

# VERIFIED COMPLAINT

Kenneth Frank Irek, *Plaintiff*

v.

New Jersey Lawyers' Fund  
For Client Protection, *Defendant*

and

The Supreme Court of New Jersey, *Defendant*

Superior Court of New Jersey

Mercer County

Law Division

Docket No. MER-L-002022-20

File Date: 11/18/2020

This page is for information only and is Not part of the attached document(s). It was created by Kenneth F. Irek for clarification and indexing.

SUMMONS

Attorney(s) Kenneth Frank Irek  
Office Address 8330 Haskell Ave, Unit 226  
Town, State, Zip Code North Hills  
CA 91343  
Telephone Number 747-260-8998  
Attorney(s) for Plaintiff Pro Se  
Kenneth Frank Irek

Superior Court of  
New Jersey

Mercer County  
Law Division

Docket No: MER-

Plaintiff(s)

vs.

New Jersey Lawyers' Fund for Client  
Protection  
Defendant(s)

CIVIL ACTION  
SUMMONS

From The State of New Jersey To The Defendant(s) Named Above:

The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The complaint attached to this summons states the basis for this lawsuit. If you dispute this complaint, you or your attorney must file a written answer or motion and proof of service with the deputy clerk of the Superior Court in the county listed above within 35 days from the date you received this summons, not counting the date you received it. (A directory of the addresses of each deputy clerk of the Superior Court is available in the Civil Division Management Office in the county listed above and online at [http://www.njcourts.gov/forms/10153\\_deptyclerklawref.pdf](http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf).) If the complaint is one in foreclosure, then you must file your written answer or motion and proof of service with the Clerk of the Superior Court, Hughes Justice Complex, P.O. Box 971, Trenton, NJ 08625-0971. A filing fee payable to the Treasurer, State of New Jersey and a completed Case Information Statement (available from the deputy clerk of the Superior Court) must accompany your answer or motion when it is filed. You must also send a copy of your answer or motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written answer or motion (with fee of \$175.00 and completed Case Information Statement) if you want the court to hear your defense.

If you do not file and serve a written answer or motion within 35 days, the court may enter a judgment against you for the relief plaintiff demands, plus interest and costs of suit. If judgment is entered against you, the Sheriff may seize your money, wages or property to pay all or part of the judgment.

If you cannot afford an attorney, you may call the Legal Services office in the county where you live or the Legal Services of New Jersey Statewide Hotline at 1-888-LSNJ-LAW (1-888-576-5529). If you do not have an attorney and are not eligible for free legal assistance, you may obtain a referral to an attorney by calling one of the Lawyer Referral Services. A directory with contact information for local Legal Services Offices and Lawyer Referral Services is available in the Civil Division Management Office in the county listed above and online at [http://www.njcourts.gov/forms/10153\\_deptyclerklawref.pdf](http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf).

*Michelle M. Smith*  
Clerk of the Superior Court

DATED: 11/11/2020

Name of Defendant to Be Served: New Jersey Lawyers' Fund for Client Protection

Address of Defendant to Be Served: 25 W. Market St, 5th Fl, North Wing, Trenton, NJ 08625



SUMMONS

Attorney(s) Kenneth Frank Irek  
Office Address 8330 Haskell Ave, Unit 226  
Town, State, Zip Code North Hills  
CA 91343  
Telephone Number 747-260-8998  
Attorney(s) for Plaintiff Pro Se  
Kenneth Frank Irek

Superior Court of  
New Jersey

Mercer County  
Law Division

Docket No: MER-

Plaintiff(s)

vs.

New Jersey Supreme Court

Defendant(s)

CIVIL ACTION  
SUMMONS

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The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The complaint attached to this summons states the basis for this lawsuit. If you dispute this complaint, you or your attorney must file a written answer or motion and proof of service with the deputy clerk of the Superior Court in the county listed above within 35 days from the date you received this summons, not counting the date you received it. (A directory of the addresses of each deputy clerk of the Superior Court is available in the Civil Division Management Office in the county listed above and online at [http://www.njcourts.gov/forms/10153\\_deptyclerklawref.pdf](http://www.njcourts.gov/forms/10153_deptyclerklawref.pdf).) If the complaint is one in foreclosure, then you must file your written answer or motion and proof of service with the Clerk of the Superior Court, Hughes Justice Complex, P.O. Box 971, Trenton, NJ 08625-0971. A filing fee payable to the Treasurer, State of New Jersey and a completed Case Information Statement (available from the deputy clerk of the Superior Court) must accompany your answer or motion when it is filed. You must also send a copy of your answer or motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written answer or motion (with fee of \$175.00 and completed Case Information Statement) if you want the court to hear your defense.

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*Michelle M. Smith*  
Clerk of the Superior Court

DATED: 11/11/2020

Name of Defendant to Be Served: New Jersey Supreme Court

Address of Defendant to Be Served: Supreme Court Clerk's Office, 25 W. Market St, Trenton, NJ 08611



	<h2 style="margin: 0;">Civil Case Information Statement</h2> <h3 style="margin: 0;">(CIS)</h3> <p style="margin: 0;">Use for initial Law Division Civil Part pleadings (not motions) under <i>Rule 4:5-1</i> <b>Pleading will be rejected for filing, under <i>Rule 1:5-6(c)</i>, if information above the black bar is not completed or attorney's signature is not affixed</b></p>		For Use by Clerk's Office Only Payment type: <input type="checkbox"/> ck <input type="checkbox"/> cg <input type="checkbox"/> ca Chg/Ck Number: Amount: Overpayment: Batch Number:
	Attorney/Pro Se Name Kenneth Frank Irek	Telephone Number (747) 260-8998	County of Venue Mercer
	Firm Name (if applicable) Pro Se	Docket Number (when available)	
	Office Address 8330 Haskell Avenue Unit 226 North Hills, CA 91343	Document Type Complaint, Civil Action	
			Jury Demand <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Party (e.g., John Doe, Plaintiff) Kenneth Frank Irek, Plaintiff	Caption Kenneth Frank Irek, Plaintiff v. New Jersey Lawyers' Fund For Client Protection and The Supreme Court of New Jersey, Defendants		
Case Type Number (See reverse side for listing) 999	Are sexual abuse claims alleged? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Is this a professional malpractice case? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you have checked "Yes," see <i>N.J.S.A. 2A:53A-27</i> and applicable case law regarding your obligation to file an affidavit of merit.	
Related Cases Pending? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If "Yes," list docket numbers N/A		
Do you anticipate adding any parties (arising out of same transaction or occurrence)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name of defendant's primary insurance company (if known) <input type="checkbox"/> None <input checked="" type="checkbox"/> Unknown		
The Information Provided on This Form Cannot be Introduced into Evidence.			
Case Characteristics for Purposes of Determining if Case is Appropriate for Mediation			
Do parties have a current, past or recurrent relationship? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If "Yes," is that relationship: <input type="checkbox"/> Employer/Employee <input type="checkbox"/> Friend/Neighbor <input checked="" type="checkbox"/> Other (explain) <input type="checkbox"/> Familial <input type="checkbox"/> Business    Sued by NJLFCP as subrogee for reimbursement of paid claim		
Does the statute governing this case provide for payment of fees by the losing party? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition This case arises from a Civil Action Complaint captioned "New Jersey Lawyers' Fund for Client Protection v. Kenneth Irek, Docket No. MER-L-005664-94, filed in Mercer County Superior Court on December 29, 1994. One count of this instant Complaint states that a 1993 Order of the New Jersey Supreme Court gave the Defendants jurisdiction to pay a claim against Plaintiff. Proof is included in this instant case that the NJ Supreme Court did not have Subject Matter Jurisdiction (and can be challenged at any time) to issue that Order, thus making it Void ab initio, and causing all judgments and actions in favor of Defendants, based upon that Order, also Void ab initio and of no validity whatsoever.			
	Do you or your client need any disability accommodations? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, please identify the requested accommodation: N/A	
	Will an interpreter be needed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, for what language? N/A	
I certify that confidential personal identifiers have been redacted from documents now submitted to the court and will be redacted from all documents submitted in the future in accordance with <i>Rule 1:38-7(b)</i> .			
Attorney Signature: <i>Kenneth Frank Irek, PRO SE</i>			



Side 2



# Civil Case Information Statement (CIS)

Use for initial pleadings (not motions) under *Rule 4:5-1*

**CASE TYPES** (Choose one and enter number of case type in appropriate space on the reverse side.)

## Track I - 150 days discovery

151 Name Change	506 PIP Coverage
175 Forfeiture	510 UM or UIM Claim (coverage issues only)
302 Tenancy	511 Action on Negotiable Instrument
399 Real Property (other than Tenancy, Contract, Condemnation, Complex Commercial or Construction)	512 Lemon Law
502 Book Account (debt collection matters only)	801 Summary Action
505 Other Insurance Claim (including declaratory judgment actions)	802 Open Public Records Act (summary action)
	999 Other (briefly describe nature of action)
	Fraud in obtaining Default Judgment for Subrogation by falsely claiming Subject Matter Jurisdiction.

## Track II - 300 days discovery

305 Construction	603Y Auto Negligence – Personal Injury (verbal threshold)
509 Employment (other than Conscientious Employees Protection Act (CEPA) or Law Against Discrimination (LAD))	605 Personal Injury
599 Contract/Commercial Transaction	610 Auto Negligence – Property Damage
603N Auto Negligence – Personal Injury (non-verbal threshold)	621 UM or UIM Claim (includes bodily injury)
	699 Tort – Other

## Track III - 450 days discovery

005 Civil Rights	608 Toxic Tort
301 Condemnation	609 Defamation
602 Assault and Battery	616 Whistleblower / Conscientious Employee Protection Act (CEPA) Cases
604 Medical Malpractice	617 Inverse Condemnation
606 Product Liability	618 Law Against Discrimination (LAD) Cases
607 Professional Malpractice	

## Track IV - Active Case Management by Individual Judge / 450 days discovery

156 Environmental/Environmental Coverage Litigation	514 Insurance Fraud
303 Mt. Laurel	620 False Claims Act
508 Complex Commercial	701 Actions in Lieu of Prerogative Writs
513 Complex Construction	

## Multicounty Litigation (Track IV)

271 Accutane/Isotretinoin	601 Asbestos
274 Risperdal/Seroquel/Zyprexa	623 Propecia
281 Bristol-Myers Squibb Environmental	624 Stryker LFIT CoCr V40 Femoral Heads
282 Fosamax	625 Firefighter Hearing Loss Litigation
285 Stryker Trident Hip Implants	626 Abilify
286 Levaquin	627 Physiomesh Flexible Composite Mesh
289 Reglan	628 Taxotere/Docetaxel
291 Pelvic Mesh/Gynecare	629 Zostavax
292 Pelvic Mesh/Bard	630 Proceed Mesh/Patch
293 DePuy ASR Hip Implant Litigation	631 Proton-Pump Inhibitors
295 AlloDerm Regenerative Tissue Matrix	632 HealthPlus Surgery Center
296 Stryker Rejuvenate/ABG II Modular Hip Stem Components	633 Prolene Hernia System Mesh
297 Mirena Contraceptive Device	
299 Olmesartan Medoxomil Medications/Benicar	
300 Talc-Based Body Powders	

If you believe this case requires a track other than that provided above, please indicate the reason on Side 1, in the space under "Case Characteristics."

Please check off each applicable category  Putative Class Action  Title 59  Consumer Fraud



MERCER COUNTY COURTHOUSE  
CIVIL CASE MANAGMENT OFFICE  
175 SOUTH BROAD ST P O BOX 8068  
TRENTON NJ 08650-0068

TRACK ASSIGNMENT NOTICE

COURT TELEPHONE NO. (609) 571-4200  
COURT HOURS 8:30 AM - 4:30 PM

DATE: NOVEMBER 10, 2020  
RE: IREK KENNETH VS NJ LAWYERS' FUND FOR CLIENT PR  
DOCKET: MER L -002022 20

THE ABOVE CASE HAS BEEN ASSIGNED TO: TRACK 1.

DISCOVERY IS 150 DAYS AND RUNS FROM THE FIRST ANSWER OR 90 DAYS  
FROM SERVICE ON THE FIRST DEFENDANT, WHICHEVER COMES FIRST.

THE PRETRIAL JUDGE ASSIGNED IS: HON DOUGLAS H. HURD

IF YOU HAVE ANY QUESTIONS, CONTACT TEAM 050  
AT: (609) 571-4200 EXT 74432.

IF YOU BELIEVE THAT THE TRACK IS INAPPROPRIATE YOU MUST FILE A  
CERTIFICATION OF GOOD CAUSE WITHIN 30 DAYS OF THE FILING OF YOUR PLEADING.  
PLAINTIFF MUST SERVE COPIES OF THIS FORM ON ALL OTHER PARTIES IN ACCORDANCE  
WITH R.4:5A-2.

ATTENTION:

KENNETH F. IREK  
8330 HASKELL AVENUE  
UNIT 226  
NORTH HILLS CA 91343

JUWWIL3



Kenneth Frank Irek, Pro Se  
8330 Haskell Ave, Unit 226  
North Hills, CA 91343  
Telephone No. 747-260-8998  
Fax No. 818-533-6237  
E-Mail: info@njdisbarred.com

KENNETH FRANK IREK,  
*Plaintiff,*

v.

NEW JERSEY LAWYERS' FUND FOR CLIENT  
PROTECTION,

*Defendant,*

and

THE SUPREME COURT OF NEW JERSEY,  
*Defendant*

SUPERIOR COURT OF NEW JERSEY  
MERCER COUNTY  
LAW DIVISION

DOCKET NO. MER-

CIVIL ACTION

VERIFIED COMPLAINT

**COMPLAINT**

1. Plaintiff, KENNETH FRANK IREK, an individual residing at 8330 Haskell Ave, Unit 226, City of North Hills, County of Los Angeles, State of California, complaining against the Defendants states as follows:

**PARTIES**

2. The Plaintiff is an individual, Kenneth Frank Irek, who is currently residing at 8330 Haskell Avenue, Unit 226, North Hills, County of Los Angeles, State of California, 91434.

3. The Defendant, New Jersey Lawyers' Fund for Client Protection, is an entity of the Supreme Court of New Jersey that exists under the authority of Rule 1:28 of the Rules Governing the Courts of the State of New Jersey. (SEE Attachment "2"). It has a business address of: Richard J. Hughes Justice Complex, 25 W. Market St., 5<sup>th</sup> Floor, North Wing, Trenton, County of Mercer, State of New Jersey, 08625.

4. The Defendant, the Supreme Court of New Jersey, is the state's highest appellate court and also serves as the administrative head for the court system, with jurisdiction over the admission to the practice of law and the discipline of persons admitted. It has a business address of: Richard J. Hughes Justice Complex, Supreme Court Clerk's Office, 25 W. Market St., Trenton, NJ 08611.

5. All of the acts and/ or failures to act alleged herein were duly performed by and/or are attributable to Defendants.



**JURISDICTION AND VENUE**

1 6. This court, the Superior Court of New Jersey, Law Division, Mercer County, has subject matter  
2 jurisdiction pursuant to N.J. Court Rule 4:3-1(a)(5).

3 7. This court has personal jurisdiction over the defendant, New Jersey Lawyers' Fund for Client  
4 Protection, which is an entity of the Supreme Court of New Jersey, because its principal place of business  
5 is in Trenton, New Jersey.

6 8. This court has personal jurisdiction over the defendant, the Supreme Court of New Jersey,  
7 because its principal place of business is in Trenton, New Jersey.

8 9. Venue is proper pursuant to N.J. Court Rule 4:3-2(a)(2) because the events giving rise to the  
9 allegations in this complaint originated in Mercer County, New Jersey, and Defendants' main business  
10 addresses are in Mercer County, and the original Judgment that this Complaint is the subject of, was  
11 entered in Mercer County, New Jersey.

**SUMMARY OF COMPLAINT**

12 10. This is an action brought by Plaintiff to declare, *void ab initio*, a fraudulently obtained Default  
13 Judgment entered by this Court on March 22, 1995, Docket No. MER L 005664-94; Judgment No. J  
14 082161-95; and entered as a Lien on 3-31-1995.

15 11. On or about May, 1990, Plaintiff advertised in a local newspaper the sale of a vacant construction  
16 lot in Jackson, New Jersey.

17 12. The vacant construction lot was owned by Kirex Development Company, Inc., a New Jersey  
18 corporation, incorporated on April 30, 1986.

19 13. The Plaintiff, Kenneth Frank Irek, was the sole shareholder, president, secretary, treasurer and  
20 director of Kirex Development Company, Inc., a New Jersey corporation.

21 14. Zontan Szatmary and his wife, Cathleen Szatmary, were interested in purchasing the vacant  
22 construction lot and contacted the telephone number in the newspaper ad and spoke to Fran Donahue, a  
23 licensed New Jersey real estate salesperson, who was representing the Plaintiff in the sale of that lot.

24 15. Zontan and Cathleen Szatmary decided to purchase the lot and retained a licensed New Jersey  
25 attorney, Dennis D. Poane (at that time a member of the law firm Steinberg, Steele and Poane; then with  
26 Ed Donini and Mike Donini), to represent them in the purchase of the lot.

27 16. A "Contract for Sale of Real Estate" was prepared by Plaintiff and Fran Donahue sent it to the  
28 Szatmary's attorney, Dennis D. Poane.

17. Dennis D. Poane, negotiated various changes to the Contract with Fran Donahue.

18. The Contract, with the changes, was signed by Zontan Szatmary and Cathleen Szatmary on 5/29/  
90, and by Kirex Development Co, Inc., by Kenneth Irek, President, Attest: Kenneth Irek Secretary, on  
6/6/90.



19. Cathleen Szatmary gave a \$5,000 check payable to “Kirex Dev. Co”, dated May 29, 1990, to Plaintiff as the initial deposit of the purchase price of \$35,000.

20. Plaintiff acting in his official capacity as the President of Kirex Development Company, Inc., endorsed the check as “Kirex Development Co”.

21. Dennis D. Poane proceeded to prepare for closing with a series of correspondences back and forth with Fran Donahue, at the end of June and early July, 1990.

22. The liens and judgments against the lot that Dennis D. Poane knew of, were less than the \$35,000 purchase price of the lot.

23. On or about August, 1990, Plaintiff became unavailable and the closing never took place.

24. On April 12, 1991, Cathleen D. Szatmary and Zontan J Szatmary completed a New Jersey Lawyers’ Fund for Client Protection “Statement of Claim”, which was received by NJLFCP on April 16, 1991, which was sworn, signed and Notarized.

25. The Szatmary’s claim stated that they lost Five Thousand dollars (\$5,000) from Kenneth Irek (Plaintiff), based on a Fiduciary Relationship (escrow agent), in the above-described real estate matter.

26. The Szatmary’s claim states that Dennis Poane, c/o Donini and Donini Attorneys at Law, 1512 Highway 138, Wall Township, NJ 07719, was their attorney.

27. On November 26, 1993, the Trustees of the Client Protection Fund, “having considered the claim of Zontan Szatmary and Cathleen D. Szatmary, arising from the dishonest conduct of their attorney, Kenneth Irek”, agreed that the Client Protection Fund will pay to Zontan and Cathleen D. Szatmary the sum of \$5,000.

28. On December 29, 1994, Michael T. McCormick, Deputy Counsel for the New Jersey Lawyers’ Fund for Client Protection, filed a Complaint in the Superior Court of New Jersey, Law Division, Mercer County, Docket No. L-5664-94, demanding Kenneth Irek, (defendant) reimburse the NJLFCP for the Five Thousand Dollars (\$5,000), paid on his behalf to the Szatmarys, plus interests and costs of suit.

29. Paragraph 4 of the Complaint states: “4. In or about August 1990, while representing Zontan and Cathleen Szatmary, defendant embezzled, misapplied and converted to his own use the sum of \$5,000.00 received by him on behalf of Mr. and Mrs. Szatmary as funds to be held, in a fiduciary capacity, in escrow in connection with a real estate transaction.”

30. On December 21, 1994, Michael T. McCormick signed a Certification at the end of the Complaint stating, in part, that “... I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.”

31. On March 22, 1995, Default Judgment (J 082161-95) was entered in favor of the (then) Plaintiff, New Jersey Lawyers’ Fund for Client Protection, and against the (then) Defendant, Kenneth Irek, in the sum of Five Thousand (\$5,000.00) Dollars, plus interest and costs of suit.

1 32. For the next twenty-five (25) years, and still continuing, the Defendant NJLFCP attempted to  
2 recover the \$5,000 from Plaintiff under an Assignment Agreement they entered with Zontan and Cathleen  
3 Szatmary.

4 33. At least on or about April 24, 2000, the NJLFCP began efforts to enforce the Judgment through  
5 the NJ Comprehensive Enforcement Program.

6 34. Between 2000 and 2017, at least 11 different Summons to Appear for Enforcement Hearing at the  
7 Mercer County Civil Courthouse, Trenton, NJ, were issued, for the Comprehensive Enforcement  
8 Program, by the Superior Court, to Plaintiff, Kenneth F. Irek, who was no longer living in New Jersey.

9 35. Between 1995 and 2017, at least 15 different Information Subpoenas were issued to Plaintiff,  
10 Kenneth F. Irek, with the warning that if not answered within 14 days, the NJLFCP may ask the Superior  
11 Court to determine if Plaintiff should be held in contempt.

12 36. Between 2000 and 2020, at least 2 Bench Warrants were issued, on or about November 5, 2004  
13 and March 23, 2015.

14 37. The March 23, 2015 NJ Bench Warrant was issued for the arrest of Kenneth F. Irek, to the  
15 Sherriff of Los Angeles County, California, and forwarded to them by Ruby D. Cochran, Deputy Counsel  
16 to the Defendant, NJLFCP.

17 38. Between 2000 and 2020, Defendant utilized other methods to compel Plaintiff to reimburse them  
18 for the \$5,000 claim paid to the Szatmarys.

19 39. For example, on October 6, 2006, Ruby D. Cochran, Deputy Counsel to the NJLFCP, sent a  
20 Comprehensive Enforcement Program Order suspending the Plaintiff's NJ driving license, to the  
21 California Department of Motor Vehicles in Sacramento, California, requesting them to 'suspend or  
22 refuse to renew the driving license of Mr. Irek' based upon that Order.

23 40. Between at least 2004 and 2020, NJLFCP, through its employees, agents, directors, affiliates, and  
24 legal counsel, Defendant, NJLFCP, published multiple defamatory statements stating the Plaintiff, acting  
25 as a New Jersey attorney, engaged in "dishonest conduct".

26 41. For example, in a letter dated October 22, 2004, Joanne M. Dietrich, Deputy Counsel to the  
27 NJLFCP, sent a letter to California Department of Motor Vehicles, Sacramento, California, requesting a  
28 current address for Plaintiff, Kenneth Irek, stating: **"Please be advised that I serve as Deputy Counsel  
to the New Jersey Lawyers' Fund for Client Protection ("Fund"). The Fund exists as a Committee  
of the Supreme Court of New Jersey pursuant to R. 1:28-1 et seq. for the purpose of compensating  
the clients of disciplined attorneys who misappropriated money from them. Kenneth Irek was such  
an attorney. His conduct while acting as a New Jersey lawyer, has resulted in claims with the Fund  
in the amount of \$5,000.00."**

42. In a letter dated October 30, 2020, from Daniel R. Hendi, Director and Counsel to the NJLFCP,  
Defendant, responding to a Record Request from Plaintiff, Mr. Hendi states that **"On September 30, the**



1 **Fund received your fifth Records Request Form. Your cover letter requested the “total balance**  
2 **purportedly owed by Kenneth F. Irek, up to and including October 31, 2020.” As there has been no**  
3 **activity in this account since May 2017, the balance in the account as of today remains \$2,500.”,**  
4 showing that the Defendants still consider the Default Judgment active and their collection activities  
5 ongoing.

6 43. A majority of the actions of Defendant herein complained of, are a direct and proximate result of  
7 the false statements contained in the Civil Action captioned: New Jersey Lawyers’ Fund for Client  
8 Protection, v. Kenneth Irek, Docket No. MER-L-005664-94, filed December 29, 1994, and the subsequent  
9 Default Judgment entered by this Court on March 22, 1995, Docket No. MER L 005664-94; Judgment  
10 No. J 082161-95; and entered as a Lien on 3-31-1995.

11 44. The false statements made, under oath, by Michael T. McCormick in the above-described  
12 Complaint, stated that Plaintiff was representing the Szatmarys, which, on its face seemed to confer the  
13 NJLFCP with subject matter jurisdiction, pursuant to R. 1:28-3, for payment of claims against New Jersey  
14 attorneys acting either as an attorney or fiduciary.

15 45. The Szatmarys sworn statements state that they were represented by Dennis Poane, a New Jersey  
16 attorney.

17 46. NJLFCP lacked subject matter jurisdiction over Kenneth Irek because he did not represent the  
18 Szatmarys as an attorney or as a fiduciary.

19 47. The false statements made, under oath, by Michael T. McCormick in the above-described  
20 Complaint, stated that Plaintiff, while representing Zontan and Cathleen Szatmary, embezzled, misapplied  
21 and converted to his own use the sum of \$5,000 received by him on behalf of Mr. and Mrs. Szatmary as  
22 funds to be held, in a fiduciary capacity, in escrow in connection with a real estate transaction, which, on  
23 its face seemed to confer the NJLFCP with subject matter jurisdiction, pursuant to R. 1:28-3, for payment  
24 of claims against New Jersey attorneys resulting from their dishonest conduct.

25 48. There is no factual evidence in the record that there were “... funds to be held, in a fiduciary  
26 capacity, in escrow ...”

27 49. NJLFCP lacked subject matter jurisdiction over Kenneth Irek because there is no factual evidence  
28 in the record of any dishonest conduct.

50. The Mercer County Superior Court lacked subject matter jurisdiction over the original 1994 legal  
proceeding, because the NJLFCP lacked subject matter jurisdiction to pay a claim against Kenneth Irek.

51. The Default Judgment entered March 22, 1995, has no legal effect because the court lacked  
subject matter jurisdiction, and is a complete nullity. All orders and actions stemming from that Default  
Judgment are void ab initio.

52. Other actions of Defendants herein complained of, are a direct and proximate result of

1 Defendant's Board of Trustees, paying claimants Zontan and Cathleen Szatmary the sum of \$5,000.00,  
 2 based upon the false statements that the claim arose from the dishonest conduct of their attorney, Kenneth  
 3 Irek.

4 53. This Complaint contains 6 Counts that each state a separate cause of action against Defendants.

5 54. This Complaint seeks both legal and equitable relief.

### 6 FACTUAL BACKGROUND

7 55. The origins of this case began more than 30 years ago. For purposes of this Complaint, the facts  
 8 contained herein are wholly based upon certified written statements and sworn transcripts of oral  
 9 testimony, letters, correspondence and board hearings of the District Ethics Committee, District IX; the  
 10 Disciplinary Review Board; the New Jersey Lawyers' Fund for Client Protection; the Comprehensive  
 11 Enforcement Program; the Office of Attorney Ethics; and the Mercer County Superior Court, all entities  
 12 of the New Jersey Supreme Court. They were obtained by Plaintiff through Records Requests (SEE  
 13 Attachment "1") filed pursuant to N.J. Rules of Court, Rule 1:28-9, *et seq.*, and/or Rule 1:38-1, *et seq.*,  
 14 and sent directly to the Plaintiff. References to the NJ Constitution, NJ Statutes, NJ Rules and  
 15 Regulations are from current officially published sources.

16 56. For clarity, the **Factual Background** is continued, in detail, as (Exhibit "A"), attached hereto,  
 17 and shall be considered as part of this Complaint for all purposes.

### 18 CLAIMS FOR RELIEF

#### 19 COUNT ONE

#### 20 **Superior Court Lacked Subject Matter Jurisdiction to Issue a Default Judgment**

21 57. Subject matter jurisdiction is a question of law.

22 58. The New Jersey Supreme Court derives its authority over New Jersey attorneys from Article VI  
 23 of the New Jersey State Constitution:

24 **"3. The Supreme Court shall make rules governing the administration of all courts in the State and,  
 25 subject to the law, the practice and procedure in all such courts. The Supreme Court shall have  
 26 jurisdiction over the admission to the practice of law and the discipline of persons admitted."**

27 59. The Lawyers' Fund for Client Protection ("Fund") is an entity of the New Jersey  
 28 Supreme Court and derives its authority from Rule 1:28 of the Rules Governing the Courts of New Jersey  
 (SEE Attachment "2"). The following Rule limits the Fund to consider only claims resulting from the  
 dishonest conduct of a member of the bar of this state, and if the attorney was acting either as an attorney  
 or fiduciary:



1 **“Rule 1:28-3. Payment of Claims (a) Eligible Claims. The Trustees may consider for payment all**  
 2 **claims resulting from the dishonest conduct of a member of the bar of this state or an attorney (i)**  
 3 **admitted pro hac vice, (ii) holding limited license as in-house counsel, (iii) registered as**  
 4 **multijurisdictional practitioner, (iv) certified as a foreign legal consultant or (v) permitted to**  
 5 **practice under Rule 1:21-3(c), if the attorney was acting either as an attorney or fiduciary, provided**  
 6 **that: (1) Said conduct was engaged in while the attorney was a practicing member of the Bar of this**  
 7 **State or admitted Pro Hac Vice in a matter pending in this State; (2) On or after January 1, 1969,**  
 8 **the attorney has been suspended, disbarred or placed in disability inactive status, has resigned with**  
 9 **prejudice or has pleaded guilty to, or been convicted of embezzlement or misappropriation of**  
 10 **money or other property; or an ethics committee has certified a claim to the trustees as an**  
 11 **appropriate matter for their consideration. Where an ethics committee does not act and an attorney**  
 12 **cannot be located, is deceased or incapacitated, the trustees may consider timely application**  
 13 **directly provided that the trustees find that the claim is an appropriate matter for their**  
 14 **consideration; (3)…”**

15 60. The terms “acting either as an attorney or fiduciary”, have a precise legal definition. The ABA  
 16 Model Rules for Lawyers’ Funds for Client Protection, under Rule 10, states (SEE Attachment “3”):  
 17 **“A. The loss must be caused by the dishonest conduct of the lawyer and shall have arisen out of and**  
 18 **by reason of a client-lawyer relationship or a fiduciary relationship between the lawyer and the**  
 19 **claimant.”**

20 61. The Comment to this section further explains the wording:  
 21 **“Comment [1] Set forth in Paragraph A is the basic criteria for compensability of losses. An eligible**  
 22 **claim must include: (1) a demonstrable loss; (2) caused by the dishonest conduct of a lawyer; and**  
 23 **(3) within or arising out of a client-lawyer or fiduciary relationship. [2] Fiduciary relationships are**  
 24 **included because lawyers traditionally serve in that capacity as executors, conservators and**  
 25 **guardians ad litem. Rejection of claims based upon technical distinctions between this sort of**  
 26 **service and a client-lawyer relationship would not serve the purpose or mission of the Fund.”**

27 62. Every State and the District of Columbia have a type of Fund similar to New Jersey’s Fund, that  
 28 only apply to lawyers acting either as lawyers or fiduciaries; for example:

Alabama – **“(b) The loss was caused by the dishonest conduct of a lawyer acting either as an**  
**attorney or as a fiduciary in the matter in which the loss arose; and”;**

Alaska – **“(f) “Reimbursable losses” are only those losses of money, property or other things of**  
**value which meet all of the following tests: (1) The loss was caused by the dishonest conduct of a**  
**lawyer when (i) acting as a lawyer, or (ii) acting in a fiduciary capacity customary to the practice of**  
**law, such as administrator, executor, trustee of an express trust, guardian or conservator; or (iii)**  
**acting as an escrow holder or other fiduciary, having been designated as such by a client in the**

1 **matter in which the loss arose or having been so appointed or selected as a result of the client-**  
2 **attorney relationship.”**

3 **Arizona – “A. The loss must be caused by the dishonest conduct of the lawyer and shall have arisen**  
4 **out of and by reason of a client-lawyer relationship or a fiduciary relationship between the lawyer**  
5 **and the claimant that is customary and related to the practice of law.”**

6 **Arkansas – “A. The loss must be caused by the dishonest conduct of the lawyer and shall have**  
7 **arisen out of and by reason of a lawyer-client relationship or a fiduciary relationship between the**  
8 **lawyer and the claimant.”**

9 63. The sworn oral testimony of Cathleen Szatmary and the sworn written claims of Cathleen and  
10 Zontan Szatmary state that their attorney was Dennis Poane, and Plaintiff was not representing them as  
11 their attorney.

12 64. Subject matter jurisdiction is a question of law and whether it exists presents a purely legal issue.

13 65. The facts, as contained in the record of the original, underlying case, do not show a client-lawyer  
14 relationship or a fiduciary relationship between the Plaintiff and the claimant, the Szatmarys, that is  
15 customary and related to the practice of law.

16 66. The actions and conduct of the Plaintiff, acting as the President of his wholly-owned NJ  
17 corporation, are not subject to the jurisdiction of the New Jersey Rules of Professional Conduct or the NJ  
18 Lawyers’ Fund for Client Protection, or ultimately, to the Supreme Court of New Jersey.

19 67. As a direct and proximate cause of the false statements made by Defendant in the original  
20 complaint filed December 29, 1994, that Plaintiff was ‘... **representing Zontan and Cathleen Szatmary**  
21 **...**’, this Court believed Defendant had subject matter jurisdiction and adjudicated the matter resulting in a  
22 Default Judgment against Plaintiff (SEE Attachment “13”).

23 68. A judgment which is void ab initio is a complete nullity with no legal effect whatsoever, and may  
24 be impeached directly or collaterally by all persons, anywhere, at any time, or in any manner.

25 69. Because this Court actually lacked subject matter jurisdiction because the Defendant lacked  
26 subject matter jurisdiction, the ensuing Default Judgment must be vacated and declared null and void.

27 70. As a direct and proximate cause of the Default Judgment against Plaintiff, Plaintiff suffered  
28 damages.

WHEREFORE, Plaintiff demands judgment against the Defendants.

## **COUNT TWO**

### **Superior Court Lacked Personal Jurisdiction to Issue a Default Judgment**

71. Plaintiff restates all the preceding allegations of this Complaint as though fully pled here.

72. Personal jurisdiction is a question of fact.



1 73. A Court must first have subject matter jurisdiction over a proceeding before it can adjudicate any  
2 issue of that proceeding. The Superior Court in the underlying case lacked subject matter jurisdiction due  
3 to false material statements in the Complaint, making any further actions, including determining if it had  
4 personal jurisdiction, null and void.

5 74. As a direct and proximate cause of the false statements made by Defendant in the original  
6 complaint filed December 29, 1994, this Court believed Defendant had personal jurisdiction and  
7 adjudicated the matter resulting in a Default Judgment against Plaintiff.

8 75. Because this Court actually lacked personal jurisdiction because the Defendant lacked personal  
9 jurisdiction, the ensuing Default Judgment was void ab initio and must be vacated and declared null and  
10 void.

11 76. As a direct and proximate cause of the Default Judgment against Plaintiff, Plaintiff suffered  
12 damages.

13 WHEREFORE, Plaintiff demands judgment against the Defendant, NJLFCP.

### 14 COUNT THREE

#### 15 **Defendant, NJLFCP, Lacked Jurisdiction to Pay Claim Against Plaintiff**

16 77. Plaintiff restates all the preceding allegations of this Complaint as though fully pled here.

17 78. Defendant, NJLFCP, has the authority, pursuant to New Jersey Supreme Court Rule 1:28 of the  
18 Rules Governing the Courts of the State of New Jersey, to reimbursement, to the extent and in the manner  
19 provided by those rules, losses caused by the dishonest conduct of members of the bar of New Jersey.

20 79. Payment of eligible claims is contained in Rule 1:28-3, which states, inter alia, that the Trustees  
21 may consider for payment all claims resulting from the dishonest conduct of a member of the New Jersey  
22 bar, provided that: ‘... **the attorney has been suspended, disbarred or placed in disability inactive  
23 status, has resigned with prejudice or has pleaded guilty to, or been convicted of embezzlement or  
24 misappropriation of money or other property.**’

25 80. In a letter dated May 14, 1993, (SEE Attachment “6”) from Defendant, NJLFCP to Plaintiff, Mr.  
26 Kenneth Irek, Roger S. Steffens, Deputy Counsel of NJLFCP, Defendant, stated that, inter alia: ‘**You  
27 have previously received a copy of the referenced claim. At the time we forwarded it to you the  
28 Fund lacked jurisdiction to consider making an award to the claimant due to the fact that you had  
not been disciplined. Recent action by the Supreme Court in your case has conferred jurisdiction  
upon the Fund to consider claims against you. This the Board of Trustees will seek to do in an  
expeditious manner.**’

81. The “discipline” that was an essential element to confer jurisdiction on the NJLFCP, was the  
disbarment of Kenneth F. Irek.

1 82. On May 11, 1993, Robert N. Wilentz, Chief Justice of the Supreme Court of New Jersey, signed  
2 an Order (SEE Attachment "18"), stating, inter alia:

3 **'A. The Disciplinary Review Board having filed a report with the Court (SEE**  
4 **Attachment "5"), recommending that Kenneth F. Irek be disbarred for the knowing**  
5 **misappropriation of escrow funds in violation of RPC 1.15(b) and RPC 8.4(c), and good cause**  
6 **appearing;**

7 **B. It is Ordered that Plaintiff, Kenneth F. Irek, be disbarred and that his name be**  
8 **stricken from the roll of attorneys of New Jersey, and permanently restrained and enjoined from**  
9 **practicing law.'**

10 83. Chief Justice Wilentz's Disbarment Order ostensibly conferred jurisdiction upon the defendant,  
11 NJLFCP, to consider a claim against Plaintiff.

12 84. On or about November 26, 1993, the Defendant, NJLFCP Board of Trustees, believing the  
13 Supreme Court disbarment of Plaintiff had conferred jurisdiction on them to consider claims against  
14 Plaintiff, **'having considered the claim of Zontan Szatmary and Cathleen D. Szatmary, arising from**  
15 **the dishonest conduct of their attorney, Kenneth Irek'**, agreed to pay them \$5,000 upon execution of a  
16 Release, Assignment and Subrogation Agreement (SEE Attachment "7").

17 85. Subsequently, Defendant began various activities to compel Plaintiff to reimburse the NJLFCP  
18 for the \$5,000 claim they had paid to the Szatmarys, pursuant to the above-described Subrogation  
19 Agreement.

20 86. Article VI of the NJ Constitution states, inter alia, **"The Supreme Court shall have jurisdiction**  
21 **over the admission to the practice of law and the discipline of persons admitted."**

22 87. New Jersey RPC 1.15(b) and RPC 8.4(c) are rules of professional conduct promulgated by the  
23 New Jersey Supreme Court, pursuant to its authority over New Jersey attorneys derived from Article VI  
24 of the New Jersey State Constitution.

25 88. Justice Wilentz's disbarment order was based on the recommendation of the New Jersey  
26 Disciplinary Review Board.

27 89. The Supreme Court's responsibility in attorney disciplinary matters is to conduct an independent  
28 review of the record to determine whether the charges have been proved by clear and convincing  
evidence.

90. R. 1:20-16(c) states: **"De Novo Review. Supreme Court review shall be de novo on the**  
record."

91. There were no findings of fact and conclusions of law evidencing a De Novo review by the  
Supreme Court.

92. The Decision and Recommendation of the Disciplinary Review Board, decided December 28,  
1992, concluded:

1 **“Upon a de novo review of the record, the Board is satisfied that the DEC’s conclusion that**  
2 **respondent acted unethically is fully supported by clear and convincing evidence. Respondent**  
3 **absconded with grievant’s deposit monies, which grievants had entrusted to him for safekeeping**  
4 **until closing of title not because respondent was the president of Kirex, but because he was an**  
5 **attorney. Although it is respondent’s status as a member of the bar that required him to abide by**  
6 **the high standards expected of the profession, he was also acting as an attorney in the transaction,**  
7 **as Kirex’ counsel. Disbarment is, therefore, the only appropriate sanction for his knowing misuse**  
8 **of escrow funds. In re Hollendonner, 102 N.J. 21 (1985). A six-member majority of the Board so**  
9 **recommends. One member would have imposed a two-year suspension, believing that the record**  
10 **did not clearly and convincingly demonstrate that respondent was acting as an attorney. Two**  
11 **members did not participate. The Board further recommends that respondent be required to**  
12 **reimburse the Ethics Financial Committee for administrative costs.” [Signed by Raymond R.**  
13 **Trombadore, Chair, Disciplinary Review Board]**

14 93. The facts, as contained in the record of District IX Ethics Committee Hearing, were reviewed and  
15 used in the Decision and Recommendation of the Disciplinary Review Board, and show, inter alia:

16 A. That Plaintiff was the sole owner and seller of the real property being purchased by the  
17 Szatmarys, in the real estate transaction that was the subject of the disciplinary proceedings;

18 B. That Plaintiff had no client-attorney relationship with the Szatmarys, did not hold himself  
19 out as an attorney, and was acting only as an individual and President of his solely owned New Jersey  
20 corporation;

21 C. That Plaintiff had no client-lawyer relationship or a fiduciary relationship between the  
22 Plaintiff and the claimant, the Szatmarys, that is customary and related to the practice of law;

23 D. That the \$5,000 deposit money paid to Plaintiff was made payable to Kirex Dev. Co., and  
24 endorsed in ink by ‘Kirex Development Co.’;

25 E. That Plaintiff was acting in his personal capacity as the president of his solely owned  
26 corporation, and, although he was a member of the New Jersey Bar, he was not acting as an attorney or  
27 fiduciary, and had the same rights as a non-attorney to conduct his personal affairs.

28 F. There were no “escrow” funds, as defined by New Jersey law, present in the real estate  
transaction.

94. These facts indicate that the Plaintiff was acting only as the President and Secretary of his solely-  
owned New Jersey corporation, and his conduct was not subject to the New Jersey Rules of Professional  
Conduct.

95. The New Jersey Supreme Court did not have jurisdiction over Plaintiff while acting as President  
and Secretary of his solely-owned New Jersey corporation.



1 96. A judgment which is void ab initio is a complete nullity with no legal effect whatsoever, and may  
2 be impeached directly or collaterally by all persons, anywhere, at any time, or in any manner.

3 97. The May 11, 1993, Disbarment Order of Kenneth F. Irek, signed by Robert N. Wilentz, Chief  
4 Justice of the Supreme Court of New Jersey, D-112 September Term 1992, is void ab initio for lack of  
5 subject matter jurisdiction.

6 98. Defendant, NJLFCP, could consider for payment all claims resulting from the dishonest conduct  
7 of a member of the New Jersey bar, provided that: ‘... **the attorney has been suspended, disbarred or  
8 placed in disability inactive status, has resigned with prejudice or has pleaded guilty to, or been  
9 convicted of embezzlement or misappropriation of money or other property.**’

10 99. Defendant, NJLFCP, lacked the authority to pay a claim against Plaintiff because the NJ Supreme  
11 Court Disbarment Order of Plaintiff, Kenneth F. Irek, was null and void.

12 100. As a direct and proximate cause of the unauthorized payment of a \$5,000 claim against Plaintiff,  
13 Plaintiff suffered damages.

14 WHEREFORE, Plaintiff demands judgment against the Defendants.

#### 15 COUNT FOUR

##### 16 **Common-law Fraud**

17 101. Plaintiff restates all the preceding allegations of this Complaint as though fully pled here.

18 102. On December 29, 1994, Michael T. McCormick, Deputy Counsel to Defendant, NJLFCP, filed a  
19 Civil Action Complaint against Kenneth Irek, Defendant in the Superior Court of New Jersey, Law  
20 Division, Mercer County.

21 103. The Complaint stated, inter alia, “**In or about August 1990, while representing Zontan and  
22 Cathleen Szatmary, defendant embezzled, misapplied and converted to his own use the sum of  
23 \$5,000.00 received by him on behalf of Mr. and Mrs. Szatmary as funds to be held, in a fiduciary  
24 capacity, in escrow in connection with a real estate transaction.**”

25 104. NJLFCP had taken sworn statements from Zontan and Cathleen Szatmary that they were  
26 represented by their attorney, Michael Poane, Esq.

27 105. Michael T. McCormick knew Kenneth Irek, was not representing Zontan and Cathleen Szatmary  
28 in that real estate transaction because Defendant, NJLFCP had access to the entire record of that matter.

106. Michael T. McCormick made material misrepresentations of existing facts, in his possession,  
which he ought to have known were false.

107. Michael T. McCormick made material representations in the above-described Complaint with the  
intention that the Mercer County Superior Court would rely on them and accept jurisdiction of the matter.

108. The Mercer County Superior Court did rely on them and issued a Default Judgment against  
1 Kenneth Irek, (the Plaintiff in the instant case).

2 109. As a direct and proximate cause of the material misrepresentations made by Defendant in the  
3 original complaint filed December 29, 1994, Plaintiff suffered damages.

4  
5 WHEREFORE, Plaintiff demands judgment against the Defendant, NJLFCP.

6  
7 **COUNT FIVE**

8 **Intentional Infliction of Mental Duress**

9 110. Plaintiff restates all the preceding allegations of this Complaint as though fully pled here.

10 111. On or about November 26, 1993, the Defendant, NJLFCP Board of Trustees, paid a \$5,000 claim  
11 against Plaintiff, Kenneth Irek, to Zontan Szatmary and Cathleen D. Szatmary.

12 112. Subsequently, Defendant began various activities to compel Plaintiff to reimburse the NJLFCP  
13 for the \$5,000 claim they had paid to the Szatmarys.

14 113. These activities were intentional and continued for the next 26 years, and are still continuing.

15 114. Beginning on or about April, 2000, the NJLFCP began using the Comprehensive Enforcement  
16 Program established by N.J.S.A. 2B:19-1 et seq. to enforce their \$5,000 Judgment against Plaintiff.

17 115. Between 2000 and 2017, the NJLFCP sent at least 39 letters to Plaintiff regarding the Fund's use  
18 of the Comprehensive Enforce Program for collection of their judgment for restitution against Plaintiff  
19 (SEE Attachment "25").

20 116. On July 28, 2006, Defendant caused the Mercer County Superior Court to issue an Order  
21 suspending Plaintiff's Driver License.

22 117. In a letter sent to Plaintiff, dated August 14, 2006, Ruby D. Cochran, Deputy Counsel to the  
23 Defendant, NJLFCP (SEE Attachment "8"), stated, inter alia:

24 **"We previously obtained a driver's license suspension on you on November 5, 2005, which was**  
25 **processed in New Jersey. Enclosed please find a copy of an Order signed by the Honorable F.**  
26 **Patrick McManimon at the July 28, 2006 Comprehensive Enforcement Hearing continuing that**  
27 **suspension. We have given you every opportunity to contact us to make payment arrangements on**  
28 **the amount due and owing to the Fund. If we do not hear from you within 10 days from the date of**  
**this letter, we will forward the enclosed Order, together with a copy of the Driver's License**  
**Forfeiture sent to Motor Vehicles of New Jersey, directly to the California Department of Motor**  
**Vehicles. We will request that they suspend your license in California until you have paid the New**  
**Jersey Lawyers' Fund for Client Protection the amount owing of \$5,000.00.00."** (sic)

118. In a letter sent to the California Department of Motor Vehicles, Sacramento, California, dated  
October 6, 2006, Ruby D. Cochran, Deputy Counsel to the Defendant, NJLFCP, (SEE Attachment "9"),

1 stated: **“Gentlemen: Pleased be advised that I serve as Deputy Counsel to the New Jersey Lawyers’**  
2 **Fund for Client Protection (“Fund”). The Fund exists as a Committee of the Supreme Court of**  
3 **New Jersey pursuant R. 1:28-1 et seq. for the purpose of compensating the clients of disciplined**  
4 **attorneys who have misappropriated money from them. Kenneth F. Irek was such an attorney.**  
5 **His conduct, while acting as a New Jersey lawyer, has resulted in a claim or claims with the Fund.**  
6 **The Fund has a Judgment against Mr. Irek in the amount of \$5,000.00, which he has refused to pay.**  
7 **On July 28, 2006, we obtained an Order (copy enclosed) to suspend the driving license of Kenneth**  
8 **F. Irek in New Jersey for failure to reimburse the Fund for the monies it has paid to his victims.**  
9 **Mr. Irek is now living in California. Could you please suspend or refuse to renew the driving**  
10 **license of Mr. Irek based on this Order? If not, could you please contact me at (609) 984-7179 to**  
11 **discuss our options. Thank you for any help you can give us in this matter. Sincerely, Ruby D.**  
12 **Cochran (signature), Ruby D. Cochran”**

13 119. In a letter sent to Plaintiff, dated March 30, 2015, (SEE Attachment “10”), Ruby D. Cochran,  
14 Deputy Counsel to the Defendant, NJLFCP, stated, inter alia, **“The Superior Court of New Jersey has**  
15 **issued a Bench Warrant (photocopy enclosed) for your arrest as a result of your failure to appear**  
16 **for the enforcement hearing on December 5, 2014, to which you were summoned regarding the**  
17 **above referenced obligation to the New Jersey Lawyers’ Fund for Client Protection. The Fund will**  
18 **afford you a final opportunity to enter into a Consent Order for repayment before it forwards the**  
19 **Bench Warrant to the Los Angeles County Sheriff’s Department for execution. You must return**  
20 **an executed Consent Order (which the Fund will generate after you propose a reasonable payment**  
21 **plan), an initial payment and a completed Information Subpoena to this office on or before April**  
22 **17, 2015, or the Fund will prosecute the Bench Warrant. Please call me at 609-815-3043 to discuss**  
23 **your case. The Fund will afford you a final opportunity to pay the purge amount of \$150.00 set**  
24 **forth in Bench Warrant before it forwards the Bench Warrant to the Sheriff’s Department for**  
25 **execution. The purge amount of \$150.00 must be paid on or before April 17, 2015, or the Fund will**  
26 **prosecute the Bench Warrant. NEW JERSEY LAWYERS’ FUND FOR CLIENT PROTECTION**  
27 **By: Ruby D. Cochran (signature), Ruby D. Cochran Deputy Counsel”**

28 120. The Bench Warrant dated March 23, 2015, described in the above paragraph, states, inter alia:  
29 **“THEREFORE, we command you to take KENNETH F. IREK between the hours of 8:30 a.m. and**  
30 **3:30 p.m. on Monday through Friday and safely and closely keep him in your custody in the**  
31 **common jail of the County of Los Angeles until he shall be brought before the Honorable William**  
32 **Anklowitz, J.S.C., Superior Court of New Jersey, Mercer County, or until said Court shall make**  
33 **Order to the contrary.”**

34 121. Plaintiff suffered, and continues to suffer, extreme emotional distress by being prohibited from  
35 driving in New Jersey and was severely apprehension he would be arrested, pursuant to the Defendant’s



1 outstanding Bench Warrants, if he attempted to travel to New Jersey to visit relatives and the graves of his  
2 parents, interred at the Brigadier General William C. Doyle Memorial Cemetery, in North Hanover  
Township, New Jersey.

3 122. Plaintiff suffered, and continues to suffer, extreme emotional distress by constantly receiving  
4 letters and Court Summons, from Defendant, to travel to New Jersey for hearings, or be liable for  
Contempt of Court.

5 123. Plaintiff suffered, and continues to suffer, extreme emotional distress from the constant fear and  
6 apprehension of having his California Driver License revoked, at the direction of Defendant, under color  
7 of law, and not being able to drive to work or medical facilities.

8 124. Plaintiff suffered, and continues to suffer, extreme emotional distress from the constant fear and  
9 apprehension of being arrested in California, at his home, in his office or while driving, pursuant to a New  
Jersey Bench Warrant, served upon the Los Angeles Sheriff, as stated by Defendant.

10 125. As a direct and proximate cause of Defendants' constant and continuing threats of arrest,  
11 suspension of driving privileges, and distribution and publication of false libelous and defamatory  
12 statements, Plaintiff paid Defendant, NJLFCP, \$2,500, as reimbursement for their unlawful payment of a  
13 \$5,000 claim against Plaintiff (SEE Attachment "31").

14 126. Defendants intentionally engaged in conduct that would cause Plaintiff extreme emotional  
distress that would induce him to reimburse Defendants \$5,000.

15 127. Defendant's conduct was extreme and outrageous and is beyond the bounds of that tolerated in a  
16 decent society.

17 128. Defendants acted with reckless disregard for Plaintiff's rights and feelings, and with deliberate  
18 indifference to the certainty that Plaintiff would suffer severe emotional distress.

19 129. As a direct and proximate cause of the intentional conduct of the Defendants, Plaintiff suffered  
20 damages.

21 WHEREFORE, Plaintiff demands judgment against the Defendants.

22  
23 **COUNT SIX**

24 **Libel - Defamation**

25 130. Plaintiff restates all the preceding allegations of this Complaint as though fully pled here.

26 131. On or about November 26, 1993, the Defendant, NJLFCP Board of Trustees, paid a \$5,000 claim  
against Plaintiff, Kenneth Irek, to Zontan Szatmary and Cathleen D. Szatmary.

27 132. Subsequently, Defendant began various activities to compel Plaintiff to reimburse the NJLFCP  
28 for the \$5,000 claim they had paid to the Szatmarys.

133. Beginning in or about 1990 and ongoing and continuing through the present, Defendant, and others in concert with Defendant and at Defendant's direction, published written statements containing disparaging and defamatory statements that were intended to libel and defame Plaintiff.

134. On December 29, 1994, Defendant filed a Complaint against Plaintiff in the Superior Court of New Jersey, Law Division, Mercer County (SEE Attachment "11"), that stated, inter alia, **"In or about August 1990, while representing Zontan and Cathleen Szatmary, defendant [Kenneth Irek] embezzled, misapplied and converted to his own use the sum of \$5,000.00 received by him on behalf of Mr. and Mrs. Szatmary as funds to be held, in a fiduciary capacity, in escrow in connection with a real estate transaction."**

135. In a letter sent to California Department of Motor Vehicles, dated October 22, 2004, (SEE Attachment "12"), Joanne M. Dietrich, Deputy Counsel to the Defendant, NJLFCP, stated, inter alia, **'The Fund exists as a Committee of the Supreme Court of New Jersey pursuant to R. 1:28-1 et seq. for the purpose of compensating the clients of disciplined attorney who misappropriated money from them. Kenneth Irek was such an attorney. His conduct while acting as a New Jersey lawyer, has resulted in claims with the Fund in the amount of \$5,000.00.'**

136. In a letter sent to California Department of Motor Vehicles, dated October 6, 2006, (SEE Attachment "9"), Ruby D. Cochran, Deputy Counsel to the Defendant, NJLFCP, stated, inter alia, **'Gentlemen: Please be advised that I serve as Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection ("Fund"). 'The Fund exists as a Committee of the Supreme Court of New Jersey pursuant to R. 1:28-1 et seq. for the purpose of compensating the clients of disciplined attorney who have misappropriated money from them. Kenneth F. Irek was such an attorney. His conduct, while acting as a New Jersey lawyer, has resulted in a claim or claims with the Fund. The Fund has a Judgment against Mr. Irek in the amount of \$5,000.00, which he has refused to pay.'**

137. The intentional wrongful conduct of Defendants is, continuing and ongoing as of the present date. The false and defamatory publications continue to be available to third parties and with Internet access, worldwide.

138. Without limitation, the false and defamatory statements contained in the publications accused Plaintiff of committing crimes, and are therefore, defamation per se.

139. The statements set forth above were false, libelous and defamatory.

140. Plaintiff has suffered both general and special damages in the past and present and will continue to suffer damages to his professional reputation, and will adversely affect his income and benefits.

141. As a direct and proximate cause of the intentional conduct of the Defendants, Plaintiff suffered damages and will continue to suffer injury to his personal, business and professional reputation including suffering embarrassment, humiliation, anguish, loss of employability, and significant economic loss in the form of lost earnings and benefits.

1 WHEREFORE, Plaintiff demands judgment against the Defendant, NJLFCP.  
2

3 **IV. PRAYER FOR RELIEF**

4 WHEREFORE, Plaintiff respectfully requests that this Court issue judgment in favor of Plaintiff and  
5 against Defendants, for the causes of action alleged against it, and grant Plaintiff the following relief:  
6

7 ON THE FIRST CAUSE OF ACTION:

8 THE SUPERIOR COURT LACKED SUBJECT MATTER JURISDICTION TO ISSUE

9 A DEFAULT JUDGMENT

- 10 1. Order the Judgment entered in the Superior Court of New Jersey, Law Division, Mercer County,  
11 Docket No. L-5664-94, on March 22, 1995, be vacated and declared null and void, for lack of subject  
12 matter jurisdiction, and declared void ab initio and a complete nullity with no legal effect whatsoever; and  
13 2. Order the Lien based upon Judgment Docket No. L-5664-94, entered on March 31, 1995, be  
14 vacated and declared void ab initio and a complete nullity with no legal effect whatsoever; and  
15 3. Order that all other proceedings of any kind, based upon Judgment Docket No. L-5664-94, be  
16 vacated and declared void ab initio and a complete nullity with no legal effect whatsoever; and  
17 4. For appropriate injunctive relief, enjoining Defendant from continuing to engage in conduct  
18 related to compelling Plaintiff to reimburse the NJLFCP for the \$5,000 claim they had paid to the  
19 Szatmarys; and  
20 5. Enter judgment for damages in an amount to be proven at trial; and  
21 6. For interest thereon; and  
22 7. For costs of suit incurred herein.

23 ON THE SECOND CAUSE OF ACTION:

24 THE SUPERIOR COURT LACKED PERSONAL JURISDICTION TO ISSUE

25 A DEFAULT JUDGMENT

- 26 1. Order the Judgment entered in the Superior Court of New Jersey, Law Division, Mercer County,  
27 Docket No. L-5664-94, on March 22, 1995, be vacated and declared null and void, for lack of personal  
28 jurisdiction, and declared void ab initio and a complete nullity with no legal effect whatsoever; and  
2. Order the Lien based upon Judgment Docket No. L-5664-94, entered on March 31, 1995, be  
vacated and declared void ab initio and a complete nullity with no legal effect whatsoever; and



1 3. Order that all other proceedings of any kind, based upon Judgment Docket No. L-5664-94, be  
vacated and declared void ab initio and a complete nullity with no legal effect whatsoever; and

2 4. For appropriate injunctive relief, enjoining Defendant from continuing to engage in conduct  
3 related to compelling Plaintiff to reimburse the NJLFCP for the \$5,000 claim they had paid to the  
4 Szatmarys; and

5 5. Enter judgment for damages in an amount to be proven at trial; and

6 6. For interest thereon; and

7 7. For costs of suit incurred herein.

8 ON THE THIRD CAUSE OF ACTION:

9 DEFENDANT, NJLFCP, LACKED JURISDICTION TO PAY CLAIM AGAINST PLAINTIFF

10 1. Order the May 11, 1993, Disbarment Order of Kenneth F. Irek, signed by Robert N. Wilentz,  
11 Chief Justice of the Supreme Court of New Jersey, D-112 September Term 1992, be vacated and declared  
12 null and void, due to lack of subject matter jurisdiction, and declared void ab initio and a complete nullity  
13 with no legal effect whatsoever; and

14 2. Order that the Plaintiff, Kenneth F. Irek, have his name reinstated to the roll of active attorneys  
15 admitted to the bar of New Jersey, as of May 11<sup>th</sup>, 1993, the date of the disbarment, and remain on the roll  
until lawfully removed; and

16 3. Order the Judgment entered in the Superior Court of New Jersey, Law Division, Mercer County,  
17 Docket No. L-5664-94, on March 22, 1995, be vacated and declared null and void, due to lack of  
18 jurisdiction by NJLFCP over Plaintiff (Defendant in that case), and declared void ab initio and a complete  
19 nullity with no legal effect whatsoever; and

20 4. For damages in an amount to be proven at trial; and

21 5. For interest thereon; and

22 6. For costs of suit incurred herein.

23 ON THE FOURTH CAUSE OF ACTION:

24 COMMON-LAW FRAUD

25 1. Order the Judgment entered in the Superior Court of New Jersey, Law Division, Mercer County,  
26 Docket No. L-5664-94, on March 22, 1995, be vacated and declared null and void, due to the fraudulently  
27 filed Civil Complaint, and declared void ab initio and a complete nullity with no legal effect whatsoever;  
28 and

2. For compensatory damages in an amount to be proven at trial; and

3. For punitive damages; and
4. For interest thereon; and
5. For costs of suit incurred herein.

ON THE FIFTH CAUSE OF ACTION:  
INTENTIONAL INFLICTION OF MENTAL DURESS

1. For a temporary restraining order, preliminary and a permanent injunction, which enjoins permanently and restrains during the pendency of this action, Defendants and other persons acting in concert with them from intentionally or negligently inflicting further emotional distress on Plaintiff; and
2. After hearing, permanently restraining and prohibiting Defendants and other persons acting in concert with them from:
  - a) intentionally or negligently inflicting further emotional distress on Plaintiff;
  - b) intentionally or negligently threatening the arrest of Plaintiff;
  - c) intentionally or negligently inducing others to unlawfully cancel, remove or renew any privileges or rights of Plaintiff; and
3. For appropriate injunctive relief, ordering Defendants to recall and quash all Bench Warrants issued related to the facts herein stated, in the State of New Jersey; and
4. For appropriate injunctive relief, ordering Defendants to recall and quash all Bench Warrants issued related to the facts herein stated, in the State of California; and
5. For appropriate injunctive relief, ordering Defendants to recall and quash all Bench Warrants issued related to the facts herein stated, in any other state where they may have sent them; and
6. For appropriate injunctive relief, ordering Defendants to notify the New Jersey Motor Vehicle Department that the suspension of Plaintiff's driver's license is repealed and cancelled; and
7. For appropriate injunctive relief, ordering Defendants to notify the California Motor Vehicle Department that the suspension of Plaintiff's driver's license is repealed and cancelled; and
8. For repayment of \$2,500 paid to Defendant NJLFCP, including interest from dates paid; and
9. For additional compensatory damages in an amount to be proven at trial; and
10. For punitive damages; and
11. For interest thereon; and
12. For costs of suit incurred herein.

ON THE SIXTH CAUSE OF ACTION:

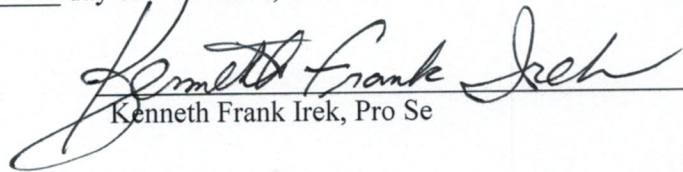
LIBEL – DEFAMATION

1. For a temporary restraining order, preliminary and a permanent injunction, which enjoins permanently and restrains during the pendency of this action, Defendants and other persons acting in concert with them from publishing, republishing, distributing and redistributing false, disparaging, defamatory and malicious statements, including but not limited to, that Plaintiff engaged in dishonest conduct; misappropriated money; and embezzled, misapplied and converted to his own use the sum of \$5,000.00; and
2. After hearing, permanently restraining and prohibiting Defendants and other persons acting in concert with them from publishing false defamatory and malicious statements about Plaintiff; and
3. For compensatory damages in an amount to be proven at trial; and
4. For punitive damages; and
5. For interest thereon; and
6. For costs of suit incurred herein.

ON ALL CAUSES OF ACTION

1. Pre-judgment and post-judgment interest at the maximum rate permitted by law; and
2. For such other and further relief as the Court deems just and proper.

Dated this 9<sup>th</sup> day of November, 2020.

  
 Kenneth Frank Irek, Pro Se

CERTIFICATION PURSUANT TO R. 4:5-1

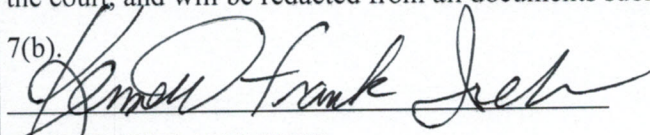
Plaintiff hereby certifies pursuant to R. 4:5-1, that the dispute about which I am suing is not the subject of any other action pending in any other court or a pending arbitration proceeding and no other parties who should be joined to this action, to the best of my knowledge and belief. Also, to the best of my knowledge and belief no other action or arbitration proceeding is contemplated.

Further, other than the parties set forth in this complaint, I know of no other parties that should be made a part of this lawsuit. In addition, I recognize my continuing obligation to file and serve on all parties and the court an amended certification if there is a change in the facts stated in this original certification. I further certify that confidential personal identifiers have been redacted from documents now submitted to



the court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-

7(b)



KENNETH FRANK IREK

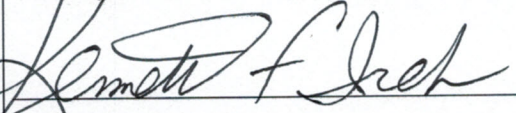
Dated: November 9<sup>th</sup>, 2020

Plaintiff, Pro Se

**VERIFICATION**

I, KENNETH FRANK IREK, of full age, hereby declare:

1. I am the Plaintiff in the present case.
2. I have read the Complaint and verify that the allegations contained in the Complaint are true and based on my personal knowledge.
3. I certify that the foregoing statements are true. I am aware that if any statement made herein is willfully false, I am subject to punishment.



KENNETH FRANK IREK

Dated: November 9<sup>th</sup>, 2020

Plaintiff, Pro Se

**EXHIBITS**

Attached are the following:

Exhibit A  
Factual Background with Attachments

**ATTACHMENTS**

Attachment "1"  
Records Requests to The New Jersey Supreme Court

Attachment "2"  
Rule 1:28 of the Rules Governing the Courts of the State of New Jersey

Attachment "3"  
The ABA Model Rules for Lawyers' Funds for Client Protection

Attachment "4"  
Reserved for Future Use

Attachment "5"  
Decision and Recommendation of the Disciplinary Review Board, Docket No. DRB 92-382

Attachment "6"  
Letter Dated 5/14/1993 from Roger S. Steffens, Deputy Counsel, NJLFCP

Attachment "7"  
NJLFCP Release, Assignment and Subrogation Agreement, 11/26/1993

Attachment "8"  
Letter Dated 8/14/ 2006 from Ruby D. Cochran, Deputy Counsel, NJLFCP

Attachment "9"  
Letter Dated 10/6/ 2006 from Ruby D. Cochran, Deputy Counsel, NJLFCP

Attachment "10"  
Letter Dated 3/30/2015 from Ruby D. Cochran, Deputy Counsel, NJLFCP, w/ Bench Warrant

Attachment "11"  
Complaint - Docket No. L-5664-94, Superior Court of New Jersey, Law Division, Mercer County

Attachment "12"  
Letter Dated 10/22/2004 to California Department of Motor Vehicles

Attachment "13"  
Default Judgment - Docket No. L-5664-94, Superior Court of New Jersey, Mercer County

Attachment "14"  
Dennis Poane, Esq. Correspondence with the Monmouth County Prosecutor's Office

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Attachment "15"  
Zontan and Cathleen Szatmary Attorney Grievance Form (unsigned)

Attachment "16"  
Zontan and Cathleen Szatmary NJLFCP Statement of Claim

Attachment "17"  
Testimony of Cathleen D. Szatmary Before District IX Ethics Committee

Attachment "18"  
Supreme Court of New Jersey Order That Kenneth F. Irek be Disbarred

Attachment "19"  
NJLFCP Subrogation Agreement with Zontan and Cathleen Szatmary

Attachment "20"  
Request for Entry of Default, MER L 005664-94

Attachment "21"  
Letter Dated April 18, 1995 To Kenneth Irek with Default Judgment

Attachment "22"  
Letter Dated April 24, 2000, To Kenneth Irek Stating  
the NJLFCP Judgment Against Him Would Be Enforced Through the CEP

Attachment "23"  
Legislative History of Comprehensive Enforcement Program

Attachment "24"  
Supreme Court Order Extending Time The NJLFCP  
Is Authorized to Use the CEP

Attachment "25"  
List of Letters to Plaintiff Regarding Use of the CEP

Attachment "26"  
Letter Dated October 3, 2014, Stating Kenneth F. Irek  
is Delinquent in Making Payments on the Repayment Plan

Attachment "27"  
Letter Dated November 5, 2014, Stating Kenneth F. Irek is  
Summoned to Appear Before a Hearing Officer

Attachment "28"  
Letter Dated January 9, 2015, Stating a Consent Order was Entered  
Authorizing the NJLFCP to Pursue a Bench Warrant for the Arrest of Kenneth F. Irek

Attachment "29"  
Letter Dated March 30, 2015, To Kenneth F. Irek, Stating A Bench Warrant  
was Issued for His Arrest w/ Photocopy of Signed Bench Warrant





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Attachment "30"  
District IX Ethics Committee Hearing Panel Report Recommending Public Discipline

Attachment "31"  
Letter Dated October 30, 2020, To Kenneth Irek Stating He Still Owes the NJLFCP \$2,500.

# # # # # # # # # #

	<h2 style="margin: 0;">Civil Case Information Statement</h2> <h3 style="margin: 0;">(CIS)</h3> <p style="margin: 0;">Use for initial Law Division Civil Part pleadings (not motions) under <i>Rule 4:5-1</i> <b>Pleading will be rejected for filing, under <i>Rule 1:5-6(c)</i>, if information above the black bar is not completed or attorney's signature is not affixed</b></p>		For Use by Clerk's Office Only Payment type: <input type="checkbox"/> ck <input type="checkbox"/> cg <input type="checkbox"/> ca Chg/Ck Number: Amount: Overpayment: Batch Number:
	Attorney/Pro Se Name Kenneth Frank Irek	Telephone Number (747) 260-8998	County of Venue Mercer
	Firm Name (if applicable) Pro Se	Docket Number (when available)	
	Office Address 8330 Haskell Avenue Unit 226 North Hills, CA 91343	Document Type Complaint, Civil Action	
			Jury Demand <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Party (e.g., John Doe, Plaintiff) Kenneth Frank Irek, Plaintiff	Caption Kenneth Frank Irek, Plaintiff v. New Jersey Lawyers' Fund For Client Protection and The Supreme Court of New Jersey, Defendants		
Case Type Number (See reverse side for listing) 999	Are sexual abuse claims alleged? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Is this a professional malpractice case? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you have checked "Yes," see <i>N.J.S.A. 2A:53A-27</i> and applicable case law regarding your obligation to file an affidavit of merit.	
Related Cases Pending? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If "Yes," list docket numbers N/A		
Do you anticipate adding any parties (arising out of same transaction or occurrence)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name of defendant's primary insurance company (if known) <input type="checkbox"/> None <input checked="" type="checkbox"/> Unknown		
The Information Provided on This Form Cannot be Introduced into Evidence.			
Case Characteristics for Purposes of Determining if Case is Appropriate for Mediation			
Do parties have a current, past or recurrent relationship? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If "Yes," is that relationship: <input type="checkbox"/> Employer/Employee <input type="checkbox"/> Friend/Neighbor <input checked="" type="checkbox"/> Other (explain) <input type="checkbox"/> Familial <input type="checkbox"/> Business <input type="checkbox"/> Sued by NJLFCP as subrogee for reimbursement of paid claim		
Does the statute governing this case provide for payment of fees by the losing party? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition This case arises from a Civil Action Complaint captioned "New Jersey Lawyers' Fund for Client Protection v. Kenneth Irek, Docket No. MER-L-005664-94, filed in Mercer County Superior Court on December 29, 1994. One count of this instant Complaint states that a 1993 Order of the New Jersey Supreme Court gave the Defendants jurisdiction to pay a claim against Plaintiff. Proof is included in this instant case that the NJ Supreme Court did not have Subject Matter Jurisdiction (and can be challenged at any time) to issue that Order, thus making it Void ab initio, and causing all judgments and actions in favor of Defendants, based upon that Order, also Void ab initio and of no validity whatsoever.			
	Do you or your client need any disability accommodations? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, please identify the requested accommodation: N/A	
	Will an interpreter be needed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, for what language? N/A	
I certify that confidential personal identifiers have been redacted from documents now submitted to the court and will be redacted from all documents submitted in the future in accordance with <i>Rule 1:38-7(b)</i> .			
Attorney Signature: <i>Kenneth Frank Irek, PRO SE</i>			



Side 2



# Civil Case Information Statement (CIS)

Use for initial pleadings (not motions) under *Rule 4:5-1*

**CASE TYPES** (Choose one and enter number of case type in appropriate space on the reverse side.)

## Track I - 150 days discovery

151 Name Change	506 PIP Coverage
175 Forfeiture	510 UM or UIM Claim (coverage issues only)
302 Tenancy	511 Action on Negotiable Instrument
399 Real Property (other than Tenancy, Contract, Condemnation, Complex Commercial or Construction)	512 Lemon Law
502 Book Account (debt collection matters only)	801 Summary Action
505 Other Insurance Claim (including declaratory judgment actions)	802 Open Public Records Act (summary action)
	999 Other (briefly describe nature of action)
	Fraud in obtaining Default Judgment for Subrogation by falsely claiming Subject Matter Jurisdiction.

## Track II - 300 days discovery

305 Construction	603Y Auto Negligence – Personal Injury (verbal threshold)
509 Employment (other than Conscientious Employees Protection Act (CEPA) or Law Against Discrimination (LAD))	605 Personal Injury
599 Contract/Commercial Transaction	610 Auto Negligence – Property Damage
603N Auto Negligence – Personal Injury (non-verbal threshold)	621 UM or UIM Claim (includes bodily injury)
	699 Tort – Other

## Track III - 450 days discovery

005 Civil Rights	608 Toxic Tort
301 Condemnation	609 Defamation
602 Assault and Battery	616 Whistleblower / Conscientious Employee Protection Act (CEPA) Cases
604 Medical Malpractice	617 Inverse Condemnation
606 Product Liability	618 Law Against Discrimination (LAD) Cases
607 Professional Malpractice	

## Track IV - Active Case Management by Individual Judge / 450 days discovery

156 Environmental/Environmental Coverage Litigation	514 Insurance Fraud
303 Mt. Laurel	620 False Claims Act
508 Complex Commercial	701 Actions in Lieu of Prerogative Writs
513 Complex Construction	

## Multicounty Litigation (Track IV)

271 Accutane/Isotretinoin	601 Asbestos
274 Risperdal/Seroquel/Zyprexa	623 Propecia
281 Bristol-Myers Squibb Environmental	624 Stryker LFIT CoCr V40 Femoral Heads
282 Fosamax	625 Firefighter Hearing Loss Litigation
285 Stryker Trident Hip Implants	626 Abilify
286 Levaquin	627 Physiomesh Flexible Composite Mesh
289 Reglan	628 Taxotere/Docetaxel
291 Pelvic Mesh/Gynecare	629 Zostavax
292 Pelvic Mesh/Bard	630 Proceed Mesh/Patch
293 DePuy ASR Hip Implant Litigation	631 Proton-Pump Inhibitors
295 AlloDerm Regenerative Tissue Matrix	632 HealthPlus Surgery Center
296 Stryker Rejuvenate/ABG II Modular Hip Stem Components	633 Prolene Hernia System Mesh
297 Mirena Contraceptive Device	
299 Olmesartan Medoxomil Medications/Benicar	
300 Talc-Based Body Powders	

If you believe this case requires a track other than that provided above, please indicate the reason on Side 1, in the space under "Case Characteristics."

Please check off each applicable category  Putative Class Action  Title 59  Consumer Fraud



**EXHIBIT “A”**

**&**

**ATTACHMENTS “1” through “31”**

**EXHIBIT “A”**

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**EXHIBIT "A"**  
**Factual Background with Attachments**

4

**FACTUAL BACKGROUND**

5 1. The origins of this case began more than 30 years ago. For purposes of this Complaint, the facts  
6 contained herein are wholly based upon certified written statements and sworn transcripts of oral  
7 testimony, and board hearings, of the District Ethics Committee, District IX; the Disciplinary Review  
8 Board; the New Jersey Lawyers' Fund for Client Protection; the Comprehensive Enforcement Program;  
9 the Office of Attorney Ethics; and the Mercer County Superior Court, all entities of the New Jersey  
10 Supreme Court. They were obtained by Plaintiff through Records Requests filed pursuant to N.J. Rules  
11 of Court, Rule 1:28-9, *et seq.*, and/or Rule 1:38-1, *et seq.* (SEE Attachment 1, Records Requests to The  
12 New Jersey Supreme Court), and sent directly to the Plaintiff.

13 2. In the beginning of the summer of 1990, Cathleen Szatmary and her husband Zontan, where  
14 looking for a building lot in Jackson, New Jersey. They saw a lot listed in the newspaper and called the  
15 number listed and spoke to the Plaintiff, Kenneth F. Irek, who told them where it was located and to look  
16 at it.

17 3. They went to the building lot and met a woman, Fran Donahue, a licensed New Jersey real estate  
18 salesperson, who represented the Plaintiff, Kenneth F. Irek. Ms Donahue showed the Szatmary's a few  
19 new houses and lots owned by the Plaintiff's company, Kirex Development Company, Inc. The  
20 Szatmary's decided to purchase the vacant lot and retained Dennis D. Poane, Esq, a new Jersey attorney  
21 whose office was in Lakewood, New Jersey, at the time, to represent them in the purchase of the lot from  
22 Plaintiff.

23 4. Subsequently, the Szatmary's lawyer, Dennis Poane contacted Fran Donahue and a 'Contract For  
24 Sale of Real Estate', dated May 23, 1990, was prepared for the Plaintiff's vacant lot and sent to Dennis  
25 Poane's law office.

26 5. Attorney Poane wanted some contract changes and spoke to Fran Donahue about them. The  
27 changes were made to the contract, initialed by the Plaintiff, Kenneth Irek, and sent back to Attorney  
28 Poane.

6. The Szatmarys signed the revised Contract on May 29, 1990, and wrote check #1301, dated  
5/29/90, in the amount of \$5,000 to "Kirex Dev Co", with the memo: "Dep of Land 85 2221 Bal Due  
30,000.00" pursuant to the terms of the contract as "initial deposit". *{the numbers 85 2221 most likely  
refer to the property's legal description as Block 85, and Lot 22.21}*

1 7. The contract signed by the Szatmary's sent back to Plaintiff who signed the revised contract on  
June 6, 1990, as: "Kirex Development Co, Inc By Kenneth Irek, President attest: Kenneth Irek, Secretary"

2 8. Plaintiff endorsed the \$5,000 initial deposit check as "Kirex Development Co", and deposited it  
3 into Kirex's business account at New Jersey National Bank.

4 9. Thereafter, from the end of June, 1990, through July, Dennis D. Poane attempted to contact  
5 Plaintiff to schedule a closing date, by certified letters, phone calls, visits to his home and offices, and  
through Fran Donahue, but received no response.

6 10. Sometime between Aug 20 and Aug 29, 1990, Fran Donahue advised Dennis D. Poane that  
7 Plaintiff was temporarily in North Carolina and didn't receive his mail in time, but she advised that he  
8 would complete the real estate sale, but the closing never took place.

9 11. On November 14, 1990, Dennis D. Poane, representing himself as the attorney for Zontan and  
10 Cathleen Szatmary, the prospective purchasers of the real property, sent a correspondence to Ronald  
11 Troppoli, Director of Special Prosecutions with the Monmouth County Prosecutor's office. (SEE  
Attachment 14, Dennis Poane, Esq. Correspondence with the Monmouth County Prosecutor's Office).

12 12. His cover letter stated that they had several previous conversations regarding Kirex Development  
13 Company and Kenneth Irek, and Dennis Poane listed the documents attached, describes number "2" as:  
14 "2. My office notes dated June 1, 1990, which shows at the bottom that Mr. Irek would  
personally guarantee the \$5,000.00 involved."

15 13. The office notes referred to are hand-written and state, inter alia:  
16 "*p.c. Ken Irek 1. He will guarantee personally \$5000. 2. He'll get ECRA approval if bank*  
17 *demands; if no then only give off*  
18 *3. Looking for closing before July.*"

19 14. Poane ended his letter with these paragraphs:

20 "We send this to you in accordance with my previous conversations believing that Mr. Irek may  
21 have absconded [*sic*] with the funds given in trust by my clients. Further, there is in addition,  
22 approximately \$4,000.00 spent for the percolation, bore, and certain other preliminaries to close  
which they are now out-of-pocket.

23 I would appreciate your reviewing this matter with regard to the criminal aspects of the case.

24 Upon your review of it, I would ask you to talk directly to my clients, Cathleen and Zontan  
25 Szatmary, 318 C Texas Road, Morganville, New Jersey, 07751, telephone number 706-1124. I  
26 strongly believe that this an [*sic*] criminal matter. The actions of Mr. Irek can clearly be seen as  
27 one of premeditation in taking the Szatmary's money with no intent to abide by the contract or  
return the money. Very truly yours DENNIS D. POANE, ESQ."



15. On December 11, 1990, Ronald J. Troppoli, Director of the Economic Crime and Special Prosecutions Unit of the Monmouth County Office of the County Prosecutor, sent a response letter to Dennis D. Poane acknowledging receipt of the letter stating:

“Please be advised that, at this time, the investigation into the activities of Mr. Irek remains ongoing. As you know, I am unable, at this time, to confirm for you whether or not the matter will be presented to a Monmouth County Grand Jury for further Criminal prosecution.” He goes on to say that the matter should be properly brought to the attention of both the Office of Attorney Ethics, as well as the Client’s Security Fund, and provides their contact information.

16. A letter from the District Ethics Committee for Monmouth County District IX, dated February 27, 1991, to Cathleen and Zontan Szatmary, acknowledged receipt of their grievance form complaining about attorney Kenneth F. Irek (SEE Attachment 15, Zontan and Cathleen Szatmary Attorney Grievance Form (unsigned)).

The following are excerpts of relevant portions of the Grievance Form:

On the grievance form, Question B. (1) asks: Was the specific lawyer complained of your lawyer? Answer, NO.

On the grievance form, Question E. asks to state what the lawyer did or failed to do which may be unethical. *The answer is reproduced in its entirety:*

“Please see letter filed by our Attorney, dated November 14, 1990, to Ronald J. Troppoli, of the Monmouth County Prosecutor’s Office, and the attachments, which accompanies this Complaint Form. The basis of our Complaint is that Mr. Irek was both an Officer of the Contracting Corp., Kirex Development Co., and an Attorney in dealing with us, for the purchase of a lot upon which to construct a home. Mr. Irek received \$5,000.00 as our down payment and then disappeared. After extensive letter writing and phone calling, and also a trip to Mr. Irek’s house by Mr. Poane, no response was received, in order to conclude the purchase of the lot. Mr. Irek has disappeared, our \$5000.00 has also disappeared. I would also like you to know that we spent approximately another \$4,000 in preparation for the purchase of the lot, including Perk Test. We believe Mr. Irek took our money, has intentionally failed to sell the property to us or give us our money back, and has now disappeared. We believe Mr. Irek acted as an Attorney for Kirex Development Co., as well as an Official of that Company.” *(The form is undated and unsigned)*

17. On April 12, 1991, Cathleen D. Szatmary and Zontan J Szatmary completed a New Jersey Lawyers’ Fund For Client Protection *Statement of Claim*, which was received by NJLFCP on April 16, 1991 (SEE Attachment 16, Zontan and Cathleen Szatmary NJLFCP Statement of Claim).

The following are excerpts of relevant portions of the claim: *[italics indicate the claimant's hand-written response]*

**Question 3. Attorney Against Whom Claim is Made: Name: *Kenneth Irex ...***

**Question 4. How Long Have You Known Him/ Her *Never met him, Dealings only through real estate deal (escrow agent)***

**Question 5. How Long Did He/ She Represent You *NA***

**Question 7. Is Claim Based On \_\_\_\_\_ Attorney-Client Relationship**

**Or X Fiduciary (guardian, executor, trustee) Relationship (*escrow agent*)**

**Question 12. If Known, List The Assets Of The Attorney From Which Reimbursement Can Be Made, And Indicate What Efforts Have Been Made To Recover The Loss From The Attorney Directly.**

*Mr. Irek, I believe was a principal in Kirex Development Co. and probably owned the property I was trying to buy through the corporation. The Development we were going to buy our lot in had a sign saying "Brentwood Acres" By Kirex Development Corp. I believe their [sic] were several properties owned by Kirex and/ or Mr. Irek there. Further my attorney tells us that Stewart Title Company, 80 West Main Street, Freehold, N.J. 07728, said they did work for Mr. Irek and they may know of additional assets. Mr. Irek was the owner listed on the tax rolls for 87 Carriage Hill Dr., Colts Neck, N.J. according to a response to Mr. Poane's inquiry [sic]. For a while Mr. Irek was accepting calls through messages left for him at Fast Frame Building Systems P.O. Box 725, Freehold, NJ 07728 (201) 409-0227.*

**Question 13. Are You Suffering Any Financial Hardship? Yes X No \_\_\_\_\_**

**If Yes, Describe Below: *See attached paper***

**Szatmary**

***Answer to Question #13***

*We have been in a financial hardship ever since Ken Irek took our money without intent to truly close on the land deal. We had to use our savings to rent another house while we look for a house to purchase since we can no longer purchase property due to the \$5,000.00 loss. We need to pay cash for property in order for the bank to loan us money to build, our Dream Died when Ken Irek walked off with our money.*

*We are now in a real dilemma, we have to purchase a house by Aug 1991 in order not to pay any tax, this is due to the \$5,000.00 loss + other expenses amounting to \$4,000 for a total of approximately \$9,000.00. So either way we are still going to have to pay some tax.*

1           *We had to pay for a perc + boaring [sic], survey + septic Designs and architect plans*  
2 *also other little expenses. The money we lost has but a great stress on our family life and individual*  
3 *dealings.*

4           *To top this all off I was pregnant when all of this happened adding more stress and*  
5 *financial burden because we had no maternity coverage on our insurance policy. My husband is in the*  
6 *construction business and hasn't worked steady in about 1 ½ yrs. So not having much*

7           *[Answer to Question #13 cont.]*

8           *income, paying out large major expenses on hospital and doctor bills has left us no*  
9 *choice but to dip into our house money, which wouldn't be there if we had built or close on another*  
10 *home. That is another reason for our down payment being lower that it should be. In all we have*  
11 *truley [sic] lost over \$30,000.*

12           *Now we have found a home to purchase but we need 20% down in order to qualify to*  
13 *purchase it. We really hope that you will bring this before the Board as soon as possible that we will*  
14 *know if we can receive our money back to buy this home. We have been disappointed quite a few times*  
15 *already please don't dispear [sic] our hopes this time in handling this matter.*

16           *We heard after the fact that Ken Irek was suspended from the bar either in 1987 or*  
17 *1989, if we had been aware of this at the time we would have been more causious [sic] in dealing with*  
18 *him. We would like to put our trust in lawyers in general but this is not the first time we had mis*  
19 *dealings [sic] with one. We had be wronged by Justinian Connors approximately 1985, luckily there*  
20 *was no money loss, just a trust in some lawyers Please restore our faith + trust in the system and help*  
21 *us to obtain our money so that we will not have to pay over \$12,000.00 the government for capital gain*  
22 *tax and so that we may once again have the joy and satisfaction of owning our very own home. This*  
23 *will surely ease the stress and emotional discord we are now experiencing as a family.*

24           *We also heard that he had taken other peoples [sic] money from down payments of*  
25 *homes he was supposed to have built for them. So as you can see he was truley [sic] being dishonest in*  
26 *his conduct in dealing with us. Please be moved to handle him in the manner in which you would any*  
27 *dishonest lawyer and restore us our money.*

28           *Thank you that there is such a system and fund to help protect people like us.*

*Sincerely Yours,*

*Cathleen D. Szatmary*

**Question 15. How Did You Learn About The Fund? Through Dennis Poane (Our Attorney)**

18. On July 29, 1992, District IX Ethics Committee of the New Jersey Supreme Court held an ethics hearing regarding a Grievance Form filed by Cathleen D. Szatmary against Kenneth F. Irek, Esq (Plaintiff).

The members of the Hearing Committee were:

Richard M. Keil, Esq, Chairman

Robert J. Gaughran, Esq, Presenter

James H. Moody, Esq, Panel Member

Robert M. Flanagan, Public Member

Cathleen D. Szatmary, Witness

19. The hearing was held at the law office of Gaughran & Steib, 1275 Highway 35, Middleton, NJ 07748. The Respondent, Kenneth F. Irek (Plaintiff) was served by Affidavit of Publication, but was not present.

20. A computerized transcript of the stenographic notes of the proceedings was taken by and before Kathleen M. Cassidy, CSR, a Certified Shorthand Reporter and Notary Public of New Jersey, commencing at 10:15 in the forenoon, a copy of which was obtained from the records of Supreme Court of New Jersey pursuant to Court Rule 1:28-9 and/or R. 1:38-1, *et.seq.* and is attached (SEE Attachment 17, Testimony of Cathleen D. Szatmary Before District IX Ethics Committee)

21. Cathleen D. Szatmary's verbal testimony generally follows the chronological events outlined above, and are not contested. The following excerpts from her testimony are set forth in detail to corroborate and reinforce the Facts of this complaint:

***Page 6, line 18: Robert J. Gaughran questioning Cathleen D. Szatmary***

Q. Now, after you spoke to Ken Irek and saw the lot, did you retain legal counsel to represent you in connection with this purchase?

A. Right.

Q. And who represented you?

A. Dennis Poane, Esq.

***Page 7, line 8: Robert J. Gaughran questioning Cathleen D. Szatmary***

Q. So, you and your husband decided that you're serious about purchasing this lot - -

A. Uh-huh.

Q. - - and you retained Mr. Poane to represent you.

A. Right.

***Page 8, line 5: Robert J. Gaughran questioning Cathleen D. Szatmary***

Q. So, your attorney, Mr. Poane, Dennis Poane, negotiated those changes in the real estate contract with whom?

A. Well, that he sent it back, um - - I think either Fran picked it up or he mailed it, I'm not really sure which.

Q. Did he have any negotiation with Kenneth Irek?



1 A. He spoke - - did he? I don't know if he spoke to him or not. I think he -  
-I'm not sure if he spoke to him or not. He might have spoke to him once or twice, I'm not really sure,  
2 but he mostly, I think, dealt with Fran - -

3 Q. Okay.

4 A. Donahue.

5 ***Page 9, line 5: Robert J. Gaughran questioning Cathleen D. Szatmary***

6 Q. Okay. So, the contract is dated May 29, 1990. I show  
you exhibit P-2 again, which is the \$5,000 dollar deposit check and ask you what's the date on that check.

7 A. 5/29

8 Q. So, did you prepare the check at the same time that you  
9 signed the contract?

10 A. Right

11 Q. Now, the check is made payable to Kirex Development  
Co..

12 A. Right

13 Q. Is there any reason why the check was made payable to  
14 Kirex Development Co.?

15 A. Well, that was the development that we were buying from. You know,  
that was his development.

16 Q. "His development," meaning Mr. Irek's?

17 A. Right.

18 Q. Okay.

19 A. And I had questioned Dennis about that, I was like: How come we don't - - because we  
bought houses before and because we've sold two houses and knew we were buying this land to build and  
20 I said: How come it's not made out to, you know, a lawyer in trust, because that's usually how we did it,  
21 and he informed me that Ken Irek was a lawyer acting on his own behalf through Kirex Development so  
22 there would not be a problem. He wouldn't see any reason why we shouldn't fill it out that way.

23 Q. All right. So, your lawyer advised you that it was okay to have  
24 the check payable to the developmental company because representations were made to your lawyer by  
Mr. Irek?

25 A. That he was acting on his own behalf as a lawyer.

26  
27 ***Page 11, line 9: Robert J. Gaughran questioning Cathleen D. Szatmary***

28 Q. So, what you're saying is: That when your lawyer did the title  
work, he found out that there were liens and judgments against Mr. Irek?

1 A. Right. Correct.

2 Q. Do you know if those liens and judgments against Mr. Irek  
3 would have exceeded the total purchase price of the lot?

4 A. The liens and judgments that he knew of, at the time, would not have - -  
5 the guy still would have - - Ken Irek would have still came out with some money.

6 Q. Okay.

7 A. Not much, but he still would have came out with some money.

8 Q. Okay.

9 A. A very small amount.

10 ***Page 16, line 13: Richard M. Keil questioning Cathleen D. Szatmary***

11 Q. I have some questions. P-1, paragraph five of the contract states:  
12 Deposit monies, all deposit monies will be held in trust by Kirex Development Co. Located at Colts  
13 Neck, NJ until closing. The time you gave – at the time you handed over that check, you understood then  
14 that it was the same as being - - that it was being held by an attorney.

15 A. Correct. Because that's what I questioned, that. Because we had a  
16 misdealing with an attorney one time Justin Ann Connors. We didn't lose anything, we did not lose  
17 anything out of that but we were in the process of buying our house when we had dealings with - - or  
18 selling our house when we had dealings with him and that was like hairy in itself and that's when we had  
19 William Smith take over for us and then we just found Dennis later for our other things. So, that's why I  
20 was more cautious than I would have been normally in saying: Why isn't there an attorney, you know,  
21 dealing with this and he said, you know: He is an attorney, you know.

22 ***Page 18, line 3: James H. Moody questioning Cathleen D. Szatmary***

23 Q. With regard to the contract that's been marked P - - I believe P-1  
24 for identification, is that the actual contract that you were originally provided with and which your  
25 attorney made certain changes?

26 A. Correct

27 Q. Did you receive any type of correspondence from your attorney  
28 indicating any discussions he had with Ken Irek regarding changes to be made in the contract before this  
one was actually executed?

A. I don't know. I have a lot of different letters here, that he gave me copies  
of, which I don't know exactly if there is any - - I mean, he's - - you mean as far as verbally speaking to  
him or just letters?

1 Q. Yes, if they spoke on the phone, if there was any  
2 clarification of the terms of the contract or any changes to be made in the contract before you and your  
3 husband signed it.

4 A. I'm almost positive that he spoke to him at least once because he had told  
5 us that.

6 Q. Okay. Do you know whether there was a discussion, a  
7 verbal discussion, between your attorney and Mr. Irek with regard to that question that you raised on the  
8 deposit being held in escrow or being - -

9 A. That, I'm not aware of.

10 Q. - - held by the firm until such time as the closing?

11 A. That, I'm not aware of.

12 ***Page 22, line 17: James H. Moody questioning Cathleen D. Szatmary***

13 Q. MR. MOODY: One other question I forgot. You were  
14 talking about trying to reach Ken Irek or Fran or someone when you started to become a little concerned  
15 as to whether this was going to close. Did you ever speak to Ken Irek directly?

16 A. Not after that, not after the - - I only initially spoke to him once in  
17 reference to the paper.

18 Q. And that was to the ad?

19 A. I believe so.

20 Q. After that, did you ever speak to him?

21 A. No, I didn't. I believe Dennis did, though.

22 Q. How about your husband, to your knowledge, did he  
23 ever speak to him?

24 A. No.

25 Q. Did you ever meet him?

26 A. No.

27 Q. You never - -

28 A. I don't know what the man even looks like.

Q. Okay

29 ***Page 23, line 25: Robert J. Gaughran, Esq., submitting his verbal summary to the  
30 Ethics Committee***

31 Just as a very brief summary, I respectfully submit that although the Respondent  
32 is not here he has, at the very least, violated two of the rules of professional conduct, 1:15 (b) as it relates

1 to his obligation to safekeep property and that he did not return to the grievant the funds that they were  
2 entitled to.

3 And, secondly, I also submit that RPC 8.4 (c) has been violated in that the  
4 Respondent engaged in conduct that's either dishonest, fraudulent, along with potential misrepresentation  
5 to the grievant.

6 22. On May 14, 1993, the New Jersey Lawyers' Fund for Client Protection sent a letter to Plaintiff  
7 (SEE Attachment 6, Letter Dated 5/14/1993 from Roger S. Steffens, Deputy Counsel, NJLFCP),  
8 stating that they now had jurisdiction to consider the Zontan and Cathleen Szatmary claim against him,  
9 since the Supreme Court of New Jersey had disbarred Plaintiff on May 11, 1993 (SEE Attachment 18,  
10 Supreme Court of New Jersey Order That Kenneth F. Irek Be Disbarred).

11 **The following are excerpts of relevant portions of the Disbarment Order:**

12 [Caption]

13 "The Disciplinary Review Board having filed a report with the Court recommending that  
14 KENNETH F. IREK, formerly of COLTS NECK, be disbarred for the knowing misappropriation of  
15 escrow funds in violation of RPC 1:15(b) and RPC 8.4(c), and good cause appearing;

16 It is ORDERED that KENNETH F. IREK, formerly of COLTS NECK, who was admitted to the  
17 bar of this State in 1981, be disbarred and that his name be stricken from the roll of attorneys of this State,  
18 effective immediately; and it is further

19 ORDERED that KENNETH F. IREK be and hereby is permanently restrained and enjoined from  
20 practicing law; and it is further...

21 ORDERED that the Office of Attorney Ethics shall cause this Order to be published on two  
22 successive days in the Asbury Park Press.

23 WITNESS, the Honorable Robert N. Wilentz, Chief Justice, at Trenton, NJ on this 11<sup>th</sup> day of  
24 May, 1993."

25 *{Citations: 132 N.J. 203 (1993); 623 A.2<sup>nd</sup> 1378 (N.J. 1993)}*

26 23. On November 26, 1993, the NJLFCP entered a Release, Assignment and Subrogation Agreement  
27 with Zontan and Cathleen D. Szatmary (SEE Attachment 19, NJLFCP, Subrogation Agreement with  
28 Zontan and Cathleen Szatmary).

The following are excerpts of relevant portions of the claim:

"The Trustees of the Client Protection Fund, pursuant to R.1:28-3, having considered the  
claim of Zontan Szatmary and Cathleen D. Szatmary, arising from the dishonest conduct of their attorney,  
Kenneth Irek, it is now mutually agreed:

1. The Client Protection Fund will pay to Zontan Szatmary and Cathleen D. Szatmary the  
sum of \$5,000 upon execution of this Agreement by all parties.

2. ... ."



1 The Agreement is signed by Robert S. Feder, Chairman Board of Trustees and Attested  
by Ella M. Scarantino, Secretary.

2 The Agreement is signed on November 26, 1993 by Zontan Szatmary and Cathleen D.  
3 Szatmary and Notarized by Nicole A. Leonard.

4  
5 24. On December 29, 1994, the New Jersey Lawyers' Fund for Client Protection, Plaintiff, filed a  
6 Civil Action Complaint against Kenneth Irek, Defendant in the Superior Court of New Jersey, Law  
7 Division, Mercer County (SEE Attachment 11, Complaint - Docket No. L-5664-94, Superior Court of  
New Jersey, Law Division, Mercer County).

8  
9 The following are excerpts of relevant portions of the Complaint:

10 [Caption] Docket No. MER-L-005664-94

11 "The plaintiff, New Jersey Lawyers' Fund for Client Protection, an entity established by the  
12 Supreme Court of New Jersey under R.1:28-1, et seq., Richard J. Hughes Justice Complex, CN-961,  
Trenton, New Jersey 08625, complaining against the defendant says:

13 1. The plaintiff was established to reimburse clients for loses caused by the  
14 dishonest conduct of members of the Bar of New Jersey.

15 2. Defendant maintained offices for the practice of law at 41 Highway 34,  
Colts Neck, New Jersey 07722.

16 3. Defendant was disbarred from the practice of law on May 11, 1993.

17 4. In or about August 1990, while representing Zontan and Cathleen  
18 Szatmary, defendant embezzled, misapplied and converted to his own use the sum of \$5,000.00 received  
19 by him on behalf of Mr. and Mrs. Szatmary as funds to be held, in a fiduciary capacity, in escrow in  
connection with a real estate transaction.

20 5. The individuals named in paragraph four of this complaint filed a claim  
21 with plaintiff on account of the dishonest conduct of the defendant.

22 6. Pursuant to R. 1:28-1, et seq., of the Rules Governing the courts of New  
23 Jersey, the plaintiff has paid the claim of the claimants named in paragraph four and has received an  
assignment of all their rights, claims and interest against the defendant.

24 7. To date, defendant has not reimbursed the plaintiff for any monies paid  
25 on his behalf.

26 WHEREFORE, plaintiff demands judgment against the defendant for damages in  
27 the amount of FIVE THOUSAND DOLLARS (\$5,000.00) plus interest from the date of Complaint and  
28 costs of suit.

[signed] /S/

Michael T. McCormick  
Deputy Counsel  
Attorney for Plaintiff

Dated: December 21, 1994

CERTIFICATION

I hereby certify pursuant to R. 4:5-1 that, to my knowledge, the matter in controversy is not the subject of any action pending in any court nor is there any arbitration proceeding, nor is any such action or arbitration contemplated. I further certify that there are no parties who should be joined in this action.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

*[signed]* /S/

Michael T. McCormick  
Deputy Counsel  
Attorney for Plaintiff

Dated: December 21, 1994”

25. On March 1, 1995, Daniel R. Hendi, Esq., Senior Counsel for the New Jersey Lawyers’ Fund for Client Protection, filed a ‘Request For Entry Of Default Judgment With Supporting Affidavit’, with the NJ Superior Court of Mercer County (SEE Attachment 20, Request For Entry Of Default, MER L 005664-94).

26. On March 22, 1995, ‘Default Judgment’ was entered by Judge Neil H. Shuster, JSC, Judgment # J-082161-95 and stamped: Recorded as a Lien 3-31-95” (SEE Attachment 13, Default Judgment - Docket No. L-5664-94, Superior Court of New Jersey, Mercer County).

27. A letter dated April 18, 1995, was sent to Plaintiff at his Chatsworth, California address by Michael T. McCormick, Esq., Deputy Counsel and Secretary of the New Jersey Lawyers’ Fund for Client Protection (SEE Attachment 21, Letter Dated April 18, 1995 To Kenneth Irek with Default Judgment).

The following are excerpts of relevant portions of the Letter:

Dear Mr. Irek:

“Enclosed please find a copy of the Default Judgment entered against you in the above captioned matter. As you are aware, this judgment is a result of the Fund’s payment of the claim of Szatmary v. Irek in the amount of \$5,000. To date you have not reimbursed the Fund for any portion of this amount; the entire debt of \$5,000 remains as your personal obligation.

We ...

1 Again, we wish to work with you, but cannot do so without your cooperation. If I do not hear  
2 from you by May 10, 1995 I will be forced to assume you wish to begin a potentially protracted collection  
3 process. The Fund will retain local counsel, enter its judgment in California and thereafter pursue all  
4 available remedies to obtain satisfaction of its judgment.

4 Please be guided accordingly.

5 Very truly yours,

5 /S/

6 Michael T. McCormick

7  
8 28. Beginning on or about April, 2000, the New Jersey Lawyers’ Fund for Client Protection  
9 (“NJLFCP”) began using the Comprehensive Enforcement Program established by N.J.S.A. 2B:19-1 et  
10 seq. to enforce their Judgment against Plaintiff (SEE Attachment 22, Letter Dated April 24, 2000, To  
11 Kenneth Irek Stating the NJLFCP Judgment Against Him Would Be Enforced Through the CEP).

12 The Legislative History of the Comprehensive Enforcement Program *{is not part of the*  
13 *record, but is included here because the CEP is utilized extensively by Defendants against Plaintiff}* (SEE  
14 Attachment 23, Legislative History of Comprehensive Enforcement Program), adopted February 24,  
15 1994, states, inter alia, that:

15 **[page 1, line 31]**

16 “ f. Upon passage of this act, the Supreme Court and the Chief Justice will establish a  
17 Statewide comprehensive enforcement program within the present structure of the Superior Court which  
18 will provide for the enforcement of court orders and oversee collection of court-ordered fines,  
19 assessments, surcharges and judgments in the civil, criminal and family divisions... .

19 **[page 2, line 39]**

20 “5.a. The governing body of each county, through the sheriff or such other authorized  
21 officer, may establish a labor assistance program as an alternative to direct incarceration to be utilized by  
22 the comprehensive enforcement program as a sentencing option.” ... .

22 **[page 2, line 49]**

23 “b. In counties that do not establish a labor assistance program, the probation services  
24 division shall establish an enforced community service program as an alternative to direct incarceration,  
25 to be utilized by the comprehensive enforcement program as a sentencing option.” ... .

25 **[page 3, line 6]**

26 “c. (1) As used in this section, “labor assistance program” means a work program,  
27 established by the county under the direction of the sheriff or other authorized county officer, which  
28 rigorously supervises offenders providing physical labor as an alternative to incarceration.

1 (2) As used in this section, “enforced community service” means a work program,  
2 established and supervised by the probation division, which directly and rigorously supervises offenders  
3 providing physical labor as an alternative to direct incarceration in those counties which have chosen not  
4 to create a labor assistance program.” . . . .

5 29. On October 4, 2000, Chief Justice Deborah T. Poritz signed an Order extending, for six months or  
6 until further Order of the Court, the July 23, 1999, Order of the Supreme Court that established a one-year  
7 project under which the New Jersey Lawyers Fund for Client Protection was authorized to use the  
8 Comprehensive Enforcement Program for collection of monies on behalf of the Fund (SEE Attachment  
9 24, Supreme Court Order Extending Time The NJLFCP Is Authorized to Use the CEP).

10 30. Between 2000 and 2017, the NJLFCP sent at least 39 letters directly to Plaintiff regarding the  
11 Fund’s use of the Comprehensive Enforce Program for collection of their judgment for restitution against  
12 Plaintiff (See Attachment 25, List of Letters to Plaintiff Regarding Use of the CEP).

13 31. To assist in understanding the extent of the use of the CEP by the Fund, four (4) letters and  
14 enclosures, beginning with the correspondence dated October 3, 2014, are described below. (SEE  
15 Attachment 26, Letter Dated October 3, 2014, Stating Kenneth F. Irek is Delinquent in Making Payments  
16 on the Repayment Plan).

17 The following is an excerpt of relevant portions of the Letter and Enclosures from the  
18 NJLFCP to Mr. Kenneth F. Irek, Plaintiff, dated October 3, 2014:

19 Letter: [Caption]

20 Re: New Jersey Lawyers’ Fund for client Protection v. Kenneth F. Irek

21 Docket No. MER-L-0005664-94; Judgment No. J-082161-95; our File No.:  
22 CPF-520

23 Dear Mr. Irek:

24 Our review of your account indicates that you are delinquent in making payments on the  
25 repayment plan to which consented under the Comprehensive Enforcement Program (CEP). The  
26 payments in arrears as of October 3, 2014 are set forth on the enclosed Notice of Delinquency. I have  
27 calculated the deficiency by comparing payments due versus payments received since you entered the  
28 repayment agreement.

You must cure the arrears or contact me at 609-815-3043 to make appropriate arrangements on or  
before Monday, October 27, 2014, or I shall issue you a Summons to appear for the enforcement hearing  
scheduled for Friday, December 5, 2014.

If you have not completed an Information Subpoena under R 4:59-1(e) within the last (6) months,  
you must complete the enclosed Information Subpoena. Please answer the questions fully and not merely



1 by reference to your subpoena. The Information Subpoena must be returned before we can excuse you  
2 from the Hearing even if a payment has already been made and you have cured your arrearages.

3 NEW JERSEY'S LAWYERS' FUND FOR CLIENT PROTECTION

4 By: /S/ \_\_\_\_\_

5 Ruby D. Cochran

6 Deputy Counsel

7 Notice of Delinquency [Caption]

8 October 3, 2014

9 Cmpt./Acc./Dkt. MER-L-0005664-94

10 Judgment # J-082161-95

11 Financial Account # CPF-520

12 ....

13 The New Jersey Lawyers' Fund for Client Protection has referred your debt to  
14 the Comprehensive Enforcement Program (CEP) for collection. YOUR RESTITUTION OBLIGATION  
15 IS IN ARREARS. THE NEXT LETTER YOU RECEIVE WILL BE A COURT SUMMONS TO AN  
16 ENFORCEMENT HEARING. You may be able to avoid a Court appearance on Friday, December 5,  
17 2014 by doing ALL of the following ON OR BEFORE Monday, October 27, 2014:

- 18 proposing a payment plan and/ or curing the arrears
- 19 executing a Consent Order prepared by the Fund
- 20 making a lump sum payment and a monthly payment; and
- 21 returning the enclosed Information Subpoena

22 ALL PROPOSALS FOR PAYMENT ARE SUBJECT TO APPROVAL BY THE  
23 BOARD OF TRUSTEES. If your failure to pay is found to be willful noncompliance, one or several of  
24 the following may happen:

- 25 - your wages may be garnished;
- 26 - your personal assets may be seized;
- 27 - your tax refund, lottery or gambling winnings may be attached;
- 28 - a judgment may be docketed against you. This will act as a lien against any real  
estate that you own and may adversely affect your ability to obtain loans or other forms of credit;
- involuntary enrollment in either the Sheriff's Labor Assistance or Enforced  
Community Service Program as alternative to detention. (Cost to you: \$15 enrollment fee and \$2 per day  
fee.)
- your driving privileges may be suspended

YOU MAY BE ABLE TO AVOID THESE ACTIONS IF YOU FOLLOW THE STEPS  
1 OUTLINED ABOVE.

2 Please put your account number (CPF#) on any payment that you mail in to receive  
3 proper credit. Payments in the form of a check or money order can be mailed to the Post Office Box  
4 address on your letterhead. Payments can be made in person at New Jersey Lawyers' Fund for Client  
5 Protection between 8:30 a.m. and 4:30 p.m., Monday through Friday.

6 If you wish to discuss your case, to make payment arrangements, or if good  
7 reason exists for your failure to pay, please contact Ruby D. Cochran, Esquire at the New Jersey Lawyers'  
8 Fund for Client Protection within five (5) days of receipt of this notice at (609) 815-3043.

9 Sincerely,

10 \_\_\_/S/\_\_\_

11 Thomas Bartlett, Chief of  
12 Collections, Administrative Office of the Courts

13 INFORMATION SUBPOENA ...

14 32. The second correspondence dated November 5, 2014, is described below. (SEE Attachment 27,  
15 Letter Dated November 5, 2014, Stating Kenneth F. Irek is Summoned to Appear Before a Hearing  
16 Officer).

17 The following is an excerpt of relevant portions of the Letter and Enclosures from the  
18 NJLFCP to Mr. Kenneth F. Irek, Plaintiff, dated November 5, 2014:

19 Letter: [Caption]

20 Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek

21 Docket No. MER-L-0005664-94; Judgment No. J-082161-95; our File No.:  
22 CPF-520

23 Dear Mr. Irek

24 As I explained in my October 3, 2014 letter to you, the New Jersey Supreme  
25 Court has granted the New Jersey Lawyers' Fund for Client Protection the authority to enforce your  
26 obligations to pay the referenced Judgment through the Comprehensive Enforcement Program established  
27 by N.J.S.A. 2B:19-1 et seq.

28 As you have not responded to the Notice of Delinquency forwarded to you via first class and  
certified mail, enclosed are an original and one (1) copy of a Summons that requires you to appear on  
Friday, December 5, 2014 at 9:00 a.m. before a hearing Officer of the Superior Court of New Jersey, in  
Courtroom 1A, at the Mercer County Civil Courthouse, 175 South Broad Street, Trenton, New Jersey, for  
a Hearing to enforce your payment obligation.

If you have not already done so, please return the completed Information Subpoena.

NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION

By: /S/ \_\_\_\_\_

Ruby D. Cochran

Deputy Counsel

Enclosure

**Summons:** [Caption]

New Jersey Lawyers' Fund for Client Protection,

Plaintiff

v

Kenneth F. Irek

9800 D Topanga Cyn Blvd. #26

Chatsworth, CA 91311

COMPREHENSIVE ENFORCEMENT PROGRAM

SUMMONS TO APPEAR FOR

ENFORCEMENT HEARING

Dear Sir:

You are hereby notified that you have FAILED TO SATISFY A JUDGMENT ENTERED AGAINST YOU in the Superior Court of New Jersey. Your BALANCE owed on this Judgment is \$4,100.00.

TAKE NOTICE: You may be charged with CONTEMPT OF COURT relative to your failure to make payments as directed toward your obligations. You are hereby summoned to appear in the Superior Court of New Jersey before Hearing Officer, at the ENFORCEMENT COURT on Friday, December 5, 2014 at 9:00 a.m. The location is Courtroom 1A, at the Mercer County Civil Courthouse, 175 South Broad Street, Trenton New Jersey.

At this hearing, one or more of the following enforcement sanctions may be applied:

- your wages may be garnished;
- your personal assets may be seized;
- your tax refund, lottery or gambling winnings may be attached;
- a judgment may be docketed against you. This will act as a lien against any real estate that you own and may adversely affect your ability to obtain loans or other forms of credit;

- involuntary enrollment in either the Sheriff's Labor Assistance or Enforced Community Service Program as an alternative to direct incarceration. (Cost to you: \$25 enrollment fee and \$8 per day fee.)

- suspension of driving privileges pursuant to N.J.S.A 2C:46-2.

You must appear at this hearing. Failure to appear may result in a Warrant for your arrest, or the entry of a default order for the relief requested by this application, or both. If you will need an interpreter during the hearing, call the New Jersey Lawyers' Fund for Client Protection at least two days before the hearing so that arrangements can be made to provide an interpreter for you.

You have the right to be represented by an attorney if you choose. YOU ARE STRONGLY URGED TO BRING WITH YOU any documents you feel may explain your failure to satisfy the above noted obligation and BE PREPARED TO MAKE A PAYMENT AT THE TIME OF THE HEARING. Any questions concerning the amount owed, should be addressed by contacting Ruby D. Cochran, Esq., at the New Jersey Lawyers' Fund for Client Protection, (609) 815-3043.

Sincerely,

/S/

Thomas Bartlett, Chief of Collections,  
Administrative Office of the Courts

PLEASE NOTIFY COURT OF DISABILITY/ INTERPRETER ACCOMMODATION NEEDS.

33. The third correspondence dated January 9, 2015, is described below. (SEE Attachment 28, Letter Dated January 9, 2015, Stating a Consent Order was Entered Authorizing the NJLFCP to Pursue a Bench Warrant for the Arrest of Kenneth F. Irek).

The following is an excerpt of relevant portions of the Letter and Enclosures from the NJLFCP to Mr. Kenneth F. Irek, Plaintiff, dated January 9, 2015:

Letter: [Caption]

Re: New Jersey Lawyers' Fund for client Protection v. Kenneth F. Irek

Docket No. MER-L-0005664-94; Judgment No. J-082161-95; our File No.: CPF-520

Dear Mr. Irek:

Enclosed please find a copy of the Consent Order that was entered by the Court at the Comprehensive Enforcement Hearing on December 5, 2014.

This Consent Order authorizes us to pursue a Bench Warrant for your arrest. We have given you every opportunity to contact us and make payment arrangements on the amount due and



owing to the fund. If we do not hear from you within ten (10) days from the date of this letter, we will forward the enclosed Order, together with a request for a Bench Warrant for your arrest to the proper authorities. You will then only be released from incarceration upon the payment of \$150,00.

It is essential that you contact me within ten (10) days of the date of this letter to resolve this issue. If I do not hear from you, then I will take the necessary steps to begin the above process.

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By: /S/\_\_\_\_\_

Ruby D. Cochran

Deputy Counsel

RDC:sjb

Enclosure

Sent by regular mail and certified mail, r.r.r.

The following is an excerpt of relevant portions of the Judgment and Consent Order entered December 5, 2014:

Judgment and Consent Order:

COMPREHENSIVE ENFORCEMENT PROGRAM [Caption]

New Jersey Lawyers' Fund for Client Protection

vs.

Kenneth F. Irek

Hearing Date: December 5, 2014

Judgment #: J-082161-95

This matter has been opened to the Comprehensive Enforcement Program by the New Jersey Lawyers' Fund for Client Protection for an Order

Service upon which this order is based: XCertified Mail XSigned by ???

XRegular Mail XNot Returned

IT IS HEREBY ORDERED, that the Defendant pay to the New Jersey Lawyers' Fund for Client Protection ("the Fund") the balance due of \$4,100.00 ...

....

X A BENCH WARRANT for the Defendant is hereby recommended/ ordered. The Defendant was properly noticed for court appearance and failed to appear (service noted above).

Defendant may be released from incarceration upon payment of \$150.00

I HEREBY DECLARE THAT I UNDERSTAND ALL PROVISIONS OF THIS RECOMMENDATION/ORDER.

Defendant: \_\_\_\_\_

This order is being entered in default. KENNETH F. IREK

Witness: \_\_\_\_\_

So recommended to the Court by the Hearing Officer.

Name: LISA LYNCH, ESQ.

Signature: \_\_\_/S/\_\_\_\_\_

LISA LYNCH, ESQ.

SO ORDERED by the Court:

Name:

Signature: \_\_\_/S/\_\_\_\_\_

William Anklowitz, J.S.C

34. The fourth correspondence dated March 30, 2015, is described below. (SEE Attachment 29, Letter Dated March 30, 2015, To Kenneth F. Irek, Stating A Bench Warrant was Issued for his Arrest w/ Photocopy of Signed Bench Warrant).

The following is an excerpt of relevant portions of the Letter and Enclosures from the NJLFCP to Mr. Kenneth F. Irek, Plaintiff, dated March 30, 2015:

Letter: [Caption]

Re: New Jersey Lawyers' Fund for client Protection v. Kenneth F. Irek

Docket No. MER-L-0005664-94; J-082161-95; Our File No.: CPF-520

Dear Mr. Irek:

The Superior Court of New Jersey has issued a Bench Warrant (photocopy enclosed) for your arrest as a result of your failure to appear for the enforcement hearing on December 5, 2014, to which you were summoned regarding the above referenced obligation to the New Jersey Lawyers' Fund for Client Protection.

The Fund will afford you a final opportunity to enter into a Consent Order for repayment before it forwards the Bench Warrant to the Los Angeles County Sheriff's Department for execution. You must return an executed Consent Order (which the Fund will generate after you propose a reasonable payment plan), an initial payment, and a completed Information Subpoena to this office on or before April 17, 2015, or the Fund will prosecute the Bench Warrant. Please call me at (609-815-3043 to discuss your case.

The Fund will afford you a final opportunity to pay the purge amount of \$150.00 set forth in the Bench Warrant before it forwards the Bench Warrant to the Sheriff's Department for

1 execution. The purge amount of \$150.00 must be paid on or before April 17, 2015, or the Fund will  
2 prosecute the Bench Warrant.

3 NEW JERSEY LAWYERS'  
4 FUND FOR CLIENT PROTECTION  
5 By: /S/ \_\_\_\_\_  
6 Ruby D. Cochran  
7 Deputy Counsel

8 RDC:sjb

9 Enclosure

10 Sent by regular mail and certified mail, r.r.r.

11 The following is an excerpt of relevant portions of the Bench Warrant entered March 23,  
12 2015:

13 Bench Warrant: [Caption]

14 New Jersey Lawyers' Fund for Client  
15 Protection,  
16 Plaintiff,  
17 v.  
18 Kenneth F. Irek  
19 Defendant.

20 SUPERIOR COURT  
21 OF NEW JERSEY  
22 LAW DIVISION  
23 MERCER COUNTY  
24 DOCKET NO. MER-L-  
25 005664 001

26 TO: THE SHERIFF OF LOS ANGELES COUNTY, CA:  
27 OR ANY OTHER AUTHORIZED PERSON

28 WHEREAS, by a certain Order made in the Superior Court of New Jersey, Law  
Division, Civil Part on the 5<sup>th</sup> day of December, 2014, it was Ordered that a Warrant be issued for the  
arrest of KENNETH F. IREK because of his failure to appear pursuant to a Summons to Appear for  
Contempt of Court Hearing served by certified and regular mail on November 5, 2014, concerning his  
failure to pay the obligation imposed by the Judgment referenced above.

THEREFORE, we command you to take KENNETH F. IREK between the hours  
of 8:30 a.m. and 3:30 p.m. on Monday through Friday and safely and closely keep him in your custody in  
the common jail of the County of Los Angeles until he shall be brought before the Honorable William  
Anklowitz, J.S.C., Superior Court of New Jersey, Mercer County, or until said Court shall make Order to  
the contrary.

UPON payment of \$150.00 in cash, money order or certified check, made payable to the New Jersey Lawyers' Fund for Client Protection, the defendant shall immediately be released from custody.

Dated: 3/23/15

/Sue Regan/

SUE REGAN

Deputy Clerk of the Court

Superior Court of New Jersey, Mercer County

35. The Plaintiff, living in California since 1994, did not attend any Enforcement Hearings in Trenton, New Jersey. NJLFCP continued their collection activity through letters, Consent Orders and Bench Warrants.

36. On or about the early part of 2017, Plaintiff became aware of the New Jersey Supreme Court's decision to vacate the disbarment of Michael A. Luciano (In re Luciano, 2016 BL 382847, N.J., No. D-63 September Term 2013, 11/16/16). Plaintiff began requesting records and documents from the New Jersey Supreme Court and its entities, on or about May 18, 2017, related to this Complaint, when Plaintiff called Denise McCollum at the Supreme Court Clerk's Office. (SEE Attachment 1, Records Requests to The New Jersey Supreme Court).

37. The records Defendant provided in response to the eight (8) Records Requests are contained in the body of this Complaint and in the attached Attachments and Exhibits.

38. Plaintiff filed additional Records Requests until 2020, when the record request responses by Defendant, upon review, were sufficient to indicate material errors and jurisdictional deficiencies that would support the filing of this Complaint.

**INDEX of ATTACHMENTS**

All ATTACHMENTS referenced in and attached to this Complaint shall be deemed an integral part hereof to the same extent as if written at length herein.

ATTACHMENT "1"

Records Request to The New Jersey Supreme Court

ATTACHMENT "6"

Letter Dated 5/14/1993 from Roger S. Steffens, Deputy Counsel, NJLFCP

ATTACHMENT "11"

Complaint - Docket No. L-5664-94, Superior Court of New Jersey, Law Division, Mercer County



1 ATTACHMENT "13"  
2 Default Judgment - Docket No. L-5664-94, Superior Court of New Jersey, Mercer County  
3  
4 ATTACHMENT "14"  
5 Dennis Poane, Esq. Correspondence with the Monmouth County Prosecutor's Office  
6  
7 ATTACHMENT "15"  
8 Zontan and Cathleen Szatmary Attorney Grievance Form (unsigned)  
9  
10 ATTACHMENT "16"  
11 Zontan and Cathleen Szatmary NJLFCP Statement of Claim  
12  
13 ATTACHMENT "17"  
14 Testimony of Cathleen D. Szatmary Before District IX Ethics Committee  
15  
16 ATTACHMENT "18"  
17 Supreme Court of New Jersey Order That Kenneth F. Irek be Disbarred  
18  
19 ATTACHMENT "19"  
20 NJLFCP Subrogation Agreement with Zontan and Cathleen Szatmary  
21  
22 ATTACHMENT "20"  
23 Request for Entry of Default, MER L 005664-94  
24  
25 ATTACHMENT "21"  
26 Letter Dated April 18, 1995 To Kenneth Irek with Default Judgment  
27  
28 ATTACHMENT "22"  
29 Letter Dated April 24, 2000, To Kenneth Irek Stating the NJLFCP Judgment Against Him Would Be  
30 Enforced Through the CEP).  
31  
32 ATTACHMENT "23"  
33 Legislative History of Comprehensive Enforcement Program

ATTACHMENT "24"

Supreme Court Order Extending Time The NJLFCP Is Authorized to Use the CEP

ATTACHMENT "25"

List of Letters to Plaintiff Regarding Use of the CEP

ATTACHMENT "26"

Letter Dated October 3, 2014, Stating Kenneth F. Irek is Delinquent in Making Payments on the Repayment Plan

ATTACHMENT "27"

Letter Dated November 5, 2014, Stating Kenneth F. Irek is Summoned to Appear Before a Hearing Officer

ATTACHMENT "28"

Letter Dated January 9, 2015, Stating a Consent Order was Entered Authorizing the NJLFCP to Pursue a Bench Warrant for the Arrest of Kenneth F. Irek

ATTACHMENT "29"

Letter Dated March 30, 2015, To Kenneth F. Irek, Stating A Bench Warrant was Issued for His Arrest w/ Photocopy of Signed Bench Warrant

# # # # # # # # # # # # #

MER-L-2022-20  
In re (S) NJ Lawyers Fund

## ATTACHMENT "1"

Records Requests to  
The New Jersey Supreme Court

# Preliminary Request 05/18/2017

Attachment 1-A



**KENNETH F IREK**  
**8330 Haskell Avenue**  
**Apt 226**  
**North Hills, California 91343**  
**kennyirek@gmail.com**  
**818-233-9259**

May 18, 2017

New Jersey Supreme Court  
Clerk's Office  
Attn: Denise McCollum  
RJ Hughes Justice Complex  
PO Box 970  
Trenton, NJ 08625-0970

RE: Copy of Court Record  
Docket # D-112-92

Dear Ms. McCollum:

Pursuant to our recent conversation, this letter is a request for a copy of the complete record of the disbarment case titled:

In The Matter of Kenneth F. Irek, an Attorney at Law  
The Supreme Court of New Jersey  
May 13, 1993  
132 NJ 203 (1993)  
623A.2d 1378  
Disciplinary Review Board Docket No. DRB 92-382  
("Recommendation for public discipline", filed by the District IX Ethics Committee)

Please advise the cost for producing and sending these documents and I will remit a cashier's check to your attention. Thank you.

---

Kenneth F. Irek  
8330 Haskell Avenue  
Apt 226  
North Hills, California 91343  
Phone 818-233-9259  
Fax 866-309-9505

**KENNETH F IREK**  
**8330 Haskell Avenue**  
**Apt 226**  
**North Hills, California 91343**  
**kennyirek@gmail.com**  
**818-233-9259**

May 18, 2017

New Jersey Supreme Court  
Clerk's Office  
Attn: Denise McCollum  
RJ Hughes Justice Complex  
PO Box 970  
Trenton, NJ 08625-0970

RE: Copy of Court Record  
Docket # D-112-92

Dear Ms. McCollum:

Pursuant to our recent conversation, this letter is a request for a copy of the complete record of the disbarment case titled:

In The Matter of Kenneth F. Irek, an Attorney at Law  
The Supreme Court of New Jersey  
May 13, 1993  
132 NJ 203 (1993)  
623A.2d 1378

Disciplinary Review Board Docket No. DRB 92-382  
("Recommendation for public discipline", filed by the District IX Ethics Committee)

Please advise the cost for producing and sending these documents and I will remit a cashier's check to your attention. Thank you.

---

Kenneth F. Irek  
8330 Haskell Avenue  
Apt 226  
North Hills, California 91343  
Phone 818-233-9259  
Fax 866-309-9505

Dear Mr. Irek:

I was able to locate the disciplinary file on microfilm. The documents included:

Order and DRB Decision – 5 pages

Transcript of DRB Hearing 4 pages

Hearing Panel Report + Exhibits 15 pages

Hearing Transcript of 7/29/1992 – 26 pages

If you wish to obtain the copies, please remit a check or money order in the amount of \$2.50, payable to "Treasurer, State of New Jersey" and send to my attention at: Supreme Court Clerk's Office, POB 970, Trenton, NJ 08625.

Denise McCollum, Admin. Specialist 3  
Supreme Court Clerk's Office  
Attorney Disciplinary/Legal Unit  
Phone 609-815-2955 Ext. 52447 \* (new)  
Email [denise.mccollum@njcourts.gov](mailto:denise.mccollum@njcourts.gov)

UNITED STATES POSTAL SERVICE

Serial Number  
24597976094

POSTAL MONEY ORDER

2017-2018-092 91330 Post Office

U.S. Dollars and Cents  
Two Dollars and 50/100 \*\*\*\*\* \$2.50 \*\*\*\*\*

NOT VALID OVER \$50.00

Pay to  
TREASURER, STATE OF NEW JERSEY Clerk

Address  
SUPREME CT CLERK  
PO BOX 970, TRENTON, NJ

Memo  
COPY Fee

From  
KENNETH IREK

Address  
8330 HASSELL AVE  
NORTH HILLS, CA 913

© 2008 United States Postal Service. All Rights Reserved.


0000080021

SEE REVERSE WARNING • NEGOTIABLE ONLY IN THE U.S. AND POSSESSIO

24597976094

# 1<sup>st</sup> Records Request 10/30/2017

Attachment 1-B

 <p style="text-align: center;"><b>New Jersey Judiciary</b> <b>Records Request Form</b></p>	Request Date <b>10/30/2017</b>	Preferred Delivery <input type="checkbox"/> Pick Up <input type="checkbox"/> US Mail <input type="checkbox"/> On Site Inspection <input checked="" type="checkbox"/> Fax <input type="checkbox"/> Email
	Request Needed By <b>11/20/2017</b>	

**Part A: Requestor Identification**

Last Name Irek	Middle Initial F	First Name Kenneth
Address 8330 Haskell Avenue, Apt 226		Daytime Telephone (Include area code) 818-233-9259 ext.
City North Hills	State CA	Zip Code 91343
		Fax/Email (optional) 866-411-6651

**Part B: Records Request Processing Location**

Please select one of the locations below to process your records request.

County _____	<input type="checkbox"/> Appellate Division Clerk's Office	<input type="checkbox"/> Office of the Administrative Director
Division _____	<input checked="" type="checkbox"/> Supreme Court Clerk's Office	<input type="checkbox"/> Municipal Court _____
<input type="checkbox"/> Superior Court Clerk's Office	<input type="checkbox"/> Tax Court Clerk's Office	<input type="checkbox"/> Other _____

**Part C: Case Identification**

Case Name NJ Lawyer's Fund for Client Protection v Kenneth F. Irek	Docket/Complaint/Ticket Number* MER-L-0005664-94; J-082161-95			
*In Criminal and Municipal Cases, if you do not know the docket number, please provide Defendant's information:				
Defendant Name and alias(es), if any N/A	Defendant Birth Date			
	Last 4 digits of Defendant's Social Security Number			
Indictment/Arrest Date	Indictment/Accusation/Complaint/Municipal Number	Appeal Number	Sentencing Date	Name of Sentencing Judge

**Part D: Records Requested by Division**

Please describe records requested as completely as possible. Include any case numbers, dates and names of individuals involved. Attach additional pages if necessary.

1) Records related to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), specifically:

- a) Signed "Statement of Claim" of Cathleen D. Szatmary, that was filed with the NJLF and was the basis for the \$5,000 NJLF claim against Respondent, Kenneth F. Irek;
- b) Any and all Supplemental Statement forms, affidavits, proofs, or other writings presented by claimant Cathleen D. Szatmary, in the above-captioned matter;
- c) The NJLF staff's written Agenda for the Board of Trustees, that included the claim by Cathleen D. Szatmary against Respondent Kenneth F. Irek, in the sum of \$5,000;
- d) All documents, reports, writings or other objects used by the NJLF Trustees in granting claimant, Cathleen D. Szatmary \$5,000 from the Fund;
- e) any and all other documents, reports, writings, forms, minutes of hearings or other objects that are related to this Matter, in any way, and are a part of the record.

**Part E: Copy Fees**

Copy Fees: 5¢ per page letter size 7¢ per page legal size	Special Copy Requests - <b>Additional fees will be charged</b> <input type="checkbox"/> Seal only <input type="checkbox"/> Certified without Seal <input type="checkbox"/> Certified with Seal <input type="checkbox"/> Exemplified (includes Seal)	Are you a named party or attorney in this case? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
---	---	--

**For Judiciary Use Only**

Disposition <input type="checkbox"/> Delivered <input type="checkbox"/> Denied <input type="checkbox"/> Unavailable	Disposition Date
--	------------------

If request is denied or records are unavailable, explain here. Attach additional pages if necessary.



## 2<sup>nd</sup> Records Request 1/23/2018

Attachment 1-C

**KENNETH F IREK**  
**8330 Haskell Avenue**  
**Apt 226**  
**North Hills, California 91343**

January 23, 2018

RJ Hughes Justice Complex  
PO Box 970  
Supreme Court Clerk's Office  
Trenton, NJ 08625-0970

RE: Records Request Form  
Docket / Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520

Dear Sir or Madam:


Enclosed please find a Records Request Form, dated 1/23/2018, requested by Kenneth F Irek.

Thank you.

---

Kenneth F. Irek

8330 Haskell Avenue  
Apt 226  
North Hills, California 91343

 <p>New Jersey Courts www.njcourts.com</p> <p>Independence - Integrity Fairness - Quality Service</p>	<p>New Jersey Judiciary</p> <h1>Records Request Form</h1>		Request Date 1/23/2018	Preferred Delivery <input type="checkbox"/> Pick Up <input type="checkbox"/> US Mail <input type="checkbox"/> On Site Inspection <input checked="" type="checkbox"/> Fax <input type="checkbox"/> Email
			Request Needed By 2/20/2018	

### Part A: Requestor Identification

Last Name Irek	Middle Initial F	First Name Kenneth	
Address 8330 Haskell Avenue, Apt 226			Daytime Telephone (Include area code) 818-233-9259 ext.
City North Hills	State CA	Zip Code 91343	Fax/Email (optional) 866-411-6651

### Part B: Records Request Processing Location

Please select one of the locations below to process your records request.

County _____	<input type="checkbox"/> Appellate Division Clerk's Office	<input type="checkbox"/> Office of the Administrative Director
Division _____	<input checked="" type="checkbox"/> Supreme Court Clerk's Office	<input type="checkbox"/> Municipal Court _____
<input type="checkbox"/> Superior Court Clerk's Office	<input type="checkbox"/> Tax Court Clerk's Office	<input type="checkbox"/> Other _____

### Part C: Case Identification

Case Name NJ Lawyer's Fund for Client Protection v Kenneth F. Irek		Docket/Complaint/Ticket Number* MER-L-0005664-94; J-082161-95	
*In Criminal and Municipal Cases, if you do not know the docket number, please provide Defendant's information: Defendant Name and alias(es), if any N/A		Defendant Birth Date	Last 4 digits of Defendant's Social Security Number
Indictment/Arrest Date	Indictment/Accusation/ Complaint/Municipal Number	Appeal Number	Sentencing Date
		Name of Sentencing Judge	

### Part D: Records Requested by Division

Please describe records requested as completely as possible. Include any case numbers, dates and names of individuals involved. Attach additional pages if necessary.

1) Records related to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), specifically:

- The NJLF staff's written Agenda for the Board of Trustees, that included the claim by Cathleen D. Szatmary against Respondent Kenneth F. Irek, in the sum of \$5,000;
- The minutes of the meeting of the Trustees of the NJ Lawyers Fund, prepared by the secretary pursuant to NJLFCP Rule 2.2(d), specifically the separate file kept for the claim of Cathleen D. Szatmary against Kenneth F. Irek, on or about between 1991 and 1994.
- All documents, reports, writings or other objects used by the NJLFCP Trustees in granting claimant, Cathleen D. Szatmary \$5,000 from the Fund;
- any and all other documents, reports, writings, forms, minutes of hearings or other objects that are related to this Matter, in any way, and are a part of the record.
- List of the titles and qualifications for all the employees of the NJLFCP.
- All documents and correspondences relating to collecting \$5,000 from Kenneth Irek, # CPF-520, from 1994 to 2018.

### Part E: Copy Fees

Copy Fees: 5¢ per page letter size 7¢ per page legal size	Special Copy Requests - <b>Additional fees will be charged</b> <input type="checkbox"/> Seal only <input type="checkbox"/> Certified with Seal <input type="checkbox"/> Certified without Seal <input type="checkbox"/> Exemplified (includes Seal)	Are you a named party or attorney in this case? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
---	---	--

### For Judiciary Use Only

Disposition <input type="checkbox"/> Delivered <input type="checkbox"/> Denied <input type="checkbox"/> Unavailable	Disposition Date
--	------------------

If request is denied or records are unavailable, explain here. Attach additional pages if necessary.

# 3<sup>rd</sup> Records Request 1/4/2019

Attachment 1-D

KENNETH F IREK  
8330 Haskell Avenue  
Apt 226  
North Hills, California 91343

January 04, 2019

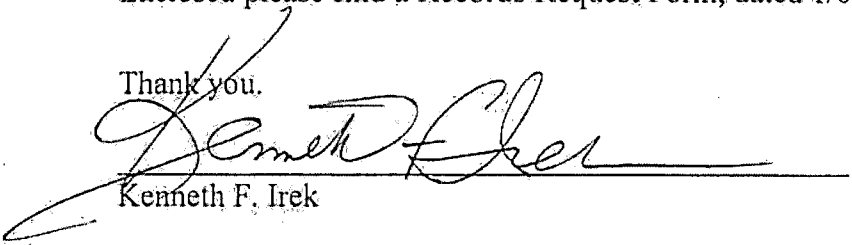
RJ Hughes Justice Complex  
Supreme Court Clerk's Office  
PO Box 970  
Trenton, NJ 08625-0970

RE: New Jersey Judiciary Records Request w/ Attachment "A"  
Docket / Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520

Attn: Vera

Enclosed please find a Records Request Form, dated 1/04/2019, requested by Kenneth F Irek.

Thank you.

  
Kenneth F. Irek

8330 Haskell Avenue  
Apt 226  
North Hills, California 91343

CC: Ruby D. Cochran  
Daniel R. Hendi  
Edward T. Ehler  
Michael T. McCormick  
Katherine D. Hartman  
Honorable Stuart Rabner, Chief Justice of the Supreme Court of New Jersey





NJ Judiciary Records Request FormRequestor: Kenneth F IrekAttachment "A" Continuation**ATTACHMENT "A"****Continuation of****New Jersey Judiciary Records Request Form, Part D: Records Requested by Division****Dated 1/04/2019**

1) *Records related to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), specifically:*

- a) The NJLF staff's written Agenda for the Board of Trustees, that included the claim by Cathleen D. Szatmary against Respondent Kenneth F. Irek, in the sum of \$5,000;
- b) The minutes of the meeting of the Trustees of the NJ Lawyers Fund, prepared by the secretary, or other designated agent, pursuant to NJLFCP Rule 2.2(d), specifically the separate file kept for the claim of Cathleen D. Szatmary against Kenneth F. Irek, on or about between 1991 and 1994.
- c) All documents, reports, writings or other materials, from any source, used by the NJLFCP Trustees in granting claimant, Cathleen D. Szatmary, \$5,000 from the Fund in the matter against Kenneth F. Irek;
- d) Any and all other documents, reports, writings, forms, minutes of hearings or other objects that are related to this Matter, in any way, and are a part of the decision to grant claimant, Cathleen D. Szatmary, \$5,000 from the Fund in the matter against Kenneth F. Irek;
- e) List of the titles and qualifications for all the employees of the NJLFCP, during the period between 1991 and 1994.
- f) All documents and correspondences relating to the collection activity as assignee of the rights, claims and interests of Cathleen Szatmary, who was paid \$5,000 from the New Jersey Lawyers' Fund for Client Protection, pursuant to the allegations contained in Docket # MER-L-005664-94 Civil Action COMPLAINT, dated December 21, 1994, signed by Michael T. McCormick, Deputy Counsel for the Plaintiff, NJLFCP (also # CPF-520), from 1994 to 2018, including, but not limited to:
  - (i) All documents, correspondences and other items from NJLFCP counsel Ruby Cochran to Kenneth Frank Irek, or relating to Kenneth Frank Irek (Records Requestor), including but not limited to Judgments, Consent Orders, Bench Warrants, demands for payment, correspondence related to the NJ Comprehensive Enforcement Program, and liens;
  - (ii) All documents, court filings, investigations, and records signed or prepared by Michael T. McCormick, Senior Counsel relating to Kenneth Frank Irek (Records Requestor);
  - (iii) All documents, court filings, investigations, and records signed or prepared by Daniel R. Hendi, NJLFCP counsel, relating to Kenneth Frank Irek (Records Requestor);

NJ Judiciary Records Request Form

Requestor: Kenneth F Irek

Attachment "A" Continuation

(iv) All records from any hearing, investigation, testimony, interview or other event that may have occurred between May 29, 1990 and on or about 1996, including but not limited to:

(a) All contact whatsoever, with Dennis Poane, Esq, NJ Attorney ID 019251977, claimant Cathleen Szatmary's retained legal counsel; including but not limited to in-person meetings, telephone conversations and/ or written correspondence.

(b) All contact whatsoever, with Cathleen Szatmary, claimant; including but not limited to in-person meetings, telephone conversations and/ or written correspondence.

(c) All contact whatsoever, with Zontan J. Szatmary, spouse of Cathleen Szatmary and co-claimant; including but not limited to in-person meetings, telephone conversations and/ or written correspondence.

(d) All Contact whatsoever, with Fran Donahue, realtor representing Respondent's company, Kirex Development Co, Inc; including but not limited to in-person meetings, telephone conversations and/ or written correspondence.

# # # # # # # # # # #

NOTHING FURTHER

# 4<sup>th</sup> Records Request 2/18/2019

Attachment 1-E

**KENNETH F IREK**  
**8330 Haskell Avenue**  
**Apt 226**  
**North Hills, California 91343**

February 18, 2019

RJ Hughes Justice Complex  
Superior Court Clerk's Office  
PO Box 971  
Trenton, NJ 08625-0971

RE: New Jersey Judiciary Records Request w/ Attachment "A"  
Docket / Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520  
Law Division, Civil Part  
Mercer County

Clerk of Superior Court:

Enclosed please find a Records Request Form, dated 2/18/2019, requested by Kenneth F Irek.

Thank you.

---

Kenneth F. Irek

8330 Haskell Avenue  
Apt 226  
North Hills, California 91343

cc: Court Clerk, Mercer County Civil Courthouse  
175 South Broad St  
Trenton, NJ 08650-0068  
Michelle M. Smith, Clerk of Superior Court  
Ruby D. Cochran  
Daniel R. Hendi  
Douglas E. Burry  
Michael T. McCormick  
Douglas H. Amster, Trustee, Acting Chair  
Honorable Stuart Rabner, Chief Justice of the Supreme Court of New Jersey





# New Jersey Judiciary Records Request Form

Request Date

02/18/2019

Request Needed By

03/15/2019

Preferred Delivery

- Pick Up
- US Mail
- On Site Inspection
- Fax
- Email

## Part A: Requestor Identification

Last Name Irek		First Name Kenneth		Middle Initial F
Address 8330 Haskell Avenue, Apt 226			Daytime Telephone (Include area code) (818) 233-9259 ext.	
City North Hills	State CA	Zip Code 91343	Fax/Email (optional) 866-411-6651	

## Part B: Records Request Processing Location

Please select one of the locations below to process your records request.

- |   |  |  |
|---|--|--|
| County <u>Mercer</u>  | <input type="checkbox"/> Appellate Division Clerk's Office | <input type="checkbox"/> Office of the Administrative Director |
| Division <u>Civil</u>   | <input type="checkbox"/> Supreme Court Clerk's Office      | <input type="checkbox"/> Municipal Court _____                 |
| <input checked="" type="checkbox"/> Superior Court Clerk's Office | <input type="checkbox"/> Tax Court Clerk's Office          | <input type="checkbox"/> Other _____                           |

## Part C: Case Identification

Case Name NJ Lawyer's Fund for Client Protection v Kenneth F. Irek		Docket/Complaint/Ticket Number* MER -L-0005664-94; J-082161-95	
*In Criminal and Municipal Cases, if you do not know the docket number, please provide Defendant's information: Defendant Name and alias(es), if any N/A		Defendant Birth Date	Last 4 digits of Defendant's Social Security Number
Indictment/Arrest Date	Indictment/Accusation/ Complaint/Municipal Number	Appeal Number	Sentencing Date
Name of Sentencing Judge			

## Part D: Records Requested by Division

Please describe records requested as completely as possible. Include any case numbers, dates and names of individuals involved. Attach additional pages if necessary.

1) Records related to Superior Court of New Jersey Comprehensive Enforcement Program proceedings for failure to make payments to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), specifically:

SEE ATTACHMENT "A", Continuation of NJ Judiciary Records Request Form, Part D: Records Requested by Division

# #

NOTE - Delivery of requested documents can be by fax or US mail.

## Part E: Copy Fees

Copy Fees: 5¢ per page letter size 7¢ per page legal size	Special Copy Requests - Additional fees will be charged <input type="checkbox"/> Seal only <input type="checkbox"/> Certified with Seal	<input type="checkbox"/> Certified without Seal <input type="checkbox"/> Exemplified (includes Seal)	Are you a named party or attorney in this case? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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### For Judiciary Use Only

Disposition <input type="checkbox"/> Delivered <input type="checkbox"/> Denied <input type="checkbox"/> Unavailable	Disposition Date
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If request is denied or records are unavailable, explain here. Attach additional pages if necessary.

For Tax Court Records return this form to: [txtrecords.mailbox@njcourts.gov](mailto:txtrecords.mailbox@njcourts.gov)  
For all other requests return this form to: [SCCO.Mailbox@njcourts.gov](mailto:SCCO.Mailbox@njcourts.gov)

NJ Judiciary Records Request Form

Requestor: Kenneth F Irek

Attachment "A" Continuation

**ATTACHMENT "A"**

**Continuation of**

**New Jersey Judiciary Records Request Form, Part D: Records Requested by Division  
Dated 2/18/2019**

1) *Records related to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), including but not limited to:*

a) All documents, correspondences and other items issued on behalf, or at the request of, the New Jersey Lawyers' Fund For Client Protection, under the New Jersey Comprehensive Enforcement Program, relating to Kenneth Frank Irek (Records Requestor), including but not limited to correspondence, Judgments, Consent Orders, Bench Warrants, demands for payment, and liens;

b) All documents, correspondences, court records, dockets, correspondence by Certified Mail, hearing dates, Arrest Warrants sent to the Sheriff of Los Angeles County, failure to appear notices, and other items, relating to Kenneth Frank Irek (Records Requestor).

c) All documents, correspondences, court records, Affidavits in Support of Request for Default, Certifications of Proof, Affidavits of Inquiry in Support of Request to Enter Default Judgment, Summons, Information Subpoenas, Notice of Delinquency, and other items, which were relied upon, entered as proof or otherwise related to the issue of any Bench Warrants, Liens, Summons to Appear for Enforcement Hearing, relating to Kenneth Frank Irek (Records Requestor).

# # # # # # # # # # #

NOTHING FURTHER

# 5<sup>th</sup> Records Request 7/27/2019

Attachment 1-F

**KENNETH F IREK**  
**8330 Haskell Avenue**  
**Apt 226**  
**North Hills, California 91343**

July 27, 2019

NJ Lawyers' Fund for Client Protection  
PO Box 961  
Trenton, NJ 08625-0961  
Attn: Daniel R. Hendi, Director

RE: New Jersey Judiciary Records Request w/ Attachment "A"  
Docket / Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520

Daniel R. Hendi:

Attached please find a Records Request Form, dated 7/27/2019, w/ Attachment "A", that was mailed, via US Priority Mail to:


Daniel R. Hendi  
NJ Lawyers' Fund for Client Protection  
PO Box 961  
Trenton, NJ 08625-0961

Your cover letter accompanying your response to my Third Records Request form, stated that I owe the Fund a balance of \$2,500 (Encl. 1). This Records Request requires production of All records pertaining to the assessment, collection and payments of the original "Judgment" that resulted in my owing \$2,500 as of March 5, 2019.

Additionally, identical copies of this Records Request have been sent to the following:  
cc:

Heather Joy Baker, Clerk of Supreme Court  
Honorable Stuart Rabner, Chief Justice of the Supreme Court of New Jersey  
Joseph Severino, Treasurer, NJLFCP  
Ruby D. Cochran  
Michael T. McCormick

Sincerely,

  
Kenneth F. Irek

8330 Haskell Avenue  
Apt 226  
North Hills, California 91343



## New Jersey Judiciary Records Request Form

Request Date 07/27/2019	Preferred Delivery <input type="checkbox"/> Pick Up <input type="checkbox"/> US Mail <input type="checkbox"/> On Site Inspection <input checked="" type="checkbox"/> Fax <input type="checkbox"/> Email
Request Needed By 08/26/2019	

### Part A: Requestor Identification

Last Name Irek	First Name Kenneth	Middle Initial F
Address 8330 Haskell Avenue, Apt 226		Daytime Telephone (include area code) (818) 233-9259 ext.
City North Hills	State CA	Zip Code 91343
Fax/Email (optional) 866-411-6651		

### Part B: Records Request Processing Location

Please select one of the locations below to process your records request.

County _____	<input type="checkbox"/> Appellate Division Clerk's Office	<input type="checkbox"/> Office of the Administrative Director
Division _____	<input checked="" type="checkbox"/> Supreme Court Clerk's Office	<input type="checkbox"/> Municipal Court _____
<input type="checkbox"/> Superior Court Clerk's Office	<input type="checkbox"/> Tax Court Clerk's Office	<input type="checkbox"/> Other _____

### Part C: Case Identification

Case Name NJ Lawyer's Fund for Client Protection v Kenneth F. Irek	Docket/Complaint/Ticket Number* MER -L-0005664-94; J-082161-95			
*In Criminal and Municipal Cases, if you do not know the docket number, please provide Defendant's information:				
Defendant Name and alias(es), if any N/A	Defendant Birth Date   Last 4 digits of Defendant's Social Security Number			
Indictment/Arrest Date	Indictment/Accusation/Complaint/Municipal Number	Appeal Number	Sentencing Date	Name of Sentencing Judge

### Part D: Records Requested by Division

Please describe records requested as completely as possible. Include any case numbers, dates and names of individuals involved. Attach additional pages if necessary.

1) Records related to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94; J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), specifically:

SEE ATTACHMENT "A", Continuation of NJ Judiciary Records Request Form, Part D: Records Requested by Division

# #

NOTE - Delivery of requested documents can be by fax or US mail.

### Part E: Copy Fees

Copy Fees: 5¢ per page letter size 7¢ per page legal size	Special Copy Requests - Additional fees will be charged <input type="checkbox"/> Seal only <input type="checkbox"/> Certified without Seal <input type="checkbox"/> Certified with Seal <input type="checkbox"/> Exemplified (includes Seal)	Are you a named party or attorney in this case? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
---	--	--

### For Judiciary Use Only

Disposition <input type="checkbox"/> Delivered <input type="checkbox"/> Denied <input type="checkbox"/> Unavailable	Disposition Date
--	------------------

If request is denied or records are unavailable, explain here. Attach additional pages if necessary.

**For Tax Court Records** return this form to: [txtrecords.mailbox@njcourts.gov](mailto:txtrecords.mailbox@njcourts.gov)  
**For all other requests** return this form to: [SCCO.Mailbox@njcourts.gov](mailto:SCCO.Mailbox@njcourts.gov)



NJ Judiciary Records Request Form

Requestor: Kenneth F Irek

Attachment "A" Continuation

**ATTACHMENT "A"**

**Continuation of**

**New Jersey Judiciary Records Request Form, Part D: Records Requested by Division  
Dated 7/27/2019**

*1) Records related to New Jersey Lawyers Fund - Docket/ Judgment No. MER-L-0005664-94;  
J-082161-95; NJLF File CPF-520 (NJLF for Client Protection v. Kenneth F. Irek), including but  
not limited to:*

a) All documents, correspondences and other items issued by the New Jersey Lawyers Fund to Kenneth Frank Irek, regarding payment obligations to the New Jersey Lawyers' Fund for Client Protection originating from Judgment No. J-082161-95, dated March 22, 1995.

b) All documents and records, including digital accounting records, regarding the receipt of payments of the "payment obligation" to the New Jersey Lawyers' Fund for Client Protection originating from Judgment No. J-082161-95, dated March 22, 1995.

c) All documents, records, accounting balances, including digital accounting records, indicating the amount owed by Kenneth Frank Irek, to the New Jersey Lawyers Fund, as of July 27, 2019.

# # # # # # # # # #

NOTHING FURTHER

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**

DOUGLAS H. AMSTER, CHAIR  
JOSEPH SEVERINO, TREASURER  
DEBORAH A. ROSE  
SUPTI BHATTACHARYA  
STUART J. LIEBERMAN  
CARMEN CORTÉS-SYKES  
WILLIAM TRIMMER

**ASSISTANT TREASURER**  
SHELLÉY R. WEBSTER

[HTTPS://WWW.NJCOURTS.GOV/ATTORNEYS/CPE.HTML](https://www.njcourts.gov/attorneys/cpe.html)

**COURIER & OVERNIGHT:**

HUGHES JUSTICE COMPLEX  
25 MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, NJ 08611



PO Box 961  
TRENTON, NJ 08625-0961

March 5, 2019

**DIRECTOR & COUNSEL**  
DANIEL R. HENDI

**DEPUTY DIRECTOR**  
MICHAEL T. MCCORMICK

**SENIOR COUNSEL**  
DOUGLAS E. BURRY

**BOARD SECRETARY &  
DEPUTY COUNSEL**  
RUBY D. COCHRAN

**BILLING SUPERVISOR**  
CARLA COUSINS

PHONE: 855-533-FUND  
OUTSIDE NJ: 609-815-3030  
FAX: (609) 815-2935

Mr. Kenneth F. Irek  
Apartment 226  
8330 Haskell Avenue  
North Hills, CA 91343

**Re: NJ Lawyers' Fund for Client Protection v. Kenneth Irek  
Docket No. MER-L-5664; Judgment No. J-082161-95  
Our File No. CPF-520**

Dear Mr. Irek:

I am replying to your "Third Records Request Form".

Our office looked into your two prior requests to ascertain whether we responded to you and, indeed, we had.

The first request was provided by Ms. Ruby Cochran of my staff on or about November 30, 2017, (copy of letter without attachments is enclosed). The second request was sent out for delivery on January 31, 2019, but there was an error in the envelope where the address was listed as apartment "26" instead of your number "226". I truly apologize for that error. Nonetheless, when the error came to our attention, on February 28, 2019, the package was re-mailed to you at the correct address: "8330 Haskell Avenue, Apt. 226, North Hills, CA 91343". A copy of the letter enclosing the materials requested is enclosed without the attachments, as well as the original letter of January 31, 2019.

At this point in time, you owe the Fund a balance of \$2,500.

**(Encl.1)**

Mr. Kenneth F. Irek  
March 5, 2019  
Page - 2 -

If I can be of further assistance, please do not hesitate to contact me.

Sincerely Yours,

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By: 

\_\_\_\_\_  
Daniel R. Hendi  
Director and Counsel

DRH/cjo  
Enclosures

**(Encl. 1)**

# 6<sup>th</sup> Records Request 8/1/2019

Attachment 1-G

**KENNETH F IREK**  
**8330 Haskell Avenue**  
**Apt 226**  
**North Hills, California 91343**

August 1, 2019

Office of Attorney Ethics  
PO Box 963  
Trenton, NJ 08625  
Attn: Charles Centinaro, Director

RE: New Jersey Judiciary Records Request w/ Attachment "A"  
Docket No. DRB92-382

Charles Centinaro, Director:


Attached please find a Records Request Form, dated 8/01/2019, w/ Attachment "A", that was mailed, via US Priority Mail to:

Office of Attorney Ethics  
PO Box 963  
Trenton, NJ 08625  
Attn: Charles Centinaro, Director

Additionally, identical copies of this Records Request have been sent to the following:  
cc:

Heather Joy Baker, Clerk of Supreme Court  
Honorable Stuart Rabner, Chief Justice of the Supreme Court of New Jersey  
Disciplinary Review Board of New Jersey

Sincerely,



---

Kenneth F. Irek

8330 Haskell Avenue  
Apt 226  
North Hills, California 91343





# New Jersey Judiciary Records Request Form

Request Date

08/01/2019

Preferred Delivery

- Pick Up
- US Mail
- On Site Inspection
- Fax
- Email

Request Needed By

09/01/2019

### Part A: Requestor Identification

Last Name Irek		First Name Kenneth		Middle Initial F
Address 8330 Haskell Avenue, Apt 226			Daytime Telephone (Include area code) (818) 233-9259 ext.	
City North Hills	State CA	Zip Code 91343	Fax/Email (optional) 866-411-6651	

### Part B: Records Request Processing Location

Please select one of the locations below to process your records request:

County _____	<input type="checkbox"/> Appellate Division Clerk's Office	<input type="checkbox"/> Office of the Administrative Director
Division _____	<input checked="" type="checkbox"/> Supreme Court Clerk's Office	<input type="checkbox"/> Municipal Court _____
<input type="checkbox"/> Superior Court Clerk's Office	<input type="checkbox"/> Tax Court Clerk's Office	<input type="checkbox"/> Other _____

### Part C: Case Identification

Case Name In the Matter of Kenneth F. Irek		Docket/Complaint/Ticket Number* Docket No. IX-91-4E and DRB 92-382	
*In Criminal and Municipal Cases, if you do not know the docket number, please provide Defendant's information: Defendant Name and alias(es), if any N/A		Defendant Birth Date	Last 4 digits of Defendant's Social Security Number
Indictment/Arrest Date	Indictment/Accusation/ Complaint/Municipal Number	Appeal Number	Sentencing Date
		Name of Sentencing Judge	

### Part D: Records Requested by Division

Please describe records requested as completely as possible. Include any case numbers, dates and names of individuals involved. Attach additional pages if necessary.

1) Records related to "In the Matter of Kenneth F. Irek", Docket No. IX-91-4E and DRB 92-382.

SEE ATTACHMENT "A", Continuation of NJ Judiciary Records Request Form, Part D: Records Requested by Division

# #

NOTE - Delivery of requested documents can be by fax or US mail.

### Part E: Copy Fees

Copy Fees: 5¢ per page letter size 7¢ per page legal size	Special Copy Requests - Additional fees will be charged <input type="checkbox"/> Seal only <input type="checkbox"/> Certified without Seal <input type="checkbox"/> Certified with Seal <input type="checkbox"/> Exemplified (includes Seal)	Are you a named party or attorney in this case? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
---	--	--

### For Judiciary Use Only

Disposition <input type="checkbox"/> Delivered <input type="checkbox"/> Denied <input type="checkbox"/> Unavailable	Disposition Date
--	------------------

If request is denied or records are unavailable, explain here. Attach additional pages if necessary.

**For Tax Court Records** return this form to: [txtcrecords.mailbox@njcourts.gov](mailto:txtcrecords.mailbox@njcourts.gov)  
**For all other requests** return this form to: [SCCO.Mailbox@njcourts.gov](mailto:SCCO.Mailbox@njcourts.gov)

NJ Judiciary Records Request FormRequestor: Kenneth F. IrekAttachment "A" Continuation**ATTACHMENT "A"  
Continuation of****New Jersey Judiciary Records Request Form, Part D: Records Requested by Division  
Dated 8/01/2019**

1) *Records related to District IX Ethics Committee Docket No. IX-91-4E, including but not limited to:*

- a) Copy of "District Ethics Committee Manual" used in the above-captioned Ethics Committee Panel Hearing held on Wednesday, July 29, 1992.
- b) Storage location of the original stenographic notes of the proceedings in the above-entitled matter that were taken by and before KATHLEEN M. CASSIDY, CSR, a Certified Shorthand Reporter and Notary Public of New Jersey, in the office of GAUGHRAN & STEIB, ESQs., 1275 Highway 35, Box 4150, Middletown, NJ 07748, on Wednesday, July 29, 1992, commencing at 10:15 in the forenoon.
- c) Any training given, sponsored, or contracted by the New Jersey Supreme Court, or any Board, Committee, or other organization controlled by the New Jersey Supreme Court, related to understanding New Jersey Rules of Professional Conduct, taken by Richard M. Keil, Robert J. Gaughran, James H. Moody, and/or Robert M. Flanagan.
- d) All documents related to the request(s) for appearance of witnesses, before this Committee, including witnesses that did not appear.
- e) All documents related to the decision to request or not request additional testimony and/ or evidence, after this Committee hearing on Wednesday, July 29, 1992.
- f) Copy of New Jersey Rules of Professional Conduct, *R.P.C. 8.4 (c) and R.P.C. 1.15 (b)*, that were in effect on Wednesday, July 29, 1992, and used in this Committee hearing.

2) *Records related to District IX Ethics Committee Docket No. IX-91-4E, "Hearing Panel Report Recommending Public Discipline", dated 8/5/1992, signed by Richard M. Keil, Esq., Chair, NJ State Bar ID 002251973, including but not limited to:*

- a) All documents relating to the definition of "Fiduciary Capacity" as stated in this Report written by Richard M. Keil, as applied to Count One.
- b) Documents containing the Formal Complaint, and /or Counts of violations of the NJ RPC, used in this Hearing.

3) *Records related to Disciplinary Review Board Docket No. DRB 92-382, including but not limited to:*

- a) Storage location of the original stenographic notes of the proceedings in the above-entitled matter that were taken by and before DEBBIE GRESAVAGE, Legal Transcription Service, 34 Kenwood Terrace, Trenton, NJ 08610, the assigned

# 7<sup>th</sup> Records Request 09/24/2020

Attachment 1-H

**KENNETH F IREK**  
**8330 Haskell Avenue, Apt 226**  
**North Hills, California 91343**

September 24, 2020

NJ Lawyers' Fund for Client Protection  
PO Box 961  
Trenton, NJ 08625-0961  
Attn: Michael T. McCormick, Deputy Director NJLFCP

RE: Records Request Form dated 09/24/2020

Michael T. McCormick, Deputy Director:

Attached please find a COPY of a Records Request form dated September 24, 2020, sent to Daniel R. Hendi, Director of the NJLFCP.

Sincerely,

---

Kenneth F. Irek

8330 Haskell Avenue  
Apt 226  
North Hills, California 91343

Additionally, identical copies of this Records Request have been sent to the following:  
cc:

- Michelle M. Smith, Clerk of Supreme Court
- Honorable Stuart Rabner, Chief Justice of the Supreme Court of New Jersey
- Joseph Severino, Treasurer, NJLFCP
- Daniel R. Hendi, Director & Counsel
- Michael T. McCormick, Deputy Director
- Ruby D. Cochran, Board Secretary & Deputy Counsel



# New Jersey Judiciary Records Request Form

Request Date

09/24/2020

Request Needed By

10/15/2020

Preferred Delivery

- Pick Up
- US Mail
- On Site Inspection
- Fax
- Email

## Part A: Requestor Identification

Last Name Irek		First Name Kenneth		Middle Initial F
Address 8330 Haskell Avenue, Apt 226			Daytime Telephone (Include area code) (818) 233-9259 ext.	
City North Hills	State CA	Zip Code 91343	Fax/Email (optional) 866-411-6651	

## Part B: Records Request Processing Location

Please select one of the locations below to process your records request.

County _____	<input type="checkbox"/> Appellate Division Clerk's Office	<input type="checkbox"/> Office of the Administrative Director
Division _____	<input type="checkbox"/> Supreme Court Clerk's Office	<input type="checkbox"/> Municipal Court _____
<input type="checkbox"/> Superior Court Clerk's Office	<input type="checkbox"/> Tax Court Clerk's Office	<input checked="" type="checkbox"/> Other <u>NJLFCP - Daniel R. Hendi</u>

## Part C: Case Identification

Case Name In the Matter of Kenneth F. Irek		Docket/Complaint/Ticket Number* Docket No. IX-91-4E and DRB 92-382	
*In Criminal and Municipal Cases, if you do not know the docket number, please provide Defendant's information: Defendant Name and alias(es), if any N/A		Defendant Birth Date	Last 4 digits of Defendant's Social Security Number
Indictment/Arrest Date	Indictment/Accusation/ Complaint/Municipal Number	Appeal Number	Sentencing Date
Name of Sentencing Judge			

## Part D: Records Requested by Division

Please describe records requested as completely as possible. Include any case numbers, dates and names of individuals involved. Attach additional pages if necessary.

1) Records related to the \$2,500 balance owed by Kenneth F. Irek to the Fund, as stated in the attached letters from Daniel R. Hendi, Director & Counsel of the New Jersey Lawyers' Fund For Client Protection, dated March 5, 2019 and August 15, 2019.

# #

NOTE - Delivery of requested documents can be by US mail, preferred or by fax at: 866-411-6651.

## Part E: Copy Fees

Copy Fees: 5¢ per page letter size 7¢ per page legal size	Special Copy Requests - <b>Additional fees will be charged</b> <input type="checkbox"/> Seal only <input type="checkbox"/> Certified without Seal <input type="checkbox"/> Certified with Seal <input type="checkbox"/> Exemplified (includes Seal)	Are you a named party or attorney in this case? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
---	---	--

### For Judiciary Use Only

Disposition <input type="checkbox"/> Delivered <input type="checkbox"/> Denied <input type="checkbox"/> Unavailable	Disposition Date
--	------------------

If request is denied or records are unavailable, explain here. Attach additional pages if necessary.

**For Tax Court Records** return this form to: [txctrecords.mailbox@njcourts.gov](mailto:txctrecords.mailbox@njcourts.gov)

**For all other requests** return this form to: [SCCO.Mailbox@njcourts.gov](mailto:SCCO.Mailbox@njcourts.gov)

## ATTACHMENT “2”

Rule 1:28 of the Rules Governing the Courts of  
the State of New Jersey



## **RULE 1:28. New Jersey Lawyers Fund For Client Protection**

### **1:28-1. Purpose; Administration; Appointments**

**(a) Administration.** The Supreme Court shall appoint seven trustees to administer and operate, in accordance with these rules, the New Jersey Lawyers' Fund for Client Protection, whose purpose is the reimbursement, to the extent and in the manner provided by these rules, of losses caused by the dishonest conduct of members of the bar of this State.

**(b) Qualification, Terms of Trustees.** The original appointment shall be of one trustee for a one-year term, one for a 2-year term, one for a 3-year term, one for a 4-year term and one for a 5-year term. At the expiration of such terms all subsequent appointments shall be for a term of 5 years, and no trustee who has served a full 5-year term shall be eligible for immediate reappointment. A vacancy occurring during a term shall be filled for the unexpired portion thereof. Five trustees shall be members of the bar of this State; and two members shall not be attorneys.

**(c) Organization; Meetings.** The trustees shall organize annually and shall then elect from among their number a chair and a treasurer to serve for a one-year term and such other officers for such terms as they deem necessary or appropriate. Meetings thereafter shall be held at the call of the chair. Four trustees shall constitute a quorum and may transact all business except as may be otherwise provided by this rule or by the rules and regulations promulgated by the trustees.

**(d) Regulations.** The trustees shall adopt rules and regulations, consistent with these rules and subject to the approval of the Supreme Court, governing the administration of the Fund, the procedures for the presentation, consideration and payment of claims, and the exercise of their investment powers.

**(e) Reimbursement.** The trustees shall serve without compensation but shall be entitled to reimbursement from the Fund for their expenses reasonably incurred in the performance of their duties.

**(f) Immunity.** The Board of Trustees, Director and Counsel, Deputy Counsel, Secretary and all staff personnel shall be absolutely immune from suit, whether legal or equitable in nature, for any conduct in the performance of their official duties.

Note: Source-R.R. 1:22A-1(a) (b) (c) (d) (e); paragraphs (a) (b), and (c) amended and paragraph (f) adopted June 29, 1990 to be effective September 4, 1990; paragraph (a) amended July 14, 1992 to be effective September 1, 1992; paragraphs (a) and (b) amended May 3, 1994 to be effective immediately; paragraph (c) amended June 28, 1996 to be effective September 1, 1996.

### **1:28-2. Payment to the Fund; Enforcement**

**(a) Generally.** Except as hereinafter provided, each holder of a plenary license to practice law in the State of New Jersey shall pay annually to the treasurer of the Fund a sum that shall be determined each year by the Supreme Court. An attorney who makes payment after February 1 of the billing year, or such other date as the Court may determine, but before being placed on the Ineligible List shall be subject to a late fee as set forth in Rule 1:20-1(d), which shall be shared equally with the Disciplinary Oversight Committee. The treasurer shall annually report the names of all attorneys failing to comply with the provisions of this Rule to the Supreme Court for inclusion on the list of those attorneys deemed ineligible to practice law in New Jersey by order of the Court. An

attorney shall be reinstated automatically to the practice of law without further order of the Court on filing with the Fund the annual registration statement for the current year together with the annual payment, the late fee, any arrears due from prior years, and a reinstatement fee of \$50 if the attorney's name is being removed from one calendar year's Ineligible List or \$100 if the attorney's name is being removed from two or more calendar year's Lists.

All persons admitted pro hac vice in accordance with Rule 1:21-2, those holding limited licenses as in-house counsel under R. 1:27-2, those registered as multijurisdictional practitioners under RPC 5.5(b), those certified as Foreign Legal Consultants under R. 1:21-9, and those permitted to practice under R. 1:21-3(c) shall also make the same annual payment described above subject to the same late fees and reinstatement from ineligible list fees. However, such persons shall not be entitled to the exemptions provided hereinafter.

For the purpose of annual assessment all members of the Bar, including those admitted pro hac vice, those holding limited licenses as in-house counsel, those registered as multijurisdictional practitioners, those certified as Foreign Legal Consultants, and those permitted to practice under R. 1:21-3(c) shall report changes of address as they occur and thus keep their billing address current with the Fund at all times.

Any member of the Bar who receives a billing notice addressed to another member of the Bar shall either forward the notice to the intended recipient or return it to the Fund.

**(b) Exceptions.** The following categories of plenary license holders shall be exempt from payment to the Fund:

- (1)** Newly admitted attorneys, for the balance of the calendar year of their plenary admission and for the next succeeding calendar year;
- (2)** Attorneys who have been admitted to practice for fifty years or more;
- (3)** Attorneys on full-time active duty with the armed forces, VISTA, or the Peace Corps and not engaging in any way in private practice, but they shall be considered in all respects inactive New Jersey attorneys; and
- (4)** Attorneys who have retired completely from the practice of law, but they shall be considered in all respects inactive New Jersey attorneys.

**(c) License Revocation for Repeated Non-Compliance.** Any attorney who, at the time of the publication of the Fund's Ineligible Attorneys List for 2005 and thereafter, has been declared ineligible for seven or more consecutive years shall have his or her license to practice in this State administratively revoked by Order of the Supreme Court.

On the entry of a license revocation Order pursuant to this Rule, the attorney's membership in the Bar of this State shall cease. Any subsequent application for membership shall be in accordance with the provisions of Rule 1:24. An Order of revocation shall not, however, preclude the exercise of jurisdiction by the disciplinary system in respect of any misconduct that occurred prior to Order's effective date.

**Note:** Source-R.R. 1:22A-2; amended July 17, 1975 to be effective September 8, 1975; amended January 31, 1984 to be effective February 15, 1984; amended June 29, 1990 to be effective September 4, 1990; redesignated paragraph (a) amended and paragraph (b) adopted July 14, 1992 to be effective September 1, 1992; paragraphs (a) and (b) amended February 8, 1993, to be effective immediately; paragraph (a) amended and new paragraph (c) added July 28, 2004 to be effective September 1, 2004; paragraph (a) amended July 23, 2010 to be effective September 1, 2010.

### **1:28-3. Payment of Claims**

**(a) Eligible Claims.** The Trustees may consider for payment all claims resulting from the dishonest conduct of a member of the bar of this state or an attorney (i) admitted pro hac vice, (ii) holding limited license as in-house counsel, (iii) registered as multijurisdictional practitioner, (iv) certified as a foreign legal consultant or (v) permitted to practice under Rule 1:21-3(c), if the attorney was acting either as an attorney or fiduciary, provided that:

**(1)** Said conduct was engaged in while the attorney was a practicing member of the Bar of this State or admitted Pro Hac Vice in a matter pending in this State;

**(2)** On or after January 1, 1969, the attorney has been suspended, disbarred or placed in disability inactive status, has resigned with prejudice or has pleaded guilty to, or been convicted of embezzlement or misappropriation of money or other property; or an ethics committee has certified a claim to the trustees as an appropriate matter for their consideration. Where an ethics committee does not act and an attorney cannot be located, is deceased or incapacitated, the trustees may consider timely application directly provided that the trustees find that the claim is an appropriate matter for their consideration;

**(3)** The claim is filed within one year of the earliest of an event set forth in subparagraph (2) above. The time limitation set forth in this subparagraph may be extended by the trustees in their discretion;

**(4)** The claim is made directly by or on behalf of the injured client or the client's personal representative or, if a corporation, by or on behalf of itself or its successors in interest; and

**(5)** The claimant certifies that the relevant facts have been fully disclosed in writing to the appropriate law enforcement and disciplinary authorities. A willfully false certification in this regard shall be an absolute bar to any award.

**(b) Consideration of Claims.** The trustees in their sole discretion but on the affirmative vote of 4 of them shall determine which eligible claims merit reimbursement from the Fund and the amount, time, manner, conditions and order of payment of reimbursement. In making such determinations the trustees shall consider, among other appropriate factors, the following:

**(1)** The amounts available and likely to become available to the Fund for the payment of claims and the size and number of claims which are likely to be presented;

**(2)** The amount of the claimant's loss as compared with the amount of losses sustained by other eligible claimants;

**(3)** The degree of hardship suffered by the claimant as a result of the loss;

**(4)** The degree of negligence, if any, of the claimant which may have contributed to the loss;

**(5)** The potential for recovery from a collateral source.

**(c) Limitation on Payments.** The trustees shall, by regulation, fix the maximum amount which any one claimant may recover from the Fund and the aggregate maximum amount which may be recovered because of the dishonest conduct of any one attorney.

**(d) Rights to Fund.** No claimant or any other person or organization shall have any right in the Fund as beneficiary or otherwise.

**(e) Conditions of Payment.** The trustees may require as a condition to payment that the claimant execute such instruments, take such action or enter into such agreements as the trustees require, including assignments, subrogation agreements, trust agreements, and promises to cooperate with the trustees in making or prosecuting claims or charges against any person.

**(f) Attorney's Fee.** No attorney representing a claimant shall receive a fee for services unless authorized by the rules and regulations of the trustees and upon their express direction.

Note: Source-R.R. 1:22A-3(a) (b) (c) (d) (e) (f). Paragraph (a)(2) amended June 24, 1974 to be effective immediately; paragraph (a) amended and paragraph (a)(5) adopted January 31, 1984 to be effective February 15, 1984; paragraph (a)(1), (2), and (5) amended, former paragraph (a)(4) deleted, paragraph (a)(3) redesignated as paragraph (a)(4), new paragraph (a)(3) adopted; paragraph (b) amended and paragraph (b)(5) adopted June 29, 1990 to be effective September 4, 1990; paragraphs (a) and (a)(1) amended July 14, 1992 to be effective September 1, 1992; introductory paragraph and paragraphs (a)(4) and (f) amended July 13, 1994 to be effective September 1, 1994; paragraph (a) amended July 23, 2010 to be effective September 1, 2010.

#### 1:28-4. Duties of Trustees and Officers

**(a) Audit and Report.** The Fund shall be audited by state or private auditors annually and at such other times as the Supreme Court shall direct, such audits to be at the expense of the Fund. The annual audit shall be included in a report to be submitted annually by the trustees to the Supreme Court reviewing in detail the administration of the Fund during the preceding year.

**(b) Applications to the Supreme Court.** The trustees may apply to the Supreme Court for interpretations of these rules and of the extent of their powers thereunder and for advice regarding the proper administration of the Fund.

**(c) Treasurer's Duties.** The treasurer shall maintain the assets of the Fund in a separate account and shall disburse monies therefrom only upon the action of the trustees pursuant to these rules. Said treasurer shall file a bond annually with the trustees with such surety as may be approved by them and in such amount as they may fix.

Note: Source-R.R.1:22A-4; paragraph (c) amended June 29, 1990 to be effective September 4, 1990.

#### 1:28-5. General Powers of Trustees

In addition to the powers conferred by these rules upon the trustees, they shall have the following general powers:

**(a)** to receive, hold, manage, distribute and invest the funds received by the Fund pursuant to R. 1:28-2 and such other funds as it may receive by voluntary contribution or otherwise;

**(b)** to enforce claims which the Fund may have for reimbursements, including utilization of the Comprehensive Enforcement Program; pursuant to N.J.S.A. 22A:2-23, the Fund shall not be liable for the payment of any fee provided for by N.J.S.A. 22A:2-1 et seq.;

**(c)** to employ and compensate consultants, agents, legal counsel and such other employees as they deem necessary and appropriate consistent with personnel policies of the judiciary.

Note: Source-R.R. 1:22A-5, amended January 31, 1984 to be effective February 15, 1984; paragraphs (b) and (c) amended June 29, 1990 to be effective September 4, 1990; paragraph (b) amended July 12, 2002 to be effective September 3, 2002.

### **1:28-6. Subpoenas; Notice in Lieu of Subpoena; Noncompliance**

**(a) Issuance; Service.** The trustees or an individual trustee or the Director or an attorney designated to act on behalf of the trustees, upon determining that any person has knowledge or is in possession or custody of books, papers, documents or other objects relevant to the disposition of a claim, may issue a subpoena or a notice in lieu of subpoena in the name of the Clerk of the Superior Court requiring such person to appear and testify or to produce such books, papers, documents or other objects before the trustees or an individual trustee, or the Director or an attorney designated to act on behalf of the trustees, at the time and place specified therein.

Subpoenas and notices in lieu of subpoena shall be served in the manner prescribed by R. 1:9, except that subpoenas may be served upon an attorney who is a witness or a party, by certified mail, return receipt requested and simultaneously by first class mail. No attendance fee need be paid.

**(b) Noncompliance.** If any person, without adequate excuse, shall fail to obey a subpoena, the trustees, or an individual trustee or an attorney designated to act on their behalf, may file with the Superior Court a verified statement setting forth the facts establishing such disobedience, and the court may then, in its discretion, institute contempt proceedings pursuant to R. 1:10-2. If such person is found guilty of contempt, the court may compel payment of the costs of the contempt proceedings to be taxed by the court.

Note: Adopted July 14, 1972 to be effective September 5, 1972; caption and paragraph (a) amended June 29, 1990 to be effective September 4, 1990; paragraph (b) amended July 13, 1994 to be effective September 1, 1994.

### **1:28-7. Administration**

The Administrative Office of the Courts shall provide supporting services as requested by the Board of Trustees. Trustees, from funds available, shall reimburse the Administrative Office of the Courts for the salaries and benefits of Fund staff and for other expenses which may be incurred on the behalf of the Fund.

Note: Adopted June 29, 1973 to be effective September 10, 1973; amended June 29, 1990 to be effective September 4, 1990.

### **1:28-8. Custodial Receivers**

Upon approval of the Board of Trustees pursuant to R. 1:28-1(c), the Director or an attorney designated to act on behalf of the Trustees may, upon the occasions set forth below, make application to an appropriate court for the appointment of a custodial receiver to take possession of the property of an attorney, including, but not limited to, property incident to the attorney's

law practice. Provided the Trustees first find a reasonable probability that a claim or claims will be presented to the Fund on account of the alleged misconduct of the attorney, such application may be made in any of the following instances:

- (a) Where an attorney has been disbarred or suspended by the Supreme Court, or where the attorney's resignation has been accepted by it, with prejudice.
- (b) Where the Trustees have received notice that a presentment has been or is about to be submitted against an attorney by a county ethics committee.
- (c) Where the Trustees have received notice that a criminal charge, whether by way of indictment or otherwise, has been or is about to be laid against an attorney.
- (d) Where an attorney shall admit the existence of defalcations with respect to clients' property, for which defalcations the attorney's misconduct shall have been responsible.
- (e) Where credible evidence of such misconduct reaches the Trustees otherwise than as set forth above.

**Note:** Adopted May 8, 1975, effective immediately; first paragraph amended and last paragraph deleted June 29, 1990 to be effective September 4, 1990; introductory paragraph and paragraphs (a) and (d) amended July 13, 1994 to be effective September 1, 1994.

### **1:28-9. Confidentiality**

(a) All proceedings conducted and records made or maintained by the Fund in connection with the filing or consideration of claims shall be confidential and shall not be disclosed except as follows:

(1) Once a claim has been approved for payment, the Fund may, upon written request, make available the following information:

- (a) name and address according to Fund records of the respondent attorney;
- (b) name and city of residence of the claimant;
- (c) the amount claimed;
- (d) the amount awarded; and
- (e) a summary of the factual basis for the claim.

(2) Nothing herein shall preclude the release of information to the respondent and claimant or their attorneys or to the authorities specified in R. 1:28-3(a)(5), nor shall it preclude use of such information by the Fund pursuant to its rights under R. 1:28-3(e).

(3) Nothing herein shall preclude the inclusion of statistical information regarding claims in the annual report prepared pursuant to R. 1:28-4(a).

(b) Information received and maintained by the Fund in connection with the annual billing and registration of attorneys pursuant to R. 1:28-2 shall be made available to the



## ATTACHMENT “3”

### The ABA Model Rules for Lawyers’ Funds for Client Protection

# Model Rules for Lawyers' Funds for Client Protection - Preamble

## Preamble

The Model Rules for Lawyers' Fund for Client Protection are intended to serve as a national model for establishment and administration of a client protection fund. However, they cannot expect to accommodate every need of each Fund in the diverse constituency of the legal profession. The Model Rules aspire to establish standards for effective financing and efficient administration of Funds to achieve the purpose of client protection. They continue the basic intent and aspiration of the original Model Rules: to provide meaningful, prompt, and cost-free reimbursement to clients who have been injured by a lawyer's dishonest conduct.

Despite the best attempts of the legal profession to establish high standards of ethics and severe disciplinary sanctions for their breach, it is a fact that some lawyers misappropriate money from their clients. Typically, those lawyers lack the financial wherewithal to make restitution to their victims.

The organized bar throughout the United States has responded by creating Client Protection Funds to provide necessary reimbursement. The funds were either created by court rule, legislation or by the voluntary action of bar associations. In jurisdictions in which the bar is unified (i.e, membership in the state bar association is required for a license to practice law), the Fund may be part of the unified bar, which performs a variety of functions related to professional responsibility (e.g., administration of the lawyer regulatory system).

Funding can be generated from a variety of sources including mandatory assessment, legislative budget appropriation, and voluntary contribution. Mandatory assessment by court rule has proven to be the preferred method of assuring continual funding and staffing. Funds that receive revenues through mandatory assessment are preferred because the result is a reliable and predictable source of income. This allows a Fund to fully reimburse losses and to engage in public information, continuing legal education programs, and related activities. Voluntary contribution is the weakest funding method; it does not provide the Fund with broad-based and permanent income.

# Model Rules for Lawyers' Funds for Client Protection - Rule 1

## RULE 1 - PURPOSE AND SCOPE

A. The purpose of the Lawyers' Fund for Client Protection is to promote public confidence in the administration of justice and the integrity of the legal profession by reimbursing losses caused by the dishonest conduct of lawyers licensed or otherwise authorized to practice law in the courts of this jurisdiction occurring in the course of the client-lawyer or other fiduciary relationship between the lawyer and the claimant.

B. For purposes of these Rules, "lawyer" shall include a person:

- (1) licensed to practice law in this jurisdiction, regardless of where the lawyer's conduct occurs;
- (2) admitted as in-house counsel;
- (3) admitted *pro hac vice*;
- (4) admitted as a foreign legal consultant;
- (5) admitted only in a non-United States jurisdiction but who is authorized to practice law in this jurisdiction; or
- (6) recently suspended or disbarred whom clients reasonably believed to be licensed to practice law when the dishonest conduct occurred.

C. Every lawyer has an obligation to the public to participate in the collective effort of the bar to reimburse persons who have lost money or property as a result of the dishonest conduct of another lawyer. Contribution to the Lawyers' Fund for Client Protection is an acceptable method of meeting this obligation.

### Comment

[1] Paragraph A expresses the general purpose of a Lawyers' Fund for Client Protection: promoting public confidence in the administration of justice and the integrity of the legal profession. The term "dishonest conduct" is defined in Rule 10.

[2] The definition of lawyer, found in Paragraph B, includes not only persons licensed or otherwise authorized to practice law in the jurisdiction, but also lawyers practicing law in the jurisdiction by virtue of in-house counsel admission, *pro hac vice* admission, foreign legal consultant admission, authorization for temporary practice of law by a foreign lawyer and by former or suspended lawyers reasonably believed by clients to have been authorized to practice law. Lawyers admitted as in-house counsel, *pro hac vice*, or as foreign legal consultants should both pay into the Fund as provided under Rule 3 and have their conduct covered by the Fund.

[3] The Fund is part of this jurisdiction's system of lawyer regulation. The Fund therefore has jurisdiction to recognize claims filed against lawyers licensed to practice law in this jurisdiction regardless of where the lawyer's conduct occurs. This is consistent with the jurisdictional authority set forth in Rule 8.5 (a) of the ABA *Model Rules of Professional Conduct*: "A lawyer admitted in this jurisdiction is subject to the disciplinary authority of this jurisdiction, regardless of where the lawyer's conduct occurs." Pursuant to Paragraph B, if necessary, this Fund is authorized to "follow" the lawyer and compensate eligible claimants who have suffered losses as a result of the lawyer's dishonest conduct.

[4] It is particularly equitable to require that this Fund, into which lawyers have paid annual assessments, have the primary responsibility to compensate clients who have suffered losses. Such lawyers would include those admitted as in-house counsel, by *pro hac vice* admission and foreign legal consultants. Lawyers admitted only in a non-United States jurisdiction may have their conduct covered by the Fund because the highest court in this jurisdiction has authorized them to provide legal services on a temporary basis in this jurisdiction.

[5] Rule 10(E) provides for an equitable balancing test to determine whether the Fund, another jurisdiction's Fund, or both Funds should pay claims filed against lawyers not admitted or authorized to practice law exclusively in this jurisdiction.

[6] Paragraph C, drawn from the Comment to Rule 1.15 of the *ABA Model Rules of Professional Conduct*, recognizes that lawyers individually and the bar collectively, have the obligation to participate in a Lawyers' Fund for Client Protection.

## Model Rules for Lawyers' Funds for Client Protection - Rule 2

### RULE 2 ESTABLISHMENT

- A. There is established the Lawyers' Fund for Client Protection ("Fund") to reimburse claimants for losses caused by dishonest conduct committed by lawyers admitted to practice in this state.
- B. There is established, under the supervision of the highest court in this jurisdiction ("Court"), the Lawyers' Fund for Client Protection Board of Trustees ("Board"), which shall receive, hold, manage and disburse from the Fund such monies as may from time to time be allocated to the fund.
- C. These rules shall be effective for claims filed with the Board after [date] and the Board shall not pay claims for losses incurred as a result of dishonest conduct committed prior thereto.

#### Comment

The practice of law is so directly connected to the exercise of judicial power and the administration of justice that the right to define and regulate it belongs to the judicial department. It is the court that bears the responsibility for establishing qualifications for practice and for seeing that lawyers subject to its jurisdiction adhere to the standards of conduct the Court mandates.

Paragraph B links the establishment of a Fund to the Court's power to regulate the practice of law. The Court has the inherent power to establish a Fund and require lawyers admitted to

practice in this jurisdiction to contribute to it. The Court not only has the power but also the duty to provide a system for reimbursement to clients whose lawyers have mishandled their funds.

The limitation imposed in Paragraph C is necessary to prevent the possibility of an immediate bankrupting of the Fund caused by the payment of claims for dishonest conduct committed before the Fund was established. The provision sets a time certain after which losses will be reimbursable.

## Model Rules for Lawyers' Funds for Client Protection - Rule 3

### RULE 3 FUNDING

- A. The Court shall provide for funding by the lawyers admitted and licensed to practice law in the jurisdiction in amounts adequate for the proper payment of claims and the costs of administering the Fund.
- B. A lawyer's failure to pay any fee assessed shall be a cause for suspension from practice until payment has been made.

#### Comment

Paragraph A suggests that the single most important factor in establishing and maintaining an effective client reimbursement program is ensuring adequate and continuous funding through a reliable source. The Court, pursuant to its power to regulate lawyers and the practice of law, has the power to impose a fee to support the regulatory system. In the exercise of its authority, the Court may assess lawyers an annual fee to finance systems that implement the Court's regulatory authority.

Paragraph B is the enforcement mechanism for the failure to pay the assessment. *See* Paragraph A of Rule 16 for restitution and subrogation enforcement standards.

## Model Rules for Lawyers' Funds for Client Protection - Rule 4

### RULE 4 FUND

All monies or other assets of the Fund shall constitute a trust and shall be held in the name of the Fund, subject to the direction of the Board.

### **Comment**

Under Rule 3, the fees assessed by the Court against the jurisdiction's lawyers are to be used for a stated purpose, the Fund.

Matters and expenses for which the Fund may be used should be considered and delineated by the Board in written policies to ensure that claimants receive the maximum benefit possible from available sources. Segregating any accounts in the name of the Fund is fundamental in preventing the use of monies by other entities for purposes unrelated to reimbursement and client protection.

Administrative expenses will be incurred by operating a Fund even though trustees traditionally serve on the Board without compensation. The cost of administering the Fund, e.g., expenses of Trustees, hearing of claims, record keeping, and salaries for staff and other overhead, should be paid out from the Fund.

## **Model Rules for Lawyers' Funds for Client Protection - Rule 5**

### **RULE 5 COMPOSITION AND OFFICERS OF THE BOARD**

- A. The Board shall consist of five lawyers and two nonlawyers appointed by the Court for initial terms as follows:
- B.
  - 1. two lawyers for one year;
  - 2. one nonlawyer for two years;
  - 3. two lawyers for two years;
  - 4. one nonlawyer for three years; and
  - 5. one lawyer for three years.

Subsequent appointments shall be for a term of three years. The Court may limit the number of successive terms that Trustees may serve on the Board.

- C. Trustees shall serve without compensation but shall be reimbursed for their actual and necessary expenses incurred in the discharge of their duties.
- D. Vacancies shall be filled by appointment by the Court for any unexpired terms.
- E. The Board shall select a Chair, Secretary, Treasurer and such other officers as the Board deems appropriate.



F. The Treasurer shall be bonded in such manner and amount as the Board shall determine.

### **Comment**

A Board composed of lawyers and nonlawyers results in balanced evaluation of claims within the full context of the client-lawyer relationship. Participation by nonlawyers also enhances the credibility of the reimbursement process in the eyes of the public. Trustees should reflect all segments of the profession and the general population.

A Board of seven members is small enough to accomplish the work of the Fund, yet not so large as to discourage active involvement by each member or to be cumbersome. Terms of office are staggered to encourage continuity of experience and the development of policy and precedent. Depending on local policy or experience, the Court may limit successive appointments of the Trustees.

The Trustees should serve without compensation, *pro bono publico*, but should be reimbursed for expenses incurred in the discharge of their office.

Since direct and full responsibility for the administration and management of the Fund and its assets is vested in the Board, it should select its own officers.

## **Model Rules for Lawyers' Funds for Client Protection - Rule 6**

### **RULE 6 BOARD MEETINGS**

- A. The Board shall meet as frequently as necessary to conduct the business of the Fund and to timely process claims.
- B. B. The Chair shall call a meeting at any reasonable time or upon the request of at least two Trustees.
- C. C. A quorum for any meeting of the Board shall be four Trustees. A motion shall pass upon the affirmative vote of four Trustees.
- D. D. Minutes of meeting shall be taken and permanently maintained by the Secretary.

### **Comment**

Regular and frequent meetings of the Board throughout the year are necessary to ensure that the Fund has the ability to respond promptly and effectively. The Board should meet at least

quarterly if any claims are pending. Telephone conferences should be encouraged where necessary. Claims should be handled in as expeditious a manner as possible consistent with their just resolution.

## Model Rules for Lawyers' Funds for Client Protection - Rule 7

### RULE 7 DUTIES AND RESPONSIBILITIES OF THE BOARD

The Board shall have the following duties and responsibilities:

- A. to receive, evaluate, determine and pay claims;
- B. to promulgate rules of procedure not inconsistent with these Rules;
- C. to prudently invest such portions of the funds as may not be needed currently to pay losses, and to maintain sufficient reserves as appropriate;
- D. to provide a full report at least annually to the Court and to make other reports as necessary;
- E. to publicize its activities to potential claimants, the public and the bar;
- F. to employ adequate staff to assure the Board's effective and efficient performance of its functions;
- G. to retain and compensate consultants, administrative staff, investigators, actuaries, agents, legal counsel and other persons as necessary;
- H. to prosecute claims for restitution to which the Fund is entitled;
- I. to engage in studies and programs for client protection and prevention of dishonest conduct by lawyers; and
- J. to promote effective communication between lawyer disciplinary authorities and the Fund, and
- K. to perform all other acts necessary or proper for the fulfillment of the purposes and effective administration of the Fund.

#### **Comment**

In determining the order and manner of payment of claims, the Board should have the discretion to pay in subsequent years all or part of claims that were not fully reimbursed in a prior year.

Investing monies that are not needed to cover current claims permits a reasonable return without risking the integrity of the Fund. The Board should adopt specific guidelines for the investment of funds. Investments should be of appropriate duration to maintain liquidity of assets and enable the Board to promptly pay losses. The nature of the investments may be specifically limited to

bonds, notes or securities issued or guaranteed by a state or federal agency, interest bearing accounts or certificates of deposit.

Paragraphs D and E require public information programs. The Board has the affirmative obligation to publicize its activities to both bench and bar. Similarly it is incumbent on the Board to publicize itself to the general public. The fulfillment of both obligations is extremely important to the success of the Fund in achieving its purposes.

As suggested in Paragraph I, the Board also should study and, if appropriate, adopt other potential programs, such as trust account overdraft notification, payee notification, and random audits, to help reduce defalcation.

The Fund's assets should not be unduly diminished by employing investigative or other personnel whose work would duplicate the efforts of others responsible for investigating lawyers' professional conduct. *See* Rule 12C regarding the cooperative effort anticipated between the Board and the lawyer discipline agency. Moreover, the Fund shall establish mechanisms to encourage lawyer disciplinary authorities to notify complainants about the existence of the Fund.

The Board should make an attempt to prosecute all claims for restitution. Restitution is one way of replenishing the Fund's assets. *See also* , Rule 16 which focuses on subrogation and other methods of restitution.

The Trustees and staff should also participate in seminars and continuing legal educational programs dealing with client protection.

## Model Rules for Lawyers' Funds for Client Protection - Rule 8

### RULE 8 CONFLICT OF INTEREST

- A. A Trustee who has or has had a client-lawyer relationship or a financial relationship with a claimant or lawyer who is the subject of a claim shall not participate in the investigation or adjudication of a claim involving that claimant or lawyer.
- B. A Trustee with a past or present relationship, other than as provided in Paragraph A, with a claimant or the lawyer whose alleged conduct is the subject to the claim, or who has other potential conflicts of interest, shall disclose such relationship to the Board and, if the Board deems appropriate, that Trustee shall not participate in any proceeding relating to such claim.

### **Comment**

The Board must be sensitive to the perceptions of both the public and the legal profession in its determination of claims. Disqualification of members of the Board tainted by real or apparent conflicts of interest helps to ensure confidence in the impartiality in the proceeding. Potential conflicts of interest that should be disclosed include relations with other parties, such as with potential third-party sources of recovery.

## **Model Rules for Lawyers' Funds for Client Protection - Rule 9**

### **RULE 9 IMMUNITY**

The Trustees, employees and agents of the Board shall be absolutely immune from civil liability for all acts in the course of their official duties. Absolute immunity shall also extend to claimants and lawyers who assist claimants for all communications to the Fund.

### **Comment**

Immunity from civil liability encourages lawyers and nonlawyers to serve on the Board, and protects their independent judgment in the evaluation of claims. Immunity also protects the fiscal integrity of the Fund, and encourages claimants and lawyers to participate in seeking reimbursement for eligible losses.

As a matter of public policy, immunity should attach to the Fund's activities and proceedings in the same way that absolute immunity attaches in lawyer disciplinary proceedings.

In the absence of court rule or statute, immunity may not be available in proceedings involving voluntary funds. Insurance may therefore be required to protect Trustees, staffs, claimants, and the volunteer lawyers who assist claimants in processing their claims.

## **Model Rules for Lawyers' Funds for Client Protection - Rule 10**

### **RULE 10 ELIGIBLE CLAIMS**

A. The loss must be caused by the dishonest conduct of the lawyer and shall have arisen out of and by reason of a client-lawyer relationship or a fiduciary relationship between the lawyer and the claimant.

B. The claim shall have been filed no later than five years after the claimant knew or should have known of the dishonest conduct of the lawyer.

C. As used in these Rules, "dishonest conduct" means wrongful acts committed by a lawyer in the nature of theft or embezzlement of money or the wrongful taking or conversion of money, property or other things of value, including but not limited to:

(1) Failure to refund unearned fees received in advance as required by [Rule 1.16 of the *ABA Model Rules for Professional Conduct*]; and

(2) The borrowing of money from a client without intention to repay it, or with disregard of the lawyer's inability or reasonably anticipated inability to repay it.

D. Except as provided by Paragraph E of this Rule, the following losses shall not be reimbursable:

(1) Losses incurred by spouses, children, parents, grandparents, siblings, partners, associates and employees of lawyer(s) causing the losses;

(2) Losses covered by a bond, surety agreement, or insurance contract to the extent covered thereby, including any loss to which any bonding agent, surety or insurer is subrogated, to the extent of that subrogated interest;

(3) Losses incurred by any financial institution that are recoverable under a "banker's blanket bond" or similar commonly available insurance or surety contract;

(4) Losses incurred by any business entity controlled by the lawyer(s), any person or entity described in Subparagraph D (1), (2) or (3) of this Rule;

(5) Losses incurred by any governmental entity or agency;

(6) Losses arising from business or personal investments not arising in the course of the client-lawyer relationship; and

(7) Consequential or incidental damages, such as lost interest, or lawyer's fees or other costs incurred in seeking recovery of a loss.

E. In determining whether it would be more appropriate for this Fund or another Fund to pay a claim, the Board should consider the following factors:

(1) the Fund(s) into which the lawyer is required to pay an annual assessment or into which an appropriation is made on behalf of the lawyer by the bar association;

(2) the domicile of the lawyer;

(3) the domicile of the client;

(4) the residence(s) of the lawyer;

(5) the number of years the lawyer has been licensed in each jurisdiction;

(6) the location of the lawyer's principal office and other offices;

(7) the location where the attorney-client relationship arose;

(8) the primary location where the legal services were rendered;

(9) whether at the time the legal services were rendered, the lawyer was engaged in the unauthorized practice of law as defined by the jurisdiction in which the legal services were

rendered; and  
(10) any other significant contacts.

F. The Board may enter into an agreement with the Fund of another jurisdiction to reimburse a portion of the loss suffered by a claimant whose claim may be eligible for payment under both Funds. The Board may take into consideration the other Fund's rules on payment of claims for reimbursement prior to entering into such an agreement.

G. In cases of extreme hardship or special and unusual circumstances, the Board may, in its discretion and consistent with the purpose of the Fund, recognize a claim that would otherwise be excluded under these Rules.

H. In cases where it appears that there will be unjust enrichment, or the claimant unreasonably or knowingly contributed to the loss, the Board may, in its discretion, deny the claim.

### Comment

[1] Set forth in Paragraph A is the basic criteria for compensability of losses. An eligible claim must include: (1) a demonstrable loss; (2) caused by the dishonest conduct of a lawyer; and (3) within or arising out of a client-lawyer or fiduciary relationship.

[2] Fiduciary relationships are included because lawyers traditionally serve in that capacity as executors, conservators and guardians *ad litem*. Rejection of claims based upon technical distinctions between this sort of service and a client-lawyer relationship would not serve the purpose or mission of the Fund.

[3] Paragraph C adds to the Rules a definition of "dishonest conduct." The basic concept is one of conversion or embezzlement. Subparagraphs (1) and (2) make clear that if the essential nature of the transaction was conversion, dishonest conduct will be found even where the lawyer took money in the guise of a fee, a loan or an investment. Indeed, employing such a ruse is part of the dishonesty. Subparagraph (1) sets forth a standard for the handling of difficult unearned fee claims in accordance with Rule 1.16 of the ABA *Model Rules of Professional Conduct*. It is not intended to encompass bona fide fee disputes. Where money received by a lawyer was clearly neither earned nor returned, however, the client feels violated, hardship can result, and the Board may find dishonest conduct. Subparagraph (2) anticipates overreaching by a lawyer, in the context of a loan to the lawyer by the client, to such an egregious extent as to be tantamount to theft. Similarly, use by the lawyer of a purported "investment" to induce a client to turn over money should not preclude a finding of dishonest conduct where the "investment" is worthless, nonexistent and so forth.

[4] Paragraph C must be read in light of Paragraph A. In focusing on dishonest conduct, it must be kept in mind that such conduct must occur within or as a result of a client-lawyer or fiduciary relationship in order to be compensable.



[5] A five-year limitation on the filing of claims from the date the claimant knew or should have known of the dishonest conduct is contained in Paragraph B. Under Paragraph E, the Board should provide liberal leeway for extension, however, especially in light of the extent to which the Fund publicizes itself. It is not knowledge of the dishonest conduct but the lack of knowledge of the existence or purpose of the Fund that is the problem for many prospective claimants.

[6] Paragraph D describes claims that are not reimbursable. Subparagraphs (1), (4), and (5) declare certain classes of potential claimants to be ineligible for policy reasons. Subparagraphs (2) and (3) imply that recourse should be sought from certain third parties such as title insurance companies and banks cashing checks over forged endorsements prior to seeking it from the Fund. Such third parties lack the client-lawyer relationship necessary to prosecute a claim in their own right. Should such third parties fail or refuse to pay, the Fund should promptly pay the claim, take an assignment from the claimant, and pursue the third parties in its own right.

[7] Subparagraph D (6) addresses the most difficult of Fund claims. Claims in which lawyers steal from their clients in the guise of "investments" should be paid, but transactions having nothing to do with the lawyer's license to practice are not compensable. Claims with facts somewhere between the two extremes often arise, and the issue is whether there is "enough of" a client-lawyer relationship. Funds have found a "but for" test helpful: "But for the lawyer enjoying a client-lawyer relationship with the claimant, such loss could not have occurred." Factors considered in applying this test include (1) disparity in sophistication and bargaining power between lawyer and claimant; (2) extent to which client-lawyer relationship overcame the normal prudence of claimant; (3) extent to which lawyer became privy to claimant's financial information as claimant's lawyer; (4) whether the transaction originated with lawyer; (5) reputation of lawyer as to law practice or business involvements; (6) amount charged by lawyer for legal services as opposed to finder's fees; and (7) number, nature, and timing of prior transactions between claimant and lawyer.

[8] Paragraph E sets forth factors to be considered by the Board when deciding whether this Fund, another jurisdiction's Fund, or both Funds should pay a claim where more than one Fund has jurisdiction over a lawyer. This situation might arise where a lawyer is licensed in two or more jurisdictions; a lawyer is licensed in only one jurisdiction and has engaged in the authorized multijurisdictional practice of law in another jurisdiction; or a lawyer is licensed in only one jurisdiction and has engaged in the unlicensed practice of law in another jurisdiction.

[9] Paragraph F recognizes that there may be situations where it is appropriate for the Board to enter into an agreement with the Fund of another jurisdiction to reimburse a portion of the loss suffered by a claimant whose claim may be eligible for payment under both Funds. However, since Funds have different maximum dollar amounts of reimbursement for individual losses, the Fund with a higher maximum amount should not be required in every case to contribute more than the other Fund, or to contribute the maximum amount. Such a requirement could result in an undue burden on the Fund. The Board may take into consideration the other Fund's rules and its own rules on payment of claims for reimbursement, as well as the factors in Paragraph (E), prior to entering into such an agreement.

[10] Paragraphs G and H reiterate the critical importance of vesting in the Board the discretion to do justice in each claim considered, without needlessly following technical rules. These paragraphs recognize that it is impossible to predict every factual circumstance that will be presented to the Board.

## Model Rules for Lawyers' Funds for Client Protection - Rule 11

### RULE 11 PROCEDURES AND RESPONSIBILITIES FOR CLAIMANTS

- A. The Board shall prepare and approve a form for claiming reimbursement.
- B. The form shall include at least the following information provided by the claimant under penalty of perjury:
- C.
  1. the name and address of claimant, home and business telephone, occupation and employer, social security number;
  2. the name, address and telephone number of the lawyer alleged to have dishonestly taken the claimant's money or property, and any family or business relationship of the claimant to the lawyer;
  3. the legal or other fiduciary services the lawyer was to perform for the claimant;
  4. the amount paid to the lawyer;
  5. a copy of any written agreement pertaining to the claim;
  6. copies of any checks, money orders, receipts, or other proofs of payment;
  7. the form of the claimant's loss (e.g. money, securities or other property);
  8. the amount of loss and the date when the loss occurred;
  9. the date when the claimant discovered the loss, and how the claimant discovered the loss;
  10. the lawyer's dishonest conduct and the names and addresses of any persons who have knowledge of the loss;
  11. the name of the person, if any, to whom the loss has been reported (e.g. district attorney, police, disciplinary agency, or other person or entity) and a copy of any complaint and description of any action that was taken;
  12. the source, if any, from which the loss can be reimbursed including any insurance, fidelity or surety agreement;
  13. the description of any steps taken to recover the loss directly from the lawyer, or any other source;
  14. the circumstances under which the claimant has been, or will be, reimbursed for any part of the claim (including the amount received, or to be received, and the source); along with a statement that the claimant agrees to notify the Board of any reimbursements the claimant receives during the pendency of the claim;
  15. the existence of facts believed to be important to the Fund's consideration of the claim;

16. the manner in which the claimant learned about the Fund;
  17. the name, address and telephone number of the claimant's present lawyer;
  18. the claimant's agreement to cooperate with the Board in reference to the claim or as required by Rule 16, in reference to civil actions which may be brought in the name of the Board pursuant to a subrogation and assignment clause which shall also be contained within the claim.
  19. the claimant's agreement to repay Fund if the claimant is subsequently reimbursed from another source;
  20. The name and address of any other state Fund to which the claimant has applied or intends to apply for reimbursement, together with a copy of the application; and
  21. A statement that the claimant agrees to the publication of appropriate information about the nature of the claim and the amount of reimbursement if reimbursement is made.
- D. The claimant shall have the responsibility to complete the claim form and provide satisfactory evidence of a reimbursable loss.
- E. The claim shall be filed with the Board in the manner and place designated in the Board's rules.

### Comment

The Board is required to develop a claim form for claimants to establish their eligibility for reimbursement. The form should be comprehensive enough to minimize the investigative burden of the Board, yet not so detailed as to discourage eligible claimants from applying for reimbursement.

The enumeration in Paragraph B has been developed from claim forms in current use in several jurisdictions. Local need may require the enumeration to be supplemented by the Board. *See also*, Paragraph A of Rule 18 , which addresses confidentiality.

Paragraph C assigns the ultimate burden of establishing eligibility for reimbursement upon the claimant. No formal or technical quantum of proof is imposed on the claimant or the Board. In many cases, of course, the lawyers' dishonest conduct will already have been established in a lawyer discipline action upon the "clear and convincing evidence" standard or, "beyond a reasonable doubt" in a criminal proceeding involving the same facts which constitute the claim for reimbursement. (*See*, Rule 18C of the *ABA Model Rules for Lawyer Disciplinary Enforcement*.)

## Model Rules for Lawyers' Funds for Client Protection - Rule 12

## RULE 12 PROCESSING CLAIMS

- A. Whenever it appears that a claim is not eligible for reimbursement pursuant to Rule 10, the claimant shall be advised of the reasons why the claim may not be eligible for reimbursement, and that unless additional facts to support eligibility are submitted to the Fund, the claim file shall be closed.
- B. An order disciplining a lawyer for the same dishonest act or conduct alleged in a claim, or a final judgment imposing civil or criminal liability therefor, shall be evidence that the lawyer committed such dishonest act or conduct.
- C. The lawyer disciplinary agency shall be promptly notified of the claim and required to furnish a report of its investigation of the matter to the Board. The lawyer disciplinary agency shall allow the Fund's representative access to its records during an investigation of a claim. The Board shall evaluate whether the investigation is complete and determine whether the Board should conduct additional investigation or await the pendency of any disciplinary investigation or proceeding involving the same act or conduct that is alleged in the claim.
- D. The Board may conduct its own investigation when it deems it appropriate.
- E. The lawyer shall be notified of the claim and given an opportunity to respond to the claim. A copy of the claim shall be provided to the lawyer, or the lawyer's representative. The lawyer or representative shall have 20 days in which to respond.
- F. The Board may request that testimony be presented to complete the record. Upon request, the claimant or lawyer, or their representatives, will be given an opportunity to be heard.
- G. The Board may make a finding of dishonest conduct for purposes of adjudicating a claim. Such a determination is not a finding of dishonest conduct for purposes of professional discipline.
- H. When the record is complete, the claim shall be determined on the basis of all available evidence, and notice shall be given to the claimant and the lawyer of the Board's determination and the reasons therefor. The approval or denial of a claim shall require the affirmative votes of at least four trustees.
- I. Any proceeding upon a claim need not be conducted according to technical rules relating to evidence, procedure and witnesses. Any relevant evidence shall be admitted if it is the type of evidence upon which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in court proceedings. The claimant shall have the duty to supply relevant evidence to support the claim.
- J. The Board shall determine the order and manner of payment and pay all approved claims, but unless the Board directs otherwise, no claim should be approved during the pendency of a disciplinary proceeding involving the same act or conduct that is alleged in the claim.

### Comment

Rule 12 addresses the procedure for consideration of claim in concert with the disciplinary process. The overall scheme presented is one of cooperation between the Fund and disciplinary authorities pursuant to Paragraph C, while avoiding duplication of effort in Paragraph B but respecting the different needs and autonomous functioning of the respective bodies identified in Paragraphs D and G.

The Rule also seeks to set forth a framework which balances the Fund's duty to address the claimant's allegations efficiently with the need to present the respondent lawyer with an opportunity to defend pursuant to Paragraphs E, F and H.

The overriding policy implicit in Rule 12 is that the Board exercises its discretion so as to make the best possible decision as expeditiously as possible in each claim presented. The Board may conduct any investigation it deems appropriate under Paragraph D, including the taking of testimony pursuant to Paragraph F. Paragraph J provides that the order and manner of payment of claims is likewise within the Board's discretion. Paragraph H requires the Board to articulate to each side the rationale for its determination on a given claim. Under Paragraph I, technical rules of evidence shall not be employed to hinder the Board from accomplishing its mission.

Note that under Paragraph H the affirmative vote of at least four Trustees is required in order to dispose of a claim, just as it is for any matter before the Board under Rule 6C. Thus, for example, if the minimum necessary for a quorum is present, any motion that cannot garner unanimous support will fail. A "majority of the quorum present" will not suffice. This Paragraph does not prevent determinations of claims by mail ballot.

Ideally the initial investigation should be done by the lawyer disciplinary agency personnel to avoid duplication of effort and inconsistent findings of both entities. The financial integrity of the Fund is preserved by using existing resources. Investigation by the Board should be utilized to gather additional evidence or to provide evidence in those jurisdictions where the discipline agency is unable to timely reveal the results of the investigation.

As noted in the Comment to Rule 11, in many matters, a criminal conviction or a finding during disciplinary proceedings will establish "dishonest conduct" for purposes of the Board's determination of the claim. A discipline or other agency may, however, lack jurisdiction or have little incentive to act where the lawyer is unlikely to engage in further misconduct. This dilemma is illustrated by lawyers who have died, become mentally or physically incapacitated, fled the jurisdiction, or been disciplined for other reasons. The Board may then be required under Paragraph G to make a finding of dishonest conduct solely for the purpose of the Fund's proceeding.

The Fund should have professional staff to assist the Board in investigating claims. Volunteers often cannot devote the same time and attention as staff members.

The Fund's investigations should be augmented by subpoena power, consistent with the local rules of civil procedure. While a claimant has the burden of providing satisfactory evidence of a reimbursable loss under Paragraph C of Rule 11, the Board should be given the opportunity to make the best possible decision on each matter before it.

# Model Rules for Lawyers' Funds for Client Protection - Rule 13

## RULE 13 REQUEST FOR RECONSIDERATION

The claimant or respondent may request reconsideration in writing within 30 days of the denial or determination of the amount of a claim. If the claimant or respondent fails to make a request or the request is denied, the decision of the Board is final and there is no further right or appeal.

### **Comment**

This Rule establishes a procedure to provide an opportunity for reconsideration of a claim. It permits claimants or respondents further consideration without creating a right of appeal or judicial review. The opportunity for reconsideration also provides a safeguard against dismissal of a claim not fully presented earlier.

# Model Rules for Lawyers' Funds for Client Protection - Rule 14

## RULE 14 PAYMENT OF CLAIMS FOR REIMBURSEMENT

- A. The Board may from time to time fix a maximum amount on reimbursement that is payable by the Fund.
- B. Payment of reimbursement shall be made in such amounts and at such times as the Board deems appropriate and may be paid in lump sum or installment amounts.
- C. If a claimant is a minor or an incompetent, the reimbursement may be paid to any person or entity authorized to receive the reimbursement for the benefit of the claimant.

### **Comments**

Full reimbursement is the goal of a Fund, and adequate financing is essential to its achievement. Realistically, however, this ideal must be tempered with a Fund's need to provide all eligible claimants with meaningful, if not total, reimbursement for their losses.



A maximum limitation on reimbursement permits the assets of a developing Fund to accumulate while an historical "claims presented" record is established. It also serves to protect established Funds from catastrophic losses. Toward that end, Paragraph A authorizes the Board to fix a maximum limitation on reimbursement, whether for individual losses, or for the aggregate for all losses sustained by the clients of an individual lawyer.

An aggregate limitation is permitted under Paragraph A, but it is not encouraged. An aggregate limitation has the potential of unfairness and is inconsistent with the goal of providing full reimbursement to all eligible claimants. Unless clearly required by a new and developing Fund, it should not be utilized. When utilized, the Board should aim for its elimination as soon as the Fund's fiscal conditions permit.

Maximum limitations, whether individual or aggregate, should be reviewed periodically in light of the Fund's actual experience in providing reimbursement to eligible claimants for their documented losses.

Paragraph B assigns responsibility for the determination of the actual amount of each reimbursement to the discretion of the Board.

Paragraph B also grants the Board flexibility in paying reimbursement. Depending on a Fund's financial and administrative needs, periodic payment dates can be established, and reimbursement can be paid in lump sums or in installments.

Similarly, where losses involve minors and incompetents, Paragraph C permits the Board to pay the reimbursement directly to a parent or legal representative, for the benefit of the claimant.

## Model Rules for Lawyers' Funds for Client Protection - Rule 15

### RULE 15 REIMBURSEMENT FROM THE FUND IS DISCRETIONARY

No person shall have the legal right to reimbursement from the Fund. There shall be no appeal from a decision of the Board.

## Comment

Although these Rules establish procedures for the processing of claims seeking reimbursement from the Fund, they are not intended to create either substantive rights to reimbursement, compensation, damages or restitution for a lawyer's dishonest conduct, or procedural rights subject to judicial review with respect to determination of claims.

The Fund is not a guarantor of honesty and integrity in the practice of law. Dishonest conduct by a member of the bar imposes no separate legal obligation on the profession collectively, or on the Fund, to compensate for a lawyer's misconduct. The Fund is a lawyer-financed public service, and payments by the Board is discretionary.

# Model Rules for Lawyers' Funds for Client Protection - Rule 16

## RULE 16 RESTITUTION AND SUBROGATION

- A. A lawyer whose dishonest conduct results in reimbursement to a claimant shall be liable to the Fund for restitution; and the Board may bring such action as it deems advisable to enforce such obligation.
- B. A lawyer whose dishonest conduct has resulted in reimbursement to a claimant shall make restitution to the Fund including interest and the expense incurred by the Fund in processing the claim. A lawyer's failure to make satisfactory arrangement for restitution shall be cause for suspension, disbarment, or denial of an application for reinstatement.
- C. As a condition of reimbursement, and to the extent of the reimbursement provided by the Fund, a claimant shall be required to provide the Fund with a transfer of the claimant's rights against the lawyer, the lawyer's legal representative, estate or assigns; and of the claimant's rights against any third party or entity who may be liable for the claimant's loss.
- D. Upon commencement of an action by the Board as subrogee or assignee of a claim, it shall advise the claimant, who may then join in such action to recover the claimant's unreimbursed losses.
- E. In the event that the claimant commences an action to recover unreimbursed losses against the lawyer or another entity that may be liable for the claimant's loss, the claimant shall be required to notify the Board of such action.
- F. The claimant shall be required to agree to cooperate in all efforts that the Board undertakes to achieve restitution for the Fund, and to repay the Fund if claimant is subsequently reimbursed from another source an amount that exceeds the difference between the principal misappropriated and the Fund award. Such repayment shall not exceed the amount of the Fund award.

## Comment

As fiduciaries of the Fund, the Board has the obligation to seek restitution, in appropriate cases, for reimbursement paid to claimants. Successful restitution efforts can enlarge the Fund's financial capacity to provide reimbursement to eligible claimants, and also reduce the need to increase assessments on lawyers to finance the operations of the Fund.

The Board may seek restitution by direct legal action against the lawyer, as well as by the enforcement of rights provided by subrogation and assignment against the lawyer, the lawyer's estate, or any other person or entity who may be liable for the claimant's loss.

Paragraph A is a statement of the Fund's right to seek restitution from the lawyer whose dishonest conduct resulted in a payment of reimbursement. Paragraph A creates an obligation on the dishonest lawyer to reimburse the Fund for all payments made by the Fund to the lawyer's clients. Under Paragraph B, the making of restitution to the Fund by the dishonest lawyer is a condition precedent to the lawyer's continued practice of law.

Paragraph C requires the Board to establish a subrogation policy that requires claimants who receive reimbursement from the Fund to contractually transfer to the Fund their rights against the lawyer and any other person or entity that may be liable for the loss which the Fund reimbursed. This ordinary transfer of rights by subrogation is to extent of the reimbursement provided by the Fund.

Paragraphs D and E provide for appropriate notice and joinder of parties in subrogation actions by the Fund, or by a claimant, where the claimant has received less than full reimbursement from the Fund.

Paragraph F requires a claimant agree to cooperate with the Fund in its efforts to secure restitution.

The provisions of Paragraphs C, D, E, and F will ordinarily be incorporated in the Fund's subrogation agreement with the claimant.

Subrogation agreements should be carefully drawn to maximize the Board's creditor rights. In appropriate cases, subrogation should be supplemented with a full or partial assignment of specific rights possessed by a claimant, such as a payee's rights as a party to a negotiable instrument, or as a judgment creditor.

The Board should seek the enactment of local law, if necessary, to enhance the Fund's creditors rights. One example is a statutory grant of subrogation rights once the Fund reimburses a claimant's loss. A statutory right of subrogation can effectively supplement contractual subrogation, and may eliminate the need for individual agreements.

Another enhancement that local law might provide a Fund is an automatic lien upon payment of restitution. The lien can serve a two-fold purpose: enabling the Board to intercept restitution

which the lawyer is obligated to pay a claimant and preventing claimants from receiving double payments for their losses.

Although most collection efforts directly against the lawyer will not be immediately successful as a practical matter, it is important that the Fund acquire the claimant's rights when it pays reimbursement. A transfer of rights has the potential for a later recoupment of restitution, and to prevent a claimant's double recovery for the same loss.

Lawyer disciplinary agencies, increasingly require lawyers to make restitution to Funds, or to clients, as a condition of discipline or for reinstatement to practice. *See, ABA Model Rules for Lawyer Disciplinary Enforcement* (1999).

The Board, through the exercise of subrogation and assignments rights, can also recover restitution from collateral sources, including law partners.

## Model Rules for Lawyers' Funds for Client Protection - Rule 17

### RULE 17 JUDICIAL RELIEF

- A. The Board may make application to the appropriate court for relief to protect the interests of claimants or the Fund where:
  - 1. the assets of clients appear to be in danger of misappropriation or loss, or to secure the claimant's or Fund's rights to restitution or subrogation; or
  - 2. the lawyer disciplinary agency has failed to exercise jurisdiction.
- B. A court's jurisdiction in such proceedings shall include the authority to appoint and compensate custodial receivers to conserve the assets and practices of disciplined, missing, incapacitated and deceased lawyers.

#### **Comment**

Occasionally a situation arises in which the protection of clients and the Fund requires the appointment of a custodial receiver to wind down the practice and to preserve assets. Rule 17 makes explicit the Board's authority to seek just such a remedy as is available under state law. It is anticipated that the Rule would be adapted to seeking equitable remedies in each jurisdiction.

## Model Rules for Lawyers' Funds for Client Protection - Rule 18

## RULE 18 CONFIDENTIALITY

- A. Claims, proceedings and reports involving claims for reimbursement are confidential until the Board authorizes reimbursement to the claimant, except as provided below, unless provided otherwise by law. After payment of the reimbursement, the Board shall publicize the nature of the claim, the amount of reimbursement, and the name of the lawyer. The name and the address of the claimant shall not be publicized by the Board unless specific permission has been granted by the claimant.
- B. This rule shall not be construed to deny access to relevant information by professional discipline agencies or other law enforcement authorities as the Board shall authorize, or the release of statistical information that does not disclose the identity of the lawyer or the parties, or the use of such information as is necessary to pursue the Fund's subrogation rights under Rule 16.

### Comment

The need to protect wrongly accused lawyers and to preserve the independence of the Board's deliberations should be balanced with the strong public interest in protecting legal consumers and promoting public confidence in the administration of justice.

Publication of awards by the Board demonstrates the legal profession's responsiveness to clients and its commitment to self-regulation. Responsible public information programs are essential to achieving the purposes of the Fund. The public, bar, and judicial leaders, and the news media should be kept informed of the activities of the Board and the status of its reimbursement efforts.

The Board must also be sensitive to the privacy concerns of claimants, and of the constitutional rights of lawyers who may be the subject of criminal proceedings. Deferring publicity may therefore be appropriate where there is a pending criminal prosecution against a lawyer. Securing a claimant's consent to the release of information concerning a claimant's loss and reimbursement may also be a desirable practice, particularly for a voluntary fund which may not be protected by the immunity that is afforded a court-established Fund under Rule 9.

It is within the discretion of the Board to determine which public agencies should be provided access to claim files. Lawyer discipline, law enforcement, and agencies considering nominations to public offices may have a legitimate need for information contained in the Fund's records that would otherwise be confidential.

## Model Rules for Lawyers' Funds for Client Protection - Rule 19

## RULE 19 COMPENSATION FOR REPRESENTING CLAIMANTS

No lawyer shall accept any payment for assisting a claimant with prosecuting a claim, unless such payment has been approved by the Board.

### **Comment**

Proceedings to determine claims are not necessarily adversarial in nature, and Fund employees should be available to assist claimants in understanding and preparing claims forms. The Bar should be encouraged to assist claimants as a particularly appropriate form of *pro bono* service, and appreciation for such work ought to be expressed.



## ATTACHMENT “4”

Supreme Court of New Jersey Order D-112

# SUPREME COURT OF NEW JERSEY

## ORDER

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### **Comprehensive Enforcement Program Extension of Pilot Project with NJ Lawyers Fund for Client Protection**

IT IS ORDERED that the July 23, 1999, Order of the Supreme Court that established a one-year pilot project under which the New Jersey Lawyers Fund for Client Protection was authorized to use the Comprehensive Enforcement Program for collection of monies on behalf of the Fund is extended for six months or until the further Order of the Court, effective October 1, 2000. See N.J.S.A. 2B:19-6a.

For the Court:

/s/ Deborah T. Poritz

C.J.

Dated: October 4, 2000

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Notices to the Bar

L-2022-20

## ATTACHMENT "5"

Decision and Recommendation of the  
Disciplinary Review Board,  
Docket No. DRB 92-382

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## DISCIPLINARY REVIEW BOARD

OF THE

SUPREME COURT OF NEW JERSEY

RAYMOND R. TROMBADORE, ESQ., CHAIR  
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 DONA S. SEROTA-TESCHNER  
 DEPUTY COUNSEL

February 3, 1993

PERSONAL AND CONFIDENTIAL

Stephen W. Townsend, Clerk  
 Supreme Court of New Jersey  
 CN 970  
 Trenton, New Jersey 08625

RE: In the Matter of Kenneth F. Irek  
 Docket No. DRB 92-382

Dear Mr. Townsend:

The Disciplinary Review Board recommends to the Supreme Court that respondent be disbarred from the practice of law for his conduct in the above matter. The Board's decision is based upon a recommendation for public discipline filed by the District IX Ethics Committee.

The following documents accompany this recommendation:

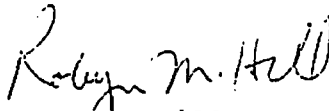
1. Decision and Recommendation of the Disciplinary Review Board, dated December 28, 1992.
2. Transcript of the hearing before the Board dated November 18, 1992.
3. Ethics history and Client Protection Fund Report, dated September 30, 1992.
4. Hearing Panel Report, dated August 5, 1992, filed by the District IX Ethics Committee.

Page Two

In the Matter of Kenneth F. Irek

5. Transcript of the hearing before the District IX Ethics Committee, dated July 29, 1992.
6. Exhibits P-1, P-2 and P-4.
7. Formal complaint, undated (please note that there is no answer).

Very truly yours,



Robyn M. Hill

/rt

cc: Raymond R. Trombadore, Esq.  
Chair, Disciplinary Review Board (w/o enclosure)  
David E. Johnson, Jr., Esq.  
Director, Office of Attorney Ethics (w/full file)  
Richard B. Ansell, Esq.  
Chair, District IX Ethics Committee (w/encl. #1)  
Jamie S. Perri, Esq.  
Secretary, District IX Ethics Committee (w/encl. #1)  
Kenneth F. Irek, Esq.

SUPREME COURT OF NEW JERSEY  
 Disciplinary Review Board  
 Docket No. DRB 92-382

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IN THE MATTER OF :  
 :  
 KENNETH F. IREK, :  
 :  
 AN ATTORNEY AT LAW :  
 :

---

Decision and Recommendation  
 of the  
 Disciplinary Review Board

Argued: November 18, 1992

Decided: December 28, 1992

Robert J. Gaughran appeared on behalf of the District IX Ethics Committee.

Respondent did not appear.<sup>1</sup>

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

This matter was before the Board based on a recommendation for public discipline filed by the District IX Ethics Committee ("DEC"). The complaint charged respondent with violation of RPC 1.15(b) and 8.4(c), by failing to return to grievants a \$5,000 deposit that they were entitled to receive in a real estate transaction. The DEC dismissed charges of violation of RPC 1.3 (lack of diligence) (Second Count).

Respondent was admitted to the New Jersey bar in 1981. At the time relevant to this proceeding, he was the sole shareholder and

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<sup>1</sup> Respondent was served with notice of the Board hearing by publication in the New Jersey Law Journal, the Asbury Park Press and the New Jersey Lawyer.



president of Kirex Development Company ("Kirex"). On May 23, 1990, Zontan and Cathleen Szatmary, the grievants in this matter, signed a contract with Kirex for the purchase of a lot in Jackson, New Jersey, for \$35,000. The closing of title was scheduled for June 15, 1990. The contract also provided for a \$5,000 deposit to be held in trust by Kirex until closing of title. On May 29, 1990, grievants paid a \$5,000 deposit by a check made out to Kirex, which endorsed the check as its payee.

According to Cathleen Szatmary, she inquired of her attorney as to why the check had not been made out to an attorney, to be held in his or her trust account, as had been her experience in prior real estate transactions. Her attorney explained that respondent was a lawyer and that he was acting on his own behalf through Kirex. Mrs. Szatmary did not know, however, whether respondent had assured her attorney that he would hold the deposit in his capacity as a lawyer.

Thereafter, grievants and their attorney were unable to reach respondent to schedule a closing date. Numerous telephone calls, letters sent by certified mail, and personal visits to respondent's house and two offices were unavailing. On one particular occasion, grievants were able to reach Fran Donahue, Kirex' representative with whom they dealt in the transaction, but Ms. Donahue, too, was unaware of respondent's whereabouts. As of the date of the ethics hearing, grievants had neither closed title on their property nor recovered their deposit monies.

Respondent did not appear at either the DEC or the Board

hearing, despite notice by publication in several periodicals.

At the conclusion of the ethics hearing, the DEC found that respondent "received money in a fiduciary capacity with the money placed in trust and failed to safeguard it and return it," in violation of RPC 1.15(b). The DEC also found that respondent violated RPC 8.4(c) when he "misrepresented that [the money] would be placed in trust and held until closing and he then absconded with the funds." Hearing Panel Report at 4.

#### CONCLUSION AND RECOMMENDATION

Upon a de novo review of the record, the Board is satisfied that the DEC's conclusion that respondent acted unethically is fully supported by clear and convincing evidence.

Respondent absconded with grievant's deposit monies, which grievants had entrusted to him for safekeeping until closing of title not because respondent was the president of Kirex, but because he was an attorney. Although it is respondent's status as a member of the bar that required him to abide by the high standards expected of the profession, he was also acting as an attorney in the transaction, as Kirex' counsel. Disbarment is, therefore, the only appropriate sanction for his knowing misuse of escrow funds. In re Hollendonner, 102 N.J. 21 (1985). A six-member majority of the Board so recommends. One member would have imposed a two-year suspension, believing that the record did not

## ATTACHMENT “6”

Letter Dated 5/14/1993 from Roger S. Steffens,  
Deputy Counsel, NJLFCP

NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION

## TRUSTEES

ROBERT S. FEDER, CHAIRMAN  
COWLES W. HERR, VICE CHAIRMAN  
GERALD J. BATT  
LUIS R. SANCHEZ, TREASURER  
ARTHUR Z. KAMIN  
ROSEMARY ALITO



RICHARD J. HUGHES JUSTICE COMPLEX  
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May 14, 1993

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ASSISTANT TREASURER  
FRANK C. FARR

STREET ADDRESS FOR DELIVERIES:  
25 W. MARKET STREET

FAX (609) 394-8687

Mr. Kenneth Irek  
87 Carriage Hill Drive  
Colts Neck, NJ 07722

Re: Szathmary v. Irek  
CPF-520:1-93

Dear Mr. Irek

You have previously received a copy of the referenced claim. At the time we forwarded it to you the Fund lacked jurisdiction to consider making an award to the claimant due to the fact that you had not been disciplined.

Recent action by the Supreme Court in your case has conferred jurisdiction upon the Fund to consider claims against you. This the Board of Trustees will seek to do in an expeditious manner. Therefore, it is extremely important that you respond to this claim, in writing, within fourteen (14) days of the date of this letter. Should you not respond an inference may be available that there is no defense to assert. The Trustees wish all available facts to be before them when they decide this claim. Should an award be made, the Fund will take an assignment of the claimant's rights and seek to recover the money from you.

Please advise.

Very truly yours,

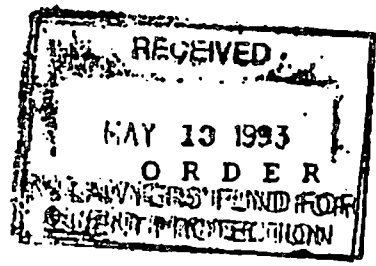
A handwritten signature in cursive script that reads "Roger S. Steffens".

ROGER S. STEFFENS

RSS:baw  
Enc.

IN THE MATTER OF  
KENNETH F. IREK,  
AN ATTORNEY AT LAW

:  
:  
:



FILED  
MAY 13 1993  
*Stephen W. Leonard*  
CLERK

The Disciplinary Review Board having filed a report with the Court recommending that KENNETH F. IREK, formerly of COLTS NECK, be disbarred for the knowing misappropriation of escrow funds in violation of RPC 1.15(b) and RPC 8.4(c), and good cause appearing;

It is ORDERED that KENNETH F. IREK, formerly of COLTS NECK, who was admitted to the bar of this State in 1981, be disbarred and that his name be stricken from the roll of attorneys of this State, effective immediately; and it is further

ORDERED that KENNETH F. IREK be and hereby is permanently restrained and enjoined from practicing law; and it is further

ORDERED that all funds, if any, currently existing in any New Jersey financial institution maintained by KENNETH F. IREK, pursuant to Rule 1:21-6, shall be restrained from disbursement except upon application to this Court, for good cause shown, and shall be transferred by the financial institution to the Clerk of the Superior Court, who is directed to deposit the funds in the Superior Court Trust Fund, pending further Order of this Court; and it is further

ORDERED that KENNETH F. IREK comply with Administrative Guideline No. 23 of the Office of Attorney Ethics dealing with disbarred attorneys; and it is further

ORDERED that KENNETH F. IREK reimburse the Ethics Financial Committee for appropriate administrative costs, and it is further

ORDERED that the Office of Attorney Ethics shall cause this Order to be published on two successive days in the Asbury Park Press.

WITNESS, the Honorable Robert N. Wilentz, Chief Justice, at  
I hereby certify that the foregoing is a true copy of the original on file in my office.  
11th day of May, 1993.

*Stephen W. Leonard*

*Stephen W. Leonard*  
CLERK OF THE SUPREME COURT

## ATTACHMENT "7"

NJLFCP Release, Assignment and Subrogation  
Agreement, 11/26/1993



520:1-93  
DA

NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION

## TRUSTEES

ROBERT S. FEDER, CHAIRMAN  
COWLES W. HERR, VICE CHAIRMAN  
GERALD J. BATT  
LUIS R. SANCHEZ, TREASURER  
ARTHUR Z. KAMIN  
ROSEMARY ALITO



DIRECTOR & COUNSEL  
KENNETH J. BOSSONG  
DEPUTY COUNSEL  
DANIEL R. HENDI  
ROGER S. STEFFENS  
SECRETARY  
ELLA M. SCARANTINO  
ASSISTANT TREASURER  
FRANK C. FARR

RICHARD J. HUGHES JUSTICE COMPLEX  
CN-961

TRENTON, NJ 08625-0961

BILLING: (609) 292-8079

CLAIMS: (609) 292-8008

STREET ADDRESS FOR DELIVERIES:  
25 W. MARKET STREET

FAX (609) 394-3637

**RELEASE, ASSIGNMENT AND SUBROGATION AGREEMENT**

This Agreement is between the NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION (hereinafter Client Protection Fund), Richard J. Hughes Justice Complex, 25 West Market Street, CN-961, Trenton, New Jersey 08625 and Zontan Szatmary and Cathleen D. Szatmary, 3 Ware Place, Middletown, NJ 07748.

The Trustees of the Client Protection Fund, pursuant to R. 1:28-3, having considered the claim of Zontan Szatmary and Cathleen D. Szatmary, arising from the dishonest conduct of their attorney, Kenneth Irek, it is now mutually agreed:

1. The Client Protection Fund will pay to Zontan Szatmary and Cathleen D. Szatmary the sum of \$5,000 upon execution of this Agreement by all parties.

2. On behalf of their heirs, executors, administrators and assigns, Zontan Szatmary and Cathleen D. Szatmary release the Client Protection Fund, its successors and assigns, from all claims.

3. Further, Zontan Szatmary and Cathleen D. Szatmary certifies that they will lend their complete cooperation to the

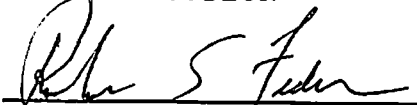
Client Protection Fund in any legal action brought by the Fund or on its behalf against Kenneth Irek, or any other appropriate party, to recover these monies and that payment of said monies is contingent upon such cooperation.

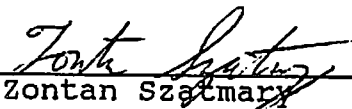
4. Zontan Szatmary and Cathleen D. Szatmary hereby assigns to the Client Protection Fund all their rights, claims and interests against Kenneth Irek, or any other party involved in the transaction giving rise to this claim. Zontan Szatmary and Cathleen D. Szatmary understand that nothing herein shall obligate the Fund to pursue the rights assigned to it under this Agreement and, therefore, any recovery or attempt to secure recovery pursuant to this assignment of rights shall be at the sole option of the Trustees. Any recovery of principal in connection with this claim by the Client Protection Fund above the sum paid to Kenneth Irek by the Fund, less reasonable costs, expenses and fees incurred by the Fund, shall be paid over to Zontan Szatmary and Cathleen D. Szatmary.

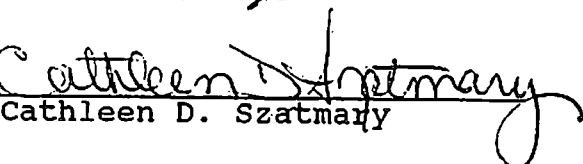
ATTEST:

  
Ella M. Scarantino, Secretary

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By:   
Robert S. Feder, Chairman  
Board of Trustees

  
Zontan Szatmary

  
Cathleen D. Szatmary

State of New Jersey :  
: ss.  
County of :

Be it remembered that on this *26th* day of *November*, 1993, before me, the subscriber, personally appeared Zontan Szatmary and Cathleen D. Szatmary, who, I am satisfied are the persons named in and who executed the above instrument, and acknowledged that they signed, sealed and delivered the same as their voluntary act and deed, for the uses and purposes therein expressed.

*Nicole A. Leonard*

NICOLE A. LEONARD  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires April 5, 1995  
I.D. # 26-78002



## ATTACHMENT "8"

Letter Dated 8/14/ 2006 from Ruby D. Cochran,  
Deputy Counsel, NJLFCP

FOR  
CLIENT PROTECTION

## TRUSTEES

ALAN L. WILLIAMS, CHAIR  
TINA E. BERNSTEIN, VICE CHAIR  
EMMETT E. PRIMAS, JR., TREASURER  
JEAN M. RAMATOWSKI  
SUSAN E. LAWRENCE  
JAMES H. LASKEY  
LUIS R. SANCHEZ

ASSISTANT TREASURER  
CHRISTINA P. HIGGINS

STREET ADDRESS:  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625



RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. BOX 961  
TRENTON, N.J. 08625-0961

DIRECTOR & COUNSEL  
KENNETH J. BOSSONG

DEPUTY DIRECTOR  
DANIEL R. HENDI

SENIOR COUNSEL  
WILLIAM J. THOMAS

DEPUTY COUNSEL  
RUBY D. COCHRAN

(609) 984-7179  
CLAIMS: (609) 984-7179  
BILLING (609) 292-8079  
FAX: (609) 394-3637

August 14, 2006

Mr. Kenneth F. Irek  
9800 D  
#261 Topanga Cyn Blvd.  
Chatsworth, CA 91311

Re: **New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
**Docket No.: MER-L-0005664-94; J-082161-95; Our File No.: CPF-520**

Dear Mr. Irek:

We previously obtained a driver's license suspension on you on November 5, 2005, which was processed in New Jersey. Enclosed please find a copy of an Order signed by the Honorable F. Patrick McManimon at the July 28, 2006 Comprehensive Enforcement Hearing continuing that suspension.

We have given you every opportunity to contact us to make payment arrangements on the amount due and owing to the Fund. If we do not hear from you within ten (10) days from the date of this letter, we will forward the enclosed Order, together with a copy of the Driver's License Forfeiture sent to Motor Vehicles in New Jersey, directly to the California Department of Motor Vehicles. We will request that they suspend your license in California until you have paid the New Jersey Lawyers' Fund for Client Protection the amount owing of \$5,000.00.00.

It is essential that you contact me within ten (10) days of the date of this letter to resolve this issue. If I do not hear from you, then I will take the necessary steps to begin the above process.

Sincerely,

*Ruby D. Cochran*  
Ruby D. Cochran

RDC:sjb  
Enclosure  
Sent by regular mail and certified mail, r.r.r.

*A True Copy*  
*Sue Regan*  
**SUE REGAN**  
*Deputy Clerk of Superior Court*

Superior Court of New Jersey  
County of Mercer Civil Division



JUDGMENT AND  
CONSENT ORDER

NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION vs.  KENNETH F. IREK	Social Security # <del>██████</del> -8426	DONALD F. PHELPS CLERK OF SUPERIOR COURT SUPERIOR COURT OF N.J. MERCER COUNTY RECEIVED AND FILED  JUL 28 2006
	CPF-520	
	Docket/Indictment/Accusation # MER-L-5664-94;	

Hearing Date: July 28, 2006 Judgment #: J-082161-95

*Sue Regan*  
**SUE REGAN**  
DEPUTY CLERK OF SUPERIOR COURT

This matter has been opened to the Comprehensive Enforcement Program by the New Jersey Lawyers' Fund for Client Protection and Order.

Service upon which this order is based:

Certified Mail  Signed by *NOT RETURNED*  Refused  Returned Unclaimed

Regular Mail  Not Returned  Returned  Other

IT IS HEREBY ORDERED that the Defendant pay to the New Jersey Lawyers' Fund for Client Protection ("the Fund") the balance due of \$ 5,000.00 payable at \$ \_\_\_\_\_ per \_\_\_\_\_ effective \_\_\_\_/\_\_\_\_/06.

The Defendant shall keep the Fund informed of any change in Defendant's financial circumstances. Defendant shall also advise the Fund of any change in Defendant's employment or residence.

If Defendant is thirty (30) days in arrears with any one (1) payment, then the whole balance becomes due and owing, and the Fund may use any and all available means to collect it.

Financial Obligation Fulfilled.

IT IS ALSO ORDERED THAT:

<input checked="" type="checkbox"/> JUDGMENT WILL BE ENTERED this <u>28th</u> day of <u>July</u> 2006 on Docket Number MER-L-5664-94;
<input type="checkbox"/> \$ _____ PAID AT HEARING. <input type="checkbox"/> A LUMP SUM PAYMENT OF \$ _____ must be made by ____/____/____.
<input type="checkbox"/> INCOME WITHHOLDING is ordered, and is binding on current and future income sources.
<input type="checkbox"/> LIEN be entered against proceeds from any settlement.
<input type="checkbox"/> EMPLOYMENT SEARCH _____ contacts to be made per _____.
<input type="checkbox"/> _____ Days/hours county jail under the authority of the Labor Assistance Program or Enforced Community Service Program. Cost to Defendant: \$15.00 enrollment fee and \$2.00 per day fee. Total fee: \$ _____. Failure to comply may result in mandatory incarceration (\$ _____ Condition of release). Start Date: ____/____/____.
<input checked="" type="checkbox"/> OTHER <i>DL suspension, purge \$5,000</i>
<input type="checkbox"/> RELIST for return to Comprehensive Enforcement Proceedings on _____.
<input type="checkbox"/> A BENCH WARRANT for the Defendant is hereby recommended/ordered. The Defendant was properly notified for court appearance and failed to appear (service noted above). Defendant may be release from incarceration upon payment of \$ _____.



I HEREBY DECLARE THAT I UNDERSTAND ALL PROVISIONS OF THIS RECOMMENDATION/ORDER.

Defendant: \_\_\_\_\_

This order is being entered in default.      KENNETH F. IREK

Witness : \_\_\_\_\_

So recommended to the Court by the Hearing Officer.

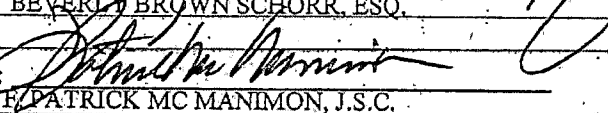
Name: BEVERLY BROWN SCHORR, ESQ.

Signature:   
BEVERLY BROWN SCHORR, ESQ.

SO ORDERED by the Court:

Name: F. PATRICK MC MANIMON, J.S.C.

Date: 7/28/06

Signature:   
F. PATRICK MC MANIMON, J.S.C.

PLEASE NOTIFY COURT OF DISABILITY ACCOMMODATION NEEDS

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature: <i>[Signature]</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name): <i>[Signature]</i> C. Date of Delivery: <i>082306</i></p>
<p>1. A. Addressed to:</p> <p><i>Mr. Kenneth Dreik</i>  <i>9800 D</i>  <i>#261 Jopanga Cyn Blvd.</i>  <i>Chatsworth, Ca 91311</i></p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                  If YES, enter delivery address below:</p> <p>3. Service Type:  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> G.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number:                  (Transfer from service label)</p>	<p><i>7003 3110 0005 3285 1869</i></p>

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

6991 582E 5000 DTTE E00L

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)											
For delivery information visit our website at <a href="http://www.usps.com">www.usps.com</a>											
<b>OFFICIAL USE</b>											
<table border="1"> <tr> <td>Postage</td> <td>\$</td> </tr> <tr> <td>Certified Fee</td> <td><i>8/15/06</i></td> </tr> <tr> <td>Return Receipt Fee (Endorsement Required)</td> <td></td> </tr> <tr> <td>Restricted Delivery Fee (Endorsement Required)</td> <td></td> </tr> <tr> <td>Total Postage &amp; Fees</td> <td>\$</td> </tr> </table>	Postage	\$	Certified Fee	<i>8/15/06</i>	Return Receipt Fee (Endorsement Required)		Restricted Delivery Fee (Endorsement Required)		Total Postage & Fees	\$	<p>Postmark Here</p>
Postage	\$										
Certified Fee	<i>8/15/06</i>										
Return Receipt Fee (Endorsement Required)											
Restricted Delivery Fee (Endorsement Required)											
Total Postage & Fees	\$										
<table border="1"> <tr> <td>Sent To</td> <td><i>Kenneth F. Dreik</i></td> <td><i>9800 D</i></td> </tr> <tr> <td>Street, Apt. No.; or PO Box No.</td> <td colspan="2"><i>#261 Jopanga Cyn Blvd.</i></td> </tr> <tr> <td>City, State, ZIP+4</td> <td colspan="2"><i>Chatsworth CA 91311</i></td> </tr> </table>		Sent To	<i>Kenneth F. Dreik</i>	<i>9800 D</i>	Street, Apt. No.; or PO Box No.	<i>#261 Jopanga Cyn Blvd.</i>		City, State, ZIP+4	<i>Chatsworth CA 91311</i>		
Sent To	<i>Kenneth F. Dreik</i>	<i>9800 D</i>									
Street, Apt. No.; or PO Box No.	<i>#261 Jopanga Cyn Blvd.</i>										
City, State, ZIP+4	<i>Chatsworth CA 91311</i>										

PS Form 3800, June 2002 See Reverse for Instructions

2-2022-20

## ATTACHMENT "9"

Letter Dated 10/6/ 2006 from Ruby D. Cochran,  
Deputy Counsel, NJLFCP

NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION

## TRUSTEES

ALAN L. WILLIAMS, CHAIR  
TINA E. BERNSTEIN, VICE CHAIR  
EMMETT E. PRIMAS, JR., TREASURER  
JEAN M. RAMATOWSKI  
SUSAN E. LAWRENCE  
JAMES H. LASKEY  
LUIS R. SANCHEZ

ASSISTANT TREASURER  
CHRISTINA P. HIGGINS

STREET ADDRESS:

25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625



RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. BOX 961  
TRENTON, N.J. 08625-0961

DIRECTOR & COUNSEL  
KENNETH J. BOSSONG

DEPUTY DIRECTOR  
DANIEL R. HENDI

SENIOR COUNSEL  
WILLIAM J. THOMAS

DEPUTY COUNSEL  
RUBY D. COCHRAN

(609) 984-7179

CLAIMS: (609) 984-7179

BILLING (609) 292-8079

FAX: (609) 394-3637

October 6, 2006

California Department of Motor Vehicles  
2415 1<sup>st</sup> Avenue  
E-128  
P.O. Box 932382  
Sacramento, CA 95818

**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
**Docket No.: MER-L-0005664-94; J-082161-95; Our File No.: CPF-520**

Gentlemen:

Please be advised that I serve as Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection ("Fund"). The Fund exists as a Committee of the Supreme Court of New Jersey pursuant to R. 1:28-1 et seq. for the purpose of compensating the clients of disciplined attorneys who have misappropriated money from them. Kenneth F. Irek was such an attorney. His conduct, while acting as a New Jersey lawyer, has resulted in a claim or claims with the Fund. The Fund has a Judgment against Mr. Irek in the amount of \$5,000.00, which he has refused to pay.

On July 28, 2006, we obtained an Order (copy enclosed) to suspend the driving license of Kenneth F. Irek in New Jersey for failure to reimburse the Fund for the monies it has paid to his victims. Mr. Irek is now living in California. Could you please suspend or refuse to renew the driving license of Mr. Irek based on this Order?

Thank you for any help you can give us in this matter.

Sincerely,

*Ruby D. Cochran*  
Ruby D. Cochran

RDC:sjb

Enclosures

cc: Mr. Kenneth F. Irek

**This Letter Dated October 6, 2006,  
is similar to the preceding Letter of the  
same date, except the penultimate sentence  
contains contact information to  
discuss options.**

*This comment by Kenneth Irek*

## NJ / JERSEY LAWYERS' FUND

FOR  
CLIENT PROTECTION

## TRUSTEES

ALAN L. WILLIAMS, CHAIR  
TINA E. BERNSTEIN, VICE CHAIR  
EMMETT E. PRIMAS, JR., TREASURER  
JEAN M. RAMATOWSKI  
SUSAN E. LAWRENCE  
JAMES H. LASKEY  
LUIS R. SANCHEZ

ASSISTANT TREASURER  
CHRISTINA P. HIGGINS

STREET ADDRESS:  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625



RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. Box 961  
TRENTON, N.J. 08625-0961

DIRECTOR & COUNSEL  
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October 6, 2006

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**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
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Gentlemen:

Please be advised that I serve as Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection ("Fund"). The Fund exists as a Committee of the Supreme Court of New Jersey pursuant to R. 1:28-1 et seq. for the purpose of compensating the clients of disciplined attorneys who have misappropriated money from them. Kenneth F. Irek was such an attorney. His conduct, while acting as a New Jersey lawyer, has resulted in a claim or claims with the Fund. The Fund has a Judgment against Mr. Irek in the amount of \$5,000.00, which he has refused to pay.

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Thank you for any help you can give us in this matter.

Sincerely,

*Ruby D. Cochran*  
Ruby D. Cochran

RDC:sjb  
Enclosures

cc: Mr. Kenneth F. Irek



*A True Copy*  
*Sue Regan*

Superior Court of New Jersey  
County of Mercer Civil Division



JUDGMENT AND  
CONSENT ORDER

**SUE REGAN**  
Deputy Clerk of Superior Court

NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION vs  KENNETH F. IREK	Social Security # [REDACTED]-8426	DONALD F. PHELAN CLERK OF SUPERIOR COURT SUPERIOR COURT OF N.J. MERCER COUNTY RECEIVED AND FILED  JUL 28 2006
	CPF-520	
	Docket/Indictment/Accusation # MER-L-5664-94;	

Hearing Date: July 28, 2006 Judgment #: J-082161-95

This matter has been opened to the Comprehensive Enforcement Program by the New Jersey Lawyers' Fund for Client Protection  
SUE REGAN  
DEPUTY CLERK OF SUPERIOR COURT

Service upon which this order is based:

Certified Mail  Signed by *NOTA RETURNED*  Refused  Returned-Unclaimed  
 Regular Mail  Not Returned  Returned  Other

IT IS HEREBY ORDERED that the Defendant pay to the New Jersey Lawyers' Fund for Client Protection ("the Fund") the balance due of \$ 5,000.00 payable at \$ \_\_\_\_\_ per \_\_\_\_\_ effective \_\_\_/\_\_\_/06.

The Defendant shall keep the Fund informed of any change in Defendant's financial circumstances. Defendant shall also advise the Fund of any change in Defendant's employment or residence.

If Defendant is thirty (30) days in arrears with any one (1) payment, then the whole balance becomes due and owing, and the Fund may use any and all available means to collect it.

Financial Obligation Fulfilled.

IT IS ALSO ORDERED THAT:

JUDGMENT WILL BE ENTERED this 28th day of July 2006 on Docket Number MER-L-5664-94;

\$ \_\_\_\_\_ PAID AT HEARING.  A LUMP SUM PAYMENT OF \$ \_\_\_\_\_ must be made by \_\_\_/\_\_\_/\_\_\_.

INCOME WITHHOLDING is ordered, and is binding on current and future income sources.

LIEN be entered against proceeds from any settlement.

EMPLOYMENT SEARCH \_\_\_\_\_ contacts to be made per \_\_\_\_\_.

\_\_\_\_\_ Days/hours county jail under the authority of the Labor Assistance Program or Enforced Community Service Program. Cost to Defendant: \$15.00 enrollment fee and \$2.00 per day fee. Total fee: \$ \_\_\_\_\_. Failure to comply may result in mandatory incarceration (\$ \_\_\_\_\_ Condition of release). Start Date: \_\_\_/\_\_\_/\_\_\_.

OTHER *DL suspension, purge \$5,000*

RELIST for return to Comprehensive Enforcement Proceedings on \_\_\_\_\_.

A BENCH WARRANT for the Defendant is hereby recommended/ordered. The Defendant was properly noticed for court appearance and failed to appear (service noted above). Defendant may be release from incarceration upon payment of \$ \_\_\_\_\_.

I HEREBY DECLARE THAT I UNDERSTAND ALL PROVISIONS OF THIS RECOMMENDATION/ORDER.

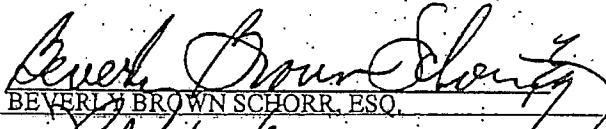
Defendant:

This order is being entered in default. KENNETH F. IREK

Witness :

So recommended to the Court by the Hearing Officer.

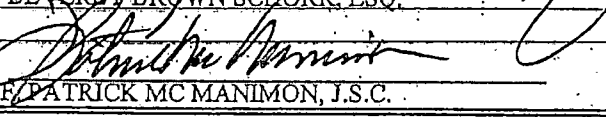
Name: BEVERLY BROWN SCHORR, ESQ.

Signature:   
BEVERLY BROWN SCHORR, ESQ.

SO ORDERED by the Court:

Name: F. PATRICK MC MANIMON, J.S.C.

Date: 7/28/06

Signature:   
F. PATRICK MC MANIMON, J.S.C.

PLEASE NOTIFY COURT OF DISABILITY ACCOMMODATION NEEDS

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
*Kenneth F. Drak*  
*9800 D*  
*#261 Jopanga Cyn Blvd.*  
*Chatsworth, Ca 91311*

2. Ar  
 (r)  
 PS F.

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
*X*  Agent  
 Addressee

B. Received by (*Printed Name*) C. Date of Delivery

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

102595-02-M-1540

**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)	<i>10/10/06</i>	
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To *Kenneth F. Drak*  
 Street, Apt. No. or PO Box No. *9800 D*  
 City, State, ZIP+4 *#261 Jopanga Cyn Blvd. Chatsworth, Ca 91311*

PS Form 3800, June 2002 See Reverse for Instructions

7005 1820 0003 1460 8128

## ATTACHMENT “10”

Letter Dated 3/30/2015 from Ruby D. Cochran,  
Deputy Counsel, NJLFCP, w/ Bench Warrant

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**

GERARD P. DEVEAUX, CHAIR  
KATHERINE HARTMAN, VICE CHAIR  
JOSEPH SEVERINO, TREASURER  
ALAN L. WILLIAMS  
JAMES R. BEATTIE  
RAYMOND S. LONDA  
DOUGLAS H. AMSTER



**DIRECTOR & COUNSEL**  
DANIEL R. HENDI

**DEPUTY DIRECTOR**  
EDWARD T. EHLER

**SENIOR COUNSEL**  
MICHAEL T. MCCORMICK

**ASSISTANT TREASURER**  
SHELLEY R. WEBSTER

**DEPUTY COUNSEL**  
RUBY D. COCHRAN

STREET ADDRESS:  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625

RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. BOX 961  
TRENTON, N.J. 08625-0961

855-533-FUND (3863)  
FAX: (609) 394-3637

WWW.NJCOURTS.COM/CPF

March 30, 2015

Mr. Kenneth F. Irek  
9800 D Topanga Cyn Blvd. #26  
Chatsworth, CA 91311

**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
**Docket No.: MER-L-005664-94; J-082161-95; Our File No.: CPF-520**

Dear Mr. Irek:

The Superior Court of New Jersey has issued a Bench Warrant (photocopy enclosed) for your arrest as a result of your failure to appear for the enforcement hearing on December 5, 2014, to which you were summoned regarding the above referenced obligation to the New Jersey Lawyers' Fund for Client Protection.

The Fund will afford you a final opportunity to enter into a Consent Order for repayment before it forwards the Bench Warrant to the Los Angeles County Sheriff's Department for execution. You must return an executed Consent Order (which the Fund will generate after you propose a reasonable payment plan), an initial payment, and a completed Information Subpoena to this office on or before April 17, 2015, or the Fund will prosecute the Bench Warrant. Please call me at 609-815-3043 to discuss your case.

The Fund will afford you a final opportunity to pay the purge amount of \$150.00 set forth in the Bench Warrant before it forwards the Bench Warrant to the Sheriff's Department for execution. The purge amount of \$150.00 must be paid on or before April 17, 2015, or the Fund will prosecute the Bench Warrant.

**NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION**

By: *Ruby D. Cochran*  
Ruby D. Cochran  
Deputy Counsel

RDC:sjb  
Enclosure  
Sent by regular mail and certified mail, r.r.r.

New Jersey Lawyers' Fund for Client Protection  
Richard J. Hughes Justice Complex  
25 W. Market Street, P.O. Box 961  
Trenton, New Jersey 08625-0961  
Ruby D. Cochran, Deputy Counsel  
Attorney I.D. No. 017151998  
(609) 815-3043

DEFENDANT'S ADDRESS  
9800 D Topanga Cyn Blvd. #26  
Chatsworth, CA 91311

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

Plaintiff,

v.

KENNETH F. IREK

Defendant.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION  
MERCER COUNTY

DOCKET NO. MER-L-005664-94  
JUDGMENT NO. J-082161-95

CLERK OF SUPERIOR COURT  
SUPERIOR COURT OF N.J.  
MERCER COUNTY  
RECEIVED AND FILED

CPF-520

CIVIL ACTION

BENCH WARRANT

MAR 23 2015

TO: THE SHERIFF OF LOS ANGELES COUNTY, CA:  
OR ANY OTHER AUTHORIZED PERSON

*Sue Regan*

SUE REGAN  
DEPUTY CLERK OF SUPERIOR COURT

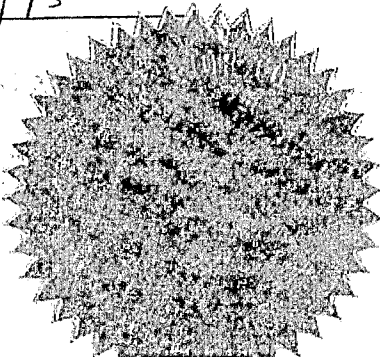
WHEREAS, by a certain Order made in the Superior Court of New Jersey, Law Division, Civil Part on the 5th day of December, 2014, it was Ordered that a Warrant be issued for the arrest of **KENNETH F. IREK** because of his failure to appear pursuant to a Summons to Appear for Contempt of Court Hearing served by certified and regular mail on November 5, 2014, concerning his failure to pay the obligation imposed by the Judgment referenced above.

THEREFORE, we command you to take **KENNETH F. IREK** between the hours of 8:30 a.m. and 3:30 p.m. on Monday through Friday and safely and closely keep him in your custody in the common Jail of the County of Los Angeles until he shall be brought before the Honorable William Anklowitz, J.S.C., Superior Court of New Jersey, Mercer County, or until said Court shall make Order to the contrary.

UPON payment of \$150.00 in cash, money order or certified check, made payable to the New Jersey Lawyers' Fund for Client Protection, the defendant shall immediately be released from custody.

Dated: 3/23/15

*Sue Regan*  
SUE REGAN  
Deputy Clerk of the Court  
Superior Court of New Jersey, Mercer County



ENTERED  
PAC



## ATTACHMENT “11”

Complaint - Docket No. L-5664-94, Superior  
Court of New Jersey,  
Law Division, Mercer County

FOR USE BY CLERK'S OFFICE ONLY

PAYMENT TYPE:	CK CG CA
CHG/CK NO.	
AMOUNT:	
OVERPAYMENT:	

**CIVIL CASE INFORMATION STATEMENT (CIS)** Use for initial pleadings (not motions) under R 4:5-1.

ATTORNEY NAME Michael T. McCormick	TELEPHONE NUMBER ( 609 ) 984-7179	COUNTY OF VENUE Mercer
FIRM NAME (If Applicable) N.J. Lawyers' Fund for Client Protection	DOCKET NUMBER (When Available) MER L-005664-94	
OFFICE ADDRESS Richard J. Hughes Justice Complex 25 West Market Street, CN-961 Trenton, N.J. 08625	DOCUMENT TYPE (See reverse side for listing): complaint	
NAME OF PARTY (e.g., John Doe, Plaintiff) N.J. Lawyers' Fund for Client Protection		JURY DEMAND: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
CAPTION N.J. Lawyers' Fund for Client Protection v. Kenneth Irek		

**THE INFORMATION PROVIDED BELOW CANNOT BE INTRODUCED INTO EVIDENCE**

CASE TYPE NUMBER (See reverse side for listing): 899	Is this a Title 59 action? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Check if applicable: <input type="checkbox"/> Punitive Damages <input type="checkbox"/> Friendly Hearing Sought <input type="checkbox"/> Declaratory Judgment	
CDR Desired? <input type="checkbox"/> Yes Specify type: <input type="checkbox"/> No	

## Present Medical Expenses:

 \$2500 or less  More than \$2500. If more, do you wish to submit this case to Arbitration?  Yes  No

Briefly describe the case; include any special characteristics that may warrant extended discovery or accelerated disposition (see reverse side for additional instructions):

Plaintiff is assignee/subrogee of Claimants reimbursed by Fund trustees as a result of Defendant's misappropriation of Funds.

New Jersey Lawyers' Fund for Client Protection exists under R. 1:28-1 et seq. of the Rules of Court.

Defendant is a disbarred attorney at law of the State of New Jersey.

Describe all pending actions related to this case, i.e., arising out of the same occurrence or transaction (give docket number if known):

None known at this time.

ESTIMATED NUMBER OF DAYS TO TRY THE CASE Liability: <u>1/2 day</u> Damages: <u>1/2 day</u>	CASE ASSESSMENT (Mandatory for DCM Counties) <input type="checkbox"/> Expedited <input checked="" type="checkbox"/> Standard <input type="checkbox"/> Complex
---	--

ALBERT S. DRIVER, JR.  
COUNTY CLERK  
DEPUTY CLERK SUP. CT.

1994 DEC 29 AM 8:01

RECEIVED AND FILED  
MERCER COUNTY  
CLERKS OFFICE

New Jersey Lawyers' Fund for  
Client Protection  
Richard J. Hughes Justice Complex  
CN-961  
Trenton, NJ 08625  
Michael T. McCormick, Deputy Counsel  
(609) 984-7179

NEW JERSEY LAWYERS' FUND FOR	:	SUPERIOR COURT OF NEW JERSEY
CLIENT PROTECTION	:	LAW DIVISION
	:	MERCER COUNTY
Plaintiff	:	
	:	DOCKET NO. <i>MER.L. 005664-94</i>
v.	:	
	:	Civil Action
KENNETH IREK	:	
	:	COMPLAINT
Defendant	:	

The plaintiff, New Jersey Lawyers' Fund for Client Protection, an entity established by the Supreme Court of New Jersey under R. 1:28-1, et seq., Richard J. Hughes Justice Complex, CN-961, Trenton, New Jersey 08625, complaining against the defendant says:

1. The plaintiff was established to reimburse clients for losses caused by the dishonest conduct of members of the Bar of New Jersey.

2. Defendant maintained offices for the practice of law at 41 Highway 34, Colts Neck, New Jersey 07722.

3. Defendant was disbarred from the practice of law on May 11, 1993.

4. In or about August 1990, while representing Zontan and Cathleen Szatmary, defendant embezzled, misapplied and converted to his own use the sum of \$5,000.00 received by him on behalf of Mr. and Mrs. Szatmary as funds to be held, in a fiduciary capacity,

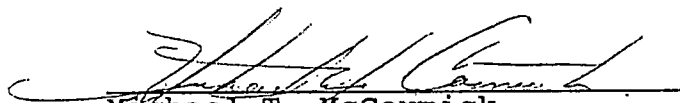
in escrow in connection with a real estate transaction.

5. The individuals named in paragraph four of this complaint filed a claim with plaintiff on account of the dishonest conduct of the defendant.

6. Pursuant to R. 1:28-1, et seq., of the Rules Governing the courts of New Jersey, the plaintiff has paid the claim of the Claimants named in paragraph four and has received an assignment of all their rights, claims and interest against the defendant.

7. To date, defendant has not reimbursed the plaintiff for any of the monies paid on his behalf.

**WHEREFORE**, plaintiff demands judgment against the defendant for damages in the amount of FIVE THOUSAND DOLLARS (\$5,000.00) plus interest from the date of Complaint and costs of suit.

  
Michael T. McCormick  
Deputy Counsel  
Attorney for Plaintiff

Dated: December 21, 1994

**CERTIFICATION**

I hereby certify pursuant to R. 4:5-1 that, to my knowledge, the matter in controversy is not the subject of any action pending in any court nor is there any pending arbitration proceeding, nor is any such action or arbitration contemplated. I further certify that there are no other parties who should be joined in this

action.

I certify that the foregoing statements made by me are true.  
I am aware that if any of the foregoing statements made by me are  
wilfully false, I am subject to punishment.



Michael T. McCormick  
Deputy Counsel  
Attorney for Plaintiff

Dated: December 21, 1994

MTM/CPF-520  
 NEW JERSEY LAWYERS' FUND  
 FOR CLIENT PROTECTION  
 Richard J. Hughes Justice Complex  
 25 West Market Street, CN-961  
 Trenton, NJ 08625-0961  
 (609) 984-7179  
 Michael T. McCormick, Esquire

NEW JERSEY LAWYERS' FUND	:	SUPERIOR COURT OF NEW JERSEY
FOR CLIENT PROTECTION,	:	LAW DIVISION, MERCER COUNTY
	:	
Plaintiff,	:	
	:	DOCKET NO. MER-L-005664-94
v.	:	
	:	CIVIL ACTION
KENNETH IREK	:	
	:	SUMMONS

FROM THE STATE OF NEW JERSEY :  
 TO THE DEFENDANT(S) NAMED ABOVE :

KENNETH IREK  
 1111 CRANDON BOULEVARD  
 KEY BISCAYNE, FLORIDA 33149

The plaintiff, named above, has filed a lawsuit against you in the Superior Court of New Jersey. The Complaint attached to this Summons states the basis for this lawsuit. If you dispute this Complaint, you or your attorney must file a written Answer or Motion and Proof of Service with the Deputy Clerk of the Superior Court in the county listed above within thirty-five (35) days from the date you received this Summons, not counting the day you received it. (The address of the Deputy Clerk of the Superior Court is provided). An \$80.00 filing fee payable to the Clerk of the Superior Court and a completed Case Information Statement (available from the Deputy Clerk of the Superior Court), must accompany your Answer or Motion when it is filed. You must also



send a copy of your Answer or Motion to plaintiff's attorney whose name and address appear above, or to plaintiff, if no attorney is named above. A telephone call will not protect your rights; you must file and serve a written Answer or Motion (with fee and completed Case Information Statement) if you want the Court to hear your defense.

If you do not file and serve a written Answer or Motion within thirty-five (35) days the Court may enter a judgment against you for the relief plaintiff demands, plus interest and costs of suit. If judgment is entered against you the Sheriff may seize your money, wages or property to pay all or part of the judgment.

If you cannot afford an attorney you may call the Legal Services office in the County where you live. A list of these offices is provided. If you do not have an attorney and are not eligible for free legal assistance you may obtain a referral to an attorney by calling one of the Lawyer Referral Services. A list of these numbers is also provided.



Donald F. Phelan  
Clerk, Superior Court of N.J.

DATED : January 3, 1995.

Name of Defendant to be served : **Kenneth Irek**  
Address of Defendant to be served : **1111 Crandon Boulevard**  
**Key Biscayne, Florida 33149**

## ATTACHMENT “12”

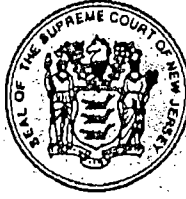
Letter Dated 10/22/2004 to  
California Department of Motor Vehicles

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**  
WILLIAM E. HINKES, CHAIR  
ROBERT J. DEL TUFO, VICE CHAIR  
ALAN L. WILLIAMS, TREASURER  
PATRICIA B. ROE  
ALFRED T. GIULIANO  
EMMETT E. PRIMAS, JR.  
TINA E. BERNSTEIN

**ASSISTANT TREASURER**  
CHRISTINA P. HIGGINS

**STREET ADDRESS:**  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625



RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. BOX 961  
TRENTON, N.J. 08625-0961

**DIRECTOR & COUNSEL**  
KENNETH J. BOSSONG

**SENIOR COUNSEL**  
DANIEL R. HENDI  
WILLIAM J. THOMAS

**DEPUTY COUNSEL**  
JOANNE M. DIETRICH

**BOARD SECRETARY**  
RUBY D. COCHRAN

(609) 984-7179  
CLAIMS: (609) 292-8008  
BILLING (609) 292-8079  
FAX: (609) 394-3637

Writer's Direct Dial: (609) 633-9708

October 22, 2004

California Department of Motor Vehicles  
2415 1<sup>st</sup> Ave.  
P.O. Box 932382  
Sacramento, CA 95818

Re: Kenneth Irek - Date of Birth: October 8, 1949  
Social Security No.: - [REDACTED] - Our File No.: CPF-520

Dear Sir or Madam:

Please be advised that I serve as Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection ("Fund"). The Fund exists as a Committee of the Supreme Court of New Jersey pursuant to R. 1:28-1 et seq. for the purpose of compensating the clients of disciplined attorneys who misappropriated money from them. Kenneth Irek was such an attorney. His conduct, while acting as a New Jersey lawyer, has resulted in claims with the Fund in the amount of \$5,000.00.

I am in the process of attempting to locate Mr. Irek to enforce the judgment and require Mr. Irek to pay on the judgment. The last known address I have for Mr. Irek is 9800 D Topanga Cyn Blvd. #261, Chatsworth, CA 91311.

I am requesting that you please search your motor vehicle records to determine whether you have a current address for Mr. Irek. If Mr. Irek's address has changed, please advise, so that I may locate Mr. Irek to enforce the judgment.

The Fund is a Judicial entity and is generally exempt from the payment of fees. Please let me know whether a fee is due. Thank you for your courtesy. Please contact me if you have any questions or need any additional information from me.

Sincerely,

  
JOANNE M. DIETRICH

## ATTACHMENT “13”

Default Judgment - Docket No. L-5664-94,  
Superior Court of New Jersey, Mercer County

COURT DE N.J.

CPF-520

C'D

THE ORIGINAL OF THIS DOCUMENT HAS BEEN SENT TO THE MERCER COUNTY CLERK'S OFFICE FOR FILING.

MAR 18 1995

DATED, 3/22/95

J-5 Daniel R. Hendi

DRH:kmt/CPF-520  
New Jersey Lawyers' Fund for Client Protection  
Richard J. Hughes Justice Complex  
CN-961,  
Trenton, New Jersey 08625-0961  
(609) 984-7179  
Daniel R. Hendi, Deputy Counsel

RECORDED AS A LIEN 3-31-95

NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION,  
  
Plaintiff,  
  
v.  
  
KENNETH IREK,  
  
Defendant.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION  
MERCER COUNTY

DOCKET NO. MER L 005664-94

Civil Action

DEFAULT JUDGMENT

J

082161-95

THE SUMMONS AND COMPLAINT in the above entitled action having been duly served on the Defendant and default having been entered for failure to answer or otherwise move as to the Complaint;

IT IS ON THIS 22nd. DAY OF March. ; 1995;

ORDERED THAT Judgment be entered in favor of the Plaintiff, New Jersey Lawyers' Fund for Client Protection, and against the Defendant, Kenneth Irek, in the sum of Five Thousand (\$5,000.00) Dollars, plus interest and costs of suit.

NEIL H. SHIISTER, J.S.C.

J.S.C.

## ATTACHMENT “14”

Dennis Poane, Esq. Correspondence with the  
Monmouth County Prosecutor’s Office

DONINI AND DONINI  
ATTORNEYS AT LAW  
1512 HIGHWAY 138  
WALL TOWNSHIP, NEW JERSEY 07719  
—  
(201) 681-9500

EDWARD S. DONINI  
MICHAEL L. DONINI  
  
DENNIS D. POANE

November 14, 1990

Ronald Troppoli, Director-Special Pros. Unit  
Monmouth County Prosecutors' Office  
Monmouth County Court House  
3rd Floor, East Wing  
Freehold, N.J. 07728-1261

Re: Szatmary vs. Kirex Development Co.

Dear Mr. Troppoli,

As you may remember, we have converse several times with regard to the above-entitled matter, wherein I represented prospective purchasers of property, being Zontan and Cathleen Szatmary. They were going to purchase from Kirex Development Company a certain property listed on the contract for sale dated May 23, 1990. Please note the check dated May 29, 1990, from the Szatmary's to Kirex Development Company in the amount of \$5,000.00 which was endorsed and signed by Kirex Development Company.

As I had previously explained to you, the principal of Kirex Development Company, Kenneth Irek, Esq., can no longer be found. You will see many letters addressed to him, including certified mailings, at his Colts Neck address. Also included is a list of the leads which my office tracked down in order to try to locate Mr. Irek.

Please note that Fast Frame Building Systems was still accepting calls from Mr. Irek within the last month.

Please find herein copies of the following:

1. Copy of letter from Fran Donahue, a realtor who was not a real estate agent involved in the matter but who helped get the parties together, along with a copy of Contract for Sale of real estate dated May 23, 1990. Ms. Donahue can now be reached, as of October 1990, at her work at 775-7671.



(2)

To: Ronald Troppoli, Director-Special Pros. Unit  
Re: Szatmary vs. Kirex Development Co.  
November 14, 1990

2. My office notes dated June 1, 1990, which shows at the bottom that Mr. Irek would personally guarantee the \$5,000.00 involved.
3. A list of the addresses and telephone numbers used to try to contact Mr. Irek.
4. A copy of Szatmary's check number 1301 dated May 29, 1990, for \$5,000.00 to Kirex Development Company which has been negotiated.
5. Letter dated June 26, 1990, to Ken Irek, regarding pay-off of mortgage.
6. Letter dated July 10, 1990 to Ken Irek regarding tax lien.
7. Letter dated July 19, 1990 to Ken Irek regarding title work.
8. Letter dated July 31, 1990 to Ken Irek noting requirements for closing and the fact the Mr. Irek was not in contact with us for the last two (2) weeks prior to the letter.
9. Letter dated August 6, 1990 to Ken Irek setting time of the essence of the closing, sent certified mail, return receipt requested.
10. Letter dated August 13, 1990 using new address to send time of the essence letter, sent certified mail, return receipt requested.
11. Letter dated August 29, 1990 showing requirements for closing. This letter was sent in response to a call from Fran Donahue, previously mentioned, on August 28, 1990 wherein she had talked to Mr. Irek and conveyed to us that he was still willing to sell at that time. She at that time gave us a new address being P.O. Box 161, Colts Neck, New Jersey, 07722. That was the address to which the letter of August 29, 1990 was sent. The final item in the packet is the return envelope showing that Mr. Irek did not pick up the mail at the P.O. Box 161, Colts Neck, New Jersey.

We send this to you in accordance with my previous conversations believing that Mr. Irek may have absconded with the funds given in trust by my clients. Further, there is in addition, approximately \$4,000.00 spent for the percolation, bore, and certain other preliminaries to close which they are now out-of-pocket.

I would appreciate your reviewing this matter with regard to the criminal aspects of the case. Upon your review of it, I would ask you to talk directly to my clients, Cathleen and Zontan Szatmary, 318 C Texas

7. TRANSFER OF OWNERSHIP: At the closing the Seller will transfer ownership of the property to the Buyer. The Seller will give the Buyer a properly executed Deed and an adequate affidavit of title. If the Seller is a corporation, it will also deliver a corporate resolution authorizing the same.
8. TYPE OF DEED: A Deed is a written document used to transfer ownership of property. In this sale the Seller agrees to provide and the Buyer agrees to accept a Deed known as a Bargain & Sale with Covenants vs. Grantor's Act.
9. THE PREMISES: The premises consists of vacant land containing 95.02 feet of frontage on 1.13 Acres by a depth of 400.11/406.4 feet.
10. FLOOD AREA: The federal and state governments have designated certain areas as "flood areas". This means they are more likely to have floods than other areas. If this property is in a "flood area" the Buyer may cancel this contract within 30 days of the signing of this contract by all parties.
11. BUILDING AND ZONING LAWS: The Buyer intends to use the property for construction of a single family home. The Seller states that this use does not violate any applicable zoning ordinances, building code or other law.
12. PROPERTY LINE: The Seller states that all buildings, driveways and other improvements on adjoining properties do not extend across the boundary lines of the property.
13. CANCELLATION OF CONTRACT: If this contract is cancelled, the Buyer can get back the deposit and the parties will be free of liability to each other. However, if the contract is cancelled in accordance with paragraph 11 or 12 of this contract, the Seller will pay the Buyer for all title and survey and engineering costs.
14. ASSESSMENTS FOR MUNICIPAL IMPROVEMENTS: Certain municipal improvements such as sidewalks and sewers may result in the municipality charging property owners to pay for the improvements. All unpaid charges (assessments) against the property for work completed before the closing will be paid by the Seller at or before the closing. If the improvement is not completed before the closing, then only the Buyer will be responsible. If the improvement is completed, but the amount of the charge (assessment) is not determined, the Seller will pay any deficiency to the Buyer (if the estimate proves to have been too low) or the Buyer will return any excess to the Seller (if the estimate proves to have been too high).
15. ADJUSTMENTS AT CLOSING: The Buyer and Seller agree to adjust the following expenses as of the closing date: sewer charges, taxes, and other like charges.
16. POSSESSION: At the closing the Buyer will be given possession of the property. No tenant will have any right to the property unless otherwise agreed in this contract.
17. MARKETABLE TITLE: Title to be conveyed shall be marketable of record and insurable at regular rates by any reputable title insurance company chosen by Buyer and authorized to do business in the State of New Jersey. *all liens will be paid off on or with closing funds*
18. RIGHT OF ENTRY: From and after the date of this agreement Buyer shall have the right to enter upon the premises for the purpose of preparing a survey and completing all tests and inspections permitted by this Contract. *Buyer's agents shall also have the right to enter the premises*

(3)

To: Ronald Troppoli, Director-Special Pros. Unit  
Re: Szatmary vs. Kirex Development Co.  
November 14, 1990

Road, Morganville, New Jersey, 07751, telephone number 706-1124. I strongly believe that this is an criminal matter. The actions of Mr. Irek can clearly be seen as one of premeditation in taking the Szatmary's money with no intent to abide by the contract or return the money.

Very truly yours

DENNIS D. POANE, ESQ.

DDP/jkt

cc: Mr. and Mrs. Zontan Szatmary

5-23-90

Dear Mr. Poane,

Enclosed please find copies of  
Contract for the sale of land to  
Mr. & Mrs. Szatmari of Morganville.

I did not know the correct  
spelling of Cathy's name (Please fill  
in.)

Any questions, please call  
Ken Dreke at 31-2624, owner of Kirex Devel.

At Cathy's request, I also  
enclosed copy of perc done on property  
on left of this property in contract.

Sincerely,

Juan Donahue

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT for Sale is made on May 23, 19 90 .

BETWEEN Kirex Development Co.  
whose address is 41 Highway 34, Colts Neck, N.J. 07722  
referred to as Seller; P.O. Box 161

AND <sup>ZONTAN</sup> George and <sup>K&</sup> ~~CATHLEEN~~ Szatmari (H&W) of Morganville, N.J.  
referred to as Buyer. <sup>K&</sup>

The words "Buyer" and "Seller" include all Buyers and Sellers listed above.

1. PURCHASE AGREEMENT: The Seller agrees to sell and the Buyer agrees to buy the property described in this contract.
2. PURCHASE PRICE: The purchase price is \$35,000.00
3. PROPERTY: The property to be sold consists of: (a) land and all the buildings, other improvements and fixtures on the land; (b) all the Seller's rights relating to the land; and (c) all personal property specifically included in this contract.

The real property to be sold is a building lot in the Township of Jackson County of Ocean, and State of New Jersey. It is shown on the municipal map as Lot (s) 22.21 in Block 85

4. PAYMENT OF PURCHASE PRICE: the Buyer will pay the purchase price as follows:

To be paid by Buyer (initial deposit) at signing of contract by or before June 1, 1990	\$ <u>5,000.00</u>
Additional deposit within NA days of the execution of this Contract by all parties.	\$ <u>-0-</u>

Balance to be paid at closing of title, in cash or by certified or bank cashier's check.	\$ <u>30,000.00</u>
---	---------------------

By the Seller taking back a note and mortgage for  
years at % interest with monthly payments based on a  
year payment schedule. The Buyer will prepare the necessary  
documents at his own cost and expense. The Buyer will also pay all  
recording costs and provide the Seller with an adequate affidavit of  
title.

\$ 35,000.00

5. DEPOSIT MONIES: All deposit monies will be held in trust by Kirex Development Co. located at Colts Neck, N.J. until Closing

6. TIME AND PLACE OF CLOSING. The closing date cannot be made final at this time. The Buyer and Seller agree to make June 15, 1990, the estimated date for closing. Both parties will fully cooperate so the closing can take place on or before the estimated date. The closing will be held at the offices of STEINBERG, STEELE & POANE @ 1121 MADISON AVE, LAKEWOOD, NJ

19. COMPLETE AGREEMENT: This contract is the entire and only agreement between the Buyer and Seller. This Contract replaces and cancels any previous agreements between the Buyer and Seller. This contract can only be changed by an agreement in writing signed by both the Buyer and Seller. The Seller states that the Seller has not made any other contract to sell the property to anyone else. The Seller's agreement to pay the Broker (if any) is contained below.

20. PARTIES LIABLE: This contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.

21. NOTICES: All notices under this contract must be in writing. The notices must be delivered personally or mailed by certified mail, return receipt requested, to the other party at the address written in this contract, or to the party's attorney.

22. Seller represents the premises are free from and never has been used for the deposit of hazardous waste. *Seller will sign an affidavit that the property, to his knowledge, has only been undeveloped woods.*

23. ADDITIONAL CONTRACTUAL AGREEMENTS:

This contract is subject to Clear Perc & Bore Tests

Seller agrees to clear property of all debris before closing.

WITNESS:

\_\_\_\_\_

WITNESS:

\_\_\_\_\_

SIGNED AND AGREED TO BY:

*[Signature]* (Buyer) 5/29/90 Date:

Catherine Dymman (Buyer) 5/29/90 Date:

Kier Development Co, Inc (Seller) 6-6-90 Date:

Kenneth Dech, President (Seller) Date:

Attest: Kenneth Dech  
Secretary







1/90  
ps Dewey Szatmary

Barc & Bore must be witnessed  
by State official (Ocean County),  
& cannot be set for at least  
2 weeks.

15 days for application before  
they move on this.

to June 15, 1990 doubtful anyway.

Discussed ECPA situation -  
Dewey will talk w/ Barb low officer  
on ECPA &  
also w/ Kirep -  
To let Bob know

6/5/90 Mrs. Szatmary  
Called. Barb will  
not need ECPA letter.

Tell Joe - go w/ company who  
has insured Kirep before this.

Stewart Fields

Wait til Monday to order tell  
search

cc. Ken Jurep

11/13

f.c. Ken Drey  
1. He will guarantee personally \$500.  
2. We'll get SCBA approval of bank demands; if we  
then only give off.  
3. Looking for closing before July.

Fast Frame Building Systems  
P.O. Box 725  
Greensboro, NC 27428

owner of box per post office  
Ken Grek

87 Carrage Hill Dr.  
Colts Neck, NC 27722 (Montrase Point Estate)

owner of 87 Carrage Hill Dr.  
Kenneth Frank + Brenda Grek

Ken Grek  
41 Highway 34  
P.O. Box 161  
Colts Neck, NC 27722

} Contract address  
for Kinet  
Development Co.

As of 8/17/90 letters to P.O. Box 161 +  
P.O. Box 725 unclaimed at Post Office

Letter to Carrage Hill Dr.  
returned "forwarding expired"

Telephone numbers for Grek  
409-0227. Answering Service

Telephone numbers for Ark

409-0227: answering service

431-2002 (Candlewick Realty) discon

431-2624 (# from Stewart Title) discon

928-5540 (# on development sign) no ans

8/9/90

Kathy Syatmary Called.

Telephone numbers for Fran

(H.) 264-6545

(JACKSON) 928-5540

(OFFICE) 431-5565

(FRAN WORK #) 775-7671

Telephone number on sign in

development

928-5540

Candlewick Realty

431-2002

(disconnected)

409-0227 # for Ken Irel given  
to Mrs. Syatmary by Fran

- FAST FRAME BUILDING SYSTEMS -

FAST FRAME BUILDING SYSTEMS

P.O. Box 725

Freehold, N.J. 07728

FAST FRAME BUILDING SYSTEMS

P.O. Box 725

Freehold, N.J. 07728

87 CARRAGE Hill Dr.

Colts Neck, N.J. 07722

Stewart Title gave us this number. We called  
431-2624 (disconnected)



1301 1301  
 5/29 90 55-455/212  
 ZONTAN SZATMARY 591-1446  
 CATHLEEN SZATMARY  
 318C TEXAS ROAD  
 MORGANVILLE, NJ 07751  
 Pay to the order of Kirex Dev. Co.  
 Five thousand \$ 5,000.00  
 Central Jersey Bank  
 MARLBORO OFFICE  
 MORGANVILLE, NJ 07751  
 Cathleen Szatmary  
 010212046521 046531 4359 1301 000050000000  
 30,000.00  
 Bill Due  
 010212046521 046531 4359 1301 000050000000

ENDORSE TO RE:  
 X Kirex Development Co  
 1031969

DO NOT WRITE, STAMP OR SIGN OVER THIS LABEL

0412 28012

031 200 730  
 NEW JERSEY NATL BK  
 PHILA, PA.  
 031 200 730

PROCESSED  
 JAN - 1 1981

JE 90 04  
 PAID  
 KIREX DEVELOPMENT CO.  
 BK OF N J  
 08011

FEDERAL RESERVE



## STEINBERG, STEELE &amp; POANE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

122 MADISON AVENUE

P. O. BOX 636

LAKEWOOD, NEW JERSEY 08701

(201) 383-5800

MORTON C. STEINBERG 1922-1978  
SIGFRIED W. STEELE  
DENNIS D. POANETELEFAX  
(201) 601-5317

June 26, 1990

Ken Irek, Esq.  
41 Highway 34  
P. O. Box 161  
Colts Neck, New Jersey 07722

Re: Kirex Development Co. - Szatmary

Dear Mr. Irek:

Enclosed please find title search. Please note tax lien and mortgage. In accordance with your instructions, the tax lien will be paid from the proceeds at closing.

The closing will be contingent upon notification from Midlantic National Bank/Mercants or current mortgage holder of the availability and conditions of partial release, and receipt of completed ECRA form for Applicability Determination, fully completed and executed.

If you have any questions, please do not hesitate to call.

Very truly yours,

STEINBERG, STEELE &amp; POANE

By: \_\_\_\_\_

DENNIS D. POANE

DDP:cb  
Enc.

\*P.S. Please also advise if the judgment listed in the judgment search is against your company. If so, we will have to write for a payoff.

**STEINBERG, STEELE & POANE**

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

121 MADISON AVENUE

P.O. BOX 636

LAKEWOOD, NEW JERSEY 08701

(201) 383-5800

TELEFAX  
(201) 605-3317MORTON C. STEINBERG (201) 383-5800  
SIEGFRIED W. STEELE  
DENNIS D. POANE

July 10, 1990

Ken Irek, Esq.  
41 Highway 34  
P. O. Box 161  
Colts Neck, New Jersey 07722

Re: Kirex Development Co. - Szatmary

Dear Mr. Irek:

Enclosed please find copy of notice from the Jackson Township Tax Collector, advising the amount necessary to pay off the tax lien.

Very truly yours,

STEINBERG, STEELE &amp; POANE

By: \_\_\_\_\_  
DENNIS D. POANEDDP:cb  
Enc.

## STEINBERG, STEELE &amp; POANE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1221 MADISON AVENUE

P. O. BOX 1000

LAKEWOOD, NEW JERSEY 08701

(201) 961-1500

MORTON C. STEINBERG (1957-1978)  
SIEGFRIED W. STEELE  
DENNIS D. POANETELEFAX  
(201) 905-3317

July 19, 1990

Ken Irek, Esq.  
41 Highway 34  
P. O. Box 161  
Colts Neck, New Jersey 07722

Re: Kirex Development Co. - Szatmary

Dear Mr. Irek:

Enclosed please find copy of endorsement from Stewart  
Title, together with copy of Amended Schedule A description.

Very truly yours,

STEINBERG, STEELE &amp; POANE

By: \_\_\_\_\_  
DENNIS D. POANEDDP:cb  
Enc.

## STEINBERG, STEELE &amp; POANE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1121 MADISON AVENUE

P.O. BOX 838

LAREWOOD, NEW JERSEY 08701

(201) 383-5800

TELEFAX  
(201) 905-3317MORTON C. STEINBERG (902-10781)  
SIEGFRIED W. STEELE  
DENNIS D. POANE

July 31, 1990

Ken Irek, Esq.  
41 Highway 34  
P. O. Box 161  
Colts Neck, New Jersey 07722

Re: Kirex Development Co. - Szatmary

Dear Mr. Irek:

As you remember from my letter of June 26, 1990, we need certain items prior to closing in order to convey title in accordance with the contract entered into between you and my clients, Mr. & Mrs. Szatmary. As yet we have not received confirmation of the availability to obtain partial release from Midlantic National Bank/Merchants or current mortgage holder, or the affidavit regarding ECRA, or evidence, by filed documents, of the lifting or satisfaction of the judgment by Sherwin Williams Co.. These matters are in addition to the payment of the tax lien from the sale proceeds. Until these matters are taken care of, title will not be sufficient to satisfy the contract requirements or our title company.

As you know, both sides have been cooperative in moving toward closing, and we want to continue to do so. However, we would appreciate hearing from you at your earliest convenience, but no later than August 6, 1990, with regard to the above, and a proposal for a closing date. My clients are anxious to close. I have not been able to give them any update since I have not heard from you for the last two weeks. Again, I ask you to give this matter your most immediate attention.

Awaiting to hear from you, I remain,

Very truly yours,

STEINBERG, STEELE &amp; POANE

By: \_\_\_\_\_  
DENNIS D. POANEDDP:cb  
CERTIFIED MAIL - R.R.R.  
cc: Mr. & Mrs. Zontan Szatmary

P.S. We note that your telephone number is changing, and we would appreciate your new number so that we may contact you.

P 244 516 144

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-238-815

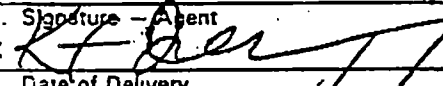
PS Form 3800, June 1985

Sent to Ken Irek, Esq.	
Street or Highway 34	
P. O. Box 161	
P.O. State and ZIP Code Colts Neck, N.J. 07722	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date  7/31/90	

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address. (Extra charge)      2.  Restricted Delivery (Extra charge)

3. Article Addressed to:  Ken Irek, Esq. 41 Highway 34 P. O. Box 161 Colts Neck, N.J. 07722	4. Article Number P 244 516 144  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature - Addressee X	Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b>
6. Signature - Agent X 	8. Addressee's Address (ONLY if requested and fee paid)
7. Date of Delivery 8/3/90	

## STEINBERG, STEELE &amp; POANE

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1121 MADISON AVENUE

P. O. BOX 636

LAKEWOOD, NEW JERSEY 08701

(201) 363-5800

TELEFAX

(201) 905-3317

MORTON C. STEINBERG (201) 363-5800  
FREDERICK W. STEELE  
DENNIS D. POANE

August 6, 1990

Ken Irek, Esq.  
41 Highway 34  
P. O. Box 161  
Colts Neck, New Jersey 07722

Re: Kirex Development Co. - Szatmary

Dear Mr. Irek:

PLEASE TAKE NOTICE that my clients hereby deem TIME TO BE OF THE ESSENCE for the closing of title with respect to a certain Contract for Sale dated May 23, 1990. By virtue of this notice, closing of title shall be held at the offices of Steinberg, Steele & Poane, Esqs., 1121 Madison Avenue, Lakewood, New Jersey on August 20, 1990 at 1:30 p.m.. No further extension will be granted.

In the event that you fail to appear at said time and place and thereby convey title in accordance with the aforesaid Contract for Sale and give possession of the premises you shall be deemed to be in breach of said contract and shall be liable to the buyers for damages and for such other relief as a Court of Law or of equity shall deem appropriate.

Very truly yours,

STEINBERG, STEELE &amp; POANE

By: \_\_\_\_\_  
DENNIS D. POANEDDP:cb  
CERTIFIED MAIL - R.R.R.  
cc: Mr. & Mrs. Zontan Szatmary

P-630 896 560

RECEIPT FOR CERTIFIED MAIL

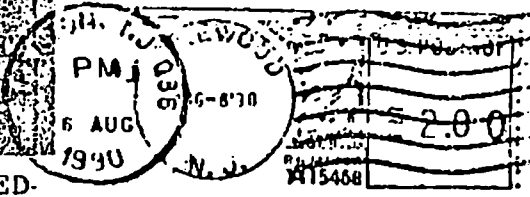
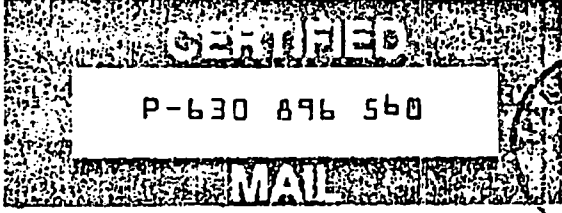
NO INSURANCE COVERAGE PROVIDED  
EXCEPT AS NOTED ON THIS RECEIPT  
(See Reverse)

Postage	07722
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return Receipt Showing Date and Address of Recipient	
TOTAL Postage and Fees	
Postman or Date	8/6/90

PS Form 3800, June 1985 U.S.G.P.O. 153-506

STEINBERG, STEELE & POANE

A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW  
1121 MADISON AVENUE  
P. O. BOX 636  
LAKEWOOD, N. J. 08701



RETURN RECEIPT REQUESTED

Ken Irek, Esq.  
41 Highway 34  
P. O. Box 161  
Colts Neck, New Jersey 07722

1ST NOTICE  
2ND NOTICE  
RETURN

07722 8/7/90  
8/20/90

Not retained in this envelope





**STEINBERG & STEELE, P.A.**

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1121 MADISON AVENUE

P.O. BOX 636

LAKEWOOD, NEW JERSEY 08701

(201) 365-2800

MORTON C. STEINBERG (9052-18781)  
SIEGFRIED W. STEELETELEFAX  
(201) 905-3317

August 13, 1990

Mr. Ken Irek  
Fast Frame Building Systems  
P. O. Box 725  
Freehold, New Jersey 07728

Re: Kirex Development Co. - Szatmary

Dear Mr. Irek:

Enclosed please find copy of letter which was previously  
sent to you at P. O. Box 161, Colts Neck, New Jersey, on  
August 6, 1990.

Very truly yours,

STEINBERG, STEELE &amp; POANE

By: \_\_\_\_\_

DENNIS D. POANE

DDP:cb

Enc.

CERTIFIED MAIL - R.R.R.

244 516 146

RECEIPT FOR CERTIFIED MAIL

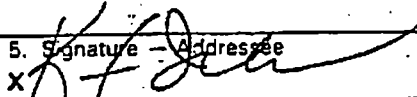
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1809-714-555  PS Form 3800, June 1985.	Sent to <b>Mr. Ken Irek</b>
	<b>Fast Frame Building Systems</b>
	P.O. Box Code <b>725</b>
	<b>Freehold, N.J. 07728</b>
	Postage
	Certified Fee
	Special Delivery Fee
	Restricted Delivery Fee
	Return Receipt showing to whom and Date Delivered
	Return Receipt showing to whom, Date, and Address of Delivery
TOTAL Postage and Fees	\$
Postmark or Date  <b>8/13/90</b>	

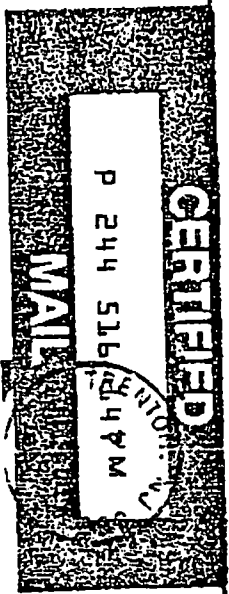
**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1.  Show to whom delivered, date, and addressee's address.    2.  Restricted Delivery (Extra charge)

3. Article Addressed to: <b>Mr. Ken Irek</b> <b>Fast Frame Building Systems</b> <b>P. O. Box 725</b> <b>Freehold, N.J. 07728</b>	4. Article Number <b>P 244 516 146</b> Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature - Addressee X 	Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b>  8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery <b>8-24-90</b>	

*1101*  
*8/16/90*

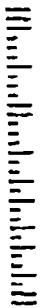
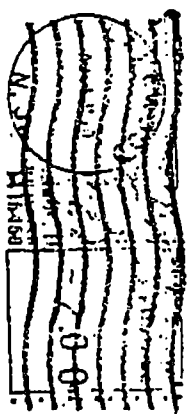
**STEINBERG, STEELE & POANE**  
 A PROFESSIONAL CORPORATION  
 ATTORNEYS AT LAW  
 1121 MADISON AVENUE  
 P. O. BOX 936  
 LAKEWOOD, N. J. 08701



RETURN RECEIPT REQUESTED

~~Mr. Ken Irek  
 87 Carraige Hill Drive  
 Colts Neck, N.J. 07722~~

**MOVED LEFT NO ADDRESS  
 FORWARDING UNDER EXPANDED  
 BOX CLOSED NO ORDER**



**P 244 516 147**  
**RECEIPT FOR CERTIFIED MAIL**  
 NO INSURANCE COVERAGE PROVIDED  
 NOT FOR INTERNATIONAL MAIL  
 (See Reverse)

Sent to <b>Mr. Ken Irek</b>	
Street and No. <b>87 Carraige Hill Drive</b>	
PO State and ZIP Code <b>Colts Neck, N.J. 07722</b>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date <b>8/13/90 Returns</b>	

U.S.G.P.O. 1989-334-555  
 PS Form 3800, June 1985

## STEINBERG &amp; STEELE, P.A.

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1121 MADISON AVENUE

P.O. BOX 808

LAKELWOOD, NEW JERSEY 06701

(201) 383-5800

TELEFAX  
(201) 905-3317MORTON C. STEINBERG (609) 678-5781  
SIEGFRIED W. STEELE

August 29, 1990

Ken Irek, Esq.  
P. O. Box 161  
Colts Neck, NJ 07722

Re: Kirex Development Co. - Sztatmary

Dear Mr. Irek:

This office has received a call from Fran Donahue advising that you are still interested in selling your property to Mr. & Mrs. Sztatmary. The items you must provide for the closing are as follows:

- 1) Deed;
- 2) Affidavit of Title;
- 3) Completed ECRA Application;
- 4) Certified funds in the approximate amount of \$2,500.00, in order to satisfy the tax lien, mortgage payoff and other standard closing costs.

Kindly call this office upon your receipt of this correspondence to schedule a closing date and advise how we may contact you with final closing figures.

Yours truly,

STEINBERG, STEELE &amp; POANE

BY: \_\_\_\_\_  
DENNIS D. POANEDDP:ne  
Regular and Certified Mail, R.R.R.

P 676 891 192

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL

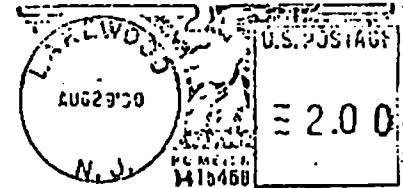
(See Reverse)

PS Form 3800, Feb. 1982  
\* U.S.C.P.O. 1993-403-517

Sent to Ken Irek, Esq.	
Street and No. P. O. Box 161	
P. O. State and ZIP Code Colts Neck, NJ 07722	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date 8/29/90	

STEINBERG, STEELE & POANE

A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW  
1121 MADISON AVENUE  
P. O. BOX 636  
LAKEWOOD, N. J. 08701



RETURN RECEIPT REQUESTED

07/22/30/90  
2/17/90  
9/20  
1ST NOTICE  
2ND NOTICE  
RETURN

~~Ken Irek, Esq.  
P. O. Box 161  
Colts Neck, NJ 07722~~

RETURNED TO  
The enclosed is  Released  
Address is  Not Known  
No such street  number   
No such office in state   
E. not found in this envelope

NOV  
9/22



OFFICE OF THE COUNTY PROSECUTOR



JOHN KAYE  
MONMOUTH COUNTY PROSECUTOR

## COUNTY OF MONMOUTH

FREEHOLD, NEW JERSEY 07728-1261

(201) 431-7160  
FAX (201) 409-3673  
FAX (201) 409-4830

ALTON D. KENNEY  
FIRST ASSISTANT PROSECUTOR  
ROBERT A. HONECKER, JR.  
SECOND ASSISTANT PROSECUTOR  
WILLIAM D. GUIDRY  
DIRECTOR OF TRIAL DIVISION  
FRANK R. LICITRA  
CHIEF OF INVESTIGATIONS

December 11, 1990

Mr. Dennis D. Poane, Esq.  
Donini and Donini  
Attorneys At Law  
1512 Highway #138  
Wall Township, New Jersey 07719

Dear Mr. Poane:

Re Kenneth Irek, Esq., T/A Kirex Development  
Company  
File No. W180-12-90

This letter will serve to confirm our conversation of December 7, 1990, wherein I acknowledged the receipt of documentation supplied by you in the above captioned matter. Please be advised that, at this time, the investigation into the activities of Mr. Irek remains ongoing.

As you know, I am unable, at this time, to confirm for you whether or not the matter will be presented to a Monmouth County Grand Jury for further criminal prosecution. However, my review of the documentation supplied to this office leads me to conclude that the matter should be properly brought to the attention of both the Office of Attorney Ethics, as well as the Client's Security Fund. Should your client desire to file with the District Ethics Committee, it is suggested that they write to the following address:

District IX Ethics Committee  
ATTN: Mr. Walter W. Kingsbery, III, Secretary  
34 Broad Street  
Red Bank, New Jersey 07701  
(201) 741-1800

Upon request, an application will be sent to your client for the District IX Committee's review. The address for the Client's Security Fund of the Bar of New Jersey is as follows:



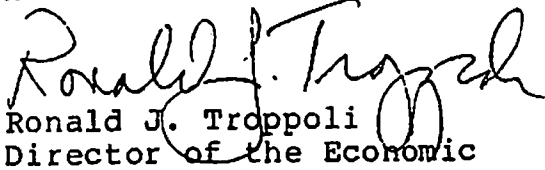
Mr. Dennis D. Poane, Esq.  
December 11, 1990  
Page-2-

Client's Security Fund  
Richard J. Hughes Justice Complex  
25 West Market Street  
CN-961  
Trenton, New Jersey 08625-0961

Upon request, an application will be sent to your clients for their completion and returned to the Client's Security Fund for their consideration of the claim.

Very truly yours,

JOHN KAYE  
MONMOUTH COUNTY PROSECUTOR

  
By: Ronald J. Troppoli  
Director of the Economic  
Crime and Special  
Prosecutions Unit

RJT:wjc

## ATTACHMENT “15”

Zontan and Cathleen Szatmary Attorney  
Grievance Form (unsigned)

# ATTORNEY GRIEVANCE FORM

PLEASE TYPE OR PRINT LEGIBLY ALL INFORMATION

A. GRIEVANT: MR./MRS./MISS/MS. (CIRCLE ONE)

<u>Szatmary,</u>	<u>Zontan &amp; Cathleen</u>		
LAST NAME	FIRST		HI
<u>3 Ware Place</u>			
ADDRESS		STREET/P.O. BOX	
<u>Middletown, New Jersey, 07748</u>		<u>Monmouth</u>	
CITY	STATE	ZIP	COUNTY
TELEPHONE: HOME ( <u>908</u> ) <u>706-1124</u>		OFFICE (    )	

B. THE SPECIFIC LAWYER YOU ARE COMPLAINING ABOUT IS:

<u>Irek, Esq.</u>	<u>Kenneth</u>		<u>F.</u>
LAST NAME (INCLUDE SR., JR., III, ETC.)	FIRST		MI

Only known as sole practitioner

NAME OF LAW FIRM, IF ANY, WITH WHICH LAWYER IS ASSOCIATED

<u>(Last known Office address) 41 Highway 34, P.O. Box 161</u>	
OFFICE ADDRESS	STREET/P.O. BOX

<u>Colts Neck, New Jersey, 07722</u>			<u>Monmouth</u>
CITY	STATE	ZIP	COUNTY

- |     |  |         |        |
|-----|--|---------|--------|
| (1) | WAS THE SPECIFIC LAWYER COMPLAINED OF YOUR LAWYER? | ___ YES | ___ NO |
| (2) | IF SO, DOES THIS STILL LAWYER STILL REPRESENT YOU? | ___ YES | ___ NO |
| (3) | IF NOT, DO YOU HAVE A NEW LAWYER?                  | ___ YES | ___ NO |
| (4) | IF SO, WHO IS YOUR NEW LAWYER?                     | ___ N/A |        |

C. THE TYPE OF CASE HANDLED BY THE LAWYER WAS: (CHECK ONE)

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li><input type="checkbox"/> Admiralty/Maritime (V)</li> <li><input type="checkbox"/> Adoption/Name Change (A)</li> <li><input type="checkbox"/> Bankruptcy/Insolvency/Foreclosure (B)</li> <li><input type="checkbox"/> Collection (H)</li> <li><input type="checkbox"/> Contract (K)</li> <li><input type="checkbox"/> Corporation/Partnership Law (X)</li> <li><input type="checkbox"/> Criminal, Quasi-criminal and Municipal Court (C)</li> <li><input type="checkbox"/> Domestic Relations (Divorce, Support, Custody) (D)</li> <li><input type="checkbox"/> Estate/Probate (E)</li> <li><input type="checkbox"/> Federal Remedies/Civil Rights (F)</li> <li><input type="checkbox"/> Government Agency Problems (Local Thru Federal) (G)</li> <li><input type="checkbox"/> Immigration/Naturalization (M)</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> International Law (I)</li> <li><input type="checkbox"/> Juvenile Delinquency (J)</li> <li><input type="checkbox"/> Labor (L)</li> <li><input type="checkbox"/> Landlord/Tenant (Q)</li> <li><input type="checkbox"/> Negligence (Personal Injury) (N)</li> <li><input type="checkbox"/> Property Damage (P)</li> <li><input checked="" type="checkbox"/> Patent/Trademark/Copyright (R)</li> <li><input type="checkbox"/> Real Estate (S)</li> <li><input type="checkbox"/> Small Claims Court (T)</li> <li><input type="checkbox"/> Tax (W)</li> <li><input type="checkbox"/> Workers Compensation (Y)</li> <li><input type="checkbox"/> Other Litigation (specify) (Z)</li> <li><input type="checkbox"/> Other Non-Litigation (specify) (Z)</li> </ul> |
|--|--|

IS THE CASE HANDLED BY YOUR LAWYER STILL PENDING? \_\_\_ Yes     No

(This Section for Secretary's Use Only)

DOCKET NUMBER \_\_\_\_\_ DATE DOCKETED \_\_\_\_\_

SOURCE OF GRIEVANCE \_\_\_\_\_

D. OTHER RELATED COMPLAINTS OR LITIGATION

(1) HAVE YOU FILED A COMPLAINT REGARDING THIS MATTER WITH LAW ENFORCEMENT AUTHORITIES OR ANY OTHER STATE OR FEDERAL AGENCY?  X  YES   NO IF YES, PLEASE STATE:

NAME OF AGENCY:  Monmouth County Prosecutor's Office

CONTACT PERSON:  Ronald J. Troppoli  DATE FILED:  Letter sent November 14, 1990

RESULT:  Please find attached, letter from Ronald J. Troppoli, dated December 11, 1990, stating that there was no determination of whether to prosecute.

(2) IS THE MATTER YOU ARE COMPLAINING ABOUT THE SUBJECT OF A PENDING CIVIL LAWSUIT?   YES  X  NO

IF YES, NAME OF COURT:

DOCKET NUMBER:   COUNTY

E. NATURE OF GRIEVANCE: State what the lawyer did or failed to do which may be unethical. State all relevant FACTS including dates, times, places and names and addresses of important witnesses. Attach copies of important letters and documents.

Please see letter filed by our Attorney, dated November 14, 1990, to Ronald J. Troppoli,

of the Monmouth County Prosecutor's Office, and the attachments, which accompanies

this Complaint Form. The basis of our Complaint is that Mr. Irek was both an Officer of

the Contracting Corp., Kirex Development Co., and an Attorney in dealing with us, for

the purchase of a lot upon which to construct a home. Mr. Irek received \$5,000.00 as our

down payment and then disappeared. After extensive letter writing and phone calling, and

also a trip to Mr. Irek's house by Mr. Poane, no response was received, in order to conclude

the purchase of the lot. Mr. Irek has disappeared, our \$5,000.00 has also disappeared. I

would also like you to know that we spent approximately another \$4,000.00 in preparation

for the purchase of the lot, including Perk Test. We believe Mr. Irek took our money, has

intentionally failed to sell the property to us or give us our money back, and has now disap-

peared. We believe Mr. Irek acted as an Attorney for Kirex Development Co., as well as

an Official of that Company.

(Use Additional Sheets if Necessary)

F. CONFIDENTIALITY AND IMMUNITY:

Under Supreme Court Rule 1:20-10, once you file this Attorney Grievance Form you are REQUIRED thereafter to keep all communications about this ethics matter CONFIDENTIAL. Ethics confidentiality does not prevent you from discussing the facts underlying your grievance with, or reporting them to, any other person or agency. However, you may not disclose the fact that you have filed an ethics grievance to persons other than members of the attorney disciplinary system, except to discuss the case with other witnesses or to consult an attorney. So long as you maintain the confidentiality of these ethics proceedings, Supreme Court Rule 1:20-11(b) grants you immunity from law suits within this state as a result of filing your grievance. If you breach this rule of confidentiality YOU WILL LOSE THIS IMMUNITY.

Date:

Signature

OAE-G3 8/1/84;10/13/87; 10/15/89

PLEASE REVIEW THE PAMPHLET "INFORMATION ABOUT GRIEVANCE PROCEDURES AND DISCIPLINE OF LAWYERS" PROVIDED BY THE ETHICS SECRETARY.

## ATTACHMENT “16”

Zontan and Cathleen Szatmary  
NJLFCP Statement of Claim

Respond to:  
NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION  
Richard J. Hughes Justice Complex  
CN-961  
Trenton, New Jersey 08625

RECEIVED  
APR 16 1991  
NJ LAWYERS' FUND FOR  
CLIENT PROTECTION

**STATEMENT OF CLAIM**  
(Please Use Black Ink)

1. Name: Zontan Szatmary (Cathleen D. Szatmary-Spouse)  
Address: 3 Ware Place  
Middletown N.J. Zip code 07748  
Area Code (908) Area Code ( - )  
Home Tel. # 706-1124 Business Tel. # \_\_\_\_\_  
Age 33 Marital Status Married Sex Male

2. Occupation Self-Employed, Construction

3. Attorney Against Whom Claim is Made:

*Home Address  
17 Carriage Hill Dr.  
Colts Neck, NJ  
07722*

Name: Kenneth Irex (also see attached  
Address: 41 Highway 34 P.O. Box 161 Paper)  
Colts Neck, New Jersey Zip code 07722

4. How Long Have You Known Him/Her Never met him, Dealings only  
through real estate deal. (escrow agent)

5. How Long Did He/She Represent You NA

6. (Dollar Amount of Loss \$5,000.00 (Five thousand)  
+ 4,000.00 in other expenses.)

7. Is Claim Based On Attorney-Client Relationship  
Or  Fiduciary (guardian, executor, trustee)  
Relationship (escrow agent)

8. In Chronological Order, List Events Leading Up to the  
Misappropriation Of Your Money, AND ATTACH ALL PROOFS TO THIS  
STATEMENT OF CLAIM (Use a separate sheet if more space is  
needed):

- A. A contract was prepared by Kirex Development Co. dated May 23, 1990, and signed by Kenneth Irex as president and secretary. The contract was signed 5/29/90 by us and 6/6/90 by Mr. Irex.
- B. Check #1301 dated 5/29/90 from us (Zontan + Cathleen Szatmary) in the amount of \$5,000.00 to Kirex Development Co. sent to Kirex negotiated 6/1/90.
- C. Please see letter of Dennis Poane Esq. dated Nov. 14, 1990 on page 2 listing his letters to Mr. Irex in chronological order.
- D. Time of the Essence letter mailed Aug. 6, 1990, and another letter sent using a new address on Aug. 13, 1990, as shown on Mr. Poane's letter.

Question # 5

Name: Kenneth Irex

Address: 87 Carraige Hill Dr.

Colts Neck, NJ. 07722

Phone #

Kenneth + Brenda Irex  
} Home Address)Also Company called Fast Frame Building  
Systems

Address: P.O. Box 725

Freehold, NJ. 07728

Answering service # 409-0227



908-706-1124

Question #8 Cont.

E. cont. Somewhere around Aug. 20, 1990 to Aug 29, 1990, Fran Donahue, a reactor, said that Mr. Irek was in North Carolina for a while and didn't receive his mail in time but she advised Mr. Poave that Mr. Irek would complete the sale. Mr. Poave then wrote the letter of Aug. 29, 1990. Apparently this was to stall any intentions to close.

F. There have been no more contact with Mr. Irek or anyone on his behalf since the call from Fran Donahue after she talked with him. On the day of the closing date we were present at Dennis Poave's office. We ~~we~~ attempted to make calls to contact Mr. Irek in which we left messages with the number Fran Donahue gave us of Fast Framing Building Systems which accepted calls for Ken Irek.

G. Mr. Poave wrote to the Monmouth County Prosecutor's office on Nov. 14, 1990, detailing the events.

H. The Prosecutor's office responded Dec. 11, 1990, saying they were not sure whether the matter would be presented to a Monmouth County Grand Jury. The letter advised us to go to the District IX Ethics Committee and Client's Security Fund, which we have.

9. If Claim Is Based On Investment, List Chronologically All Monies Invested And The Amounts Paid To You By Your Attorney On Account Of Principal Or Interest. ATTACH PROOF OF ATTORNEY-CLIENT RELATIONSHIP PREDATING THE TRANSACTION THAT IS THE BASIS OF YOUR CLAIM.

N/A

10. Date And Circumstances Under Which Loss Was Discovered:

Date: See events under #8. Mr. Irek has not been heard from since Aug. 1990 thru Fran Dowahue. Many attempts have been made to contact him. His whereabouts are unknown to me.

11. Can Your Loss Be Reimbursed From Any Other Source?

Yes  No  If Yes, Indicate Source Below

12. If Known, List The Assets Of The Attorney From Which Reimbursement Can Be Made, And Indicate What Efforts Have Been Made To Recover The Loss From The Attorney Directly.

Mr. Irek, I believe was a principal in Kirex Development Co. and probably owned the property I was trying to buy through the Corporation. The Development we were going to buy our lot in had a sign saying "Brentwood acres" By Kirex Development Corp I believe there were several properties owned by Kirex and/or Mr. Irek there. Further my Attorney tells us that Stewart Title Company, 80 West Main Street, Freehold, N.J. 07728, said they did work for Mr. Irek and they may know of additional assets. Mr. Irek was the owner listed on the tax rolls for 87 Carriage Hill Dr., Colts Neck, N.J. according to a response to Mr. Poane's inquiry. For a while Mr. Irek was accepting calls through messages left for him at Fast Frame Building Systems P.O. Box 725, Freehold, N.J. 07728 (201) 409-0227

13. Are You Suffering Any Financial Hardship? Yes  No   
If Yes, Describe Below:

See attached paper

14. The Name, Address And Telephone Number Of Any Attorney Or Other Person Who Assisted You In The Preparation And Presentation Of This Statement:

Name: Mr. Dennis Poane & Donini and Donini Attorneys At Law

Address: 1512 Highway 138

Wall Township, N.J. Zip Code 07719

Tel. # 908-681-9500

15. How Did You Learn About The Fund?

Through Dennis Poane (our Attorney)

STATE OF New Jersey :  
COUNTY OF Monmouth : ss.

I, Zoltan J. Szatmary, the Claimant in this Statement of Claim, being of full age and duly sworn according to law upon my oath, depose and say that the information set forth in this Statement of Claim is true and that I have fully disclosed this information, in writing, to the appropriate County Prosecutor's Office and District Ethics Committee.

Zoltan Szatmary  
(Signature of Claimant)

Cathleen Szatmary  
(Signature of Co-Claimant)  
(Spouse)

Sworn and subscribed to before me this 12 day of April, 1991

Margaret R. Clark

Margaret R. Clark  
Notary Public of New Jersey  
My Commission Expires March 17, 1992

## Answer to Question #13

We have been in a financial hardship ever since Ken Irek took our money without intent to truly close on the land deal. We had to use our savings to rent another house while we look for a house to purchase since we can no longer purchase property due to the \$5,000.00 loss. We need to pay cash for property in order for the bank to loan us money to build, our Dream Died when Ken Irek walked off with our money.

We are now in a real dilemma, we have to purchase a house by Aug. 1991 in order not to pay capital gain tax. The real problem is, we don't have enough down payment now to qualify for the amount we are supposed to purchase in order not to pay any tax, this is due to the \$5,000.00 loss + other expenses amounting to \$4,000.00 for a total of approximately \$9,000.00. So either way we are still going to have to pay some tax.

We had to pay for a perc + Boaring, survey + septic designs and architect plans also other little expenses. The money we lost has put a great stress on our family life and individual dealings.

To top this all off I was pregnant when all of this happened adding more stress and financial burden because we had no maternity coverage on our insurance policy. My husband is in the construction business and hasn't worked steady in about 1 1/2 yrs. So not having much

## Answer to Question # 13 cont.

income, paying out large major expenses on Hospital and doctor Bills has left us no choice but to dip into our house money, which wouldn't be there if we had built or close to another home. That is another reason for our down payment being lower than it should be. In all we have truly lost over \$30,000.00.

Now we have found a home to purchase but we need 20% down in order to qualify to purchase it. We really hope that you will bring this before the Board as soon as possible so that we will know if we can receive our money back to buy this home. We have been disappointed quite a few times already please don't despair our hopes this time in handling this matter.

We heard after the fact that Ken Irck was suspended from the bar either in 1987 or 1989, if we had been aware of this at the time we would have been more cautious in dealing with him. We would like to put our trust ~~in~~ in lawyers in general but this is not the first time we had misdealings with one. We had be wronged by Justinian Connors approximately 1985, luckily there was no money loss, just a trust in some lawyers. Please restore our faith + trust in the system and help us to obtain our money so that we will not have to pay over \$12,000.00 to the government for capital gain tax and so that we may once again have the joy and satisfaction of owning our very own home. This will surely ease the stress and emotional discord we are now experiencing as a family.

Answer to Question # 13 cont.

We also heard that he had taken other peoples money from down payments of homes he was supposed to have built for them. So as you can see he was truly being dishonest in his conduct in dealing with us. Please be moved to handle him in the manner in which you would any dishonest lawyer and restore us our money.

Thank you that there is such a system and fund to help protect people like us.

Sincerely Yours,  
Cathleen D. Syetmar

Enc. Documents  
and copy of check

## ATTACHMENT “17”

Testimony of Cathleen D. Szatmary Before  
District IX Ethics Committee



SUPREME COURT OF NEW JERSEY  
DISTRICT IX ETHICS COMMITTEE  
DOCKET NO. IX-91-4E

X-----X  
DISTRICT IX ETHICS,  
Complainant, TESTIMONY  
-vs- OF  
KENNETH F. IREK, ESQ.,  
Respondent. CATHLEEN D. SZATMARY  
X-----X

C O M P U T E R I Z E D T R A N S C R I P T  
of the stenographic notes of the proceedings  
in the above-entitled matter as taken by and  
before KATHLEEN M. CASSIDY, CSR, a Certified  
Shorthand Reporter and Notary Public of New  
Jersey, in the office of GAUGHRAN & STEIB,  
ESQS., 1275 Highway 35, Box 4150, Middletown,  
NJ 07748, on Wednesday, July 29, 1992,  
commencing at 10:15 in the forenoon.

A P P E A R A N C E S

Chairman:

RICHARD M. KEIL, ESQ.

The Presenter:

ROBERT J. GAUGHRAN, ESQ.

Panel Member:

JAMES H. MOODY, ESQ.

Public Member:

ROBERT M. FLANAGAN

## I N D E X

WITNESS                      DIRECT      CROSS      REDIRECT      RECROSS

CATHLEEN D.

SZATMARY

By Mr. Gaughran      4

By Mr. Moody                                      18

## EXHIBITS MARKED FOR IDENTIFICATION

Number	Description	Page
P-1	Contract for Sale dated 5/23/90 (copy)	5
P-2	Check, front and back (copy)	5
P-3	Original Check	16
P-4	Affidavit of Publication	17



1 MR. GAUGHRAN: For the  
2 record, if I may, Kenneth F. Irek, the  
3 Respondent, is not present and was served by  
4 Affidavit of Publication in this particular  
5 matter. My role as the Presenter in this case  
6 follows up my role as the initial investigator  
7 in this matter and part of the role of the  
8 investigator was attempting to contact Mr. Irek  
9 and we were not able to locate him but spent  
10 considerable time and effort doing so where we  
11 tracked down leads that he may be living in North  
12 Carolina, that we tracked down leads through the  
13 post office where we were informed through the  
14 Bar Association that he may be receiving some  
15 sort of governmental pension and we tracked that  
16 down through Social Security and the IRS, which  
17 was to no avail.

18 We then were told that he may be  
19 receiving some sort of military pension, so we  
20 followed through with correspondence and  
21 inquiries with the Navy, the Air Force, the  
22 Marine Corps, the Coast Guard and even through  
23 the Office of Personnel Management in Washington  
24 D.C., all of that proved to be dead ends, as  
25 well.

1                   And, if the Chairman wishes, my  
2 file will be available to you which shows the  
3 litany of correspondence and attempts to locate  
4 Mr. Irek before it was decided to serve him by  
5 Publication.

6                   MR. KEIL: I believe that  
7 based upon what you've just presented to us --  
8 told us which is what you did, you've done all  
9 the usual matters one would do for an Affidavit  
10 of diligent inquiry in a State matter or  
11 matrimonial matter, that's all that's required.  
12 Any comments?

13                   MR. MOODY: No.

14                   MR. GAUGHRAN: If I may,  
15 I'd like to ask questions of Mrs. Szatmary,  
16 whose already been sworn in.

17                   MR. KEIL: Yes, please.

18  
19 CATHLEEN D. SZATMARY, Previously  
20 Sworn.

21  
22 DIRECT EXAMINATION BY MR. GAUGHRAN:

23  
24                   Q.       I show you a photocopy of a  
25 Contract for Sale of real estate dated May 23,

1 1990, we might want to mark --

2 MR. GAUGHRAN: Could we  
3 mark this as an exhibit?

4 MR. KEIL: Yes.

5 MR. GAUGHRAN: We might as  
6 well mark P-2, also, at the same time.

7 MR. MOODY: What's P-2?

8 MR. GAUGHRAN: P-2 is the  
9 photocopy of a front and back of the May 29, 1990  
10 \$5,000 dollar check.

11 (Whereupon a copy of the  
12 Contract for Sale dated 5/23/90 was received and  
13 marked P-1 for identification.)

14 (Whereupon a copy of a  
15 check, front and back, was received and marked  
16 P-2 for identification.)

17 BY MR. GAUGHRAN:

18 Q. I ask you to identify for this  
19 Panel the Exhibit P-1.

20 A. Uh-huh.

21 Q. Would you please tell the Panel  
22 what this is.

23 A. That's the contract that we signed.

24 Q. The contract you signed?

25 A. To buy a lot.



1 Q. To buy a lot. And P-2, would  
2 you describe that for the Panel, also.

3 A. Right. That's a check that we had sent  
4 him for the deposit of land.

5 Q. Okay. Could you please describe  
6 the circumstances that led up to you signing the  
7 contract for the sale of real estate.

8 A. Well, we were looking for a lot in  
9 Jackson. We initially had another one and then  
10 we seen this one in the paper, it was a lot  
11 cheaper. So, we contacted the ad in the paper  
12 and spoke to Ken Irek and -- well, I spoke to  
13 Ken Irek and then he told me where it was, to  
14 go look at it.

15 Then he had a woman that represented  
16 him, Fran Donahue (phonetic), that showed us  
17 the houses in there and then showed us the lots.

18 Q. Now, after you spoke to Ken Irek  
19 and saw the lot, did you retain legal counsel to  
20 represent you in connection with this purchase?

21 A. Right.

22 Q. And who represented you?

23 A. Dennis Poane, Esq.

24 Q. And his office is in?

25 A. Well, it was in Lakewood at the time.

1 He's moved to Wall.

2 Q. Okay.

3 MR. KEIL: For the record,  
4 he used to be with Steinberg, Steele and Poane  
5 and now he's with Ed Donini, Mike Donini.

6 THE WITNESS: Right.

7 BY MR. GAUGHRAN:

8 Q. So, you and your husband decided  
9 that you're serious about purchasing this lot --

10 A. Uh-huh.

11 Q. -- and you retained Mr. Poane to  
12 represent you.

13 A. Right.

14 Q. What happened next in this  
15 transaction?

16 A. Well, then he got in touch with, I guess,  
17 Fran Donahue because then -- Dennis I believe  
18 got in touch with Fran Donahue because then they  
19 wrote up a contract and sent it to Dennis'  
20 office, which we signed -- well, we didn't sign  
21 it initially, there were some changes first.

22 Q. So, were any changes -- there  
23 were changes to be negotiated on the real  
24 estate contract.

25 A. Right.



1 Q. Okay. Who negotiated those  
2 changes?

3 A. Well, Dennis felt on our behalf that  
4 some of those changes should be made.

5 Q. So, your attorney, Mr. Poane,  
6 Dennis Poane, negotiated those changes in the  
7 real estate contract with whom?

8 A. Well, that he sent it back, um -- I think  
9 either Fran picked it up or he mailed it, I'm not  
10 really sure which.

11 Q. Did he have any negotiation with  
12 Kenneth Irek?

13 A. He spoke -- did he? I don't know if he  
14 spoke to him or not. I think he -- I'm not sure  
15 if he spoke to him or not. He might have spoke  
16 to him once or twice, I'm not really sure, but  
17 he mostly, I think, dealt with Fran --

18 Q. Okay.

19 A. -- Donahue.

20 Q. Now, the contract on page one is  
21 dated May 23 but I see the date of May 29, 1990  
22 next to your signatures.

23 A. Right. Because we were waiting for it  
24 to come back from Fran Donahue. That was the  
25 initial contract, and then we didn't sign it

1 until he accepted the changes.

2 Q. Until the changes that your  
3 attorney wanted?

4 A. Right.

5 Q. Okay. So, the contract is dated  
6 May 29, 1990. I show you exhibit P-2 again,  
7 which is the \$5,000 dollar deposit check and ask  
8 you what's the date on that check.

9 A. 5/29.

10 Q. So, did you prepare the check at  
11 the same time that you signed the contract?

12 A. Right.

13 Q. Now, the check is made payable to  
14 Kirex Development Co..

15 A. Right.

16 Q. Is there any reason why the check  
17 was made payable to Kirex Development Co.?

18 A. Well, that was the development that we  
19 were buying from. You know, that was his  
20 development.

21 Q. "His development," meaning  
22 Mr. Irek's?

23 A. Right.

24 Q. Okay.

25 A. And I had questioned Dennis about that,



1 I was like: How come we don't -- because we  
2 bought houses before and because we've sold two  
3 houses and knew we were buying this land to build  
4 and I said: How come it's not made out to, you  
5 know, a lawyer in trust, because that's usually  
6 how we did it, and he informed me that Ken Irek  
7 was a lawyer acting on his own behalf through  
8 Kirex Development so that there would not be a  
9 problem. He wouldn't see any reason why we  
10 shouldn't fill it out that way.

11 Q. All right. So, your lawyer  
12 advised you that it was okay to have the check  
13 payable to the developmental company because  
14 representations were made to your lawyer by  
15 Mr. Irek?

16 A. That he was acting on his own behalf as  
17 a lawyer.

18 Q. Now, Kirex Development signs the  
19 contract on June 6th, 1990. What happens next?

20 A. Well, we were still waiting for some  
21 papers. Even though we signed a contract,  
22 Dennis wanted him to still get that Equa  
23 (phonetic), or whatever, paper signed and he  
24 wanted -- I'm trying to think of what else,  
25 Equa --

1 MR. KEIL: Oh, there's the  
2 original check.

3 THE WITNESS: Yes.

4 A. And he wanted the judgments to be cleared  
5 up or else to state that they would be paid for  
6 at closing and the tax lien that he had against  
7 his property. He wanted those matters to be  
8 taken, you know, care of.

9 Q. So, what you're saying is: That  
10 when your lawyer did the title work, he found  
11 out that there were liens and judgments against  
12 Mr. Irek?

13 A. Right. Correct.

14 Q. Do you know if those liens and  
15 judgments against Mr. Irek would have exceeded  
16 the total purchase price of the lot?

17 A. The liens and the judgments that he knew  
18 of, at the time, would not have -- the guy still  
19 would have -- Ken Irek would have still come out  
20 with some money.

21 Q. Okay.

22 A. Not much, but he still would have come out  
23 with some money.

24 Q. Okay.

25 A. A very small amount.



1 Q. Now, the contract was signed by you  
2 the 29th of May, the check was signed by you the  
3 29th of May, the judgments are coming back, the  
4 title work comes back I would assume sometime in  
5 June, mid to late June.

6 A. That might even have been July. I'd have  
7 to see. Which was July 10th, I guess. Well, he  
8 wrote to Mr. Irek: Enclosed please find copy of  
9 a notice from the Jackson Township Tax Collector  
10 advising the amount necessary to pay off the tax  
11 lien. That was one. The title search was June  
12 26th because he wrote to Ken Irek: Enclosed  
13 please find title search. Please note tax lien  
14 and mortgage. In accordance with your  
15 instruction, this tax lien will be paid from  
16 the proceeds at closing.

17 So, I imagine Mr. Irek informed Dennis  
18 that the tax lien would be paid at the closing.

19 Q. Now, after that series of  
20 correspondence back and forth in the end of  
21 June and early July, what happened next?

22 A. Well, basically kind of waited and then  
23 we weren't hearing from him -- okay. There's  
24 one dated July 31st from Dennis to Mr. Irek  
25 and he says: As you remember from my letter

1 of June 26th, 1990, we need certain items prior  
2 to closing in order to convey title in accordance  
3 with the contract entered into between you, my  
4 clients, Mr. and Mrs. Szatmary. As yet, we have  
5 not received confirmation of the availability  
6 to obtain partial release from Midlantic National  
7 Bank merchants or current mortgage holder or the  
8 Affidavit regarding Equa or evidence by file  
9 documents of the listing of satisfaction  
10 of the judgment by Sherwin-Williams Company.  
11 These matters are in addition to the payment  
12 of the tax lien from the sale of proceeds.  
13 Until these matters are taken care of, title  
14 will not be sufficient to satisfy the contract  
15 requirements of our title company.

16 And he even states here, um: As you  
17 know, both sides have been cooperative and  
18 moving towards closing and we want to continue  
19 to do so. However, we would appreciate hearing  
20 from you at your earliest convenience but no  
21 later than August 6th, 1990 with regard to the  
22 above and a proposal for a closing date.

23 Q. Now, was your attorney attempting  
24 to contact Mr. Irek by telephone?

25 A. Telephone, letters, even those certified



1 letters. A lot of them seemed to come back void  
2 except maybe a few occasional times from Fran  
3 Donahue and she'd say: Well -- like at one  
4 point where we were getting kind of anxious,  
5 we contacted her and then she said he was in  
6 North Carolina, so he didn't receive his mail  
7 until later but she had spoken to him and that  
8 he still did want to close, you know, that she  
9 would get back in touch with us as far as the  
10 closing. Then we didn't hear anything for  
11 awhile again, so Dennis signed it, the essence  
12 of time -- time of essence letter and, you know,  
13 then we were just -- we even went there on the  
14 day of closing, the set date of closing to his  
15 office and waited around and, of course, he  
16 didn't show. And then we frantically tried  
17 calling numbers again and we were getting Fast  
18 Frame, which is a new number that he had that  
19 we had gotten from Fran, she said that's how he  
20 got in touch. We left numerous messages with  
21 them to call Fran, she said she didn't know his  
22 whereabouts any more and, you know, that she  
23 wasn't involved, you know, and she wasn't acting  
24 on his behalf but she was just helping him out  
25 as a friend. So, um, we kind of got, you know --



1 kind of bumped out because we couldn't get a hold  
2 of him and we knew that that was it, we knew we  
3 had lost, you know, everything at that point.

4 Q. So, you never closed on the lot?

5 A. No.

6 Q. And the \$5,000 dollar deposit has  
7 never been recovered.

8 A. No. And there have been numerous  
9 attempts on Dennis Poane's part, even to the  
10 extent -- you know, our lawyer, even to the  
11 extent where he went to the house that Ken  
12 Irek lived in on Carriage Lane, I believe it  
13 was. He went -- he had two offices supposedly,  
14 he went to those, they were closed down. Um,  
15 you know, and he even left, you know, things  
16 at his door, you know, a package of stuff at  
17 his door with the time of essence and  
18 everything. That was all.

19 MR. GAUGHRAN: Could we go  
20 off the record for a second, please.

21 MR. KEIL: Yes.

22 (Whereupon an off-the-record  
23 discussion was held.)

24 MR. GAUGHRAN: The original  
25 check.

1 MR. KEIL: Let's mark it P-3.

2 (Whereupon the original

3 check was received and marked P-3 for

4 identification.)

5 BY MR. GAUGHRAN:

6 Q. Mrs. Szatmary, I show you exhibit  
7 P-3 and ask you to identify that, please.

8 A. That's the check that we sent to Ken Irek  
9 for the deposit of the land, the original check.

10 Q. Okay.

11 MR. GAUGHRAN: I have no  
12 further questions. If you want to --

13 MR. KEIL: I have some  
14 questions.

15 P-1, paragraph five of the contract  
16 states: Deposit monies, all deposit monies will  
17 be held in trust by Kirex Development Co. located  
18 at Colts Neck, NJ until closing. The time you  
19 gave -- at the time you handed over that check,  
20 you understood then that it was the same as  
21 being -- that it was being held by an attorney.

22 THE WITNESS: Correct.

23 Because that's what I questioned, that. Because  
24 we had a misdealing with an attorney one time  
25 Justin Ann Connors. We didn't lose anything,



1 we did not lose anything out of that but we were  
2 in the process of buying our house when we had  
3 dealings with -- or selling our house when we  
4 had dealings with him and that was like hairy in  
5 itself and that's when we had William Smith take  
6 over for us and then we just found Dennis later  
7 for our other things. So, that's why I was more  
8 cautious than I would have been normally in  
9 saying: Why isn't there an attorney, you know,  
10 dealing with this and he said, you know: He is  
11 an attorney, you know.

12 MR. KEIL: Okay.

13 MR. MOODY: Can I see the  
14 contract?

15 MR. KEIL: Oh, yes.

16 THE WITNESS: We have not  
17 had our luck with lawyers until Dennis came  
18 along.

19 MR. KEIL: P-4, Affidavit  
20 of Publication.

21 (Whereupon a copy of  
22 the Affidavit of Publication was received and  
23 marked P-4 for identification.)  
24  
25

1 CROSS EXAMINATION BY MR. MOODY:

2  
3 Q. With regard to the contract  
4 that's been marked P -- I believe P-1 for  
5 identification, is that the actual contract  
6 that you were originally provided with and  
7 on which your attorney made certain changes?

8 A. Correct.

9 Q. Did you receive any type of  
10 correspondence from your attorney indicating  
11 any discussions he had with Ken Irek regarding  
12 changes to be made in the contract before this  
13 one was actually executed?

14 A. I don't know. I have a lot of different  
15 letters here, that he gave me copies of, which  
16 I don't know exactly if there is any -- I mean,  
17 he's -- you mean as far as verbally speaking to  
18 him or just letters?

19 Q. Yes, if they spoke on the phone,  
20 if there was any clarification of the terms of  
21 the contract or any changes to be made in the  
22 contract before you and your husband signed it.

23 A. I'm almost positive that he spoke to him  
24 at least once because he had told us that.

25 Q. Okay. Do you know whether there



1 was a discussion, a verbal discussion, between  
2 your attorney and Mr. Irek with regard to that  
3 question that you raised on the deposit being  
4 held in escrow or being --

5 A. That, I'm not aware of.

6 Q. -- held by the firm until such  
7 time as the closing?

8 A. That, I'm not aware of.

9 Q. In the contract it also seems  
10 to make reference to the fact that if the  
11 contract did not go forward, that you would  
12 be entitled to be reimbursed for title expenses  
13 or survey expenses. Did you incur any other  
14 expenses besides the loss of the \$5,000 dollar  
15 deposit?

16 A. Numerous expenses.

17 MR. MOODY: I don't know  
18 if we get into any of that at all or we need  
19 to for purposes of any --

20 MR. KEIL: I don't think so.

21 MR. MOODY: -- application  
22 she should make in the future.

23 A. I already made an application to the  
24 Client Security Funds.

25 Q. Okay.

1 A. And I listed all of that.

2 Q. Okay. You mentioned the name of  
3 a woman, Fran Donahue, that you apparently had  
4 some conversations with. Was it represented to  
5 you that Fran Donahue was employed by the -- is  
6 it Kirek (phonetic)?

7 MR. GAUGERAN: Kirex.

8 BY MR. MOODY:

9 Q. Kirex Development Co.?

10 A. Well, she kept on stating that she wasn't  
11 acting as the real estate but she was acting as  
12 a friend on his behalf and doing it. Whether she  
13 was paid or not, I'm not really sure about that,  
14 but I imagine she would have been with all those  
15 houses he was selling in there. But they did  
16 have real estate signs in the lot, you know, in  
17 the area, you know, there was a real estate  
18 agent. But she kept on saying to us -- now I  
19 don't know why she was doing that but she kept  
20 on saying: I'm not acting as a real estate,  
21 I'm acting as a, you know, on his behalf as a  
22 friend, you know.

23 Q. Okay. When you went to look at  
24 the lot -- and I know you told us that Fran was  
25 the one that showed you the lot, did you go to



1 an office or this company where you met her and  
2 she took you over to the lot?

3 A. In one of the houses --

4 Q. One of the houses.

5 A. -- that was still vacant.

6 Q. Okay. The contract, itself,  
7 apparently is signed by Kenneth Irek, president,  
8 and attested to by him, as well. Did you  
9 question that at all as far as his execution  
10 of the contract on behalf of Kirex Development  
11 Company or were you told that he was not only  
12 the president and the secretary but he was the  
13 owner of this particular business?

14 A. Right. We just took it for granted  
15 being that he owned all this, you know, in  
16 business, that was what he was, you know.

17 Q. Did you ever have any discussions  
18 with your attorney as to these liens and  
19 judgments which were referred to? I think  
20 there was -- at one point you talked about a  
21 letter in which there was a discussion about  
22 Equa, a judgment, a tax lien and a partial  
23 release, I guess, from -- that was to be  
24 obtained from Midlantic National Bank. Were  
25 those liens, to your knowledge, against Ken

1 Irek or were they against the business?

2 A. The business. Kirex Development.

3 Q. And Ken Irek, as far as you  
4 know, represented to your attorney that he  
5 would be responsible for releasing the liens  
6 against the business?

7 A. At closing.

8 Q. Okay.

9 MR. MOODY: Thank you.

10 MR. KEIL: Mrs. Szatmary,  
11 do you, by any chance, have a title search with  
12 you?

13 THE WITNESS: Um, I can  
14 look. What would it look like?

15 MR. KEIL: Why don't I just  
16 look through there for you.

17 MR. MOODY: One other  
18 question I forgot.

19 BY MR. MOODY:

20 Q. You were talking about trying  
21 to reach Ken Irek or Fran or someone when you  
22 started to become a little concerned as to  
23 whether this was going to close. Did you ever  
24 speak to Ken Irek directly?

25 A. Not after that, not after the -- I only



1 initially spoke to him once in reference to the  
2 paper.

3 Q. And that was to the ad?

4 A. I believe so.

5 Q. After that, did you ever speak to  
6 him?

7 A. No, I didn't. I believe Dennis did,  
8 though.

9 Q. How about your husband, to your  
10 knowledge, did he ever speak to him?

11 A. No.

12 Q. Did you ever meet him?

13 A. No.

14 Q. You never --

15 A. I don't know what the man even looks  
16 like.

17 Q. Okay.

18 MR. KEIL: No.

19 MR. GAUGHRAN: I have no  
20 further questions.

21 MR. KEIL: I have no further  
22 questions.

23 MR. FLANAGAN: None.

24 MR. MOODY: No questions.

25 MR. GAUGHRAN: Just as a

1 very brief summary, I respectfully submit that  
2 although the Respondent is not here he has, at  
3 the very least, violated two of the rules of  
4 professional conduct, 1.15 (b) as it relates  
5 to his obligation to safekeep property and that  
6 he did not return to the grievant the funds  
7 that they are entitled to.

8 And, secondly, I also submit  
9 that RPC 8.4 (c) has been violated in that  
10 the Respondent engaged in conduct that's either  
11 dishonest, fraudulent, along with potential  
12 misrepresentations to the grievant.

13 MR. KEIL: Thank you.

14 MR. GAUGHRAN: Thank you.

15 MR. MOODY: Thank you.

16 MR. KEIL: The matter is

17 now closed.

18 (Whereupon the Ethics

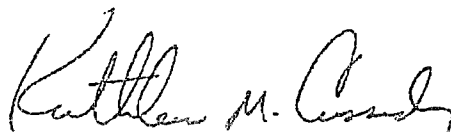
19 Hearing was closed.)  
20  
21  
22  
23  
24  
25



## CERTIFICATE

I, KATHLEEN M. CASSIDY, CSR, a Certified Shorthand Reporter and Notary Public of the State of New Jersey, certify that the foregoing is a true and accurate Computerized Transcript of the Testimony of CATHLEEN D. SZATMARY, who was first duly sworn by me.

I further certify that I am neither attorney or counsel for, nor related to or employed by any of the parties to the action in which the Testimony was taken, and further that I am not a relative or employee of any attorney or counsel employed in this case, nor am I financially interested in the action.



KATHLEEN M. CASSIDY, CSR

Dated: August 12, 1992  
My Commission Expires on:  
July 23, 1994  
License No. XI00783

SUPREME COURT OF NEW JERSEY  
DISTRICT IX ETHICS COMMITTEE  
DOCKET NO. IX-91-4E.

X-----X  
DISTRICT IX ETHICS COMMITTEE,  
Complainant, TESTIMONY

-vs- OF  
KENNETH F. IREK, ESQ., CATHLEEN D. SZATMARY  
Respondent.

X-----X

TESTIMONY OF:  
CATHLEEN D. SZATMARY  
3 Ware Place  
Middletown, NJ 07748

DATE: Wednesday, July 29, 1992

AT: GAUGHRAN & STEIB, ESQS.,  
1275 Highway 35, Box 4150  
Middletown, NJ 07748

STATE SHORTHAND REPORTING SERVICE  
212 Monmouth Road  
Oakhurst, NJ 07755  
BY: KATHLEEN M. CASSIDY, CSR

ORIGINAL SENT TO:  
WALTON KINGSBERY, ESQ.,  
c/o Ethics Committee  
34 Broad Street  
Red Bank, NJ 07701

STATE SHORTHAND REPORTING SERVICE



MER-L-2022-20  
Irek @ NJ Lawyers' Fund

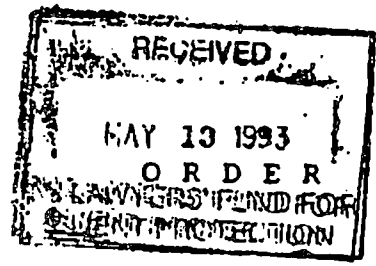
## ATTACHMENT "18"

Supreme Court of New Jersey  
Order That Kenneth F. Irek be Disbarred

SUPREME COURT OF NEW JERSEY  
D-112 September Term 1992

IN THE MATTER OF  
KENNETH F. IREK,  
AN ATTORNEY AT LAW

:  
:  
:



FILED

MAY 13 1993

*Stephen W. Leonard*  
CLERK

The Disciplinary Review Board having filed a report with the Court recommending that KENNETH F. IREK, formerly of COLTS NECK, be disbarred for the knowing misappropriation of escrow funds in violation of RPC 1.15(b) and RPC 8.4(c), and good cause appearing;

It is ORDERED that KENNETH F. IREK, formerly of COLTS NECK, who was admitted to the bar of this State in 1981, be disbarred and that his name be stricken from the roll of attorneys of this State, effective immediately; and it is further

ORDERED that KENNETH F. IREK be and hereby is permanently restrained and enjoined from practicing law; and it is further

ORDERED that all funds, if any, currently existing in any New Jersey financial institution maintained by KENNETH F. IREK, pursuant to Rule 1:21-6, shall be restrained from disbursement except upon application to this Court, for good cause shown, and shall be transferred by the financial institution to the Clerk of the Superior Court, who is directed to deposit the funds in the Superior Court Trust Fund, pending further Order of this Court; and it is further

ORDERED that KENNETH F. IREK comply with Administrative Guideline No. 23 of the Office of Attorney Ethics dealing with disbarred attorneys; and it is further

ORDERED that KENNETH F. IREK reimburse the Ethics Financial Committee for appropriate administrative costs, and it is further

ORDERED that the Office of Attorney Ethics shall cause this Order to be published on two successive days in the Asbury Park Press.

WITNESS, the Honorable Robert N. Wilentz, Chief Justice, at  
I hereby certify that the foregoing is a true copy of the original on this 11th day of May, 1993.  
my office.

*Stephen W. Leonard*

*Stephen W. Leonard*  
CLERK OF THE SUPREME COURT

## ATTACHMENT “19”

NJLFCP Subrogation Agreement with  
Zontan and Cathleen Szatmary

52011-93  
JP

NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION

## TRUSTEES

ROBERT S. FEDER, CHAIRMAN  
COWLES W. HERR, VICE CHAIRMAN  
GERALD J. BATT  
LUIS R. SANCHEZ, TREASURER  
ARTHUR Z. KAMIN  
ROSEMARY ALITO



DIRECTOR & COUNSEL  
KENNETH J. BOSSONG  
DEPUTY COUNSEL  
DANIEL R. HENDI  
ROGER S. STEFFENS  
SECRETARY  
ELLA M. SCARANTINO  
ASSISTANT TREASURER  
FRANK C. FARR

RICHARD J. HUGHES JUSTICE COMPLEX  
CN-961

TRENTON, NJ 08625-0961

BILLING: (609) 292-8079

CLAIMS: (609) 292-8008

STREET ADDRESS FOR DELIVERIES:  
25 W. MARKET STREET

FAX (609) 394-3637

**RELEASE, ASSIGNMENT AND SUBROGATION AGREEMENT**

This Agreement is between the NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION (hereinafter Client Protection Fund), Richard J. Hughes Justice Complex, 25 West Market Street, CN-961, Trenton, New Jersey 08625 and Zontan Szatmary and Cathleen D. Szatmary, 3 Ware Place, Middletown, NJ 07748.

The Trustees of the Client Protection Fund, pursuant to R. 1:28-3, having considered the claim of Zontan Szatmary and Cathleen D. Szatmary, arising from the dishonest conduct of their attorney, Kenneth Irek, it is now mutually agreed:

1. The Client Protection Fund will pay to Zontan Szatmary and Cathleen D. Szatmary the sum of \$5,000 upon execution of this Agreement by all parties.

2. On behalf of their heirs, executors, administrators and assigns, Zontan Szatmary and Cathleen D. Szatmary release the Client Protection Fund, its successors and assigns, from all claims.

3. Further, Zontan Szatmary and Cathleen D. Szatmary certifies that they will lend their complete cooperation to the


Client Protection Fund in any legal action brought by the Fund or on its behalf against Kenneth Irek, or any other appropriate party, to recover these monies and that payment of said monies is contingent upon such cooperation.

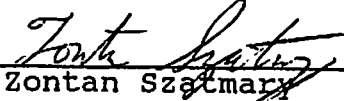
4. Zontan Szatmary and Cathleen D. Szatmary hereby assigns to the Client Protection Fund all their rights, claims and interests against Kenneth Irek, or any other party involved in the transaction giving rise to this claim. Zontan Szatmary and Cathleen D. Szatmary understand that nothing herein shall obligate the Fund to pursue the rights assigned to it under this Agreement and, therefore, any recovery or attempt to secure recovery pursuant to this assignment of rights shall be at the sole option of the Trustees. Any recovery of principal in connection with this claim by the Client Protection Fund above the sum paid to Kenneth Irek by the Fund, less reasonable costs, expenses and fees incurred by the Fund, shall be paid over to Zontan Szatmary and Cathleen D. Szatmary.

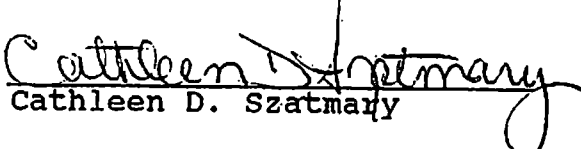
ATTEST:

  
Ella M. Scarantino, Secretary

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By:   
Robert S. Feder, Chairman  
Board of Trustees

  
Zontan Szatmary

  
Cathleen D. Szatmary

State of New Jersey :  
: ss.  
County of :

Be it remembered that on this *26th* day of *November*, 1993, before me, the subscriber, personally appeared Zontan Szatmary and Cathleen D. Szatmary, who, I am satisfied are the persons named in and who executed the above instrument, and acknowledged that they signed, sealed and delivered the same as their voluntary act and deed, for the uses and purposes therein expressed.

*Nicole A. Leonard*

NICOLE A. LEONARD  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires April 5, 1995  
ID. # 26-73002





## ATTACHMENT “20”

Request for Entry of Default,  
MER L 005664-94

DRH:kmt/CPF-520  
New Jersey Lawyers' Fund for  
Client Protection  
Richard J. Hughes Justice Complex  
CN-961,  
Trenton, New Jersey 08625-0961  
(609) 984-7179  
Daniel R. Hendi, Deputy Counsel

REQUEST TO ENTER DEFAULT  
DEFAULT HAS BEEN ENTERED  
AS TO THE UNFILED REQUEST  
AND AFFIDAVIT OF DEFAULT  
OF THE PLAINTIFF.  
J. REED  
CLERK  
SUPERIOR COURT OF N.J.

DONALD F. PHELAN  
CLERK OF SUPERIOR COURT  
SUPERIOR COURT OF N.J.  
MERCER COUNTY  
RECEIVED & FILED

MAR 7 1995

*Robert Reed*  
DEPUTY CLERK  
SUPERIOR COURT

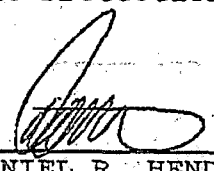
NEW JERSEY LAWYERS' FUND FOR :  
CLIENT PROTECTION, :  
Plaintiff, :  
v. :  
KENNETH IREK, :  
Defendant :

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION  
MERCER COUNTY  
DOCKET NO. MER L 005664-94  
Civil Action  
REQUEST FOR ENTRY OF  
DEFAULT JUDGMENT WITH  
SUPPORTING AFFIDAVIT

To: CLERK OF THE SUPERIOR COURT

Will you please enter the default judgment of the defendant,  
Kenneth Irek, herein for failure to plead or otherwise defend as  
provided by the Rules of Civil Practice of the Superior Court.

New Jersey Lawyers' Fund for  
Client Protection

By:   
DANIEL R. HENDI, Esquire  
Senior Counsel

Dated : March 1, 1995.

DRH:kmt/CPF-520  
 New Jersey Lawyers' Fund for  
 Client Protection  
 Richard J. Hughes Justice Complex  
 CN-961,  
 Trenton, New Jersey 08625-0961  
 (609) 984-7179  
 Daniel R. Hendi, Deputy Counsel

NEW JERSEY LAWYERS' FUND FOR :  
 CLIENT PROTECTION, :  
 :  
 Plaintiff, :  
 :  
 :  
 v. :  
 :  
 KENNETH IREK, :  
 :  
 Defendant. :

SUPERIOR COURT OF NEW JERSEY  
 LAW DIVISION  
 MERCER COUNTY

DOCKET NO. MER L 005664-94

Civil Action

AFFIDAVIT IN SUPPORT OF  
 REQUEST TO ENTER DEFAULT  
 JUDGMENT

DANIEL R. HENDI, of full age, being duly sworn upon his oath according to law, deposes and says :

(1) I am Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection and have been entrusted with the handling of the within matter on behalf of plaintiff.

(2) Defendant, Kenneth Irek, maintained offices for the practice of law in Colts Neck, New Jersey until his disbarment on May 11, 1993.

(3) The Complaint in this matter was filed in the Superior Court, Law Division, Mercer County, on December 29, 1994. On January 3, 1995, the requisite Summons and Complaint were forwarded

to Mr. Irek at his known address of 111 Crandon Boulevard, Key Biscayne, Florida 33149. On January 24, 1995, this office received the certified mail - return receipt card back with a forwarding address for Mr. Irek of 9800 Topanga Cyn, #D, Chatsworth, CA 91311, (copy attached hereto at Exhibit "A").

(4) The certified mail receipt card attached as Exhibit "A" states that service of the within Summons & Complaint was accepted on behalf of defendant on January 18, 1995.


(5) I have, on today's date, contacted the Clerk's Office and have been advised that the defendant has neither filed an Answer nor any other pleading in this action.

(6) As a result of the failure of Defendant to answer or otherwise move, Plaintiff is entitled to the relief sought in the Complaint.

(7) This Affidavit is filed in support of the entry of default judgment against the defendant.

  
\_\_\_\_\_  
DANIEL R. HENDI, Esquire  
Senior Counsel

Sworn and subscribed to  
before me this 1st day  
of March, 1995.

  
\_\_\_\_\_  
KATHLEEN M. TOMCHO  
Notary Public of New Jersey  
My commission expires 7-29-98

Kathleen M. Tomcho  
Notary Public of New Jersey  
My Commission Expires July 29, 1998

*1 Lawyers Fund 1/4*

If your RETURN ADDRESS completed on the reverse side	<b>SENDER:</b> • Complete items 1 and/or 2 for additional services. • Complete items 3, and 4a & b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.	I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
	3. Article Addressed to: <i>Mr. Kenneth J. Treck</i> <i>1111 Grandin Blvd</i> <i>7800 S. Parkway</i> <i>Key Biscayne Florida</i> <i>33149</i>	4a. Article Number <i>2363199777</i>	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
	5. Signature (Addressee) <i>[Signature]</i>	7. Date of Delivery <i>1/18/95</i>	
	6. Signature (Agent) <i>[Signature]</i>	8. Addressee's Address (Only if requested and fee is paid) <b>NJ LAWYERS' FUND FOR CLIENT PROTECTION</b>	RECEIVED

Thank you for using Return Receipt Service.

PO

PS Form 3811, December 1981 U.S.G.P.O. 1992-307-530 DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE  
 TRENTON NJ 08650  
 Official Business

*Sumner Comp 520*  
*CPK*

18 JAN 1995

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE \$300

U.S. MAIL

Print your name, address and ZIP Code here  
*Client Protection Fund*  
*CO-961*  
*Trenton, NJ 08625-0961*

Exhibit "A"

## ATTACHMENT “21”

Letter Dated April 18, 1995 To Kenneth Irek  
with Default Judgment



NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION

TRUSTEES  
COWLES W. HERR, CHAIRMAN  
LUIS R. SANCHEZ, VICE-CHAIRMAN  
ARTHUR Z. KAMIN  
ROSEMARY ALITO, TREASURER  
GERALD J. BATT  
SUSAN E. LAWRENCE  
THOMAS W. SUMNERS, JR.



RICHARD J. HUGHES JUSTICE COMPLEX  
CN-961

TRENTON, NJ 08625-0961  
BILLING: (609) 292-8079  
CLAIMS: (609) 292-8008

April 18, 1995

DIRECTOR & COUNSEL  
KENNETH J. BOSSONG  
SENIOR COUNSEL  
DANIEL R. HENDI  
ROGER S. STEFFENS  
DEPUTY COUNSEL & SECRETARY  
MICHAEL T. MCCORMICK  
ASSISTANT TREASURER  
FRANK C. FARR

FAX (609) 394-3637

STREET ADDRESS FOR DELIVERIES:  
25 W. MARKET STREET

2161  
Canyon Blvd  
Mr. Kenneth Irek  
9800 Topanga Cyn #10  
Chatsworth, California 91311

Re: New Jersey Lawyers' Fund for Client  
Protection v. Kenneth Irek;  
J-082161-95; CPF-520

Dear Mr. Irek:

Enclosed please find a copy of the Default Judgment entered against you in the above captioned matter. As you are aware, this judgment is a result of the Fund's payment of the claim of Szatmary v. Irek in the amount of \$5,000. To date you have not reimbursed the Fund for any portion of this amount; the entire debt of \$5,000 remains as your personal obligation.

We would hope to be able to resolve this matter amicably. Please call or write upon receipt of this letter to propose a repayment plan which is appropriate in light of your current financial condition. Even a minimal, good faith monthly payment may be acceptable until such time as your circumstances permit you to increase your monthly remittance.

Again, we wish to work with you, but cannot do so without your cooperation. If I do not hear from you by May 10, 1995 I will be forced to assume you wish to begin a potentially protracted collection process. The Fund will retain local counsel, enter its judgment in California and thereafter pursue all available remedies to obtain satisfaction of its judgment.

Please be guided accordingly.

Very truly yours,

Michael T. McCormick

enclosure  
MM/1

NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION

TRUSTEES  
ROBERT S. FEDER, CHAIRMAN  
COWLES W. HERR, VICE CHAIRMAN  
GERALD J. BATT  
LUIS R. SANCHEZ, TREASURER  
ARTHUR Z. KAMIN  
ROSEMARY ALITO  
SUSAN E. LAWRENCE



RICHARD J. HUGHES JUSTICE COMPLEX  
CN-961  
TRENTON, NJ 08625-0961  
BILLING: (609) 292-8079  
CLAIMS: (609) 292-8008

DIRECTOR & COUNSEL  
KENNETH J. BOSSONG  
DEPUTY COUNSEL  
DANIEL R. HENDI  
ROGER S. STEFFENS  
SECRETARY  
ELLA M. SCARANTINO  
ASSISTANT TREASURER  
FRANK C. FARR

STREET ADDRESS FOR DELIVERIES:  
25 W. MARKET STREET

FAX (609) 394-3637

March 1, 1995

Mercer County Clerk's Office  
Mercer County Court House  
P. O. Box 8068  
Trenton, New Jersey 08650-8068

**Re: New Jersey Lawyers' Fund for Client Protection  
v. Kenneth Irek  
Docket No. MER L 005664-94 / CPF-520**

Dear Sir :

Enclosed for filing are an original and two copies of a Request to Enter Default Judgment and accompanying Affidavits as follows :

- (1) Affidavit of Competency and Non-Military Service;
- (2) Affidavit In Support of Request for Default;
- (3) Certificate of Proof of Eric Sivertsen, Accountant to the Client Protection Fund.
- (4) Affidavit of Inquiry in Support of Request to Enter Default Judgment

At this time I am also enclosing an original and three copies of a form of Order for Default Judgment. Upon entry of default would you kindly provide the Default Judgment to the Judge for signing. A self-addressed stamped envelope is provided for your convenience.

Respectfully yours,

*Daniel R. Hendi*  
DANIEL R. HENDI

DRH:kmt  
Enclosures.

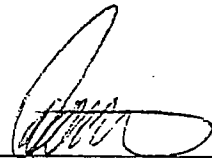
DRH:kmt/CPF-520  
 New Jersey Lawyers' Fund for  
 Client Protection  
 Richard J. Hughes Justice Complex  
 CN-961,  
 Trenton, New Jersey 08625-0961  
 (609) 984-7179  
 Daniel R. Hendi, Deputy Counsel

NEW JERSEY LAWYERS' FUND FOR	:	SUPERIOR COURT OF NEW JERSEY
CLIENT PROTECTION,	:	LAW DIVISION
	:	MERCER COUNTY
Plaintiff,	:	
	:	DOCKET NO. MER L 005664-94
v.	:	
	:	Civil Action
KENNETH IREK,	:	
	:	REQUEST FOR ENTRY OF
Defendant	:	DEFAULT JUDGMENT WITH
	:	SUPPORTING AFFIDAVIT

To: CLERK OF THE SUPERIOR COURT

Will you please enter the default judgment of the defendant,  
 Kenneth Irek, herein for failure to plead or otherwise defend as  
 provided by the Rules of Civil Practice of the Superior Court.

New Jersey Lawyers' Fund for  
 Client Protection

By:   
 DANIEL R. HENDI, Esquire  
 Senior Counsel

Dated : March 1, 1995.

DRH:kmt/CPF-520  
 New Jersey Lawyers' Fund for  
 Client Protection  
 Richard J. Hughes Justice Complex  
 CN-961,  
 Trenton, New Jersey 08625-0961  
 (609) 984-7179  
 Daniel R. Hendi, Deputy Counsel

NEW JERSEY LAWYERS' FUND FOR	:	SUPERIOR COURT OF NEW JERSEY
CLIENT PROTECTION,	:	LAW DIVISION
	:	MERCER COUNTY
Plaintiff,	:	
	:	DOCKET NO. MER L 005664-94
	:	
v.	:	
	:	Civil Action
KENNETH IREK,	:	
	:	AFFIDAVIT OF COMPETENCY AND
Defendant	:	NON-MILITARY SERVICE

STATE OF NEW JERSEY :  
 COUNTY OF MERCER : ss .

I, DANIEL R. HENDI, of full age, being duly sworn on my oath,  
 depose and say:

1. I am an attorney at law of the State of New Jersey and am  
 employed by Plaintiff, New Jersey Lawyers' Fund for Client  
 Protection, and am familiar with the facts in this matter.

2. To the best of my knowledge the defendant is competent and  
 over the age of 18.

3. To the best of my knowledge and upon reasonable

investigation it has been determined that the defendant is not in active service in any branch of the military of the United States, and resides at 9800 Topanga Cyn, #D, Chatsworth, CA 91311. Mail addressed to defendant at this address has been accepted for defendant.



---

DANIEL R. HENDI, Esquire  
Senior Counsel

Sworn and subscribed to  
before me this 1st day  
of March, 1995.



---

KATHLEEN M. TOMCHO  
Notary Public of New Jersey  
My commission expires 7-29-98

Kathleen M. Tomcho  
Notary Public of New Jersey  
My Commission Expires July 29, 1998

DRH:kmt/CPF-520  
 New Jersey Lawyers' Fund for  
 Client Protection  
 Richard J. Hughes Justice Complex  
 CN-961,  
 Trenton, New Jersey 08625-0961  
 (609) 984-7179  
 Daniel R. Hendi, Deputy Counsel

NEW JERSEY LAWYERS' FUND FOR	:	SUPERIOR COURT OF NEW JERSEY
CLIENT PROTECTION,	:	LAW DIVISION
	:	MERCER COUNTY
	:	
Plaintiff,	:	DOCKET NO. MER L 005664-94
	:	
	:	
v.	:	Civil Action
	:	
KENNETH IREK,	:	AFFIDAVIT IN SUPPORT OF
	:	REQUEST TO ENTER DEFAULT
Defendant.	:	JUDGMENT

DANIEL R. HENDI, of full age, being duly sworn upon his oath according to law, deposes and says :

(1) I am Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection and have been entrusted with the handling of the within matter on behalf of plaintiff.

(2) Defendant, Kenneth Irek, maintained offices for the practice of law in Colts Neck, New Jersey until his disbarment on May 11, 1993.

(3) The Complaint in this matter was filed in the Superior Court, Law Division, Mercer County, on December 29, 1994. On January 3, 1995, the requisite Summons and Complaint were forwarded



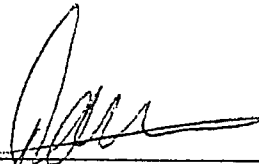
to Mr. Irek at his known address of 111 Crandon Boulevard, Key Biscayne, Florida 33149. On January 24, 1995, this office received the certified mail - return receipt card back with a forwarding address for Mr. Irek of 9800 Topanga Cyn, #D, Chatsworth, CA 91311, (copy attached hereto at Exhibit "A").

(4) The certified mail receipt card attached as Exhibit "A" states that service of the within Summons & Complaint was accepted on behalf of defendant on January 18, 1995.

(5) I have, on today's date, contacted the Clerk's Office and have been advised that the defendant has neither filed an Answer nor any other pleading in this action.

(6) As a result of the failure of Defendant to answer or otherwise move, Plaintiff is entitled to the relief sought in the Complaint.

(7) This Affidavit is filed in support of the entry of default judgment against the defendant.



---

DANIEL R. HENDI, Esquire  
Senior Counsel

Sworn and subscribed to  
before me this 1st day  
of March, 1995.



---

KATHLEEN M. TOMCHO  
Notary Public of New Jersey  
My commission expires 7-29-98

Kathleen M. Tomcho  
Notary Public of New Jersey  
My Commission Expires July 29, 1998

LAWYERS FUND 114

is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mr. Kenneth Trek  
1111 Garden Blvd  
7805 TURNER  
Key Biscayne Florida  
CHATSWORTH 33209 CA

4a. Article Number  
2363199777

4b. Service Type

Registered  Insured

Certified  COD

Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
12 18 JAN 24 1995

5. Signature (Addressee)  
9/311

8. Addressee's Address (Only if requested and fee is paid)

NJ LAWYERS' FUND FOR  
CLIENT PROTECTION

6. Signature (Agent)  
J. Field Agent

Thank you for using Return Receipt Service.

PS Form 3811, December 1981 U.S.G.P.O. 1992-307-530 DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE  
TRENTON NJ 08650

Official Business

Stamp: 1995

Barcode: 01-22-95

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, \$300

U.S. MAIL

Print your name, address and ZIP Code here

Client Protection Fund  
CO-961  
Trenton, NJ 08625-0861

Stamp: Lummasi CPT-520

Exhibit "A"

DRH:kmt/CPF-520  
 New Jersey Lawyers' Fund  
 for Client Protection  
 Richard J. Hughes Justice Complex  
 CN-961,  
 Trenton, New Jersey 08625-0961  
 (609) 984-7179  
 Daniel R. Hendi, Deputy Counsel

NEW JERSEY LAWYERS' FUND	:	SUPERIOR COURT OF NEW JERSEY
FOR CLIENT PROTECTION,	:	LAW DIVISION
	:	MERCER COUNTY
Plaintiff,	:	
	:	DOCKET NO. MER L 005664-94
v.	:	
	:	Civil Action
KENNETH IREK,	:	
	:	CERTIFICATE OF PROOF OF
Defendant	:	ERIC SIVERTSEN, ACCOUNTANT
	:	TO THE CLIENT PROTECTION FUND

ERIC SIVERTSEN, of full age, certifies that:

1. I am the Accountant to the New Jersey Lawyers' Fund for Client Protection and am charged with the responsibility of maintaining the books, records and accounts of the Fund, including those involving Kenneth Irek.

2. I have examined the records of the Fund and they reflect that a claim has been paid in regard to Kenneth Irek to Zontan and Cathleen Szathmary in the sum of \$5,000.00.

3. As a condition of payment of the claim of Zontan and Cathleen Szathmary, the Fund was subrogated to their rights. The Claimants executed a Release, Assignment and Subrogation Agreement

in favor of the Fund.

4. Defendant is indebted to plaintiff as a result of the claim of Zontan and Cathleen Szathmary in the amount of \$5,000.00.

5. No money has been paid to the Fund as reimbursement on this claim and, therefore, no offsets apply.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are wilfully false, I am subject to punishment.



---

ERIC SIVERTSEN, Accountant

Dated : March 1, 1995.

DRH:kmt/CPF-520  
 New Jersey Lawyers' Fund for  
 Client Protection  
 Richard J. Hughes Justice Complex  
 CN-961,  
 Trenton, New Jersey 08625-0961  
 (609) 984-7179  
 Daniel R. Hendi, Senior Counsel

	:	SUPERIOR COURT OF NEW JERSEY
	:	LAW DIVISION
NEW JERSEY LAWYERS' FUND FOR	:	MERCER COUNTY
CLIENT PROTECTION,	:	
	:	
Plaintiff,	:	DOCKET NO. MER L 005664-94
	:	
	:	
v.	:	Civil Action
	:	
KENNETH IREK,	:	AFFIDAVIT OF INQUIRY
	:	IN SUPPORT OF REQUEST
	:	TO ENTER DEFAULT JUDGMENT
Defendant.	:	

DANIEL R. HENDI, of full age, being duly sworn upon his oath according to law, deposes and says :

(1) I am Deputy Counsel to the New Jersey Lawyers' Fund for Client Protection and have been entrusted with the handling of the within matter on behalf of plaintiff.

(2) Defendant, Kenneth Irek, maintained offices for the practice of law in Colts Neck, New Jersey until his disbarment on May 11, 1993.

(3) Defendant, Kenneth Irek, no longer lives or works in the State of New Jersey and after diligent inquiry I have learned that he cannot be served in this State; I have ascertained that the defendnat, Kenneth Irek, is presently residing in California.

(4) I have made diligent inquiry as to the defendant's whereabouts and have been advised by the postal service of Key Biscayne, Florida that he has moved to and currently resides at 9800 Topanga Cyn, #D, Chatsworth, California 91311.

(5) Plaintiff herein filed a Complaint in the Superior Court, Law Division, Mercer County, on December 19, 1994. A Summons was issued on January 3, 1995, and was forwarded to defendant by regular and certified mail - return receipt requested and regular mail to defendant's former address, 111 Crandon Boulevard, Key Biscayne, Florida 33149.

(6) As appears from the Domestic Return Receipt (certified mail green card) at Exhibit "A", the Summons and Complaint were accepted on behalf of Mr. Irek on January 18, 1995, at his new place of residence, 9800 Topanga Cyn, #D, Chatsworth, California 91311.

(7) The time within which defendant may answer or otherwise move as to the Complaint has expired.

(8) Defendant has failed to file an Answer or otherwise move





Lawyers Fund 114

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete Items 1 and/or 2 for additional services.
- Complete Items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Mr. Kenneth G. Trek  
 1111 Garden Blvd.  
 7005 70th Ave  
 Key Biscayne, Florida  
 33149 CA  
 Signature (Addressee) [Signature]

4a. Article Number  
2363199777

4b. Service Type  
 Registered  Insured  
 Certified  COD  
 Express Mail  Return Receipt for Merchandise

7. Date of Delivery  
DEC 24 1995

8. Addressee's Address (Only if requested and fee is paid)  
 NJ LAWYERS' FUND FOR CLIENT PROTECTION

6. Signature (Agent)  
 [Signature]

Thank you for using Return Receipt Service.

PS Form 3811, December 1981 U.S.G.P.O.: 1992-307-530 DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE  
 TRENTON NJ 08650  
 Official Business

Stamp: 520  
 Lammont  
 CPT

Postmark: DEC 23 1995

Postage Meter: 01-22-95

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE \$300

U.S. MAIL

Print your name, address and ZIP Code here  
 Client Protection Fund  
 CO-961  
 Trenton, NJ 08625-0961

Exhibit "A"



## ATTACHMENT “22”

Letter Dated April 24, 2000, To Kenneth Irek  
Stating the NJLFCP Judgment Against Him  
Would Be Enforced Through the CEP

FOR  
CLIENT PROTECTION

## TRUSTEES

KYRAN CONNOR, CHAIR  
BRENDA J. STEWART, VICE CHAIR  
AUREA VASCONCELOS, TREASURER  
ROBERT J. GILSON  
SUSAN E. LAWRENCE  
JOHN MCFEELEY, III  
WILLIAM E. HINKES

ASSISTANT TREASURER  
FRANK C. FARR

## STREET ADDRESS:

25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, NJ 08625-0961



RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. BOX 961  
TRENTON, N.J. 08625-0961

DIRECTOR & COUNSEL  
KENNETH J. BOSSONG

SENIOR COUNSEL  
DANIEL R. HENDI  
WILLIAM J. THOMAS

DEPUTY COUNSEL  
MARGARET S. HALL

FUND SECRETARY  
RUBY D. COCHRAN

CLAIMS: (609) 292-8008  
BILLING: (609) 292-8079  
FAX: (609) 394-3637

Writer's direct dial (609) 633-9708

April 24, 2000

VIA FIRST CLASS AND CERTIFIED MAIL

Kenneth Irek  
9800 Topanga Canyon Boulevard, #261D  
Chatsworth, CA 91311

Re: **New Jersey Lawyers' Fund for Client Protection v. Kenneth Irek**  
**Docket/Judgment No. MER L-5664-94; J-08161-95; our file CPF-520**

Dear Mr. Irek:

The New Jersey Supreme Court has granted the New Jersey Lawyers' Fund for Client Protection the authority to enforce your obligation to pay the referenced Judgment through the Comprehensive Enforcement Program established by N.J.S.A. 2B:19-1 et seq.

Enclosed are an original and one (1) copy of a Notice of Delinquency requiring you to begin making monthly payments on this obligation. You should contact the Fund as soon as possible to propose a monthly payment plan. All proposals are subject to approval by the Board of Trustees which governs the Fund and which next meets on May 18, 2000. If you do not have a plan in place by May 18 (Consent Order executed, lump sum payment plus first monthly payment made, subject to the approval of the Board), you will receive a Summons to appear in Court in June 2000 for an enforcement hearing.

I have also enclosed an Information Subpoena for you to complete. The Board will not approve your plan unless you have submitted a completed Information Subpoena so that it can evaluate your proposal in light of your resources. If you wish to discuss your case, you may contact me at the number listed above.

Very truly yours,  
*Margaret S. Hall*  
MARGARET S. HALL

/msh

encl(s)

k:\cpe\correspondence\dun0600.mgd

## SUPERIOR COURT OF NEW JERSEY

**COMPREHENSIVE ENFORCEMENT PROGRAM**  
**\*\*\*NOTICE OF DELINQUENT PAYMENT\*\*\***

April 24, 2000  
 Cmpt./Acc./Dkt.MER L-5664-94  
 Judgment # J-08161-95  
 Financial Account # CPF-520

Mr. Kenneth Irek  
 9800-D261 Topanga Canyon Boulevard  
 Chatsworth, CA 91311

Last Payment: \$0  
 Last Payment Date n/a  
 Total Owed \$5,000.00

The New Jersey Lawyers' Fund for Client Protection has referred your debt to the Comprehensive Enforcement Program (CEP) for collection. YOUR RESTITUTION OBLIGATION IS IN ARREARS. THE NEXT LETTER YOU RECEIVE WILL BE A COURT SUMMONS TO AN ENFORCEMENT HEARING. You may be able to avoid a Court appearance by doing ALL of the following BEFORE May 18, 2000:

proposing a payment plan  
 executing a Consent Order prepared by the Fund  
 making a lump sum payment and a monthly payment; and  
 returning the enclosed Information Subpoena

ALL PROPOSALS FOR PAYMENT ARE SUBJECT TO APPROVAL BY THE BOARD OF TRUSTEES ON MAY 18, 2000. If your failure to pay is found to be willful noncompliance, one or several of the following may happen:

- your wages may be garnished;
- your personal assets may be seized;
- your tax refund, lottery or gambling winnings may be attached;
- a judgment may be docketed against you. This will act as a lien against any real estate that you own and may adversely affect your ability to obtain loans or other forms of credit;
- involuntary enrollment in either the Sheriff's Labor Assistance or Enforced Community Service Program as alternative to detention. (Cost to you: \$15 enrollment fee and \$2 per day fee.)

YOU MAY BE ABLE TO AVOID THESE ACTIONS IF YOU FOLLOW THE STEPS OUTLINED ABOVE. Please put your account number (CPF #) on any payment that you mail in to receive proper credit. Payments in the form of a check or money order can be mailed to the above address. Payments can be made at New Jersey Lawyers' Fund for Client Protection between 8:30 a.m. and 4:30 p.m., Monday through Friday.

If you wish to discuss your case to make payment arrangements or if good reason exists for your failure to pay, please contact Margaret S. Hall, Esq., at the New Jersey Lawyers' Fund for Client Protection within five (5) days of receipt of this notice at (609) 633-9708.

Sincerely,

  
 Dennis R. Martin, Chief of

Collections, Administrative Office of the Courts

PLEASE NOTIFY OF DISABILITY/INTERPRETER ACCOMMODATION NEEDS



**IMPORTANT NOTICE  
PLEASE READ CAREFULLY**

**New Jersey Lawyers Fund  
for Client Protection  
Richard J. Hughes Justice Complex  
25 West Market Street, P. O. Box 961  
Trenton, NJ 08625-0961  
Margaret S. Hall, Esq.  
(609) 984-7179**

NEW JERSEY LAWYERS' FUND FOR	:	SUPERIOR COURT OF NEW JERSEY
CLIENT PROTECTION,	:	LAW DIVISION
	:	MERCER COUNTY
Plaintiff,	:	
	:	DOCKET NO. MER L-5664-94
	:	JUDGMENT NO. J-08161-95
Kenneth Irek	:	CIVIL ACTION
	:	CPF-520
Defendant	:	
	:	<b>INFORMATION SUBPOENA</b>

-----

THE STATE OF NEW JERSEY TO: Kenneth Irek  
9800 Topanga Canyon Boulevard, #261D  
Chatsworth, CA 91311

Judgment was entered against you in the Superior Court of New Jersey on March 22, 1995 and a lien recorded on March 31, 1995 in the amount of \$5,000.00, plus any applicable interest and costs, under the docket number(s) referenced above. The amount of \$5,000.00 remains due and outstanding, plus any applicable interest and costs.

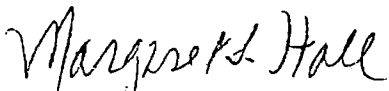
Attached to this Information Subpoena is a list of 17 questions that court rules require you to answer within 14 days from the date you receive this subpoena. If you do not answer the attached questions within the time required, the opposing party may ask the court to conduct a hearing in order to determine if you should be held in contempt. You will be compelled to appear at the hearing and explain your reasons for

your failure to answer.

If this judgment has resulted from a default you may have the right to have this default judgment vacated by making an appropriate motion to the court. Contact any attorney or the clerk of the court for information on making such a motion. Even if you dispute the judgment you must answer all 17 of the attached questions.

You must answer each question giving complete answers, attaching additional pages if necessary. False or misleading answers may subject you to punishment by the court. However, you need not provide information concerning the income and assets of others living in your household unless you have a financial interest in the assets or income. Be sure to sign and date your answers and return them to the address in the upper left hand corner within 14 days.

Dated: April 24, 2000



Margaret S. Hall, Esq.  
New Jersey Lawyers' Fund for  
Client Protection



Donald Phelan, Clerk  
Superior Court of New Jersey

**VIA FIRST CLASS MAIL AND CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

## ATTACHMENT “23”

# Legislative History of Comprehensive Enforcement Program

2B:19-1

**LEGISLATIVE HISTORY CHECKLIST**  
Compiled by the NJ State Law Library

"Comprehensive Enforcement Program"

NJSA: 2B:19-1

LAWS OF: 1995 CHAPTER: 9

BILL NO: S335

SPONSOR(S): DiFrancesco

DATE INTRODUCED: Pre-filed

COMMITTEE: ASSEMBLY: Appropriations

SENATE: Judiciary; Budget

AMENDED DURING PASSAGE: Yes  
Senate Committee Substitute (3R) enactedDATE OF PASSAGE: ASSEMBLY: September 26, 1994 Re-enacted 1-10-95  
SENATE: May 12, 1994 Re-enacted 12-19-95

DATE OF APPROVAL: January 12, 1995

## FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes 2-24-94 &amp; 3-10-94

FISCAL NOTE: No

VETO MESSAGE: Yes

MESSAGE ON SIGNING: No

## FOLLOWING WERE PRINTED:

REPORTS: Yes

HEARINGS: No

Report referred to in statement:

974.90 New Jersey. Governor's Management Review Commission.

C929 Collection of assessments, fines and restitution.

1993b October 19, 1993, Trenton, 1993.

KBG:pp

REMOVE FROM LIBRARY

[THIRD REPRINT]

SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 335**

**STATE OF NEW JERSEY**

ADOPTED FEBRUARY 24, 1994

Sponsored by Senator DiFRANCESCO Assemblymen Haytaian,  
Solomon, DeCroce, Felice, Assemblywoman Gregory-Scocchi,  
Assemblyman Rocco, Assemblywoman J. Smith, Assemblyman  
Warsh, Assemblywoman Heck and Assemblyman Roma

1 AN ACT creating the "Comprehensive Enforcement <sup>3</sup>[Court]  
2 Program<sup>3</sup> Fund<sup>3</sup>[,]<sup>3</sup>" <sup>3</sup>and<sup>3</sup> revising various parts of the  
3 statutory law <sup>3</sup>[and making an appropriation]<sup>3</sup>.

4

5 BE IT ENACTED *by the Senate and General Assembly of the*  
6 *State of New Jersey:*

7 1. (New section) Sections 1 through 9 of this act shall be  
8 known and may be cited as the "Comprehensive Enforcement  
9 <sup>3</sup>[Court] Program<sup>3</sup> Fund Act."

10 2. (New section) The Legislature finds and declares that:

11 a. The Judiciary routinely enters judgments and court orders  
12 setting forth assessments, surcharges, fines and restitution  
13 against litigants pursuant to statutory law.

14 b. The enforcement of court orders is crucial to ensure respect  
15 for the rule of law and credibility of the court process.

16 c. Despite monitoring of judgments and court orders by  
17 probation divisions and other segments of the Judiciary  
18 responsible for doing so, many orders are not complied with  
19 because there is a lack of central coordination, funding,  
20 automation, and control.

21 d. The Judiciary has successfully developed a hearing officer  
22 program in child support enforcement and a pilot criminal  
23 enforcement court project, which is in the process of being  
24 expanded, that have demonstrated significant increases in  
25 collections and compliance.

26 e. The Governor's Management Review Commission has  
27 reviewed the collections process in New Jersey and made  
28 recommendations supporting the establishment and funding of a  
29 statewide comprehensive enforcement <sup>3</sup>[court]<sup>3</sup> program  
30 operated by the Judiciary.

31 f. Upon passage of this act, the Supreme Court and the Chief  
32 Justice will establish a Statewide comprehensive enforcement

## [3R] SCS for S335

2

1 surcharges and judgments in the civil, criminal and family  
2 divisions, the Tax Court and in certain municipal court matters as  
3 2[determined by the Supreme Court] provided in section 6 of this  
4 act<sup>2</sup>. The comprehensive enforcement <sup>3</sup>[court] program<sup>3</sup> will  
5 utilize the child support hearing officer model and the pilot  
6 project criminal enforcement court model, supported by a  
7 Statewide automation system designed to increase collections,  
8 compliance and accountability.

9 3. (New section) There is established as a separate fund in the  
10 General Fund, to be administered by the Administrative Office of  
11 the Courts, a "Comprehensive Enforcement <sup>3</sup>[Court] Program<sup>3</sup>  
12 Fund." This fund shall be the depository for the deductions from  
13 collections 1and the enforced community service fees<sup>1</sup> described  
14 in sections 4 and <sup>1</sup>[6] 5<sup>1</sup> of this act for the purpose of operating  
15 the comprehensive enforcement <sup>3</sup>[court] program<sup>3</sup>, the computer  
16 system established pursuant to P.L.1992, c.169, enforced  
17 community service and any subsequent programs or  
18 methodologies employed to enforce collection of court ordered  
19 financial obligations.

20 4. (New section) <sup>2</sup>a.<sup>2</sup> <sup>3</sup>[The] Subject to the approval of the  
21 Director of the Division of Budget and Accounting, the<sup>3</sup>  
22 Administrative Office of the Courts is authorized to deduct an  
23 amount up to 25% of all moneys collected through the  
24 comprehensive enforcement <sup>3</sup>[court] program<sup>3</sup>, except for victim  
25 restitution and for Violent Crimes Compensation Board  
26 assessments, for deposit in the "Comprehensive Enforcement  
27 <sup>3</sup>[Court] Program<sup>3</sup> Fund" established pursuant to section 3 of this  
28 act to fund the comprehensive enforcement <sup>3</sup>[court] program<sup>3</sup>,  
29 the CAPS computer system, enforced community service, and  
30 other programs employed to collect court ordered financial  
31 obligations. The Administrative Office of the Courts shall  
32 promulgate a schedule for the deduction of collections to be  
33 deposited in the "Comprehensive Enforcement <sup>3</sup>[Court] Program<sup>3</sup>  
34 Fund."

35 <sup>2</sup>b. Of the funds deposited in the "Comprehensive Enforcement  
36 <sup>3</sup>[Court] Program<sup>3</sup> Fund," no more than \$550,000.00 annually  
37 shall be allocated to fund the comprehensive enforcement  
38 <sup>3</sup>[court] program<sup>3</sup>.<sup>2</sup>

39 5. (New section) a. The governing body of each county,  
40 through the sheriff or such other authorized officer, may  
41 establish a labor assistance program as an alternative to direct  
42 incarceration to be utilized by the comprehensive enforcement  
43 <sup>3</sup>[court] program<sup>3</sup> as a sentencing option. An enrollment fee of  
44 \$15.00 shall be paid by each person who is sentenced to a labor  
45 assistance program. Additionally, each person so sentenced shall



[3R] SCS for S335

3

1 enforced community service program. Additionally, each person  
2 so sentenced shall pay a fee of \$2.00 per day for each day  
3 originally sentenced to the enforced community service program.  
4 Enforced community service fees shall be deposited in the  
5 "Comprehensive Enforcement <sup>3</sup>[Court] Program<sup>3</sup> Fund."

6 c. (1) As used in this section, "labor assistance program"  
7 means, a work program, established by the county under the  
8 direction of the sheriff or other authorized county officer, which  
9 rigorously supervises offenders providing physical labor as an  
10 alternative to incarceration.

11 (2) As used in this section, "enforced community service"  
12 means a work program, established and supervised by the  
13 probation division, which directly and rigorously supervises  
14 offenders providing physical labor as an alternative to direct  
15 incarceration in those counties which have chosen not to create a  
16 labor assistance program.

17 6. (New section) <sup>2</sup>a.<sup>2</sup> All matters involving the collection of  
18 monies <sup>2</sup>[in a municipal court,]<sup>2</sup> in the Superior Court and Tax  
19 Court which have not been resolved in accordance with an order  
20 of the court may be transferred, pursuant to court rule, to the  
21 comprehensive enforcement <sup>3</sup>[court] program<sup>3</sup> for such action as  
22 may be appropriate.

23 <sup>2</sup>b.(1) A municipal court may request that all matters which  
24 have not been resolved in accordance with an order of that court  
25 be transferred to the comprehensive enforcement <sup>3</sup>[court]  
26 program<sup>3</sup> for such action as may be appropriate. All monies  
27 collected through the comprehensive enforcement <sup>3</sup>[court]  
28 program<sup>3</sup> which result from the enforcing of orders transferred  
29 from any municipal court shall be subject to the 25% deduction  
30 authorized pursuant to section 4 of this act except for monies  
31 collected in connection with the enforcement of orders related to  
32 parking violations.

33 (2) Nothing contained in this act shall prevent any municipal  
34 court from contracting the services of a private collection  
35 agency to collect any monies which have not been remitted in  
36 accordance with an order of that court.<sup>2</sup>

37 7. (New section) All matters involving the imposition of a  
38 sentence of community service by either the Superior Court or a  
39 municipal court which have not been complied with by the  
40 offender shall be transferred, by the sentencing judge to the  
41 comprehensive enforcement <sup>3</sup>[court] program<sup>3</sup> for such suitable  
42 compliance sanctions as may be appropriate, including  
43 incarceration, participation in a labor assistance program,  
44 enforced community service, imposition of a financial sanction,  
45 or a combination of these sanctions or such other alternative as

## [3R] SCS for S335

4

1 enforced community service in lieu of payment of the remaining  
2 court ordered financial obligations;

3 (2) Impose additional hours in a labor assistance program or  
4 enforced community service in lieu of payment of the remaining  
5 court ordered financial obligations;

6 (3) Impose a term of imprisonment in lieu of paying the  
7 remaining court ordered financial obligations; or

8 (4) Docket the total amount due as a judgment in the Superior  
9 Court.

10 b. When the comprehensive enforcement <sup>3</sup>[court] hearing  
11 officer<sup>3</sup> has exhausted all of the steps enumerated in this section  
12 and any additional hours of a labor assistance program or  
13 enforced community service or any term of imprisonment have  
14 been completed, the person may be terminated from probation  
15 supervision and the total amount owed may be removed from  
16 probation records and deducted from outstanding and  
17 uncollectable amounts owed. These actions notwithstanding,  
18 whenever a judgment is docketed in the Superior Court, the  
19 person remains liable to pay the outstanding debt as originally  
20 imposed by the sentencing court.

21 c. Notwithstanding the foregoing, the <sup>3</sup>[court] comprehensive  
22 enforcement hearing officer<sup>3</sup> may not relieve the person of the  
23 obligation to pay the VCCB assessment or restitution to a victim.

24 9. (New section) Any recommendation by a comprehensive  
25 enforcement <sup>3</sup>[court]<sup>3</sup> hearing officer shall be in conformity with  
26 court rules and shall be approved by a judge of the Superior Court  
27 prior to entry.

28 10. N.J.S.2C:46-1 is amended to read as follows:

29 2C:46-1. Time and Method of Payment; Disposition of Funds.

30 a. When a defendant is sentenced to pay an assessment  
31 pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), a fine, a  
32 penalty imposed pursuant to N.J.S.2C:35-15, a forensic  
33 laboratory fee imposed pursuant to N.J.S.2C:35-20 or to make  
34 restitution, the court may grant permission for the payment to be  
35 made within a specified period of time or in specified  
36 installments. If no such permission is embodied in the sentence,  
37 the assessment, fine, penalty, fee or restitution shall be payable  
38 forthwith, and the court shall file a copy of the judgment of  
39 conviction with the Clerk of the Superior Court who shall enter  
40 the following information upon the record of docketed judgments:

41 (1) the name of the convicted person as judgment debtor;

42 (2) the amount of the assessment imposed pursuant to section  
43 2 of P.L.1979, c.396 (C.2C:43-3.1) and the Violent Crimes  
44 Compensation Board as a judgment creditor in that amount;

45 (3) the amount of any restitution ordered and the name of any

## [3R] SCS for S335

5

1 shall be given priority consistent with the provisions of section 13  
2 of P.L.1991, c.329 (C.2C:46-4.1). These entries shall have the  
3 same force as a civil judgment docketed in the Superior Court.

4 b. (1) When a defendant sentenced to pay an assessment  
5 imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), a  
6 fine, a penalty imposed pursuant to N.J.S.2C:35-15, a forensic  
7 laboratory fee imposed pursuant to N.J.S.2C:35-20 or to make  
8 restitution is also sentenced to probation, the court shall make  
9 continuing payment of installments on the assessment and  
10 restitution a condition of probation, and may make continuing  
11 payment of installments on the fine, the mandatory Drug  
12 Enforcement and Demand Reduction penalty or the forensic  
13 laboratory fee a condition of probation.

14 (2) When a defendant sentenced to pay an assessment imposed  
15 pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), a fine, a  
16 penalty imposed pursuant to N.J.S.2C:35-15, a forensic  
17 laboratory fee imposed pursuant to N.J.S.2C:35-20 or to make  
18 restitution is also sentenced to a custodial term in a State  
19 correctional facility, the court may require the defendant to pay  
20 installments on the assessment, penalty, fee, fine and restitution.

21 c. The defendant shall pay an assessment imposed pursuant to  
22 section 2 of P.L.1979, c.396 (C.2C:43-3.1), restitution, penalty,  
23 fee or fine or any installment thereof to the officer entitled by  
24 law to collect the payment. In the event of default in payment,  
25 such agency shall take appropriate action for its collection.

26 d. (1) When, in connection with, a sentence of probation, a  
27 defendant is sentenced to pay an assessment imposed pursuant to  
28 section 2 of P.L.1979, c.396 (C.2C:43-3.1), a fine, a penalty  
29 imposed pursuant to N.J.S.2C:35-15, a forensic laboratory fee  
30 imposed pursuant to N.J.S.2C:35-20 or to make restitution, the  
31 defendant, in addition, shall be sentenced to pay a transaction fee  
32 on each occasion that the defendant makes a payment or an  
33 installment payment, until the defendant has paid the full amount  
34 he is sentenced to pay. All other individuals making payments on  
35 court ordered financial obligations through the probation division  
36 shall also pay a transaction fee on each payment or installment  
37 payment. The Administrative Office of the Courts shall  
38 promulgate a transaction fee schedule for use in connection with  
39 installment payments made pursuant to this paragraph; provided,  
40 however, the transaction fee on an installment payment shall not  
41 exceed [\$1.00] \$2.00.

42 (2) When, in connection with a custodial sentence in a State  
43 correctional institution, a defendant is sentenced to pay an  
44 assessment imposed pursuant to section 2 of P.L.1979, c.396  
45 (C.2C:43-3.1), a fine, a penalty imposed pursuant to

## [3R] SCS for S335

6

1 11. N.J.S.2C:46-2 is amended to read as follows:

2 2C:46-2. Consequences of Nonpayment; Summary Collection.

3 a. When a defendant sentenced to pay an assessment imposed  
4 pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), monthly  
5 probation fee, fine, other court imposed financial penalties or to  
6 make restitution defaults in the payment thereof or of any  
7 installment, upon the motion of the person authorized by law to  
8 collect the payment, the motion of the prosecutor, the motion of  
9 the victim entitled to payment of restitution, the motion of the  
10 Violent Crimes Compensation Board, the motion of the State or  
11 county Office of Victim and Witness Advocacy or upon its own  
12 motion, the court shall recall him, or issue a summons or a  
13 warrant of arrest for his appearance. The court shall afford the  
14 person notice and an opportunity to be heard on the issue of  
15 default. Failure to make any payment when due shall be  
16 considered a default. The standard of proof shall be by a  
17 preponderance of the evidence, and the burden of establishing  
18 good cause for a default shall be on the person who has defaulted.

19 (1) If the court finds that the person has defaulted without  
20 good cause, the court shall:

21 (a) Order the suspension of the driver's license or the  
22 nonresident reciprocity driving privilege of the person; and

23 (b) Prohibit the person from obtaining a driver's license or  
24 exercising reciprocity driving privileges until the person has made  
25 all past due payments; and

26 (c) Notify the Director of the Division of Motor Vehicles of  
27 the action taken; and

28 (d) Take such other actions as may be authorized by law.

29 (2) If the court finds that the person defaulted on payment of a  
30 [fine] court imposed financial obligation without good cause and  
31 finds that the default was willful, the court may, in addition to  
32 the action required by paragraph <sup>1</sup>[a.]<sup>1</sup> (1) of this <sup>1</sup>[section]  
33 subsection a.<sup>1</sup>, impose a term of imprisonment or participation in  
34 a labor assistance program or enforced community service to  
35 achieve the objective of the [fine] court imposed financial  
36 obligation. These options shall not reduce the amount owed by the  
37 person in default. The term of imprisonment or enforced  
38 community service or participation in a labor assistance program  
39 in such case shall be specified in the order of commitment. It  
40 need not be equated with any particular dollar amount but, in the  
41 case of a fine it shall not exceed one day for each \$20.00 of the  
42 fine nor 40 days if the fine was imposed upon conviction of a  
43 disorderly persons offense nor 25 days for a petty disorderly  
44 persons offense nor one year in any other case, whichever is the

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7

1 suspend the fine or the unpaid portion of the fine.

2 (4) When failure to pay an assessment imposed pursuant to  
3 section 2 of P.L.1979, c.396 (C.2C:43-3.1), monthly probation fee  
4 [or], restitution or other financial penalties or to perform  
5 enforced community service or to participate in a labor  
6 assistance program is determined to be willful, the failure to do  
7 so shall be considered to be contumacious.

8 (5) When a fine, assessment imposed pursuant to section 2 of  
9 P.L.1979, c.396 (C.2C:43-3.1), other financial penalty or  
10 restitution is imposed on a corporation, it is the duty of the  
11 person or persons authorized to make disbursements from the  
12 assets of the corporation or association to pay it from such assets  
13 and their failure so to do may be held to be contumacious.

14 b. Upon any default in the payment of a fine, assessment  
15 imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1),  
16 monthly probation fee, other financial penalties, restitution, or  
17 any installment thereof, execution may be levied and such other  
18 measures may be taken for collection of it or the unpaid balance  
19 thereof as are authorized for the collection of an unpaid civil  
20 judgment entered against the defendant in an action on a debt.

21 c. Upon any default in the payment of restitution or any  
22 installment thereof, the victim entitled to the payment may  
23 institute summary collection proceedings authorized by  
24 subsection b. of this section.

25 d. Upon any default in the payment of an assessment imposed  
26 pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1) or any  
27 installment thereof, the Violent Crimes Compensation Board or  
28 the party responsible for collection may institute summary  
29 collection proceedings authorized by subsection b. of this section.

30 e. When a defendant sentenced to make restitution to a public  
31 entity other than the Violent Crimes Compensation Board,  
32 defaults in the payment thereof or any installment, the court  
33 may, in lieu of other modification of the sentence, order the  
34 defendant to perform work in a labor assistance program or  
35 enforced community service program.

36 f. If a defendant ordered to participate in a labor assistance  
37 program or enforced community service program fails to report  
38 for work or to perform the assigned work, the comprehensive  
39 enforcement <sup>3</sup>[court] hearing officer<sup>3</sup> may revoke <sup>3</sup>[its] the<sup>3</sup>  
40 work order and impose any sentence permitted as a consequence  
41 of the original conviction.

42 g. If a defendant ordered to participate in a labor assistance  
43 program or an enforced community service program pays all  
44 outstanding assessments, the comprehensive enforcement <sup>3</sup>[court]

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8

1 defined in section 5 of the "Comprehensive <sup>3</sup>[Court]<sup>3</sup>  
2 Enforcement <sup>3</sup>Program<sup>3</sup> Fund Act," P.L. , c. (C. ) (now  
3 pending before the Legislature as <sup>1</sup>[sections 5 of]<sup>1</sup> this bill).

4 (3) "Public entity" means <sup>1</sup>[,]<sup>1</sup> the State, any county,  
5 municipality, district, public authority, public agency and any  
6 other political subdivision or public body in the State.

7 (cf: P.L.1993, c.275, s.17)

8 <sup>3</sup>[12. There is hereby appropriated <sup>1</sup>from the General Fund<sup>1</sup>  
9 \$550,000.00 to the Administrative Office of the Courts for the  
10 purpose of training and hiring comprehensive enforcement court  
11 hearing officers.]<sup>3</sup>

12 <sup>3</sup>[13.] 12.<sup>3</sup> This act shall take effect immediately, except that  
13 section 10 shall take effect 60 days after enactment.

14

15

16

17

18 Authorizes the Supreme Court to establish an enforcement  
19 program and certain community services programs.



**SENATE, No. 335****STATE OF NEW JERSEY**

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Senator DiFRANCESCO

1 **AN ACT** authorizing the Supreme Court to establish an  
2 enforcement court; supplementing Title 2B of the New Jersey  
3 Statutes; amending N.J.S.2C:46-2 and making an appropriation.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the  
6 *State of New Jersey*:

7 1. Section 1 through 8 of this act shall be known and may cited  
8 as the "Comprehensive Enforcement Act."

9 2. The Legislature finds and declares that;

10 a. Courts routinely impose fines, assessments, restitution and  
11 community service on defendants in criminal cases and enter  
12 judgements and issue court orders in civil matters.

13 b. The enforcement of court orders and other court-imposed  
14 sanctions is crucial to ensure the rule of law and the credibility  
15 of the judicial process.

16 c. As a result of a lack of central coordination, funding,  
17 automation and control, outstanding financial assessments and  
18 court ordered sanctions are often not complied with and are  
19 poorly monitored.

20 d. The judiciary has successfully developed enforcement  
21 programs which have significantly increased collections and  
22 compliance in the areas of child support and criminal sanctions.

23 e. It is, therefore, altogether fitting and proper to authorize  
24 the Supreme Court to establish a comprehensive enforcement  
25 program in each county.

26 3. As used in this act, "enforcement court" means the Superior  
27 Court, Law Division, Enforcement Part.

28 4. a. The Supreme Court is authorized to establish an  
29 enforcement court in each county. The enforcement court shall  
30 be empowered to provide for the enforcement of court orders and  
31 to oversee collection of court-ordered fines, assessments and  
32 judgments. The Supreme Court may also, by court rule, empower  
33 the enforcement court to enforce and oversee orders and  
34 sanctions imposed by municipal courts in that county.

35 b. The Supreme Court shall adopt rules providing for the  
36 qualifications and appointments of enforcement court hearing

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2

1 Courts a non-lapsing fund entitled the "Comprehensive  
2 Enforcement Fund." The fund shall be the depository for the  
3 funds collected pursuant to subsection b. of this section. Monies  
4 from this fund shall be used to operate enforcement courts in  
5 each county and to operate the computer system established  
6 pursuant to P.L.1992, c.169.

7 b. The Administrative Office of the Courts is authorized to  
8 deduct 25% of all monies collected through various enforcement  
9 parts except for direct victim restitution for deposit in the  
10 "Comprehensive Enforcement Fund."

11 6. The governing body of each county, through the Sheriff or  
12 other authorized officer, shall establish a labor assistance  
13 program as an alternative to direct incarceration to be utilized  
14 by the enforcement court as a sentencing option. An enrollment  
15 fee of \$15.00 shall be paid by each person who is sentenced to the  
16 labor assistance program. Additionally, each person so sentenced  
17 shall pay a fee of \$2.00 per day for each day actually served in  
18 the labor assistance program. These fees shall be made through  
19 the enforcement court for the use of the county.

20 7. All municipal court matters involving the collection of  
21 monies which have not been resolved to the satisfaction of the  
22 municipal court judge within four months of the imposition of  
23 sentence shall be transferred to the enforcement court in the  
24 county for such action as may be appropriate.

25 8. All matters involving the imposition of a sentence of  
26 community service by either the Superior Court or a municipal  
27 court which have not been satisfactorily complied with by the  
28 offender shall be transferred to the enforcement court for such  
29 suitable compliance sanctions as may be appropriate, including  
30 direct incarceration, placement in a labor assistance program, a  
31 financial sanction, a combination of these sanctions or such other  
32 alternative as may be appropriate.

33 9. N.J.S.2C:46-2 is amended to read as follows:

34 2C:46-2. Consequences of Nonpayment; Summary Collection.

35 a. When a defendant sentenced to pay an assessment imposed  
36 pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1), fine or  
37 other financial penalty or to make restitution defaults in the  
38 payment thereof or of any installment, upon the motion of the  
39 person authorized by law to collect the payment, the motion of  
40 the prosecutor, the motion of the victim entitled to payment of  
41 restitution, the motion of the Violent Crimes Compensation  
42 Board, the motion of the State or county Office of Victim and  
43 Witness Advocacy or upon its own motion, the court shall recall  
44 him, or issue a summons or a warrant of arrest for his  
45 appearance. The court shall afford the person notice and an

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3

1 (b) Prohibit the person from obtaining a driver's license or  
2 exercising reciprocity driving privileges until the person has made  
3 all past due payments; and

4 (c) Notify the Director of the Division of Motor Vehicles of  
5 the action taken; and

6 (d) Take such other actions as may be authorized by law.

7 (2) If the court finds that the person defaulted on payment of a  
8 [fine] financial obligation without good cause and finds that the  
9 default was willful, the court may, in addition to the action  
10 required by paragraph a. (1) of this section, impose a term of  
11 imprisonment to achieve the objective of the [fine] financial  
12 obligation. The term of imprisonment in such case shall be  
13 specified in the order of commitment. It need not be equated  
14 with any particular dollar amount but, in the case of a fine, it  
15 shall not exceed one day for each \$20.00 of the fine nor 40 days if  
16 the fine was imposed upon conviction of a disorderly persons  
17 offense nor 25 days for a petty disorderly persons offense nor one  
18 year in any other case, whichever is the shorter period. In no  
19 case shall the total period of imprisonment in the case of a  
20 disorderly persons offense for both the sentence of imprisonment  
21 and for failure to pay a fine exceed six months.

22 (3) Except where incarceration is ordered pursuant to  
23 paragraph a. (2) of this section, if the court finds that the person  
24 has defaulted the court shall take appropriate action to modify or  
25 establish a reasonable schedule for payment, and, in the case of a  
26 fine, if the court finds that the circumstances that warranted the  
27 fine have changed or that it would be unjust to require payment,  
28 the court may revoke or suspend the fine or the unpaid portion of  
29 the fine.

30 (4) When failure to pay an assessment imposed pursuant to  
31 section 2 of P.L.1979, c.396 (C.2C:43-3.1) or restitution is  
32 determined to be willful, the failure to do so shall be considered  
33 to be contumacious.

34 (5) When a fine, assessment imposed pursuant to section 2 of  
35 P.L.1979, c.396 (C.2C:43-3.1) or restitution is imposed on a  
36 corporation, it is the duty of the person or persons authorized to  
37 make disbursements from the assets of the corporation or  
38 association to pay it from such assets and their failure so to do  
39 may be held to be contumacious.

40 b. Upon any default in the payment of a fine, assessment  
41 imposed pursuant to section 2 of P.L.1979, c.396 (C.2C:43-3.1),  
42 restitution, or any installment thereof, execution may be levied  
43 and such other measures may be taken for collection of it or the  
44 unpaid balance thereof as are authorized for the collection of an  
45 unpaid civil judgment entered against the defendant in an action

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4

1 collection proceedings authorized by subsection b. of this section.

2 e. (1) When a defendant sentenced to make restitution to a  
3 public entity defaults in the payment thereof or of any  
4 installment, the enforcement court may, in lieu of other  
5 modifications of the sentence, order the defendant to perform  
6 work in a work program established or designated by the public  
7 entity.

8 (2) If a defendant ordered to participate in a work program  
9 pursuant to this subsection fails to report for work or to perform  
10 the assigned work, the enforcement court may revoke its work  
11 order and impose any sentence consistent with the original  
12 sentence.

13 (3) If a defendant ordered to participate in a work program  
14 pursuant to this subsection pays all outstanding assessments, the  
15 enforcement court may review its work order and modify same to  
16 reflect the objective of the sentence.

17 (4) As used in this subsection: "Public entity" means the  
18 State, any county, municipality, district, public authority, public  
19 agency or any other political subdivision or public body in the  
20 State. "Enforcement court" means the Superior Court, Law  
21 Division, Enforcement Part.

22 (cf P.L.1991,c.329,s.11.)

23 10. There is hereby appropriated \$650,000.00 to the  
24 Administrative Office of the Courts for the purpose of training  
25 and hiring enforcement part hearing officers.

26 11. This act shall take effect immediately.

27

28

29

#### STATEMENT

30

31 In order to increase the collection of judicially imposed  
32 financial penalties and to improve the enforcement of court  
33 orders, this bill would authorize the Supreme Court to establish a  
34 special enforcement court in each county. This court would be  
35 staffed by hearing officers and would be responsible for the  
36 collection of fines and other monetary penalties imposed in both  
37 civil and criminal cases. The enforcement court would also be  
38 responsible for monitoring compliance with court orders such as  
39 those requiring defendants to make restitution or perform  
40 community service.

41 In order to fund enforcement activities, 25% of all monies  
42 collected through the enforcement court would be deposited in a  
43 special fund. Monies in this fund would pay for operation of the  
44 enforcement court. In addition, the bill would appropriate

## ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[SECOND REPRINT]

SENATE COMMITTEE SUBSTITUTE FOR

**SENATE, No. 335****STATE OF NEW JERSEY**

DATED: AUGUST 15, 1994

The Assembly Appropriations Committee reports favorably Senate Bill No. 335 Scs (2R).

Senate Bill No. 335 Scs (2R) authorizes the Supreme Court to establish a statewide comprehensive enforcement court to increase the collection of judicially imposed financial penalties and to improve the enforcement of court orders. This court would be staffed by hearing officers and would be responsible for the collection of fines and other monetary penalties imposed in both civil and criminal cases. The enforcement court would also be responsible for monitoring compliance with court orders such as those requiring defendants to make restitution or perform community service. To fund enforcement activities, this bill provides that 25% of all monies collected through the enforcement court, except for restitution and Violent Crimes Compensation Board assessments, would be deposited in a special fund. Monies in the special fund would pay for operation of the enforcement court. The bill also appropriates \$550,000.00 to the Administrative Office of the Courts. This appropriation would be used to hire and train the hearing officers who would initially staff the enforcement court.

In addition to the establishment of the enforcement court, the bill authorizes each county to establish a labor assistance program under the supervision of its sheriff. These programs would provide supervised physical labor as a sentencing alternative to incarceration in a county facility. These programs would also serve as a sentencing option if an offender fails to meet court imposed financial penalties. In counties which do not establish labor assistance programs, a similar program to be known as enforced community service would be supervised by the probation division.

This bill is identical to Assembly Bill No. 1495 as amended by this committee.

**FISCAL IMPACT:**

This bill appropriates \$550,000 from the General Fund to the

Under the bill, the court may retain 25% of the amount of fines and penalties collected, except victim restitution and assessments by the Violent Crimes Compensation Board and certain municipal motor vehicle fines. This would result in the retention of \$550,000 in calendar year 1995. The Administrative Office of the Courts states that the appropriation in this bill and 25% of the first calendar year's collections will be sufficient to establish and operate the court for the first year. It is anticipated that the collections of the court after the first year will be sufficient to fund its operations without additional appropriations from the General Fund. No more than \$550,000 may be allocated annually from the special fund to fund the comprehensive enforcement court.

The Administrative Office of the Courts reports that no estimate of the revenues which might be generated by the new fees created in section 5 of the bill can be made at this time.

---



SENATE JUDICIARY COMMITTEE  
STATEMENT TO  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 335**  
**STATE OF NEW JERSEY**

DATED: FEBRUARY 24, 1994

The Senate Judiciary Committee reports favorably a Senate Committee Substitute for Senate Bill No. 335.

In order to increase the collection of judicially imposed financial penalties and to improve the enforcement of court orders, this bill would authorize the Supreme Court to establish a statewide comprehensive enforcement court. This court would be staffed by hearing officers and would be responsible for the collection of fines and other monetary penalties imposed in both civil and criminal cases. The enforcement court would also be responsible for monitoring compliance with court orders such as those requiring defendants to make restitution or perform community service. In order to fund enforcement activities, this bill would provide that 25% of all monies collected through the enforcement court, except for restitution and Violent Crimes Compensation Board assessments, would be deposited in a special fund. Monies in this fund would pay for operation of the enforcement court. The bill would also appropriate \$550,000.00 to the Administrative Office of the Courts. This appropriation would be used to hire and train the hearing officers who would initially staff the enforcement court.

In addition to the establishment of the enforcement court, the bill would authorize counties to establish labor assistance program under the supervision of the sheriff. These programs would provide supervised physical labor as a sentencing alternative to incarceration in a county facility. These programs would also serve as a sentencing option if an offender fails to meet court imposed financial penalties. In counties which do not establish labor assistance programs, a similar program to be known as enforced community service would be supervised by the probation division.

**SENATE BUDGET AND APPROPRIATIONS COMMITTEE****STATEMENT TO****SENATE COMMITTEE SUBSTITUTE FOR****SENATE, No. 335****with Senate committee amendments****STATE OF NEW JERSEY****DATED: MARCH 10, 1994**

The Senate Budget and Appropriations Committee reports favorably Senate Bill No 335 (SCS), with committee amendments.

Senate Bill No. 335 (SCS), as amended, authorizes the Supreme Court to establish a special enforcement court in each county as a means of increasing the collection of judicially imposed monetary penalties and improving the enforcement of court orders. The court is to be staffed by hearing officers who would be responsible for collecting fines and other monetary penalties imposed in both civil and criminal cases and for monitoring compliance with court orders, such as those requiring defendants to make restitution or perform community service.

In order to fund the operations of the enforcement court, 25% of all monies collected by the enforcement court, except for victim restitution and assessments by the Violent Crimes Compensation Board, are to be deposited in a special fund for the operations of the court. In addition, the bill appropriates \$550,000 from the General Fund to the Administrative Office of the Courts for the hiring and training of seven hearing officers who will constitute the initial staff of the enforcement court.

The bill also creates new fees which are to be collected from persons ordered to participate in a labor assistance program or enforced community service program, two programs authorized by section 5 of the bill.

**COMMITTEE AMENDMENTS**

The committee amended the bill to clarify its wording and to specify that the appropriation in the bill is to be made from the General Fund.

**FISCAL IMPACT**

This bill appropriates \$550,000 from the General Fund to the Administrative Office of the Courts as start-up funds for the establishment of the comprehensive enforcement court.

Under the bill, the court may retain 25% of the amount of fines and penalties collected, except victim restitution and assessments by the Violent Crimes Compensation Board. This would result in the retention of \$550,000 in calendar year 1995. The Administrative Office of the Courts states that the appropriation in this bill and 25% of the first calendar year's collections will be sufficient to establish and operate the court for the first year. It is anticipated that the collections of the court after the first year will be sufficient to fund its operations without additional appropriations from the General Fund.

According to the Administrative Office of the Courts, an estimate of the revenues which may be generated by the new fees created in section 5 of the bill cannot be made at this time.

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

November 10, 1994

**SENATE COMMITTEE SUBSTITUTE FOR**  
**SENATE BILL NO. 335**  
**(SECOND REPRINT)**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14, of the New Jersey Constitution, I am returning Senate Committee Substitute for Senate Bill No. 335 (Second Reprint) with my recommendations for reconsideration.

**A. Summary of Bill**

This bill authorizes the Supreme Court to establish a comprehensive enforcement court to increase the collection of judicially imposed financial obligations and to improve the enforcement of court orders. This court would be staffed by hearing officers and would be responsible for collecting fines and other monetary penalties imposed in both civil and criminal cases. The enforcement court also would be responsible for monitoring compliance with court orders such as those requiring defendants to make restitution or perform community service.

In addition to establishing the comprehensive enforcement court, the bill authorizes each county to establish a labor assistance program or an enforced community service program. These programs would provide supervised physical labor as a sentencing alternative to incarceration and as a sentencing option if a defendant fails to meet court-imposed financial obligations.

Funding for the comprehensive enforcement court would come from two sources. The bill appropriates \$550,000 from the General Fund

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

2

**B. Recommended Action**

Through this bill, the Legislature has proposed a viable solution to a long-standing problem: uncollected court-imposed assessments and fines. In October 1993, the Governor's Management Review Commission reported that the State is owed in excess of \$160 million in criminal debt. As the number of fines increases and as State agencies find it increasingly difficult to keep pace with current collections, the amount of outstanding criminal debt grows larger.

Strengthening the State's collection efforts would send a strong message to criminals that they will be held accountable for the assessments and fines imposed against them. I noted the importance of such efforts in my Inaugural Address. The work programs established by this bill, and the other sentencing options for criminals who do not pay their debt, would also help to accomplish that goal.

At the same time, it is important to keep the administrative costs of collection to a minimum. This bill calls for an appropriation of \$550,000 for training and hiring hearing officers. I am deleting the \$550,000 appropriation because I have been advised that program expenses could be funded through an accounts receivable against the funds anticipated to be collected. I prefer this less-costly funding mechanism to protect New Jersey's taxpayers. With regard to the on-going operation of the enforcement program, I believe the amount of money deducted from collections for this purpose should be approved by the Director of the Division of Budget and Accounting. This oversight will ensure that the amount of money deducted for the program will be commensurate with its projected

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

3

For these reasons, I herewith return Senate Committee Substitute for Senate Bill No. 335 (Second Reprint) and recommend that it be amended as follows:

Page 1, Title, Line 1: Delete "Court" and insert "Program"

Page 1, Title, Lines 2-3: Delete "and making an appropriation"

Page 1, Section 1, Line 9: Delete "Court" and insert "Program"

Page 1, Section 2, Line 29: Delete "court"

Page 1, Section 2, Line 33: Delete "court" and insert "program"

Page 1, Section 2, Line 39: Delete "court" and insert "program"

Page 2, Section 3, Line 3: Delete "Court" and insert "Program"

Page 2, Section 3, Line 7: Delete "court" and insert "program"

Page 2, Section 4, Line 11: After "a." delete "The" and insert "Subject to the approval of the Director of the Division of Budget and Accounting, the"

Page 2, Section 4, Line 13: Delete "court" and insert "program"

Page 2, Section 4, Line 16: Delete "Court" and insert "Program"

Page 2, Section 4, Line 17: Delete "court" and insert "program"

Page 2, Section 4, Line 22: Delete "Court" and insert "Program"

Page 2, Section 4, Line 24: Delete "Court" and insert "Program"

Page 2, Section 4, Line 25: Delete "court" and insert "program"

Page 2, Section 5, Line 30: Delete "court" and insert "program"

Page 2, Section 5, Line 40: Delete "court" and insert "program"

Page 2, Section 5, Line 46: Delete "Court" and insert "Program"

Page 3, Section 6, Line 8: Delete "court" and insert "program"

Page 3, Section 6, Line 12: Delete "court" and insert "program"

Page 3, Section 6, Line 14: Delete "court" and insert "program"

Page 3, Section 7, Line 27: Delete "court" and insert "program"

Page 3, Section 8, Line 35: Delete "court" and insert "hearing officer"



STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT

4

- Page 7, Section 11, Line 24: Delete "court" and insert "hearing officer"; delete "its" and insert "the"
- Page 7, Section 11, Line 28: Delete "court" and insert "hearing officer"
- Page 7, Section 11, Line 29: Delete "its" and insert "the"
- Page 7, Section 11, Line 32: Delete "court" and insert "program"; delete "court" and insert "program"
- Page 7, Section 11, Line 33: Delete "Court"; after "Enforcement" insert "Program"
- Page 7, Section 11, Line 38: Delete "Court"; after "Enforcement" insert "Program"
- Page 7, Sections 12-13,  
Lines 45-49: After "12." delete up to and including "13."

Respectfully,

/s/ Christine Todd Whitman

GOVERNOR

[seal]

Attest:

/s/ Peter Verniero

Chief Counsel to the Governor

## ATTACHMENT “24”

Supreme Court Order  
Extending Time The NJLFCP  
Is Authorized to Use the CEP

# SUPREME COURT OF NEW JERSEY

## ORDER

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### **Comprehensive Enforcement Program Extension of Pilot Project with NJ Lawyers Fund for Client Protection**

IT IS ORDERED that the July 23, 1999, Order of the Supreme Court that established a one-year pilot project under which the New Jersey Lawyers Fund for Client Protection was authorized to use the Comprehensive Enforcement Program for collection of monies on behalf of the Fund is extended for six months or until the further Order of the Court, effective October 1, 2000. See N.J.S.A. 2B:19-6a.

For the Court:

/s/ Deborah T. Poritz

C.J.

Dated: October 4, 2000

---

Notices to the Bar

## ATTACHMENT “25”

List of Letters to Plaintiff  
Regarding Use of the CEP

**List of Letters to Plaintiff Regarding Use of the  
Comprehensive Enforcement Program**

April 24, 2000  
June 21, 2000  
June 28, 2000  
September 22, 2004  
October 8, 2004  
December 8, 2004  
January 5, 2004  
April 20, 2006  
May 12, 2006  
June 15, 2006  
August 14, 2006  
October 6, 2006  
October 6, 2006 (02)  
March 3, 2009  
June 8, 2009  
January 4, 2011  
January 14, 2011  
February 9, 2011  
April 13, 2011  
October 3, 2011  
November 3, 2011  
March 19, 2012  
June 4, 2013  
October 3, 2013  
June 3, 2014  
July 1, 2014  
October 3, 2014  
November 5, 2014  
January 9, 2015  
March 6, 2015  
March 30, 2015  
June 5, 2015  
July 2, 2015  
August 18, 2015  
February 4, 2016  
March 4, 2016  
April 26, 2016  
May 12, 2016  
May 12, 2016 (2)  
October 19, 2016  
November 17, 2016  
January 17, 2017

## ATTACHMENT “26”

Letter Dated October 3, 2014, Stating  
Kenneth F. Irek is Delinquent in Making  
Payments on the Repayment Plan



**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**

LISA J. RODRIGUEZ, CHAIR  
GERARD P. DEVEAUX, VICE CHAIR  
ALAN L. WILLIAMS, TREASURER  
JAMES R. BEATTIE  
JOSEPH SEVERINO  
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STREET ADDRESS:  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625



RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. Box 961  
TRENTON, N.J. 08625-0961

**DIRECTOR & COUNSEL**  
DANIEL R. HENDI

**DEPUTY DIRECTOR**  
EDWARD T. EHLER

**SENIOR COUNSEL**  
MICHAEL T. MCCORMICK

**DEPUTY COUNSEL**  
RUBY D. COCHRAN

855-533-FUND (3863)  
FAX: (609) 394-3637

[WWW.NJCOURTS.COM/CPF](http://WWW.NJCOURTS.COM/CPF)

October 3, 2014

VIA FIRST CLASS AND CERTIFIED MAIL, R.R.R.

Mr. Kenneth F. Irek  
P.O. Box 280222  
Northridge, CA 91328-0222

Mr. Kenneth F. Irek  
9800 D. Topanga Cyn Blvd.  
Chatsworth, CA 91311

**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek  
Docket/Judgment No. MER-L-0005664-94; J-082161-95; Our File CPF-520**

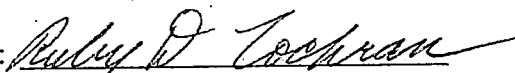
Dear Mr. Irek:

Our review of your account indicates that you are delinquent in making payments on the repayment plan to which you consented under the Comprehensive Enforcement Program (CEP). The payments in arrears as of October 3, 2014 are set forth on the enclosed Notice of Delinquency. I have calculated the deficiency by comparing payments due versus payments received since you entered the repayment agreement.

You must cure the arrears or contact me at 609-815-3043 to make appropriate arrangements on or before **Monday, October 27, 2014**, or I shall issue you a Summons to appear for the enforcement hearing scheduled for **Friday, December 5, 2014**.

If you have not completed an Information Subpoena under R. 4:59-1(e) within the last (6) months, you must complete the enclosed Information Subpoena. Please answer the questions fully and not merely by reference to your prior subpoena. **The Information Subpoena must be returned before we can excuse you from the Hearing even if a payment has already been made and you have cured your arrearages.**

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By:   
Ruby D. Cochran  
Deputy Counsel

RDC:sjb

**SUPERIOR COURT OF NEW JERSEY  
COMPREHENSIVE ENFORCEMENT PROGRAM  
\*\*\*NOTICE OF DELINQUENCY\*\*\***

October 3, 2014.  
Cmpt./Acc./Dkt. MER-L-0005664-94  
Judgment # J-082161-95  
Financial Account # CPF-520

Kenneth F. Irek  
P.O. Box 280222  
Northridge, CA 91328

Kenneth F. Irek  
9800 D. Topanga Cyn Blvd  
#26  
Chatsworth, CA 91311

Last Payment:	\$125.00
Last Payment Date	7/17/2014
Total Owed in Arrears	4/10/12 - 9/30/14 = \$100.00

The New Jersey Lawyers' Fund for Client Protection has referred your debt to the Comprehensive Enforcement Program (CEP) for collection. **YOUR RESTITUTION OBLIGATION IS IN ARREARS. THE NEXT LETTER YOU RECEIVE WILL BE A COURT SUMMONS TO AN ENFORCEMENT HEARING.** You may be able to avoid a **Court appearance on Friday, December 5, 2014** by doing **ALL** of the following **ON OR BEFORE Monday, October 27, 2014**:

- proposing a payment plan and/or curing the arrears
- executing a Consent Order prepared by the Fund
- making a lump sum payment and a monthly payment; and
- returning the enclosed Information Subpoena

**ALL PROPOSALS FOR PAYMENT ARE SUBJECT TO APPROVAL BY THE BOARD OF TRUSTEES.** If your failure to pay is found to be willful noncompliance, one or several of the following may happen:

- your wages may be garnished;
- your personal assets may be seized;
- your tax refund, lottery or gambling winnings may be attached;
- a judgment may be docketed against you. This will act as a lien against any real estate that you own and may adversely affect your ability to obtain loans or other forms of credit;
- involuntary enrollment in either the Sheriff's Labor Assistance or Enforced Community Service Program as alternative to detention. (Cost to you: \$15 enrollment fee and \$2 per day fee.)
- your driving privileges may be suspended

**YOU MAY BE ABLE TO AVOID THESE ACTIONS IF YOU FOLLOW THE STEPS OUTLINED ABOVE.** Please put your account number (CPF #) on any payment that you mail in to receive proper credit. Payments in the form of a check or money order can be mailed to the Post Office Box address on our letterhead. Payments can be made in person at New Jersey Lawyers' Fund for Client Protection between 8:30 a.m. and 4:30 p.m., Monday through Friday.

**If you wish to discuss your case, to make payment arrangements, or if good reason exists for your failure to pay, please contact Ruby D. Cochran, Esquire** at the New Jersey Lawyers' Fund for Client Protection within five (5) days of receipt of this notice at (609) 815-3043.

Sincerely,  
*Thomas Bartlett*  
Thomas Bartlett, Chief of  
Collections, Administrative Office of the Courts

PLEASE NOTIFY OF DISABILITY/INTERPRETER ACCOMMODATION NEEDS

**IMPORTANT NOTICE  
PLEASE READ CAREFULLY**

New Jersey Lawyers Fund for Client Protection  
Richard J. Hughes Justice Complex  
25 West Market Street, P. O. Box 961  
Trenton, NJ 08625-0961  
Ruby D. Cochran, Deputy Counsel  
Attorney I.D. No. 017151998  
(609) 815-3043

NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION	:	SUPERIOR COURT OF NEW JERSEY
	:	LAW DIVISION-CIVIL PART
	:	MERCER COUNTY
	:	
PLAINTIFF,	:	DOCKET NO. :MER-L-0005664-94
	:	JUDGMENT NO.: J-082161-95
v.	:	CIVIL ACTION
	:	CPF-520
KENNETH F. IREK	:	
	:	<b>INFORMATION SUBPOENA</b>
DEFENDANT	:	

THE STATE OF NEW JERSEY TO:	Mr. Kenneth F. Irek P.O. Box 280222 Northridge, CA 91328-0222	Mr. Kenneth F. Irek 9800 D Topanga Cyn Blvd. Chatsworth, CA 91311
-----------------------------	---	---

Judgment was entered against you in the Superior Court of New Jersey on March 22, 1995 in the amount of \$5,000.00, plus any applicable interest and costs, and the lien was recorded in the amount of \$5,000.00 on March 31, 1995 under the docket number(s) referenced above. The amount of \$4,100.00 remains due and outstanding, plus any applicable interest and costs.

Attached to this Information Subpoena is a list of 17 questions that court rules require you to answer within 14 days from the date you receive this subpoena. If you do not answer the attached questions within the time required, the opposing party may ask the court to conduct a hearing in order to determine if you should be held in contempt. You will be compelled to appear at the hearing and explain your reasons for your failure to answer.

If this judgment has resulted from a default you may have the right to have this default judgment vacated by making an appropriate motion to the court. Contact any attorney or the clerk of the court for information on making such a motion. Even if you dispute the judgment you must answer all 17 of the

attached questions.

You must answer each question giving complete answers, attaching additional pages if necessary. False or misleading answers may subject you to punishment by the court. However, you need not provide information concerning the income and assets of others living in your household unless you have a financial interest in the assets or income. Be sure to sign and date your answers and return them to the address in the upper left hand corner within 14 days.

Dated: October 3, 2014.

*Ruby D. Cochran*  
Ruby D. Cochran, Esq.  
New Jersey Lawyers' Fund for  
Client Protection

*Michelle M. Smith*  
Michelle M. Smith, Clerk  
Superior Court of New Jersey

VIA FIRST CLASS MAIL AND CERTIFIED MAIL, RETURN RECEIPT REQUESTED

1. Full name \_\_\_\_\_
2. Address \_\_\_\_\_  
\_\_\_\_\_
3. Birthdate \_\_\_\_\_
4. Social Security # \_\_\_\_\_
5. Driver's license # and expiration date \_\_\_\_\_  
\_\_\_\_\_
6. Telephone # \_\_\_\_\_
7. Full name and address of your employer \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(a) Your weekly salary: Gross \_\_\_\_\_ Net \_\_\_\_\_  
(b) If not presently employed, name and address of last employer.  
\_\_\_\_\_  
\_\_\_\_\_
8. Is there currently a wage execution on your salary?  
Yes \_\_\_\_\_ No \_\_\_\_\_
9. List the names, addresses and account numbers of all bank accounts on which your name appears.  
\_\_\_\_\_  
\_\_\_\_\_
10. If you receive money from any of the following sources, list amount, how often and the name and address of the source:

## ATTACHMENT “27”

Letter Dated November 5, 2014,  
Stating Kenneth F. Irek is Summoned to  
Appear Before a Hearing Officer

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**

LISA J. RODRIGUEZ, CHAIR  
GERARD P. DEVEAUX, VICE CHAIR  
ALAN L. WILLIAMS, TREASURER  
JAMES R. BEATTIE  
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855-533- FUND (3863)  
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**ASSISTANT TREASURER**  
SHELLEY R. WEBSTER

**STREET ADDRESS:**  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625

November 5, 2014

VIA FIRST CLASS AND CERTIFIED MAIL - R.R.R.

Mr. Kenneth F. Irek  
P.O. Box 280222  
Northridge, CA 91328-0222

Mr. Kenneth F. Irek  
9800 D Topanga Cyn Blvd. #26  
Chatsworth, CA 91311

**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
**Docket No. MER-L-0005664-94; Judgment No. J-082161-95; Our File No.: CPF-520**

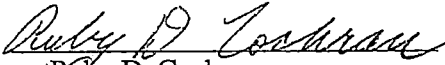
Dear Mr. Irek:

As I explained in my October 3, 2014 letter to you, the New Jersey Supreme Court has granted the New Jersey Lawyers' Fund for Client Protection the authority to enforce your obligation to pay the referenced Judgment through the Comprehensive Enforcement Program established by N.J.S.A. 2B:19-1 et seq.

As you have not responded to the Notice of Delinquency forwarded to you via first class and certified mail, enclosed are an original and one (1) copy of a Summons that requires you to appear on **Friday, December 5, 2014 at 9:00 a.m.** before a Hearing Officer of the Superior Court of New Jersey, in **Courtroom 1A**, at the Mercer County Civil Courthouse, 175 South Broad Street, Trenton, New Jersey, for a Hearing to enforce your payment obligation.

If you have not already done so, please return the completed Information Subpoena.

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By:   
Ruby D. Cochran  
Deputy Counsel

Enclosure



SUPERIOR COURT OF NEW JERSEY  
 COMPREHENSIVE ENFORCEMENT PROGRAM  
 P. O. BOX 987  
 TRENTON, NJ 08625

NOVEMBER 5, 2014

NEW JERSEY LAWYERS' FUND FOR CLIENT  
 PROTECTION,

SUPERIOR COURT OF NEW JERSEY  
 LAW DIVISION, MERCER COUNTY

PLAINTIFF,

Case Number CPF-520  
 Ind./Acc./Dkt. # J-082161-95  
 Complaint #MER-L-0005664-94

v.

Kenneth F. Irek 9800 D Topanga Cyn Blvd. #26  
 P.O. Box 280222 Chatsworth, CA 91311  
 Northridge, CA 91328-0222

COMPREHENSIVE ENFORCEMENT PROGRAM

**SUMMONS TO APPEAR FOR  
 ENFORCEMENT HEARING**

Dear Sir:

You are hereby notified that you have FAILED TO SATISFY A JUDGMENT ENTERED AGAINST YOU in the Superior Court of New Jersey. Your total BALANCE owed on this Judgment is \$4,100.00.


**TAKE NOTICE:** You may be charged with CONTEMPT OF COURT relative to your failure to make payments as directed toward your obligations. You are hereby summoned to appear in the Superior Court of New Jersey before a Hearing Officer, at the ENFORCEMENT COURT on **Friday, December 5, 2014 at 9:00 a.m.** The location is **Courtroom 1A, at the Mercer County Civil Courthouse, 175 South Broad Street, Trenton New Jersey.**

At this hearing, one or more of the following enforcement sanctions may be applied:

- your wages may be garnished;
- your personal assets may be seized;
- your tax refund, lottery or gambling winnings may be attached;
- a judgment may be docketed against you. This will act as a lien against any real estate that you own and may adversely affect your ability to obtain loans or other forms of credit;
- involuntary enrollment in either the Sheriff's Labor Assistance or Enforced Community Service Program as an alternative to direct incarceration. (Cost to you: \$25 enrollment fee and \$8 per day fee.)
- **suspension of driving privileges pursuant to N.J.S.A. 2C:46-2.**

**You must appear at this hearing.** Failure to appear may result in a Warrant for your arrest, or the entry of a default order for the relief requested by this application, or both. If you will need an interpreter during the hearing, call the New Jersey Lawyers' Fund for Client Protection at least two days before the hearing so that arrangements can be made to provide an interpreter for you.

You have the right to be represented by an attorney if you choose. **YOU ARE STRONGLY URGED TO BRING WITH YOU** any documents you feel may explain your failure to satisfy the above noted obligation and **BE PREPARED TO MAKE A PAYMENT AT THE TIME OF THE HEARING.** Any questions concerning the amount owed, should be addressed by contacting **Ruby D. Cochran, Esq.**, at the New Jersey Lawyers' Fund for Client Protection, (609) 815-3043.

Sincerely,  
  
 Thomas Bartlett, Chief of  
 Collections, Administrative Office of the Courts

PLEASE NOTIFY COURT OF DISABILITY/INTERPRETER ACCOMMODATION NEEDS



NEW JERSEY LAWYERS' FUND  
FOR CLIENT PROTECTION  
PO BOX 961  
TRENTON, NJ 08625-0961



U.S. POSTAGE >> PITNEY BOWES  
ZIP 08628 \$ 000.48<sup>0</sup>  
02 1W  
0001389429 NOV. 06. 2014.

RECEIVED ON

DEC - 1 2014

NEW JERSEY LAWYERS' FUND  
FOR CLIENT PROTECTION

NEW  
RECEIVED ON

DEC - 1 2014

NEW JERSEY LAWYERS' FUND  
FOR CLIENT PROTECTION

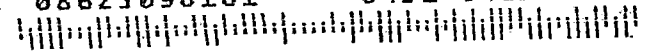
Mr. Kenneth F. Irek  
P.O. Box 280222  
Northridge, CA 91329

NIXIE 917 DE 1009 0011/23/14

RETURN TO SENDER  
ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD

IBC: 08625096161 \*0451-04818-06-36

91329280222



## ATTACHMENT “28”

Letter Dated January 9, 2015, Stating a Consent  
Order was Entered Authorizing the NJLFCP to  
Pursue a Bench Warrant for the  
Arrest of Kenneth F. Irek

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**

LISA J. RODRIQUEZ, CHAIR  
GERARD P. DEVEAUX, VICE CHAIR  
ALAN L. WILLIAMS., TREASURER  
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ASSISTANT TREASURER  
SHELLEY R. WEBSTER

STREET ADDRESS:

25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, NJ 08625



RICHARD J. HUGHES JUSTICE COMPLEX  
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RUBY D. COCHRAN

855-533-FUND (3863)  
FAX: (609) 394-3637

[WWW.NJCOURTS.COM/CPF](http://WWW.NJCOURTS.COM/CPF)

January 9, 2015

Mr. Kenneth F. Irek  
P.O. Box 280222  
Northridge, CA 91328-0222

Mr. Kenneth F. Irek  
9800 D Topanga Cyn Blvd. #26  
Chatsworth, CA 91311

**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
**Docket No.: MER-L-0005664-94; J-082161-95; Our File No.: CPF-520**

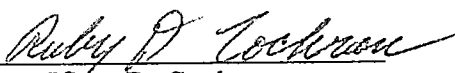
Dear Mr. Irek:

Enclosed please find a copy of the Consent Order that was entered by the Court at the Comprehensive Enforcement Hearing on December 5, 2014.

This Consent Order authorizes us to pursue a Bench Warrant for your arrest. We have given you every opportunity to contact us and make payment arrangements on the amount due and owing to the Fund. If we do not hear from you within ten (10) days from the date of this letter, we will forward the enclosed Order, together with a request for a Bench Warrant for your arrest to the proper authorities. You will then only be released from incarceration upon the payment of \$ 150.00.

It is essential that you contact me within ten (10) days of the date of this letter to resolve this issue. If I do not hear from you, then I will take the necessary steps to begin the above process.

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

By:   
Ruby D. Cochran  
Deputy Counsel

RDC:sjb  
Enclosure  
Sent by regular mail and certified mail, r.r.f.

## COMPREHENSIVE ENFORCEMENT PROGRAM

Superior Court of New Jersey  
County of Mercer Civil Division



DEC - 5 2014

JUDGMENT AND  
CONSENT ORDER

NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION vs	Social Security # xxx-xx-8426
KENNETH F. IREK	CPF-520
Hearing Date: DECEMBER 5, 2014	Docket/Indictment/Accusation # MER-L-5664-94
Judgment #: J-082161-95	
This matter has been opened to the Comprehensive Enforcement Program by the New Jersey Lawyers' Fund for Client Protection for an Order.	
Service upon which this order is based: <u>PO Box 290 222 RCET - REG MAIL</u>	
<input checked="" type="checkbox"/> Certified Mail - <input checked="" type="checkbox"/> Signed by <u>ALZIRAS</u> <input type="checkbox"/> Refused <input type="checkbox"/> Returned Unclaimed <input checked="" type="checkbox"/> Regular Mail - <input checked="" type="checkbox"/> Not Returned <input type="checkbox"/> Returned <input type="checkbox"/> Other	

IT IS HEREBY ORDERED, that the Defendant pay to the New Jersey Lawyers' Fund for Client Protection ("the Fund") the balance due of \$ 4,100.00 payable at \$ \_\_\_\_\_ per month effective \_\_\_/\_\_\_/\_\_\_.

The Defendant shall keep the Fund informed of any change in Defendant's financial circumstances. Defendant shall also advise the Fund of any change in Defendant's employment or residence.

If Defendant is thirty (30) days in arrears with any one (1) payment, then the whole balance becomes due and owing, and the Fund may use any and all available means to collect it.

Financial Obligation Fulfilled.

IT IS ALSO ORDERED THAT:

<input type="checkbox"/> JUDGMENT WILL BE ENTERED this _____ day of _____ 2014 on Docket Number MER-L-5664-94.
<input type="checkbox"/> \$ _____ PAID AT HEARING: <input type="checkbox"/> A LUMP SUM PAYMENT OF \$ _____ must be made by ___/___/___.
<input type="checkbox"/> INCOME WITHHOLDING is ordered, and is binding on current and future income sources.
<input type="checkbox"/> LIEN be entered against proceeds from any settlement.
<input type="checkbox"/> EMPLOYMENT SEARCH _____ contacts to be made per _____.
<input type="checkbox"/> _____ Days/hours county jail under the authority of the Labor Assistance Program or Enforced Community Service Program. Cost to Defendant: \$15.00 enrollment fee and \$2.00 per day fee. Total fee: \$ _____; Failure to comply may result in mandatory incarceration (\$ _____ Condition of release). Start Date: ___/___/___.
<input type="checkbox"/> OTHER _____

RELIST for return to Comprehensive Enforcement Proceedings on \_\_\_\_\_.

A BENCH WARRANT for the Defendant is hereby recommended/ordered. The Defendant was properly noticed for court appearance and failed to appear (service noted above). Defendant may be released from incarceration upon payment of \$ 150.00

I HEREBY DECLARE THAT I UNDERSTAND ALL PROVISIONS OF THIS RECOMMENDATION/ORDER.

Defendant: \_\_\_\_\_

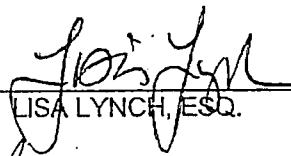
This order is being entered in default. **KENNETH F. IREK**

Witness : \_\_\_\_\_

So recommended to the Court by the Hearing Officer.

Name: LISA LYNCH, ESQ.

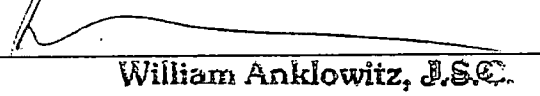
Signature: \_\_\_\_\_

  
LISA LYNCH, ESQ.

SO ORDERED by the Court:

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

  
**William Anklowitz, J.S.C.**

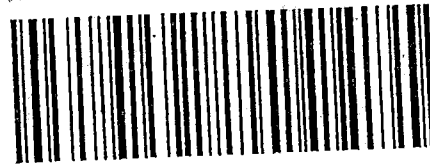
Date: 11/5/14

PLEASE NOTIFY COURT OF DISABILITY ACCOMMODATION NEEDS

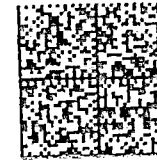




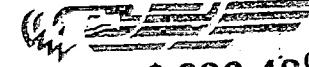
NEW JERSEY LAWYERS' FUND  
FOR CLIENT PROTECTION  
PO BOX 961  
TRENTON, NJ 08625-0961



7011 1570 0003 3729 1542



U.S. POSTAGE >> PITNEY BOWES



ZIP 08628 \$ 006.48<sup>0</sup>  
02 1W  
0001386429 JAN 13 2015

*ATK*

FEB 03 2015

NEW JERSEY LAWYERS' FUND  
FOR CLIENT PROTECTION

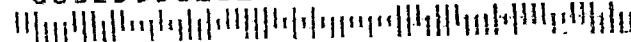
Mr. Kenneth F. Irek  
P.O. box 280222  
Northridge, CA 91328-0222

NIXIE 917 FE 1009 0001/27/15

RETURN TO SENDER  
NOT DELIVERABLE AS ADDRESSED  
UNABLE TO FORWARD

BC: 08625096161 \*0451-09098-13-40

91328-0222-0003-73  
086250961



## ATTACHMENT “29”

Letter Dated March 30, 2015, To Kenneth F.  
Irek, Stating A Bench Warrant was Issued for  
His Arrest w/ Photocopy of  
Signed Bench Warrant

**NEW JERSEY LAWYERS' FUND**

**FOR  
CLIENT PROTECTION**

**TRUSTEES**

GERARD P. DEVEAUX, CHAIR  
KATHERINE HARTMAN, VICE CHAIR  
JOSEPH SEVERINO, TREASURER  
ALAN L. WILLIAMS  
JAMES R. BEATTIE  
RAYMOND S. LONDA  
DOUGLAS H. AMSTER



**DIRECTOR & COUNSEL**  
DANIEL R. HENDI

**DEPUTY DIRECTOR**  
EDWARD T. EHLER

**SENIOR COUNSEL**  
MICHAEL T. MCCORMICK

**ASSISTANT TREASURER**  
SHELLEY R. WEBSTER

**DEPUTY COUNSEL**  
RUBY D. COCHRAN

STREET ADDRESS:  
25 WEST MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, N.J. 08625

RICHARD J. HUGHES JUSTICE COMPLEX  
P.O. BOX 961  
TRENTON, N.J. 08625-0961

855-533-FUND (3863)  
FAX: (609) 394-3637

WWW.NJCOURTS.COM/CPF

March 30, 2015

Mr. Kenneth F. Irek  
9800 D Topanga Cyn Blvd. #26  
Chatsworth, CA 91311

**Re: New Jersey Lawyers' Fund for Client Protection v. Kenneth F. Irek**  
**Docket No.: MER-L-005664-94; J-082161-95; Our File No.: CPF-520**

Dear Mr. Irek:

The Superior Court of New Jersey has issued a Bench Warrant (photocopy enclosed) for your arrest as a result of your failure to appear for the enforcement hearing on December 5, 2014, to which you were summoned regarding the above referenced obligation to the New Jersey Lawyers' Fund for Client Protection.

The Fund will afford you a final opportunity to enter into a Consent Order for repayment before it forwards the Bench Warrant to the Los Angeles County Sheriff's Department for execution. You must return an executed Consent Order (which the Fund will generate after you propose a reasonable payment plan), an initial payment, and a completed Information Subpoena to this office on or before April 17, 2015, or the Fund will prosecute the Bench Warrant. Please call me at 609-815-3043 to discuss your case.

The Fund will afford you a final opportunity to pay the purge amount of \$150.00 set forth in the Bench Warrant before it forwards the Bench Warrant to the Sheriff's Department for execution. The purge amount of \$150.00 must be paid on or before April 17, 2015, or the Fund will prosecute the Bench Warrant.

**NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION**

By: *Ruby D. Cochran*  
Ruby D. Cochran  
Deputy Counsel

RDC:sjb  
Enclosure  
Sent by regular mail and certified mail, r.r.r.

New Jersey Lawyers' Fund for Client Protection  
Richard J. Hughes Justice Complex  
25 W. Market Street, P.O. Box 961  
Trenton, New Jersey 08625-0961  
Ruby D. Cochran, Deputy Counsel  
Attorney I.D. No. 017151998  
(609) 815-3043

DEFENDANT'S ADDRESS  
9800 D Topanga Cyn Blvd. #26  
Chatsworth, CA 91311

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

Plaintiff,

v.

KENNETH F. IREK

Defendant.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION  
MERCER COUNTY

DOCKET NO. MER-L-005664-94  
JUDGMENT NO. J-082161-95

CLERK OF SUPERIOR COURT  
SUPERIOR COURT OF N.J.  
MERCER COUNTY  
RECEIVED AND FILED

CPF-520

CIVIL ACTION

BENCH WARRANT

MAR 23 2015

TO: THE SHERIFF OF LOS ANGELES COUNTY, CA:  
OR ANY OTHER AUTHORIZED PERSON

*Sue Regan*

SUE REGAN  
DEPUTY CLERK OF SUPERIOR COURT

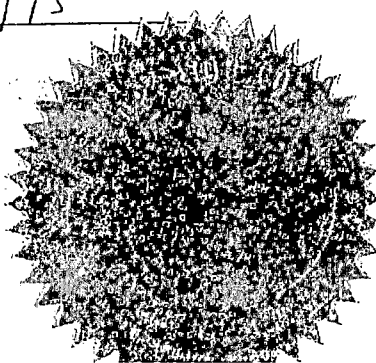
WHEREAS, by a certain Order made in the Superior Court of New Jersey, Law Division, Civil Part on the 5th day of December, 2014, it was Ordered that a Warrant be issued for the arrest of KENNETH F. IREK because of his failure to appear pursuant to a Summons to Appear for Contempt of Court Hearing served by certified and regular mail on November 5, 2014, concerning his failure to pay the obligation imposed by the Judgment referenced above.

THEREFORE, we command you to take KENNETH F. IREK between the hours of 8:30 a.m. and 3:30 p.m. on Monday through Friday and safely and closely keep him in your custody in the common Jail of the County of Los Angeles until he shall be brought before the Honorable William Anklowitz, J.S.C., Superior Court of New Jersey, Mercer County, or until said Court shall make Order to the contrary.

UPON payment of \$150.00 in cash, money order or certified check, made payable to the New Jersey Lawyers' Fund for Client Protection, the defendant shall immediately be released from custody.

Dated: 3/23/15

*Sue Regan*  
SUE REGAN  
Deputy Clerk of the Court  
Superior Court of New Jersey, Mercer County



ENTERED  
PAC

## ATTACHMENT “30”

District IX Ethics Committee  
Hearing Panel Report  
Recommending Public Discipline

SUPREME COURT OF NEW JERSEY  
DISCIPLINARY REVIEW BOARD  
DOCKET NO. IX-91-4E

---

OFFICE OF ATTORNEY ETHICS,  
Complainant,  
v.  
KENNETH IREK,  
Respondent.

---

HEARING PANEL REPORT  
RECOMMENDING PUBLIC  
DISCIPLINE

TO THE HONORABLE CHAIR AND MEMBERS OF THE DISCIPLINARY  
REVIEW BOARD:

The District IX Ethics Committee Hearing Panel  
respectfully shows:

I. PROCEDURAL HISTORY

1. Respondent, KENNETH F. IREK, EQ., was admitted to  
the Bar of this State in 1981, and his last known office  
where he was engaged in the practice of law was 41 Highway #  
34, P.O. Box 161, Colts Neck, New Jersey, 07722.

2. A formal complaint was filed with the District IX  
Ethics Committee and attempts were made to serve the  
respondent by ordinary and certified mail. Service was  
finally made by publication in the Asbury Park Press on two  
dates, June 19 and June 21, 1992. (Exhibit P-4).



3. Respondent did not file an Answer nor did he appear at the hearing.

4. A formal hearing was held before this Panel consisting of Richard M. Keil, Esq., Chair; James Moody, Esq., and Robert Flanagan, public member, on the foregoing charges on July 29, 1992. The complaint was prosecuted by Robert Gaughran, Esq. The prosecutor's exhibits marked P-1 through P-4 were received in evidence and are submitted herewith.

#### II SYNOPSIS OF ALLEGATIONS

5. The formal complaint charged the respondent with the following allegations of unethical conduct:

The respondent, KENNETH IREK, on behalf of Kirex Development Company and as the attorney for Irex Development Company, of which he was the President, negotiated a real estate contract with the Grievants. He engaged in conduct which constituted dishonesty, fraud, deceit and misrepresentation by failing to safeguard the \$5,000.00 deposit, which was to have been held in the trust account of his development company, and by misappropriating the deposit belonging to the Grievants.

### III FINDINGS OF FACT AND CONCLUSIONS

6. Marked in evidence as P-1 was the contract for sale of real estate dated May 23, 1990, P-2 a photocopy of the grievants' \$5,000.00 check, front and back, dated May 29, 1990, and P-3 the original check itself.

7. During the last week of May 1990 the grievants entered into a contract for the purchase of a construction lot in Jackson, New Jersey, from the respondent's company, Kirex Development Company. On May 29, 1990 the grievants gave a \$5,000.00 check payable to Kirex Development Company to the respondent's agent. The check was endorsed in ink, Kirex Development Co. As the grievants had previously purchased real property on two occasions, they inquired of their attorney why the money was not being deposited into an attorney's trust account. They were advised that Kirex Development Company was owned by an attorney. The contract specifically stated that all deposit monies would be held in trust by Kirex Development Co. until closing. The contract was signed by "Kirex Development Co. Inc. by Kenneth Irek, President, attest: Kenneth Irek, Secretary."

8. The grievants proceeded through their attorney in doing all necessary preparatory work in anticipation of the closing on the building lot, including ordering all title

work. After entering into the contract the respondent disappeared, his company Kirex Development Company never fulfilled its obligations under the contract, and the grievants have demanded repeatedly the return of the \$5,000.00 deposit, which has never been returned by the respondent or his company.

9. The panel finds that the grievants testimony was credible in every detail. The panel finds respondent guilty of Count One in that he received money in a fiduciary capacity with the money placed in trust and failed to safeguard it and return it. Count Two is dismissed as there was no testimony elicited with regard to it. In this instance it would require testimony from the respondent to prove it and he failed to answer the complaint or appear. The panel finds defendant guilty of Count Three, a violation of R.P.C. 8.4 (c) because he accepted the money, misrepresented that it would be placed in trust and held until closing and he then absconded with the funds. His actions constituted misrepresentation, deceit, dishonesty and fraud upon Mr. and Mrs. Szatmary.

#### IV DETERMINATION

10. The Committee has carefully considered and carefully reviewed the testimony and evidence and has concluded that the respondent's conduct was clearly unethical in violation of R.P.C. 1.15(b), and R.P.C. 8.4(c) for the reasons set forth above.

11. As a result, the panel recommends public discipline.

Dated:

8/5/92

DISTRICT IX ETHICS COMMITTEE

By

*Richard M. Keil*

RICHARD M. KEIL, ESQ.  
Chair

## ATTACHMENT “31”

Letter Dated October 30, 2020,  
To Kenneth Irek Stating He Still Owes  
the NJLFCP \$2,500.

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**

**TRUSTEES**

DEBORAH A. ROSE, CHAIR  
SUPTI BHATTACHARYA, VICE CHAIR  
JOSEPH SEVERINO, TREASURER  
STUART J. LIEBERMAN  
CARMEN CORTES-SYKES  
WILLIAM TRIMMER  
JOHN M. KEATING

**ASSISTANT TREASURER**

[HTTPS://WWW.NJCOURTS.GOV/ATTOR  
NEYS/CPF.HTML](https://www.njcourts.gov/attorneys/cpf.html)

**COURIER & OVERNIGHT:**  
HUGHES JUSTICE COMPLEX  
25 MARKET STREET  
5TH FLOOR, NORTH WING  
TRENTON, NJ 08611



PO Box 961  
TRENTON, NJ 08625-0961

[www.njcourts.com/cpf](http://www.njcourts.com/cpf)

**DIRECTOR & COUNSEL**  
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**DEPUTY DIRECTOR**  
MICHAEL T. MCCORMICK

**SENIOR COUNSEL**  
DOUGLAS E. BURRY

**BOARD SECRETARY &  
DEPUTY COUNSEL**  
RUBY D. COCHRAN

**BILLING SUPERVISOR**  
CARLA COUSINS

**PHONE: 855-533-FUND**  
**OUTSIDE NJ: 609-815-3030**  
**FAX: (609) 815-2935**

October 30, 2020

Mr. Kenneth F. Irek  
Apartment 226  
8330 Haskell Avenue  
North Hills, CA 91343

**Re: NJ Lawyers' Fund for Client Protection v. Kenneth Irek**  
**Docket No. MER-L-5664-94; Judgment No. J-082161-95**  
**Our File No.: CPF-520**

Dear Mr. Irek:

On September 30, the Fund received your fifth Records Request Form. Your cover letter requested the "total balance purportedly owed by Kenneth F. Irek, up to and including October 31, 2020." As there has been no activity in this account since May 2017, the balance in the account as of today remains \$2,500.

Your fifth Records Request Form requested "records related to the \$2,500 balance..." As there has been no other activity on this account, other than responses to your requests for records, to which we first responded in November 2017, I have no additional material available to provide to you at this time. The documents that were previously provided were documents subject to disclosure under the Rules governing the Fund.

Some of the previously provided documents which established the debt to the NJ Lawyers' Fund include:

- 1) Our letter to you dated April 18, 1991 with a copy of the claim received by the Fund from Mr. and Mrs. Szatmary;
- 2) A supplemental letter from Cathleen Szatmary to the Fund dated April 15, 1991;
- 3) A letter from the Disciplinary Review Board (DRB) dated February 3, 1993 which you were copied on, with the Decision and Recommendation of the DRB decided December 28, 1992,



Kenneth Irek  
October 30, 2020  
Page -2-

- and the Transcript of the hearing before the District IX Ethics committee dated July 29, 1992;
- 4) The NJ Supreme Court Order of disbarment filed on May 13, 1993;
  - 5) Our letter to you dated May 14, 1993 advising that the Fund Trustees now had jurisdiction, and would consider the claim filed against, and requesting your response to the claim;
  - 6) The Release, Assignment and Subrogation Agreement signed by Mr. and Mrs. Szatmary in favor of the Fund on November 26, 1993;
  - 7) Our letter to you dated January 3, 1995, with the Summons and Complaint re: Docket No. MER-L-005664
  - 8) Our letter to the Mercer County Clerk's Office dated March 1, 1995, requesting entry of default judgment with supporting documentation re: Docket No. MER-L-005664;
  - 9) Default Judgment J-082161-95, entered on March 22, 1995, and recorded as a lien on March 31, 1995.

For your convenience, I have enclosed a copy of the ledger page which reflects the payment of the claim against you, and also records each of the payments the NJ Lawyers' Fund has received from you or on your behalf and which were credited to this account.

NEW JERSEY LAWYERS' FUND FOR  
CLIENT PROTECTION

*Ruby D. Lockman on behalf of*  
By: *Daniel R. Hendi*  
Daniel R. Hendi, Director & Counsel

DRH:rdc

CC: without attachments

The Honorable Stuart Rabner, Chief Justice, NJ Supreme Court

Michelle M. Smith, Clerk of the NJ Supreme Court

Daniel R. Hendi, Director & Counsel, NJ Lawyers' Fund for Client Protection

Michael T. McCormick, Deputy Director, NJ Lawyers' Fund for Client Protection

Joseph Severino, Treasurer, NJ Lawyers' Fund for Client Protection

ACCOUNT NO. **CPF-520**

SHEET NO. \_\_\_\_\_

PRINTING \_\_\_\_\_

NAME **Kenneth F. Grek**

ADDRESS \_\_\_\_\_

CREDIT LIMIT \_\_\_\_\_

TERMS \_\_\_\_\_

MADE IN U.S.A.

DATE	ITEMS	FOUD	DEBITS	CREDITS	BALANCE
1993					
Dec 20	Statement 52011-93 #6908		5000.00		
			3000.00		
2011					
Aug 3	CPF520 Kenneth Grek			75.00	4925.00
Dec 12	CPF520 Kenneth Grek			75.00	4850.00
2012					
March 13	CPF520 Kenneth Grek			100.00	4750.00
April 25	CPF520 Kenneth Grek			250.00	4500.00
May 21	CPF520 Kenneth Grek			300.00	4200.00
July 19	CPF520 Kenneth Grek			325.00	3875.00
April 14	CPF520 Kenneth Grek			100.00	4575.00
2013					
July 28	CPF520 Kenneth Grek			425.00	4500.00
Oct 17	CPF520 Kenneth Grek			75.00	4425.00
Dec 30	CPF520 Kenneth Grek			575.00	3850.00
2014					
July 17	CPF520 Kenneth Grek			125.00	4000.00
2016					
Mar 30	CPF520 Kenneth Grek & M.C.			900.00	3100.00
May 19	CPF520 Kenneth Grek			300.00	2800.00
Mar 3	CPF520 Kenneth Grek			1100.00	1700.00
				25.00	1725.00
				1675.00	150.00
				1450.00	50.00

Contd next page...

ACCOUNT NO. CPF520

SHEET NO. \_\_\_\_\_

NAME Kenneth F. Drek

RATING \_\_\_\_\_

ADDRESS \_\_\_\_\_

CREDIT LIMIT \_\_\_\_\_

TERMS \_\_\_\_\_

SHEET NO. \_\_\_\_\_

RATING \_\_\_\_\_

CREDIT LIMIT \_\_\_\_\_

TERMS \_\_\_\_\_

DATE	ITEMS	FOLIO	DEBITS	CREDITS	BALANCE	DATE	
2017			5000.00	1450.00	3550.00	1993	
Apr 27	CPF520 Kenneth Drek			5500		Nov 18	523
May 26	CPF520 Kenneth Drek			2000 00	300000	1994	
				50000		Jan 27	523:5-
				250000	250000	Feb 24	523:3-
						Mar 24	523:10-
						Apr 21	523:13-
						May 19	523:5-
						May 19	523:11-
						May 19	523:12-
							m
						July 28	523:9-9:
						" "	523:14-9.
						Aug 12	523:15-
						Oct 26	523:17-9
						"	523:18-
						"	523:19-
						Nov 17	523:16-
						1995	
						Mar 23	523:22
						Jun 1	CPF52
						1996	
						Dec 20	523:23-