders. In such scenarios, enhanced discipline is appropriate. See In re Kantor, 180 N.J. 226 (2004) (disbarment for abandonment of clients and repeated failure to cooperate with the disciplinary system). Although respondent's disciplinary history is not extensive, the blatant nature of the identical misconduct warrants a further enhancement of the discipline.

In our view, even when considering the mitigation, the quantum of discipline should not be reduced. Although an admission of wrongdoing is generally a mitigating factor to be considered when crafting the appropriate discipline, if the admission of wrongdoing lacks any acknowledgement that the conduct was, in fact, wrong, then the admission is meaningless. Moreover, an admission of wrongdoing is normally accompanied by a modicum of contrition. Here, respondent demonstrated no remorse and instead sought to justify his conduct. Respondent's glib remarks throughout the OAE interview demonstrated his absolute and sustained refusal to acknowledge that his conduct

violated the Rules or that the Rules were legitimate. Likewise, in his submission to us, respondent reiterated his position that his actions did not violate the Rules and that the ethics authorities erroneously interpreted his conduct as improper fee-sharing, thus, establishing that respondent failed to learn from the prior discipline.

Further, respondent's retirement from the practice of law is insufficient mitigation to negate the significant aggravation found in this matter. Respondent's retirement does not guarantee a sufficient level of protection for the public, as respondent can return to the practice of law at any time, and resume the same misconduct, as he had done so before.

Respondent has demonstrated a pattern of disdain for his obligations under the Rules and for disciplinary authorities. Neither the prior censure, nor the threat of additional discipline, influenced or reformed respondent's conduct. Respondent simply thumbed his nose at the disciplinary authorities and unabashedly continued the misconduct. We accord significant weight to respondent's contemptuous attitude towards the Rules, his outright failure to learn from his prior mistakes, and his intentional continuation of the misconduct that previously resulted in discipline, all of which justifies enhancement of the quantum of discipline.

Conclusion

On balance, we determine that the serious aggravating factors, including respondent's blatant disregard for his obligations pursuant to the Rules of Professional Conduct, require the imposition of a lengthy term of suspension. Thus, we conclude that a two-year suspension is the appropriate quantum of discipline necessary to protect the public and preserve confidence in the bar. Because respondent has retired from the practice of law in New Jersey, we recommend that the suspension be deferred until such time as he would seek to resume the practice of law in New Jersey.¹³

Moreover, as conditions precedent to any reinstatement to the practice of law, we recommended that respondent be required to (1) complete a trust and business accounting class offered by the OAE, and (2) provide proof to the OAE that he has corrected all deficiencies identified in the disciplinary stipulation. Additionally, respondent should be required to submit monthly three-way reconciliations to the OAE, on a quarterly basis, for two years following any such return to active status.

¹³ See In re Broderick, __ N.J. __ (2022), 2022 N.J. LEXIS 115 (because the attorney had retired from the practice of law, the Court Ordered that the deferred suspension become "effective when [the attorney] no longer satisfies the requirements of Retired status," and, further, Ordered the attorney to immediately inform the Court and the OAE if he determined "to resume the practice of New Jersey law or otherwise no longer qualifies for Retired status in New Jersey.")

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 Garrett A. Lardiere
Docket No. DRB 25-022

Argued: March 20, 2025

Decided: June 19, 2025

Disposition: Two-Year Suspension

<i>Members</i>	Two-Year Suspension
Cuff	X
Boyer	X
Campelo	X
Hoberman	X
Menaker	X
Modu	X
Petrou	X
Rodriguez	X
Spencer	X
Total:	9

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