

**OFFICE OF ATTORNEY ETHICS
SUPREME COURT OF NEW JERSEY
P.O. Box 963
Trenton, New Jersey 08625
Trial Counsel: Jason D. Saunders
609-530-5808**

**SUPREME COURT OF NEW JERSEY
OFFICE OF ATTORNEY ETHICS
Docket No. XIV-2014-0651E**

**OFFICE OF ATTORNEY ETHICS,
Complainant**

v.

**GREGORY K. MUELLER, ESQ.,
Respondent.**

**COMPLAINT
Misconduct (Complex)
R. 1:20-4(b)**

Complainant, Office of Attorney Ethics (“OAE”) of the Supreme Court of New Jersey,
P.O. Box 963, Trenton, New Jersey 08625, by way of Complaint against Respondent, says:

GENERAL ALLEGATIONS

1. Gregory K. Mueller, Esq., (“Respondent”) was admitted to practice law in the State of New Jersey in 1993.
2. At the time of the events forming the basis for this Complaint, Respondent’s law office was located at 19 Engle Street, Tenafly, New Jersey 07670 (Bergen County). [Exhibit 1]
3. Respondent is the sole shareholder at Mueller Law Group (“MLG”). [Exhibit 1]
4. Respondent is also a partner at Sclar Adler, LLP. [Exhibit 3]

5. On November 21, 2014, the Honorable Craig L. Wellerson P.J. Cv. (“Judge Wellerson”) referred a structured settlement matter involving a client Richard Heckel (“Heckel”) to the OAE. [Exhibit 1]

COUNT ONE

Conflict of Interest in violation of RPC 1.7(a)(2); and

Failure to supervise a subordinate lawyer in violation of RPC 5.1 (b).

6. The General Allegations are repeated as if set forth fully at length herein.
7. At the time of the events forming the basis for this matter, Respondent listed Vincent Chirico, Esq., (“Chirico”) as Of Counsel to MLG. [Exhibits 1, 5]
8. Chirico is also listed as a lawyer and Of Counsel at Sclar Adler, LLP. [Exhibit 3]
9. Chirico listed Respondent and several associates of MLG as Of Counsel at Chirico Law Group. [Exhibits 1, 9]
10. The structured settlement matter referred to the OAE by Judge Wellerson was captioned Patriot Settlement Resources LLC v. Richard Heckel under Docket No.: OCN-L-1925-14. [Exhibits 1, 2]
11. Patriot Settlement Resources LLC (“Patriot”) was the plaintiff in the matter and was represented by Chirico. [Exhibit 2]
12. MLG represented Heckel the defendant. [Exhibits 1, 3, 6]
13. The Heckel matter was referred to MLG by Chirico. [Exhibits 4, 12]
14. Respondent assigned Paul Egert (“Egert”) as the primary attorney responsible for handling Heckel’s matter in the summer of 2014.
15. Respondent had a duty to supervise the conduct of Egert in the handling of the Heckel matter.

16. Egert was a new associate at MLG who passed the bar in 2012.
17. Egert had no experience in the area of structured settlements.
18. Respondent and MLG had limited experience in structured settlements.
19. Heckel sought to transfer monthly settlement payments in exchange for a lump sum payment. [Exhibits 1, 6, 7]
20. Pursuant to the Structured Settlement Protection Act N.J.S.A. 2A:16-63, the Court is charged with reviewing structured settlement transactions. [Exhibits 1, 4]
21. As a result of the referral, MLG represented Heckel in connection with the transfer of settlement proceeds involving Patriot. [Exhibits 1, 4, 6, 7, 11, 12]
22. Heckel sought to sell his structured settlement payments to Patriot as follows in exchange for a lump sum payment of \$300,000.00:
 - a. Thirty Six (36) monthly life contingent payments in the amount of \$1,000.00 each commencing on 11/01/2014 through and including 10/01/2017 with a 6% increase every November;
 - b. Seventy Two (72) monthly life contingent payments in the amount of Three Thousand Dollars and 00/100 (\$3,000.00) each commencing on 11/01/2017 through and including 10/01/2023 with a 6% increase every November;
 - c. One Hundred Fifty (150) monthly life contingent payments in the amount of Ten Thousand Two Hundred Seventy Two Dollars and 00/100 (\$10,272.00) each commencing on 11/01/2023 through and including 04/01/2036 with a 6% increase every November;
 - d. The aggregate amount of the structured settlement payments to be transferred: \$2,492,786.88;
 - e. The purchase price of the aforementioned transfer is \$300,000.00; and
 - f. The discounted present value of the payments to be transferred was \$1,744,501.17[Exhibits 1, 7, and 11]

23. Egert sought assistance from Respondent regarding the valuation of the transaction.
[Exhibit 12]
24. Respondent directed him to seek Chirico's input on the valuation of the transaction.
[Exhibit 12]
25. Egert sought and received Chirico's opinion on the valuation of the transaction. [Exhibits 8, 10]
26. Respondent failed to inform Egert about his business relationship with Chirico.
27. Respondent failed to inform Egert about the fact that the matter was referred to MLG by Chirico.
28. Respondent stated to the OAE a conflict waiver should have been prepared.
29. There was no conflicts waiver in this matter advising Patriot or Heckel of the existing relationships between Respondent and Chirico.
30. The conflict of interest in the instant matter may not be waived pursuant to RPC 1.7(b)(4).
31. Chirico prepared Egert's certification which was submitted to the Court. [Exhibits 8, 9]
32. Chirico assisted and coached Egert in advance of the hearing date and provided him with a "cheat sheet" in preparation for and in advance of the September 19, 2015 hearing.
[Exhibit 10]
33. The matter was heard before Judge Wellerson on September 19, 2014. [Exhibit 11]
34. Judge Wellerson rejected the deal outright describing the terms of the deal as "shocking to the conscious" and "abhorrent." [Exhibit 11]
35. No direct financial injury was suffered by Heckel.
36. In so doing, Respondent violated the following *Rules of Professional Conduct*:

- a. RPC 1.7(a)(1) and (2) – In that Respondent's law firm undertook the representation of a client when there existed a significant risk that the representation of the client would be materially limited by the lawyer's responsibilities to, a third person or by a personal interest of the lawyer.
- b. RPC 5.1(a),(b) and (c) – In that Respondent failed to adequately supervise the conduct of an associate who neglected the matter and Respondent failed to inform the associate of his existing relationships with opposing counsel.

WHEREFORE, Respondent should be disciplined.

DATE:

December 28, 2015

OFFICE OF ATTORNEY ETHICS

By: *Charles Centinaro*
Charles Centinaro, Director