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Attorneys for Respondents

SUPREME COURT OF NEW JERSEY  
DISTRICT XIV ETHICS COMMITTEE  
Docket Nos. XIV-2012-0300E (Marmero)  
XIV-2012-0301E (Long)

Disciplinary Action

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OFFICE OF ATTORNEY ETHICS,

Complainant,

v.

**VERIFIED ANSWER  
TO COMPLAINT**

ALBERT K. MARMERO and DOUGLAS  
M. LONG d/b/a as LONG MARMERO &  
ASSOCIATES, LLP,

Respondents.

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Respondents, Douglas M. Long, Albert K. Marmero, and Long Marmero &  
Associates, LLP, by and through their attorneys Walder Hayden, P.A., in Answer to the  
Complaint, say:

**GENERAL ALLEGATIONS**

1. Admit.
2. Admit.
3. Admit.

4. Admit that the firm maintained such accounts but state that the trust account is XXXXXX2954 and the payroll account is XXXXXX2464.
5. Admit.

### FIRST COUNT

1. Repeat.
2. Admit upon information and belief.
3. Admit upon information and belief.
4. Admit.
5. Admit that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted, respondents lack information at this time sufficient to admit or deny any characterization of Ms. Waldman's determinations.
6. Admit that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid and admit that the liabilities identified were paid consistent with Redman's practices. Respondents also incorporate their specific responses to any particular transaction that is subsumed in this allegation but referenced elsewhere in the Complaint. Respondents lack information sufficient at this time to admit or deny the allegations associated with Exhibits 1 and 7 and otherwise deny the remaining allegations.
7. Admit that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid and admit that the transfers identified were made consistent with Redman's practices. Respondents also incorporate their specific responses to any particular transaction that is subsumed in this allegation but referenced elsewhere in the Complaint. Respondents lack information sufficient at this time to admit or deny the tabulations set forth. Except as so admitted, deny the remaining allegations.
8. Admit that respondents did not specifically inspect the books and records, but state that given the nature of their practice and their confidence in Redman, they believed in good faith that the firm's accounting practices were sound and were not, and are not, aware of any client or third-party complaint that any funds due to them were not duly paid and received.
9. Admit that an inspection of the books might have revealed to respondents that Redman moved firm funds among different accounts to ensure that all firm liabilities were covered. Except as so admitted, deny the remaining allegations.

10. Neither admit nor deny this non-factual, precatory language.
11. Admit upon information and belief.
12. Admit but state that in the month of July 2009, bank records reflect a beginning balance of \$100.00 with total deposits and additions of \$30,594.18 and total checks and deductions of \$30,200, leaving a balance of \$494.18 at the end of July 2009. Admit that obligations related to McLeod of \$9,538.77 were paid from the trust account after July 2009 but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted, deny the remaining allegations.
13. Admit that during July 2009, funds were transferred from the trust account to the operating account and that firm obligations were paid from the operating account. Except as so admitted, deny the allegations but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.
14. Deny and state that the Ms. McLeod was aware that the law firm would receive a fee for worked performed and results obtained on her behalf but admit that McLeod would be unaware of the firm's accounting practices.
15. Admit that check numbers 1002 (not 1102 as alleged) and 1276 totaling \$9,538 payable to Liberty Bell Agency and Rosa McLeod were issued from the trust account on August 5, 2009 and February 28, 2011, respectively. Except as so admitted, deny the remaining allegations.
16. Admit upon information and belief.
17. State that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so stated, deny the remaining allegations.
18. Admit that Long and Marmero represented ninety three tenants of Royal Court Housing in an action against the Housing Authority of Camden which settled for \$800,000 and that on or about October 22, 2009, \$400,000 of the settlement was deposited into the trust account and that on or about October 23, 2009, \$200,000 was transferred into the firm's operating account but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted, deny the remaining allegations.

19. Admit that on December 2, 2009, trust check #1116 in the amount of \$13,407.59 was issued to the law firm Drinker Biddle & Reath for legal fees in the Royal Court matter and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
20. Deny and state that the Royal Court tenants were aware that the law firms would receive a fee for worked performed and results obtained on their behalf but admit that the Royal Court tenants would be unaware of the firm's accounting practices.
21. Admit that on or about February 9, 2010, \$12,000 was transferred from the trust account to the business account but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
22. Respondents lack knowledge or information at this time sufficient to admit or deny the import of Exhibit 27 and the attendant allegation and state that the February 2010 PNC bank statement for the trust account indicates a beginning balance of \$12,529.09 and an ending balance of \$1004.09 with an average ledger balance of \$5,117.48.
23. Admit that in February 2010 the business account was assessed \$612.00 for overdraft fees and \$144.00 in returned item fees.
24. Admit.
25. Admit that the \$5,000, like other funds in the account, was applied as necessary to meet firm obligations and that among such obligations were payroll taxes and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Admit that in July 2010 the business account was assessed \$1,224 in overdraft fees and \$540 in returned item fees. Except as so admitted, deny the remaining allegations.
26. Admit that on or about July 13, 2010, \$2,500 was transferred from the trust account to the business account but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
27. Respondents lack knowledge or information at this time sufficient to admit or deny the import of Exhibit 30 and the attendant allegation and state that the July 2010 PNC bank statement for the trust account indicates a beginning balance of \$8,256.11 and an ending balance of \$5,763.63 with an average ledger balance of \$6,409.28 and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account,

to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations

28. Admit that on or about July 22, 2010, \$2476.94 was transferred from the business account to the trust account but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
29. Admit.
30. Admit that on or about August 26, 2010, \$10,000 was transferred from the trust account to the business account. Except as so admitted, deny sufficient understanding of the reference to "legal fees" to admit or deny and deny the remaining allegations.
31. Deny and state that the Andolaroses were aware that the law firm would receive a fee for worked performed and results obtained on their behalf but admit that they would be unaware of the firm's accounting practices.
32. Admit that with respect to the business account and trust account, there were negative ledger balances during August 2010 but state that PNC bank statement for the trust account indicates a beginning balance of \$5,763.63 and an ending balance of 34.08 with a positive average ledger balance of \$2,577.24 and state further that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
33. State that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid and in so doing, admit that trust funds received for Andolaros, Barrow, and the Royal Court tenants were so treated. Except as so admitted deny the remaining allegations.
34. Deny and state that Barrow was aware that the law firm would receive a fee for worked performed and results obtained on his behalf but admit that Barrow would be unaware of the firm's accounting practices.
35. Admit.
36. Admit and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.
37. Admit.
38. Admit that Jeff Long, respondent's brother, was paid \$17,000 via trust account check #1251 dated October 7, 2010 but state that respondents have only learned in the

course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid, including the payment to respondent's brother Jeff Long. Except as so admitted, deny the remaining allegations.

39. Admit that the beginning balance in the trust account in October 2010 was \$554.92 and that \$210,075.00 comprising attorney fees and a second settlement check in the Royal Court tenants as well as other funds were deposited to the trust account in October 2010 but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid, including the payment to respondent's brother Jeff Long. Except as so admitted, deny the remaining allegations.
40. Respondents lack knowledge or information at this time sufficient to admit or deny the allegation that in September 2010, \$36,662.60 in payroll transactions were paid from the trust account total and \$37,889.66 in earned fees were deposited to the trust account and state that while as of September 21, 2010 the trust account was overdrawn by \$757.58, the September 2010 trust account had an opening balance of \$34.08 and an ending balance of \$554.92 with an average ledger balance of \$4,554.48 and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
41. Admit that in September 2010 there were overdraft fees of \$936.00 and NSF fees of \$108.00 and that at various times during that period there was a negative ledger balance in the business account. Except as so admitted, deny the remaining allegations.
42. Admit.
43. Admit that in October 2010 funds of \$117,500 were transferred from the business account to the trust account but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted, state that respondents lack information at this time sufficient to admit or deny the remaining allegations.
44. Admit that on October 19, 2010, Augustina Lopez Vallada was paid settlement proceeds via trust account check #1137 of \$3,222 but state that that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.

45. Deny and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.
46. Admit that on November 1, 2010, a cash deposit of \$10,000.00 was made to the trust account but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, and in this instance deposited a loan, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
47. Admit.
48. Admit but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.
49. Admit that on November 12, 2010, respondent's brother Jeff Long was paid \$11,000.00 via trust account check #1267 and that the trust account was overdrawn on November 8, 2010 but state that the November 2010 PNC bank statement for the trust account indicates a beginning balance of \$3,996.27 and an ending balance of \$624.27 with a positive average ledger balance of \$2,125.14 and state further that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
50. Admit that as of November 12, 2010 the trust account was overdrawn and that Royal Court tenant checks were outstanding but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
51. Admit that a transfer of \$30,000 was made from the business account to the trust account on November 15, 2010 and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
52. Admit.
53. Admit but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.
54. Admit that Royal Court tenant checks in excess of \$3,000 were still outstanding in December 2010 and that there were overdrafts in the trust account in December 2010 but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust

account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.

55. Admit that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Consistent with this process, admit that \$530 was deposited to the trust account on March 16, 2011. Except as so admitted deny the remaining allegations.
56. Admit that \$12,000 was deposited to the trust account on July 14, 2011 but state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
57. Admit that there was an overdraft in the trust account based upon the manner in which Redman transferred firm funds to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
58. Admit upon information and belief.
59. Respondents lack information at this time or understanding sufficient to respond to the allegation that the "the trust account was short \$29,222.64 for client funds" but state that during March 2012 the PNC bank statement for the trust account indicates a beginning balance of \$23,114 and an ending balance of \$2,762.12 with a positive average ledger balance of \$11,028 and state further that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
60. Admit that on March 28, 2012 \$20,000.00 was transferred from the business account to the trust account and state that check #1392 dated March 27, 2010 payable to PRB Builders in the Tarter matter was in the amount of \$20,000.00 and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.
61. Admit.
62. Admit that funds in the trust account in March 2012, which would include the Tarter deposit of \$20,000, were available to be drawn upon including for the \$1666.66 for Royal Court payments, \$14,463.04 for the Basile settlement, and \$4,222.38 for the Sharpe settlement and state that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid.



63. Admit.
64. Admit but state that during June 2012 the PNC bank statement for the trust account indicates a beginning balance of \$2,762.12 and an ending balance of \$121.36 with a positive average ledger balance of \$634.10 and state further that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
65. Admit that \$1,000 was transferred from the business account to the trust account on or about June 8, 2012 and was therefore available to cover any shortfall or other presentation of payment to the account and state further that respondents have only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid. Except as so admitted deny the remaining allegations.
66. Although the allegations in this paragraph are legal conclusions, Respondents recognize and admit, having only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid, that greater supervision of their bookkeeper was required and that such practices are contrary to the bookkeeping requirements set forth in the Rules of Court and have taken educational and remedial measures as suggested by the Office of Attorney Ethics to ensure compliance going forward.

### **SECOND COUNT**

1. Repeat each of the preceding responses as if set forth at length.
2. Although the allegations in this paragraph are legal conclusions, Respondents recognize and admit, having only learned in the course of this investigation that Redman routinely transferred funds among different firm accounts, including the trust account, to ensure that firm liabilities were covered and duly paid, that such practices are contrary to the bookkeeping requirements set forth in the Rules of Court and have taken educational and remedial measures as suggested by the Office of Attorney Ethics to ensure compliance going forward.

### **AFFIRMATIVE DEFENSES**

#### **FIRST SEPARATE DEFENSE**

No actual loss was suffered by any client or third party.

**SECOND SEPARATE DEFENSE**

No client filed any grievance or ethics complaint against Respondent.

**THIRD SEPARATE DEFENSE**

No money was paid to the Respondents beyond the ordinary legal fees to which they were ultimately entitled with such fees being fair and reasonable.

**FOURTH SEPARATE DEFENSE**

Respondents did not receive any improper personal gain from the transactions alleged in the Complaint.

**FIFTH SEPARATE DEFENSE**

Respondents acted in good faith at all times, and any alleged improper acts or omissions by Respondents were the result of inadvertence or mistake and were not knowing, intentional or willful.

**SIXTH SEPARATE DEFENSE**

Respondents admit that OAE commenced a random compliance or demand audit of Respondents' books and records. Respondents immediately, and as a result of that audit, took all reasonable and necessary action to correct their accounting and recordkeeping practices as recommended by the Office of Attorney Ethics and that since that time, such practices comply with the Rules of Court.

**SEVENTH SEPARATE DEFENSE**

Respondents have at all times cooperated fully with the Office of Attorney Ethics.

**EIGHTH SEPARATE DEFENSE**

There are substantial and relevant mitigating factors that should be considered in the determination of this matter including, but not limited to, no prior ethics complaint,

substantial charity work, the passage of time, and the fact that respondents previously worked as in-house counsel for a corporation where they did not engage in a law practice involving multiple clients, trust accounting, and attorney bookkeeping. Respondents have been in private practice for nearly eleven years. Their practice is devoted almost exclusively to work on behalf of public entities, none of which involves the handling of trust funds. Each of the specific clients referenced in the Complaint were clients of attorneys (primarily a former partner named Wayne Natale) no longer associated with the law firm and who originated and handled these contingency fee-type matters without any material involvement by either respondent. The firm no longer handles such matters and the trust account is effectively inactive.

Respectfully submitted,

Walder Hayden, P.A.  
Attorneys for Respondents,

By:   
ROGER PLAWKER

Dated: May 13, 2014

**REQUEST FOR HEARING**

In accordance with R. 1:20-4(e) Respondents hereby request a hearing with respect to the allegations set forth in the Complaint.

Respectfully submitted,

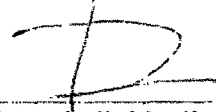
Walder Hayden, P.A.  
Attorneys for Respondents

By:   
ROGER PLAWKER

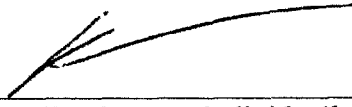
Dated: May 13, 2014

**CERTIFICATION**

We, Douglas M. Long and Albert K. Marmero, and the law firm Long Marmero & Associates, LLP are the respondents in the within disciplinary action and hereby certify as follows: I have reviewed the facts set forth in the foregoing Answer to the Complaint and I certify them to be true to the best of my knowledge. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



\_\_\_\_\_  
Douglas M. Long individually and on behalf of  
Long Marmero & Associates, LLP



\_\_\_\_\_  
Albert K. Marmero individually and on behalf  
of Long Marmero & Associates, LLP

Dated: 5-12-14