SUPREME COURT OF NEW JERSEY
DISCIPLINARY REVIEW BOARD
Docket No. DRB 25-156
District Docket No. XIV-2020-0476E

In the Matter of Paul H. Appel
An Attorney at Law

Argued
September 18, 2025

Decided
December 22, 2025

Saleel V. Sabnis appeared on behalf of the
Office of Attorney Ethics.

Frank P. Arleo appeared on behalf of respondent.

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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 conviction, in the United States District Court for the District of New Jersey (the DNJ), for misdemeanor theft and embezzlement of United States property, in violation of 18 U.S.C. § 641 and 18 U.S.C. § 642. The OAE asserted that this offense constitutes a violation of RPC 8.4(b) (committing a criminal act that reflects adversely on the lawyer's honesty, trustworthiness, or fitness as a lawyer).

For the reasons set forth below, we determine to grant the motion for final discipline and conclude that a censure is the appropriate quantum of discipline for respondent's misconduct.

Ethics History

Respondent earned admission to the New Jersey bar in 1967 and to the New York bar in 1970. He has no prior discipline in New Jersey. During the relevant timeframe, he maintained a practice of law in Freehold, New Jersey.

Facts

On November 2, 2020, a grand jury in the DNJ indicted respondent for his alleged involvement in illegal schemes to convert federal funds for personal use, to defraud campaign donors, and to commit bank and wire fraud. The indictment charged respondent with having committed numerous crimes: fraud involving an organization receiving federal funds, in violation of 18 U.S.C. § 666(a)(1)(A)[1] (one count); money laundering, in violation of 18 U.S.C. § 1956(a)(1)(B)(i)[2] (three counts); and mail and wire fraud, in violation of 18 U.S.C. § 1341[3] and 18 U.S.C. § 1343[4] (thirteen counts).

The indictment was based on four alleged schemes that respondent

[1] 18 U.S.C. § 666(a)(1)(A) makes it unlawful for an individual to embezzle, steal, obtain by fraud, or otherwise without authority knowingly convert public funds that are valued at $5,000 or more.

[2] 18 U.S.C. § 1956(a)(1)(B)(i) prohibits an individual who knows "that the property involved in a financial transaction represents the proceeds of some form of unlawful activity, conducts or attempted to conduct such a financial transaction which in fact involves the proceeds of specified unlawful activity – . . . knowing that the transaction is designed in whole or in part – to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity."

[3] 18 U.S.C. § 1341 prohibits an individual from using the United States Postal Service to perpetuate a "scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises."

[4] 18 U.S.C. § 1343 provides: "Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communication in interstate commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice" faces fines or imprisonment.

purportedly engaged in with Sudhan Thomas, who had served as the Acting Executive Director of the Jersey City Employment and Training Program (the JCETP). The JCETP, a non-profit organization that provided a range of services to individuals facing barriers to employment in high-quality jobs and careers, received federal funding from the Workforce Innovation and Opportunity Act (WIOA) and from grants provided by the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant program, which were awarded to expand economic opportunities for low to moderate income individuals.

Additionally, in 2016, Thomas was elected to a seat on the Jersey City Board of Education (JCBOE) and, beginning in 2017, served as its vice president. He became president of the JCBOE in January 2018, until his term expired in December 2019. He lost his seat on the JCBOE during the 2019 election.

Respondent served as the registered treasurer of Thomas' 2016 campaign during the JCBOE election. Additionally, respondent served as the registered agent of Glocal Marketing Solutions Corp. (Glocal), a for-profit corporation of which Thomas was president. Respondent also was the registered agent of the Thomas Family Foundation for America, Inc., a non-profit corporation.

Respondent's home address was the registered address for both entities.

Alleged JCETP Fraud

From approximately March through July 2019, with respondent's assistance, Thomas used his access to JCETP funds to steal more than $45,000 from the organization. Although JCETP had its own bank account (the Original Account), Thomas opened five additional accounts for JCETP, at a separate bank, in order to facilitate the thefts. Thomas and a second JCETP board member were the only authorized signatories on the additional accounts.

Specifically, on March 6, 2019, Thomas issued a $4,968 check from the Original Account, made payable to respondent. Respondent deposited the check in a business account that he held.[5] Later on March 6, 2019, respondent issued a $500 business account check, payable to an undisclosed law firm, with "Thomas Settlement" notated on the memo line. The next day, respondent issued a business account check in the amount of $1,468, payable to "Next Glocal

[5] The record is silent as to whether the business account was respondent's attorney business account or a business account unrelated to his practice of law. However, respondent's notation on the March 6, 2019 check suggests it was, indeed, his attorney business account. The record does not reveal why respondent would have issued a settlement check from his business account.

Inc.,"[6] and Thomas deposited the check in Glocal's account. Also on March 7, 2019, respondent withdrew $3,000 in cash from his business account and gave it to Thomas, who deposited the funds in Glocal's account the same date.

On March 21, 2019, Thomas issued a $1,250 check from the Original Account made payable to respondent. Respondent deposited the check in his business account and, on March 22, 2019, issued a $1,250 check from his business account made payable to cash, with "Next Glocal Acct" in the memo line. Thomas deposited the funds in Glocal's account the same date.

On April 4, 2019, Thomas issued another check from the JCETP account, payable to respondent, in the amount of $3,690. Respondent deposited the check in his business account. The next day, respondent issued a $3,690 check from his business account, payable to "Next Glocal Inc.," which Thomas deposited in the Glocal account the same day.

Also on April 5, 2019, Thomas issued a $500 check from JCETP's account, payable to cash, and deposited the funds in one of the accounts he had created for JCETP. One month later, on May 4, 2019, Thomas issued two checks, each totaling $4,500, from a JCETP account, both made payable to cash. On

[6] NextGlocal is a corporation that respondent and Thomas formed after entering into a joint business venture with a technology company, wherein NextGlocal agreed to expand the technology company's business to include a debit card program. The Joint Venture agreement that respondent prepared for the new company identified him as in-house counsel for NextGlocal.

May 6, 2019, Thomas negotiated the checks and deposited $7,000 in Glocal's account.

Federal Criminal Proceedings

On March 21, 2024, the United States Attorney's Office for the DNJ offered respondent a plea agreement. Specifically, in exchange for respondent's guilty plea to a superseding information charging him with having violated 18 U.S.C. §§ 641 and 642,[7] a misdemeanor offense, the U.S. Attorney's Office agreed not to initiate further criminal charges against respondent for:

> (i) the misappropriation of funds from the former [JCETP] and money laundering in connection with the scheme from in or about March 2019 through in or about July 2019; (ii) committing wire fraud in connection with funds contributed by political donors and held by Sudhan M. Thomas' . . . 2016 Jersey City Board of Education . . . election campaign committee from in or about September 2016 to in or about

[7] 18 U.S.C. § 641 provides "[w]hoever embezzles, steals, purloins, or knowingly converts to his use or the use of another, or without authority, sells, conveys or disposes of any record, voucher, money, or thing of value of the United States or of any department or agency thereof, or any property made or being made under contract for the United States or any department or agency thereof; or [w]hoever receives, conceals, or retains the same with intent to convert it to his use or gain, knowing it to have been embezzled, stolen, purloined or converted – [s]hall be fined under this title or imprisoned not more than ten years, or both; but if the value of such property in the aggregate, combining amounts from all the counts for which the defendant is convicted in a single case, does not exceed the sum of $1,000, he shall be fined under this title or imprisoned not more than one year, or both."

18 U.S.C. § 642 prohibits individuals from using tools or materials to embezzle property of the United States.

> November 2016; (iii) wire fraud in connection with a purported Next Glocal joint venture with a technology company from between in or about May 2016 and in or about October 2016 and in or about April 2017.
>
> [OAE042.][8]

The U.S. Attorney's Office also agreed to move to dismiss all counts of the indictment against respondent.

As part of the plea agreement, respondent agreed to pay $8,658 in restitution to HUD. Respondent also agreed to stipulate that the loss to the government was more than $40,000 but less than $95,000. Moreover, the U.S. Attorney's Office recognized that respondent "clearly demonstrated a recognition and affirmative acceptance of personal responsibility for the offense charged."

Pursuant to the plea agreement, on April 15, 2024, the U.S. Attorney's Office filed a superseding information against respondent, charging him with having violated 18 U.S.C. §§ 641 and 642 in connection with his role in the fraudulent JCETP scheme. Specifically, respondent was charged with having aided and assisted Thomas' knowing conversion of JCETP funds to his own use by depositing the March 6, 2019 check in his business account knowing he did

[8] "OAE" refers to the Bates stamped exhibits appended to the OAE's motion for final discipline. "Rb" refers to respondent's July 17, 2025 brief in response to the OAE's motion.

not have authority to accept the JCETP check and knowing Thomas was not authorized to issue the check. Furthermore, after he deposited the check, respondent issued a check payable to a law firm, and a second check payable to NextGlocal. He also withdrew cash, which he then deposited in NextGlocal's bank account. Additionally, respondent deposited an April 4, 2019 check from JCETP in his business account. He then issued a check payable to NextGlocal and deposited it in NextGlocal's account.

During the April 15, 2024 plea hearing before the Honorable William J. Martini, U.S.D.J., respondent pleaded guilty to violating 18 U.S.C. §§ 641 and 642. In support of the factual basis for his plea, respondent admitted he had an ongoing business and professional relationship with Thomas; that he served as the treasurer for Thomas' 2016 campaign for a seat on the JCBOE; that he filed the NextGlocal corporate registration documents; that JCETP was represented by unaffiliated counsel and that he did not sign a contract to act as an attorney on JCETP's behalf; that he accepted checks from JCETP's accounts knowing that he was not authorized to accept the funds and that Thomas was not authorized to withdraw the funds; that he issued two checks from his account, including a check that Thomas deposited in NextGlocal's account; and that he withdrew the JCETP funds as cash and provided them to Thomas, who deposited

the funds in NextGlocal's account.

The prosecution informed the District Court that, "had this matter proceeded to trial, the government would have been prepared to prove through documents and testimony all of the elements of the charged offense beyond a reasonable doubt, including that the defendant knowingly conveyed money and property of the United States without authority to be converted to the use of another." Furthermore, the prosecutor informed the District Court that the government also would have been prepared to prove, beyond a reasonable doubt, that the money Thomas conveyed to respondent consisted of federal funds that were mostly transferred to the NextGlocal account, which had "no connection or involvement with JCETP business or activities."

During the September 3, 2024 sentencing hearing, respondent, through counsel, acknowledged the seriousness of the original indictment. However, he attributed the serious charges to "various interpretations of the evidence," and stated that he was thankful that the federal prosecutor, who was the third or fourth prosecutor assigned to the matter, "did a deep dive into the evidence" and they were able to reach a plea agreement. Ultimately, "the misdemeanor charge [respondent] could agree to, which is [respondent] did some legal work for JCETP – that's Jersey City Employment & Training Program – and probably

should have been more diligent in making sure he was authorized to do so. So, at the end of the day, that's what we came down to."

When respondent addressed Judge Martini, he stated that he "should have checked to see if I was authorized, that I was authorized to represent the organization." In response, the federal prosecutor expressed concern because, at the plea hearing, respondent had admitted that he knew he was not authorized to accept the JCETP checks from Thomas, who was not authorized to issue the checks in the first place.

Ultimately, Judge Martini accepted respondent's guilty plea and sentenced him to a one-year term of probation. He also ordered respondent to pay $8,658 in restitution and a $2,000 fine.

Respondent, through counsel, reported his criminal charges and subsequent guilty plea to the OAE, as R. 1:20-13(a)(1) requires.

The Parties' Positions Before the Board

In support of its recommendation that respondent receive a six-month suspension for his misconduct, the OAE acknowledged that there was no New Jersey disciplinary precedent for an attorney's violation of 18 U.S.C. §§ 641 and

642, but contended that the misconduct could be analyzed in the context of analogous disciplinary precedent addressing theft and embezzlement.

In particular, in its brief and during oral argument before us, the OAE cited In re Richards, 172 N.J. 583 (2002), in which an attorney was disbarred after pleading guilty to six counts of a federal superseding indictment charging him with embezzling funds from an organization receiving federal benefits, in violation of 18 U.S.C. § 666(a)(1)(A). The OAE asserted that, pursuant to Richards, disbarment may be appropriate for criminal activity involving federal funds.

However, the OAE also contended that attorneys who have stolen funds or engaged in theft, apart from knowingly misappropriating client funds, have received discipline ranging from terms of suspension to disbarment. In particular, the OAE argued that the attorney's misconduct in In re Hoerst, 135 N.J. 98 (1994), was closely analogous to respondent's misconduct because, although Hoerst (a county prosecutor) did not violate a federal statute, he converted approximately $7,500 from a Salem County forfeiture fund to pay for

personal expenses, including a vacation to California. Hoerst was suspended for six months for his violation of N.J.S.A. 2C:20-9,[9] a third-degree theft offense.

According to the OAE, respondent's conviction warranted less than disbarment because his conduct did not involve client funds and "did not otherwise involve a protracted course of criminal conduct involving an amount of money as was evident in Richards." Nevertheless, the OAE argued that respondent's crime was serious and should be met with a six-month suspension. The OAE asserted that respondent is an "experienced, seasoned attorney" who has been practicing law for approximately fifty years, which "speaks to his knowledge of the fundamental duties of honesty and integrity." However, he "selfishly converted government funds intended to benefit a segment of the public in need of those funds," demonstrating a "total disregard for this important social endeavor in favor of engaging in criminal conduct with his co-conspirator."[10]

[9] N.J.S.A. 2C:20-9 provides: "a person who purposely obtains or retains property upon agreement or subject to a known legal obligation to make specified payment or other disposition, whether from such property or its proceeds or from his own property to be reserved in equivalent amount, is guilty of theft if he deals with the property obtained as his own and fails to make the required payment or disposition."

[10] The OAE noted that, although not a part of the criminal record it obtained related to respondent, in June 2023, Thomas pleaded guilty to wire fraud and embezzling funds from JCETP and Judge Martini sentenced him to a two-month prison term followed by two years of supervised release. Judge Martini also ordered Thomas to pay $123,008 in restitution.

The OAE maintained that respondent's criminal involvement with Thomas was a "notable aggravating factor" because it demonstrated a plan to engage in criminal activity intended to undermine a "crucial civic cause." Conversely, the OAE argued there were no aggravating factors applicable to this matter.

In mitigation, the OAE noted respondent's unblemished disciplinary record in fifty-eight years at the bar. The OAE also asserted that some weight should be accorded to respondent's willingness to accept accountability for his criminal conduct, emphasizing his guilty plea, and the fact that the misconduct was unlikely to recur.

In his submission to the us, respondent, through counsel, argued that the OAE's six-month-suspension recommendation was "inexplicably" tied to its reliance on "unproven and conclusively refuted facts" contained in the indictment that, ultimately, was dismissed.

Respondent maintained that Thomas was a friend he met when they lived in the same apartment building. At the time, Thomas was a "rising star in Jersey City politics" and Jersey City Mayor Steve Fulop had appointed him to lead the JCETP. Respondent thought Thomas was an "honest and trustworthy person" but later felt he had been "duped and victimized" by him.

Indeed, during oral argument before us, respondent referred to a September 5, 2025 news article describing how Thomas recently admitted to accepting $35,000 in cash bribes in exchange for hiring an individual to serve as special counsel to the JCBOE. The individual ultimately became a cooperating witness in an investigation that began when, in 2019, Thomas was charged, along with four other individuals, as a part of the State's investigation of an attorney who admitted using straw donors to direct campaign contributions to individuals who ultimately hired his law firm. Respondent urged us to accept the news article as evidence that he was unaware that Thomas was engaged in multiple, illegal schemes.

Respondent contended that, after he "convincingly refuted" the government's case against him in respect to one of the alleged criminal schemes, it "pivoted" to the other charges contained in the indictment.

When addressing the JCETP scheme, respondent argued that, as a part of his criminal defense, he had obtained an internal check requisition form that Thomas submitted to JCETP that demonstrated the:

> requested check was to pay [respondent] for some legal services that he had performed for JCETP. However, once he received the check, Mr. Thomas lied to [respondent] about the true purpose of the check. He asked [respondent] to cash the check as a favor and return the proceeds to him without disclosing it was

> actually payment for legal services that [respondent] had rendered.[11]
>
> [Rb5.]

Thus, respondent asserted that the factual basis for his guilty plea was that he "rendered legal services to JCETP without formal Board approval or a written retainer agreement."

During oral argument before us, respondent urged us to find that the government's case "fell apart" because he was able to "bat down" each accusation the government made against him. For example, respondent argued he was able to prove to the federal prosecutor that the checks Thomas wrote to him were for legal work he performed for JCETP. However, the government needed to find a way to "get rid of the case," so it charged him with taking federal money, a misdemeanor. Respondent contended he lacked any intent to commit a crime because he performed legal work, provided an invoice for legal services, despite not providing a retainer agreement, and ultimately was not compensated for half of the legal work he performed for JCETP.

Respondent, through counsel, accused the federal prosecutor of "'shoehorn[ing]' this minor conduct into a federal misdemeanor charge because

[11] Respondent did not provide us with the internal check requisition form.

JCETP received federal grant funds from HUD. [Respondent] agreed to accept the plea offer because he did, in fact, perform legal work without having first obtained Board approval."

Respondent maintained that the $8,658 he was ordered to pay in restitution represented the "total amount of legal fees billed to JCETP even though he was never paid for any of the legal work he performed."[12]

With respect to his guilty plea, respondent asserted it was not a "'sweetheart plea deal' where the evidence suggested that some of the allegations in the indictment could be sustained and he was merely given a 'break.'" Instead, respondent stated the plea offer was a "face-saving way for the Government to get rid of a sloppily investigated case and still have a statistic showing that the case had been resolved with a guilty plea." Respondent contended that he had accepted the plea agreement because he did not have a "signed retainer agreement or Board approval from JCETP for his legal services."

Relying on Starkey v. Estate of Nicolaysen, 172 N.J. 60 (2002) (a contingent fee agreement was unenforceable because it was not reduced to

[12] Respondent did not include an invoice detailing the work he performed for JCETP. Nor did he explain what Thomas' prior practice for payment of legal fees had been the previous three years of their professional relationship.

writing for a delayed period, in violation of RPC 1.5(b) (failing to set forth, in writing, the basis or rate of the legal fee); however, the Court found the law firm was entitled to recover the reasonable value of its services under a quantum meruit theory because "[w]here an attorney performs legal services for another at his request, but without any . . . understanding as to the renumeration, the law implies a promise on the party who requested such services to pay a just and reasonable compensation"), and Vaccaro v. Estate of Gorovoy, 303 N.J. Super. 201 (App. Div. 1997) (permitting reasonable compensation under a quantum meruit theory in a commercial setting despite the absence of a written retainer agreement, as RPC 1.5(b) requires), respondent argued that his conduct "would not even constitute a crime under New Jersey law. In fact, an attorney who performs legal services is entitled to quantum meruit recovery in the absence of a written retainer agreement."

Respondent, through counsel, criticized the OAE's reliance on disciplinary precedent that involved more serious misconduct than his "comparatively benign conduct." Instead, respondent urged us to consider that his misconduct was akin to that of the reprimanded attorneys in the following matters: In re Oshman, 259 N.J. 359 (2024) (the attorney negligently misappropriated client funds and failed to comply with the recordkeeping

requirements of R. 1:21-6; he also issued attorney business account checks despite knowing that he was ineligible to practice law); In re Cottee, 255 N.J. 439 (2023) (the attorney failed to file the required R. 1:20-20 affidavit of compliance, despite the OAE's specific requests that he do so; his disciplinary history consisted of only a prior three-month suspension, in a 2021 reciprocal discipline matter); In re Moskowitz, 215 N.J. 636 (2013) (the attorney was administratively ineligible to practice law for more than seven months, but practiced law despite knowing of his ineligibility); In re Jay, 210 N.J. 214 (2012) (the attorney was aware of his administrative ineligibility but practiced law nevertheless; prior three-month suspension for possession of cocaine and marijuana). Ultimately, during oral argument before us, respondent urged the imposition of either a reprimand or censure because he asserted that his criminal case was resolved with his guilty plea to a federal misdemeanor because "no one wanted to try the case."

The OAE, in its August 1, 2025 written reply, asserted that respondent, in his opposition brief, had attempted to "recast the facts" to distract from his guilty plea and, further, offered self-serving statements, that were not part of the record, regarding his view of the federal prosecution against him. The OAE asserted that, "in blatant disregard of the facts, [respondent argued] that there

was 'substantial evidence' to suggest he was not involved in any criminal conduct and was 'victimized' by his co-defendant.'"

The OAE urged us to reject respondent's attempt to relitigate his criminal matter, stating that he was "not forced to plead guilty to the charges in the Superseding Information if he believed he had a meritorious defense" against them. Thus, the OAE argued that its motion for final discipline was proper and that the appropriate quantum of discipline for respondent's misconduct is a six-month suspension.

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). Pursuant to that Rule, a criminal conviction is conclusive evidence of guilt in a disciplinary proceeding. R. 1:20-13(c)(1). See also In re Magid, 139 N.J. 449, 451 (1995), and In re Principato, 139 N.J. 456, 460 (1995).

Pursuant to RPC 8.4(b), 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." Thus, respondent's conviction for theft

and embezzlement of federal funds, in violation of 18 U.S.C. §§ 641 and 642, establishes his violation of RPC 8.4(b). Hence, the sole issue left for our determination is the proper quantum of discipline for his misconduct. 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." Principato, 139 N.J. at 460. 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, [their] 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.

The fact that an attorney's conduct did not involve the practice of law or arise from a client relationship will not excuse an ethics transgression or lessen the degree of sanction. In re Musto, 152 N.J. 165, 173 (1997). "Offenses that evidence ethical shortcomings, although not committed in the attorney's professional capacity, may, nevertheless, warrant discipline." Ibid. (citing In re Hasbrouck,140 N.J. 162, 167 (1995)). The obligation of an attorney to maintain the high standard of conduct required by a member of the bar applies even to activities that may not directly involve the practice of law or affect the attorney's clients. In re Schaffer, 140 N.J. 148, 156 (1995).

When determining the appropriate quantum of discipline, we may consider the totality of respondent's criminal conduct. See In re Gallo, 178 N.J. 115, 119-20 (2003) (in motions for final discipline, the Court "cannot ignore relevant information that places an attorney's conduct in its true light;" moreover, "[a]s there are no restrictions on the scope of disciplinary review in a case of an attorney who was not charged with a crime or who was acquitted of

a crime, there is no commonsense or policy justification for imposing such restrictions when an attorney has pled guilty to a crime;" the Court emphasized that its "disciplinary oversight responsibility cannot be curtailed by artificial impediments to the ascertainment of truth"), and In re Garcia, 119 N.J. 86, 89 (1990) (even in the absence of a criminal conviction, the willful failure to file an income tax return requires the imposition of a suspension).

Although the original federal indictment against respondent contained a more complete picture of his interactions with Thomas and their various enterprises, including e-mail exchanges, and the OAE incorporated some of those facts into its motion, respondent pleaded guilty to a lesser charge of knowingly converting federal funds contained in the superseding information.

As the OAE observed, there is no disciplinary precedent addressing an attorney's violation of 18 U.S.C. §§ 641 and 642. However, attorneys who have stolen or converted money and engaged in theft have received a range of discipline, depending on the severity of the crime and mitigating or aggravating factors. See, e.g., In re Jaffe, 170 N.J. 187 (2001) (three-month suspension for an attorney guilty of third-degree theft by deception; over a nine-month period, the attorney improperly obtained $13,000 from a healthcare provider by submitting false health insurance claims to reimburse him for prescription

formula purchased for his infant child, who was born with life-threatening medical problems; the attorney was entitled to reimbursements of only $4,400; mitigation included lack of prior discipline, the attorney's physical and emotional stress over his child's illness, his acceptance of responsibility for his actions, payment of full restitution ($15,985) to the insurer, a $10,000 civil penalty, and completion of PTI); Hoerst, 135 N.J. 98 (on a motion for final discipline, six-month suspension for an attorney who, while a county prosecutor, withdrew $7,500 from the county's forfeiture fund to pay for a trip to California for himself and others for the ostensible purpose of attending a conference; the funds were used to pay for airfare, lodging, and meals at the conference; thereafter the group spent three days in another location; in determining not to impose discipline greater than a six-month suspension, the Court considered the then lack of guidelines on official trips by members of a prosecutor's offices and their spouses); In re Kopp, 206 N.J. 106 (2011) (three-year retroactive suspension for an attorney who committed identity theft, credit card theft, theft by deception, and burglary; the attorney used the fruits of her criminal activity to support her addiction; mitigating factors included her tremendous gains in efforts at drug and alcohol rehabilitation).

In our view, respondent's misconduct is most closely analogous to that of the attorney in Hoerst, who received a six-month suspension. In that matter, the attorney, a county prosecutor, converted approximately $7,500 from a Salem County forfeiture fund to pay for his personal vacation expenses. In the Matter of Frank J. Hoerst, III, DRB 93-034 (August 3, 1993). However, unlike respondent, Hoerst was a government attorney who stole from the county he served as a prosecutor, which served as an aggravating factor. Id. at 3. Further, unlike respondent, who has an otherwise unblemished fifty-year career at the bar, Hoerst had been admitted to the bar for only fourteen years at the time of his crime. Id. at 1.

Based on disciplinary precedent, Hoerst in particular, we conclude that respondent's misconduct could be met with a short term of suspension. To craft the appropriate discipline in this case, however, we also consider aggravating and mitigating factors.

There are no aggravating factors to consider.

In mitigation, at the time respondent committed his criminal conduct, he had been practicing law for fifty-two years without prior discipline, a factor that we and the Court consistently accord significant weight. In re Convery, 166 N.J. 298, 300 (2001).

Conclusion

On balance, we determine that respondent's lengthy, unblemished career at the bar serves as such compelling mitigation that it warrants discipline less than a term of suspension. We, thus, conclude that a censure is the quantum of discipline necessary to protect the public and preserve confidence in the bar.

Vice-Chair Boyer and Members Campelo and Spencer voted to impose a reprimand.

Member Rodriguez 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 H. Appel
Docket No. DRB 25-156

Argued: September 18, 2025

Decided: December 22, 2025

Disposition: Censure

Members	Censure	Reprimand	Absent
Cuff	X		
Boyer		X	
Campelo		X	
Hoberman	X		
Menaker	X		
Modu	X		
Petrou	X		
Rodriguez			X
Spencer		X	
Total:	5	3	1

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