

OFFICE OF ATTORNEY ETHICS  
OF THE  
SUPREME COURT OF NEW JERSEY



CHARLES CENTINARO  
DIRECTOR

PHONE: (609) 530-4008  
FAX: (609) 530-5238

P.O. BOX 963  
TRENTON, NEW JERSEY 08625

January 28, 2016

**CERTIFIED MAIL/RRR AND REGULAR MAIL**

Robert C. Novy, Esq.  
2915 Ridgeway Road  
Manchester, NJ 08759

**Re: Office of Attorney Ethics v. Robert C. Novy, Esq.  
Docket No. XIV-2014-0697E**

Dear Mr. Novy:

In accordance with *R.1:20-4(d)*, I serve upon you a complaint. You are required to file your written, verified answer within 21 days of receipt. *R.1:20-4(e)*. The original and one (1) copy of your answer are to be filed **directly with me**.

In filing your answer, you must follow *In re Gavel*, 22 N.J. 248, 263 (1956) and *R.1:20-4(e)*, which requires the answer to contain:

- (1) a full, candid and complete disclosure of all facts reasonably within the scope of the formal complaint;
- (2) all affirmative defenses, including all claim of mental or physical disability, if any, and whether it is alleged to be causally related to the offense charged;
- (3) any mitigating circumstances;
- (4) a request for a hearing either on the charges or in mitigation; and
- (5) any constitutional challenges to the proceedings. *R.1:20-4(e)*.

You are advised that, while the burden of proof by clear and convincing evidence is on disciplinary authorities to establish unethical conduct, the burden of going forward on all properly raised

affirmative defenses and mitigating factors, including claims of mental and physical disability, if any, and whether such defenses or claims are causally related to the offense charged, is on you. The burden of proof for all medical/psychiatric defenses is clear and convincing evidence. *R.1:20-6(c)(2)(B)*.

Please note that you must personally verify your answer by attaching and signing the following form to that document:

<b><u>VERIFICATION OF ANSWER</u></b>	
I, _____, am the respondent in the within disciplinary action and hereby certify as follows:	
1. I have read every paragraph of the foregoing Answer to the Complaint and verify that the statements therein are true and based on my personal knowledge.	
2. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.	
DATE: _____	_____ (Sign Name Here)

**TAKE NOTICE THAT YOUR FAILURE TO FILE A TIMELY, VERIFIED ANSWER WILL CONSTITUTE AN ADMISSION OF THE CHARGES. SUCH FAILURE MAY ALSO RESULT IN YOUR IMMEDIATE TEMPORARY SUSPENSION FROM PRACTICE. IN EITHER EVENT, NO FURTHER HEARING NEED BE HELD AND THE ENTIRE RECORD, OR A RECORD SUPPLEMENTED BY THE PRESENTER, IN THIS MATTER CAN BE CERTIFIED DIRECTLY TO THE DISCIPLINARY REVIEW BOARD FOR IMPOSITION OF SANCTION, ALL PURSUANT TO *R.1:20-6(c)(1)* *R.1:20-4(e)* and *(f)* AND *R.1:20-11*.**

This matter will be prosecuted before a hearing panel or Special Ethics Master. Pursuant to *R.1:20-4(g)*, you are entitled to have an attorney present on your behalf at the forthcoming hearing. If you are unable to retain an attorney by reason of indigency, you may make application to the Assignment Judge of your vicinage for the appointment of counsel based upon a certification pursuant to *R.1:20-4(g)*. Such application must be made within 14 days after service of the complaint on written notice to me. In addition, you are entitled, pursuant to *R.1:20-7(i)*, to the issuance of subpoenas necessary and relevant to your defense. This application should be directed to the hearing panel chair or any special ethics master at least two weeks prior to the hearing date. Your failure to

Robert C. Novy, Esq.

January 28, 2016

Page 3

timely request the issuance of subpoenas or assignment of counsel will constitute a waiver. Furthermore, failure to timely secure counsel forthwith, either directly or by application to the Assignment Judge, will **not** be accepted by the hearing panel or special ethics master as a reason for adjournment.

Pursuant to *R. 1:20-5(a)*, discovery of all information specified therein is requested. In the event that any class of information specified in that rule is not available, a written representation to that effect is required.

If you have any questions regarding this matter, you should promptly communicate with me.

Very truly yours,



Maureen G. Bauman  
Deputy Ethics Counsel

MGB/kmw  
Enclosures

cc: Nancy Rice, Grievant (w/encls.)  
Thomas Curtin, Esq., Respondent's Counsel (w/encls.)  
Steven Secare, Esq., Secretary  
District IIIA Ethics Committee (w/encl. – Complaint only)  
Barbara M. Galati, Assistant Chief of Investigations (w/o encl.)  
William M. Ruskowski, Chief of Investigations (w/o encl.)  
OAE Records Section (w/encl.)

**OFFICE OF ATTORNEY ETHICS  
SUPREME COURT OF NEW JERSEY  
P.O. BOX 963  
TRENTON, NJ 08625  
(609) 530-4008  
Presenter: Maureen G. Bauman**

**SUPREME COURT OF NEW JERSEY  
District XIV Ethics Committee  
Docket No. XIV-2014-0697E**

**OFFICE OF ATTORNEY ETHICS,  
Complainant**  
  
v.  
  
**ROBERT C. NOVY, ESQ,  
Respondent**

Disciplinary Action  
**COMPLAINT**  
*R. 1:20-4(b)*

Complainant, Office of Attorney Ethics of the Supreme Court of New Jersey (hereinafter "OAE"), by way of formal complaint against Robert C. Novy, Esq. (hereinafter "Respondent"), says"

#### **GENERAL ALLEGATIONS**

1. Respondent was admitted to the New Jersey Bar in 1976.
2. During the relevant time period, Respondent maintained offices for the practice of law at 2915 Ridgeway Road, Manchester, New Jersey 08759.
3. During the relevant time period, respondent maintained the following bank accounts in connection with his law practice:
  1. Commerce Bank Attorney Trust Account no. xxx0178 (closed December 31, 2008);
  2. Ocean First Bank Attorney Trust Account no. xxxxxxx5684, with sub-accounts (May 1, 2008 to present);

3. TD Bank Business Checking Account no. xxxxx2246 (closed May 31, 2010); and
4. Ocean First Bank Operating Account no. xxxxxxx5692.

### COUNT ONE

***Knowing Misappropriation in violation of RPC 1.15 (a) and In Re Wilson, 81 N.J. 451 (1979)  
and Conduct Involving Dishonesty, Fraud, Deceit or Misrepresentation in violation  
of RPC 8.4 (c) and Fee Overreaching in violation of RPC 1.5 (a)***

1. The General Allegations are repeated as if set forth fully at length herein.
2. Respondent prepared various estate planning documents on behalf of Grace Brown (hereinafter "Brown") including a Will, Revocable Trust Agreement, Amendments to the Revocable Trust, and a Durable Power of Attorney.

3. On July 6, 2009, Brown signed a Durable Power of Attorney appointing Respondent as Attorney-in-Fact of her financial affairs for the purpose of transferring and assigning any or all assets owned by Brown into the Grace M. Brown Revocable Trust Agreement dated February 17, 2006 and the First Amendment to the Revocable Trust dated July 6, 2009.

**Exhibit 1**

4. Respondent recommended to Brown that a corporate trustee, such as Garden State Trust Company (hereinafter "GSTC"), serve as trustee.

5. The Durable Power of Attorney dictated that Respondent transfer all financial assets owned by Brown to GSTC, as Brown's trustee, to be deposited into the Grace Brown Revocable Trust.

6. During the period when Respondent held a Power of Attorney for Brown, Respondent withdrew a total of \$95,224.84 from Brown's PNC Bank account and deposited those funds into his Attorney Trust Account (hereinafter "ATA").

7. On or about January 31, 2012, which was during the period when Respondent held a Power of Attorney for Brown, Respondent liquidated an Allstate annuity owned by Brown in the amount of \$122,080.39 and deposited those funds into his ATA instead of with GSTC, Brown's trustee, as dictated by the terms of the Durable Power of Attorney.

8. GSTC was not aware that Respondent liquidated an Allstate annuity owned by Brown and that he deposited the proceeds of \$122,080.39 into his ATA.

9. Respondent stated the reason he decided to deposit the proceeds of the Allstate annuity into his ATA on January 31, 2012 was so "the funds would be safe and readily available" to be applied for Brown's benefit. **Exhibit 1**

10. All expenses for Brown were being paid out of the Grace Brown Revocable Trust at GSTC.

11. During the period when Respondent held a Power of Attorney for Brown, Respondent submitted bills to GSTC and was paid for legal services as attorney-in-fact for Brown in the approximate amount of \$131,600.00 from the Grace Brown Revocable Trust.

12. During the time Respondent billed GSTC and was paid approximately \$131,600.00 from Brown's Revocable Trust, Respondent withdrew an additional \$117,000.00 from funds he was improperly holding for Brown in his Attorney Trust Account.

13. On October 31, 2014, Nancy M. Rice, Esq. (hereinafter "Rice"), attorney for GSTC as Executor of the Estate of Grace Brown, wrote to Respondent stating that she reviewed invoices, statements and checks payable to the Novy law firm and due to an oversight, Respondent's firm

was overpaid by \$117,000.00 from his ATA. Rice requested that Respondent review his records and refund the Estate of Brown \$117,000.00. **Exhibit 2**

14. On November 5, 2014, Respondent sent his ABA check number 9195 payable to the Estate of Grace Brown c/o Garden State Trust in the amount of \$117,000.00 to Rice. In his letter returning the funds to Rice, Respondent stated that the amount "was inadvertently applied towards legal fees provided on behalf of Grace Brown." **Exhibit 3**

15. Respondent admitted to the OAE that this was an inaccurate statement. **Exhibit 4**

16. On or about February 19, 2015, Respondent provided the OAE with his client file relating to Grace Brown as well as the Estate of Grace Brown.

17. On or about October 21, 2015, Respondent provided the OAE with Respondent's "synopsis" and "recalculation" for the Brown matter that Respondent prepared with his office staff based on an internal review of the Brown matter. **Exhibit 5**

18. The documents submitted by Respondent for the Brown matter included handwritten timesheets, not previously provided to the OAE with Brown's file, for Power of Attorney services performed in 2008 through 2013. **Exhibit 6**

19. The handwritten timesheets do not specify the number of hours billed per service, however, they do indicate total hours billed for each respective year.

20. The handwritten timesheets do not specify if the services were performed by Respondent or his paraprofessional staff.

21. The handwritten timesheets indicate that Respondent billed the Brown matter at a rate of \$350.00 per hour, which was Respondent's hourly rate at the time for services performed.

22. Respondent provided typed memoranda, not previously given to the OAE with Brown's file, that purport to be summations of the Power of Attorney services performed in 2008 through 2013. **Exhibit 7**

23. The typed memoranda do not specify the number of hours billed per service, nor do they specify if the services were performed by Respondent or his paraprofessional staff.

24. On May 2, 2011 Respondent withdrew \$14,822.00 from Brown's PNC Bank account and deposited those funds in his personal account.

25. On November 9, 2011, Respondent withdrew \$20,000.00 from Brown's PNC Bank account and deposited those funds into his personal account.

26. Respondent stated that the above funds that he withdrew from Brown's PNC Bank account were deposited into his personal account in error. **Exhibit 4**

27. Respondent provided the OAE with copies of his personal bank accounts held at Wells Fargo (formerly Wachovia Bank) and Ocean First Bank. **Exhibit 8**

28. A review of Respondent's Wells Fargo/Wachovia Bank account no. xxxxxxxxx5190 shows that on May 3, 2011, a deposit in the amount of \$14,822.00 was credited to this account. **Exhibit 9** The \$14,822.00 deposit was made in the form of a PNC Bank Cashier's Check payable to Grace M. Brown. **Exhibit 10** The PNC Bank Cashier's Check no. 1701659, payable to Grace M. Brown in the amount of \$14,822.00, was endorsed by Respondent specifying that the funds be deposited into his Wells Fargo/Wachovia Bank account no. xxxxxxxxx5190, demonstrating that the deposit was not made in error as stated by Respondent.

29. On November 15, 2011, a deposit in the amount of \$20,000.00 was credited to Respondent's Ocean First Bank account no. xxxxxxxx9896. **Exhibit 11** The \$20,000.00 deposit



was made in the form of a PNC Bank Cashier's Check payable to Robert Novy. **Exhibit 12** The PNC Bank Cashier's Check no. 1701861, payable to Robert Novy in the amount of \$20,000.00, was endorsed by Respondent specifying that the funds be deposited into his Ocean First Bank account no. xxxxxxx9896, demonstrating that the deposit was not made in error as stated by Respondent.

30. The OAE's investigation revealed that Respondent never returned the May 2, 2011 deposit of \$14,822.00 or the November 9, 2011 deposit of \$20,000.00 to either his ATA or to GSTC.

31. On February 16, 2012, Respondent withdrew \$10,402.84 from Brown's PNC Bank account and deposited the funds into his ATA.

32. On June 19, 2012, Respondent withdrew \$25,000.00 from Brown's PNC Bank account and deposited the funds into his ATA.

33. On December 11, 2012, Respondent withdrew \$25,000.00 from Brown's PNC account and deposited those funds into his ATA.

34. Between May 2, 2011 and December 11, 2012, respondent withdrew a total of \$95,224.84 from Brown's PNC Bank account.

35. Respondent stated that the reason he decided to deposit the funds withdrawn from Brown's PNC Bank account on February 16, 2012, June 19, 2012 and December 11, 2012 into his ATA was so that "the funds would be safe and readily available" to be applied for Brown's benefit.

**Exhibit 4**

36. Respondent regularly charged Brown for transmitting bills to GSTC for payment.

37. Respondent claimed that from 2008 through 2013, he provided 340 hours of Power of Attorney services at a rate of \$350.00 per hour.

38. Respondent claimed that from 2008 through 2013, he earned \$119,000.00 in Power of Attorney fees in the Brown matter, but nonetheless, refunded the Estate of Brown \$117,000.00 as requested by Rice.

39. Respondent provided the OAE with a financial "synopsis" of the Brown matter summarizing the total hours of services performed each year from 2008 through 2013; the rate at which he billed Brown; and the grand total of Power of Attorney fees that he claimed to have earned in the Brown matter. **Exhibit 13**

40. Respondent admitted that after reviewing the Power of Attorney documents, his ATA information relating to Brown and Brown's file, he now believes "that more of her funds should have been forwarded to Garden State Trust." **Exhibit 4**

41. Relevant documents contained in Brown's file included invoices from the Novy Law Firm submitted to GSTC; GSTC bank statements for the Grace Brown Revocable Trust; estate planning documents; statements of Brown's personal finances; Respondent's ATA bank statements and bookkeeping records; and a Durable Power of Attorney signed by Brown on July 6, 2009.

42. A review of Respondent's file for Brown revealed that between July 31, 2009 and November 11, 2013, Respondent submitted invoices to GSTC for services rendered totaling \$121,248.33. Between August 10, 2009 and December 24, 2013, GSTC paid Respondent a total of \$121,248.33 for services rendered. **Exhibit 14**

43. On September 26, 2014, Respondent wrote to GSTC in response to their request for a copy of Brown's ATA client ledger card. **Exhibit 15** Respondent explained to GSTC the disbursements that appeared as payable to his law firm on Brown's ledger card as follows:

1. February 2012, Respondent paid his law firm \$32,000.00 for Power of Attorney fees for services rendered in 2011;
2. September 2012, Respondent paid his law firm \$50,000.00 for Power of Attorney fees for services rendered in 2012;
3. April 2013, Respondent paid his law firm \$15,000.00 for Power of Attorney fees for services rendered in the first half of 2013;
4. June 2013, Respondent paid his law firm an additional \$20,000.00 for Power of Attorney fees for services rendered for the balance of 2013.

44. Respondent's client file for Brown did not contain invoices generated by Respondent's law firm to support the February 2012 payment of \$32,000.00, the September 2012 payment of \$50,000.00 or the April 2013 payment of \$15,000.00.

45. Brown's file contained one invoice dated July 1, 2013, identified as invoice number 46912, showing an amount owed to Novy & Associates, LLC of \$20,000.00. **Exhibit 16**

46. GSTC never received Respondent's July 1, 2013 invoice number 46912 (Exhibit 9) in the amount of \$20,000.00.

47. GSTC provided the OAE with copies of Respondent's June 21, 2013 invoice number 46644 (**Exhibit 17**) in the amount of \$1,365.00 and Respondent's July 23, 2013 invoice number 47410 (**Exhibit 18**) in the amount of \$530.00.

48. Neither the June 21, 2013 nor the July 23, 2013 invoice refer to a balance owed of \$20,000.00. The July 23, 2013 invoice clearly ties into the June 21, 2013 invoice as it shows the previous payment made of \$1,365.00.

49. The July 1, 2013 invoice (Exhibit 9), in the amount of \$20,000.00, is on different letterhead than the June 21, 2013 and July 23, 2013 invoices.

50. Respondent's client file for Brown contained typed memoranda authored by Respondent dated December 28, 2011, December 31, 2012 and December 26, 2013. **Exhibits 19, 20 and 21**

51. The memoranda does not specify the number of hours Respondent or his paraprofessional staff spent performing these services, nor do the memoranda specify the fees Respondent billed for performing these services.

52. During the time that Respondent withdrew Brown's funds being held in his ATA to himself as Power of Attorney, Respondent also billed GSTC for the same or similar services under the guise of legal fees.

53. GSTC was unaware that Respondent was compensating himself directly from Brown's funds held in his ATA, but was aware of the fee agreement in place that was signed by Brown.

54. Respondent's client file for Brown included a client ledger card showing the total amount of funds held in his ATA for Brown's benefit. **Exhibit 22**

55. Between January 31, 2012 and June 25, 2013, Respondent liquidated financial assets owned by Brown totaling \$182,483.23 and deposited those funds into Brown's sub-account no. xxxxxx4665 within Respondent's Ocean First Bank ATA no. xxxxxxx5684. **Exhibits 23**

56. Between January 31, 2012 and January 10, 2014, Respondent issued four ATA checks payable to his law firm in the aggregate amount of \$117,000.00, leaving a balance of only \$65,483.23 available for Brown. **Exhibit 24**

57. On January 10, 2014, Respondent issued his ATA check number 3635 payable to The Grace Brown Revocable Trust in the amount of \$65,483.23 to close the Brown matter. **Exhibit 25**

58. A review of Brown's client ledger card (Exhibit 22) and Respondent's ATA bank records for Brown (Exhibits 23 & 24) show that Respondent did not use Brown's funds for any purpose other than to pay himself.

59. GSTC issued all disbursements for Brown's personal bills and needs from the Grace Brown Revocable Trust account.

60. When interviewed by the OAE on October 2, 2015, Respondent admitted that none of the funds he held in his ATA for Brown were used to pay anyone other than himself.

61. GSTC did not authorize Respondent to take \$117,000.00 in fees, nor was GSTC aware at the time that Respondent took those fees.

62. Respondent's conduct in taking \$117,000.00 for Power of Attorney Services from the Brown Estate in February 2012, September 2012, April 2013 and June 2013 constitutes knowing misappropriation of client trust funds in violation of *RPC 1.15(a)* and *In re Wilson*, 81

N.J. 451 (1979) and conduct involving dishonesty, fraud, deceit or misrepresentation in violation of *RPC 8.4 (c)*.

63. Respondent's conduct in charging Brown fees of \$117,000.00 for Power of Attorney Services constitutes a violation of *RPC 1.15(a)* (fee overreaching).

64. Respondent's conduct in withdrawing \$14,822.00 on May 2, 2011 and \$20,000.00 on November 9, 2011 from Brown's PNC Bank account and depositing those funds into his personal account constitutes knowing misappropriation of client funds in violation of *RPC 1.15(a)* and *In re Wilson*, 81 N.J. 451 (1979) and conduct involving dishonesty, fraud, deceit or misrepresentation in violation of *RPC 8.4 (c)*.

## COUNT TWO

***Knowing Misappropriation in violation of RPC 1.15 (a) and In Re Wilson, 81 N.J. 451 (1979) and Conduct Involving Dishonesty, Fraud, Deceit or Misrepresentation in violation of RPC 8.4 (c) and Fee Overreaching in violation of RPC 1.5 (a)***

1. The General Allegations and the allegations of Count One are repeated as if set forth herein at length.

2. Helen Eidberger (hereinafter "Eidberger") had been a client of Respondent's since 1990. **Exhibit 4**

3. In 2002, Eidberger returned to Respondent's law office to have a new Last Will and Testament and Revocable Trust Agreement prepared. **Exhibit 4**

4. The documents named GSTC (successor to Manchester Trust Bank and Sovereign Bank) as co-trustee and co-executor along with Eidberger's second cousin, Patricia. **Exhibit 4**

5. Eidberger revoked the existing Power of Attorney and amended her Last Will and Testament and Revocable Trust Agreement in order to remove her second cousin as Attorney-in-Fact, executor, and co-trustee. **Exhibit 4**

6. Eidberger executed revised documents naming Sovereign Bank (now GSTC) as sole executor and sole trustee, and named Respondent as Attorney-in-Fact under the Power of Attorney. **Exhibit 4**

7. On January 20, 2005, Eidberger signed a Durable Power of Attorney naming Respondent as attorney-in-fact of her personal and medical needs as well as her financial needs for the sole purpose of transferring and assigning any or all assets owned by Eidberger in the Eidberger Revocable Trust Agreement. **Exhibit 26**

8. During the period when Respondent held a Power of Attorney for Eidberger, Respondent directed that Eidberger's pension checks be sent to his office rather than to the Eidberger Revocable Trust. **Exhibit 4**

9. GSTC was not aware that Eidberger's pension checks were being sent to Respondent rather than to the Eidberger Revocable Trust.

10. GSTC did not authorize Respondent to direct that Eidberger's pension checks be sent to his office rather than to the Eidberger Revocable Trust.

11. The terms of the Eidberger Revocable Trust Agreement did not authorize Respondent to direct that Eidberger's pension checks be sent to his office rather than to the Eidberger Revocable Trust at GSTC.

12. Respondent deposited \$240,000.00 into his ATA that should have been forwarded to GSTC to be deposited into the Eidberger Revocable Trust.

13. The \$240,000.00 that Respondent deposited into his ATA came from the following sources:

1. Alcatel-Lucent Pension checks from 2009-2014: \$150,000.00;
2. JP Morgan Pension checks from 2009-2014: \$80,000.00; and
3. Wells Fargo Certificate of Deposit: \$10,000.00.

14. Respondent stated he decided to withdraw these funds so they would be safe and readily available to be applied for Eidberger's benefit. **Exhibit 4**

15. GSTC was not aware that Respondent cashed in Eidberger's Wells Fargo Certificate of Deposit and deposited the proceeds of \$10,000.00 into his ATA.

16. GSTC did not authorize Respondent to cash in Eidberger's Wells Fargo Certificate of Deposit and deposit the proceeds of \$10,000.00 into his ATA.

17. During the period when Respondent held a Power of Attorney for Eidberger, Respondent submitted bills to GSTC, and was paid for legal services as attorney-in-fact for Eidberger in the amount of \$195,807.00.

18. Between August 28, 2009 and April 14, 2014, Respondent submitted invoices to GSTC for services rendered totaling \$133,117.12. Between September 2, 2009 and April 17, 2014, GSTC paid Respondent a total of \$133,117.12 for services rendered. **Exhibit 27**



19. A review of Respondent's client ledger card (Exhibit 28) and ATA sub-account statement (Exhibit 29) for Eidberger revealed that between July 1, 2009 and April 14, 2014, Respondent deposited the proceeds from life insurance policies, Eidberger's two pensions and other financial assets owned by Eidberger totaling \$642,699.53 into his Ocean First Attorney Trust sub-account no. xxxxxx1835, as follows:

<b>Source of Income</b>	<b>Amount of Proceeds</b>	<b>Exhibit</b>
Western National Life Insurance (1 check \$ \$161,353.68)	\$161,353.68	30
Monumental Life Insurance (1 check @ 226,313.98)	\$226,313.98	31
Alcatel-Lucent Pension (4 checks @ \$2,165.14) (12 checks @ \$2,166.70) (12 checks @ \$2,166.11) (1 check @ \$5.63) (12 checks @ \$2,165.41) (12 checks @ \$2,168.55) (4 checks @ \$2,166.23)	\$121,332.35	32
JP Morgan Chase Pension (57 checks @ \$384.94)	\$21,941.58	33
Bank of America (1 check @ \$1,978.89) (1 check @ \$28,706.91) (1 check @ \$1,977.85)	\$32,663.65	34
Wachovia/Wells Fargo Bank (1 check @ \$13,000.00) (1 check @ \$15,000.00) (1 check @ \$12,000.00) (1 check @ \$10,000.00) (1 check @ \$10,000.00)	\$60,000.00	35
Hudson City Savings Bank (1 check @ \$18,794.29)	\$18,794.29	36
New Jersey Dept. of Treasury (1 check @ \$50.00)	\$50.00	37
Medicare Reimbursement (1 check @ \$250.00)	\$250.00	(item not available from bank)
<b>Aggregate Deposits between July 1, 2009 and April 14, 2014</b>	<b>\$642,699.53</b>	
Balance of funds on deposit prior to July 1, 2009	\$36,809.60	(Exhibits 28 & 29)
<b>Total Funds Available</b>	<b>\$679,509.13</b>	

20. Between July 1, 2009 and April 14, 2014, Respondent disbursed Eidberger's funds as follows:

<b>Payee</b>	<b>Total Received</b>	<b>Exhibit</b>
U.S. Treasury (2010 Federal Taxes)	\$81,782.00	38
N.J. Treasury (2010 State Taxes)	\$17,468.00	39
Mercy Oppong (Gift)	\$100.00	40
Louis Wojick (Toilet Repair)	\$55.00	41
Helen Eidberger Trust (Return of Trust Funds)	\$128,704.13	42
Novy & Associates (Power of Attorney Fees)	\$451,400.00	43
<b>Total</b>	<b>\$679,509.13</b>	

21. A review of Respondent's client file for Eidberger revealed that Respondent did not use Eidberger's funds to pay for her home health aide or housing and living expenses. All payments for Eidberger's home health aide were issued from GSTC's Revocable Trust Account for Eidberger. All payments for Eidberger's housing and living expenses were issued from GSTC's Revocable Trust Account for Eidberger.

22. Respondent's file for Eidberger contained two invoices that correspond to withdrawals totaling \$87,000.00 Respondent made from Eidberger's ATA funds for Power of Attorney fees. Specifically, within Eidberger's file, there was invoice no. 33768, dated September 3, 2009, addressed to GSTC showing an amount due of \$75,000.00. **Exhibit 44**

23. On September 3, 2009, Respondent issued his ATA check no. 1539 (**Exhibit 45**), payable to Novy & Associates, in the amount of \$75,000.00.

24. Respondent's file for Eidberger contained invoice no. 46910, dated July 1, 2013, addressed to GSTC showing an amount due of \$12,000.00. **Exhibit 46**

25. On June 28, 2013, Respondent issued his ATA check no. 3434 (Exhibit 43), payable to Novy & Associates, in the amount of \$12,000.00.

26. In addition to invoice no. 46912 (Exhibit 16) for the Brown matter, GSTC had not been provided with invoice nos. 33768 or 46910 for the Eidberger matter.

27. Respondent's file for Eidberger did not contain any documentation that would support Respondent's additional withdrawal of funds from his ATA.

28. Respondent's file for Eidberger contained nine typed memoranda purporting to memorialize the Power of Attorney Services that Respondent provided on behalf of Eidberger during the years 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013 and 2014. **Exhibits 47 through 55**

29. These memoranda do not specify the number of hours Respondent or his paraprofessional staff spent performing these services, nor do the memoranda specify the fees Respondent billed for performing these services.

30. The documents submitted by Respondent for the Eidberger matter included handwritten timesheets, not previously provided to the OAE with Eidberger's file, for Power of Attorney services performed in 2005 through 2014. **Exhibit 56**

31. The handwritten timesheets do not specify the number of hours billed per service, however, they do indicate total hours billed for each respective year.

32. The handwritten timesheets do not specify if the services were performed by Respondent or his paraprofessional staff.

33. The handwritten timesheets indicate that Respondent billed the Eidberger matter at a rate of \$300.00 per hour, which was Respondent's hourly rate at the time. This suggests that all of the services shown on the timesheets were performed by respondent and that his paraprofessional staff performed none of the services.

34. Respondent provided the OAE with an "escrow summary" of the Eidberger matter summarizing the total funds deposited into and disbursed from his ATA in the Eidberger matter.

**Exhibit 57**

35. According to the escrow summary prepared by Respondent, from 2005 through 2014, he earned \$154,985.00 for his Power of Attorney services provided to Eidberger. In addition to refunding the Estate of Eidberger \$195,000.00, as requested by Rice, Respondent indicated that he should refund an additional \$264,141.09 to the estate for a total amount refunded of \$459,141.09, which he did on March 2, 2015. **Exhibit 58**

36. Respondent admitted to the OAE that the hours performed from July 2009 through April 2014 in his role as Power of Attorney amounted to approximately \$154,000.00, but the amount he received from the ATA was \$451,400.00.

37. On or about October 21, 2015, Respondent provided the OAE with a "synopsis" and "recalculation" for the Eidberger matter that Respondent prepared with his office staff based on an internal review of the Eidberger matter. **Exhibit 5**

38. Respondent's "synopsis" of the total fees earned and handwritten timesheets, not previously provided to the OAE with Eidberger's file, includes Power of Attorney services performed in 2005 through 2014. **Exhibit 59**

39. Following Eidberger's death on April 14, 2014, Respondent forwarded his Attorney Trust Account check no. 3938 to GSTC in the amount of \$46,332.00. **Exhibit 60**

40. On November 14, 2014, Rice wrote to Respondent requesting a refund to the Estate of Eidberger in the amount of \$195,000.00. This amount represented the total estimated deposit to Respondent's ATA of \$240,000.00 less \$46,332.00 returned to GSTC. **Exhibit 61**

41. On November 24, 2014, Respondent sent a check in the amount of \$195,000.00 made payable to the Estate of Helen Eidberger. **Exhibits 62 & 63**

42. On March 2, 2015, Respondent wrote to GSTC stating that he had performed an independent audit of his attorney escrow account, comparing funds collected, disbursements on behalf of Eidberger and Power of Attorney fees paid. Respondent stated that the audit disclosed an excess fee in the amount of \$264,141.09. **Exhibit 64**

43. With his March 2, 2015 letter to GSTC, Respondent enclosed a Wells Fargo Cashier's Check no. 6767901098, drawn against Respondent's personal checking account no. xxxxxxxx5190, payable to the order of Helen Eidberger Revocable Trust in the amount of \$264,141.09. **Exhibit 65**

44. Respondent's conduct in depositing \$240,000.00 of Eidberger's funds into his ATA instead of forwarding the funds to GSTC to be deposited to the Eidberger Revocable Trust constitutes knowing misappropriation of client trust funds in violation of *RPC 1.15(a)* and *In re*

*Wilson*, 81 N.J. 451 (1979) and conduct involving dishonesty, fraud, deceit or misrepresentation in violation of *RPC 8.4 (c)*.

45. Respondent's conduct in charging Eidberger fees of \$154,000.00 for Power of Attorney Services constitutes a violation of *RPC 1.15(a)* (fee overreaching).

WHEREFORE, Respondent should be disciplined.

**OFFICE OF ATTORNEY ETHICS**

Dated: January 26, 2016 By: Charles Centinaro  
Charles Centinaro, Director



3. Respondent admits the allegations contained in Paragraph 3 of Count One of the Complaint.
4. Respondent admits the allegations contained in Paragraph 4 of Count One of the Complaint.
5. The referenced document speaks for itself and therefore, no response is required.
6. Respondent admits the allegations contained in Paragraph 6 of Count One of the Complaint.
7. Respondent admits the allegations contained in Paragraph 7 of Count One of the Complaint. The referenced document speaks for itself and therefore, no response is required.
8. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 8 and leaves the OAE to its proofs.
9. Respondent admits the allegations contained in Paragraph 9 of Count One of the Complaint.
10. Respondent denies the allegations contained within Paragraph 10 of Count One of the Complaint.
11. Respondent admits the allegations contained in Paragraph 11 of Count One of the Complaint.
12. Respondent denies the allegations contained within Paragraph 12 of Count One of the Complaint.



13. Respondent admits that he received a letter dated October 21, 2014 from Nancy M. Rice and the referenced document speaks for itself and therefore, no response is required.

14. Respondent admits the allegations contained in the first sentence of Paragraph 14 of Count One of the Complaint and the document referenced in the second sentence speaks for itself and therefore, no response is required.

15. Respondent admits the allegations contained in Paragraph 15 of Count One of the Complaint.

16. Respondent admits the allegations contained in Paragraph 16 of Count One of the Complaint.

17. Respondent admits the allegations contained in Paragraph 17 of Count One of the Complaint.

18. Respondent admits that he provided the OAE with handwritten summaries of time spent on the Brown matter for Power of Attorney services performed in 2008 through 2013. These summaries were requested by the OAE.

19. The referenced document in Paragraph 19 speaks for itself and therefore, no response is required.

20. The referenced document in Paragraph 20 speaks for itself and therefore, no response is required.

21. The referenced document in Paragraph 21 speaks for itself and therefore, no response is required.

22. Respondent admits that he provided the OAE, at the OAE's request, a typed memoranda that summarized the Power of Attorney services performed in 2008 through 2013. Respondent denies that it was "not previously given to the OAE".

23. The referenced document in Paragraph 23 speaks for itself and therefore, no response is required.

24. Respondent admits the allegations contained in Paragraph 24 of Count One of the Complaint.

25. Respondent admits the allegations contained in Paragraph 25 of Count One of the Complaint.

26. Respondent admits the allegations contained in Paragraph 26 of Count One of the Complaint.

27. Respondent admits the allegations contained in Paragraph 27 of Count One of the Complaint.

28. Respondent admits the transactions contained in Paragraph 28 of Count One of the Complaint but denies the allegation that the facts demonstrate the deposit was not made in error.

29. Respondent admits the transactions contained in Paragraph 29 of Count One of the Complaint but denies the allegation that the facts demonstrate the deposit was not made in error.

30. Respondent admits the allegations contained in Paragraph 30 of Count One of the Complaint.

31. Respondent admits the allegations contained in Paragraph 31 of Count One of the Complaint.

32. Respondent admits the allegations contained in Paragraph 32 of Count One of the Complaint.

33. Respondent admits the allegations contained in Paragraph 33 of Count One of the Complaint.

34. Respondent admits the allegations contained in Paragraph 34 of Count One of the Complaint.

35. Respondent admits the allegations contained in Paragraph 35 of Count One of the Complaint.

36. Respondent admits the allegations contained in Paragraph 36 of Count One of the Complaint.

37. Respondent admits the allegations contained in Paragraph 37 of Count One of the Complaint.

38. Respondent admits that from 2008 through 2013, he earned \$119,000.00 in Power of Attorney fees in the Brown matter and admits that he refunded \$117,000.00.

39. Respondent admits the allegations contained in Paragraph 39 of Count One of the Complaint.

40. Respondent admits the allegations contained in Paragraph 40 of Count One of the Complaint.

41. Respondent admits the allegations contained in Paragraph 41 of Count One of the Complaint.

42. Respondent admits the allegations contained in Paragraph 42 of Count One of the Complaint except to clarify that the services referenced therein were for "legal services."

43. Respondent admits the allegations contained in Paragraph 43 of Count One of the Complaint.

44. Respondent admits the allegations contained in Paragraph 44 of Count One of the Complaint except to clarify that these payments were for Power of Attorney services.

45. Respondent admits the allegations contained in Paragraph 45 of Count One of the Complaint except to clarify that referenced invoice was for legal services.

46. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 46 and leaves the OAE to its proofs.

47. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 47 and leaves the OAE to its proofs.

48. Respondent denies the allegations contained in Paragraph 48 of Count One of the Complaint.

49. Respondent admits the allegations contained in Paragraph 49 of Count One of the Complaint.

50. Respondent admits the allegations contained in Paragraph 50 of Count One of the Complaint.

51. Respondent admits the allegations contained in Paragraph 51 of Count One of the Complaint.

52. Respondent denies the allegations contained in Paragraph 52 of Count One of the Complaint.

53. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 53 of Count One of the Complaint and leaves the OAE to its proofs.

54. Respondent admits the allegations contained in Paragraph 54 of Count One of the Complaint.

55. Respondent admits the allegations contained in Paragraph 55 of Count One of the Complaint.

56. Respondent admits the allegations contained in Paragraph 56 of Count One of the Complaint except the use of "only" in the Paragraph.

57. Respondent admits the allegations contained in Paragraph 57 of Count One of the Complaint.

58. The referenced document speaks for itself and therefore, no response is required.

59. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 59 of Count One of the Complaint and leaves the OAE to its proofs.

60. Respondent admits the allegations contained in Paragraph 60 of Count One of the Complaint.

61. Respondent denies the allegations contained in Paragraph 61 of Count One of the Complaint.

62. Respondent denies the allegations contained in Paragraph 62 of the Complaint.

63. Respondent denies the allegations contained in Paragraph 63 of Count One of the Complaint.

64. Respondent denies the allegations contained in Paragraph 64 of Count One of the Complaint.

**WHEREFORE**, Respondent requests the dismissal of OAE's Complaint with prejudice.

**COUNT TWO**

1. Respondent repeats and reiterates his responses to the allegations previously set forth as if completely set forth herein.

2. Respondent admits the allegations contained in Paragraph 2 of Count Two of the Complaint.

3. Respondent admits the allegations contained in Paragraph 3 of Count Two of the Complaint.

4. Respondent admits the allegations contained in Paragraph 4 of Count Two of the Complaint.

5. Respondent admits the allegations contained in Paragraph 5 of Count Two of the Complaint.

6. Respondent admits the allegations contained in Paragraph 6 of Count Two of the Complaint.

7. The referenced document speaks for itself and therefore, no response is required.

8. Respondent denies the allegations contained in Paragraph 8 of Count Two of the Complaint.

9. Respondent denies the allegations contained in Paragraph 9 of Count Two of the Complaint.

10. Respondent denies the allegations contained in Paragraph 10 of Count Two of the Complaint.
11. The referenced document speaks for itself and therefore, no response is required.
12. Respondent denies the allegations contained in Paragraph 12 of Count Two of the Complaint.
13. Respondent admits the allegations contained in Paragraph 13 of Count Two of the Complaint.
14. Respondent admits the allegations contained in Paragraph 14 of Count Two of the Complaint.
15. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 15 of Count Two of the Complaint and leaves the OAE to its proofs.
16. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 16 of Count Two of the Complaint and leaves the OAE to its proofs.
17. Respondent denies the allegations contained in Paragraph 17 of Count Two of the Complaint.
18. Respondent admits the allegations contained in Paragraph 18 of Count Two of the Complaint except to clarify that the invoices were for "legal services."
19. The referenced documents speak for themselves and therefore, no response is required. The table was created by the OAE, therefore, Respondent lacks sufficient

knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in the table of Paragraph 19 of Count Two of the Complaint and leaves the OAE to its proofs.

20. The referenced documents speak for themselves and therefore, no response is required. The table was created by the OAE, therefore, Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in the table of Paragraph 20 of Count Two of the Complaint and leaves the OAE to its proofs.

21. Respondent denies the allegations contained in Paragraph 21 of Count Two of the Complaint.

22. Respondent admits the allegations contained in Paragraph 22 of Count Two of the Complaint.

23. Respondent admits the allegations contained in Paragraph 23 of Count Two of the Complaint.

24. Respondent admits the allegations contained in Paragraph 24 of Count Two of the Complaint.

25. Respondent admits the allegations contained in Paragraph 25 of Count Two of the Complaint.

26. Respondent denies the allegations contained in Paragraph 26 of Count Two of the Complaint.

27. Respondent denies the allegations contained in Paragraph 27 of Count Two of the Complaint.



28. Respondent admits the allegations contained in Paragraph 28 of Count Two of the Complaint.

29. The referenced document in Paragraph 29 of Count Two speaks for itself and therefore, no response is required.

30. The referenced document in Paragraph 30 of Count Two speaks for itself and therefore, no response is required. Respondent denies that it was "not previously provided to the OAE"

31. The referenced document in Paragraph 31 of Count Two speaks for itself and therefore, no response is required.

32. The referenced document in Paragraph 32 of Count Two speaks for itself and therefore, no response is required.

33. The referenced document in Paragraph 33 of Count Two speaks for itself and therefore, no response is required. Respondent admits that he had billed Ms. Eidberger at an hourly rate \$300.00 per hour pursuant to a retainer agreement. The Respondent is without sufficient information to admit or deny the final sentence of this paragraph and leaves the OAE to its proofs.

34. Respondent admits the allegations contained in Paragraph 34 of Count Two of the Complaint.

35. Respondent admits the allegations contained in Paragraph 35 of Count Two of the Complaint.

36. Respondent lacks sufficient knowledge or information to form a belief as to the truth of such allegations, and therefore, Respondent neither admits nor denies the allegations contained in Paragraph 36 and leaves the OAE to its proofs.

37. Respondent admits the allegations contained in Paragraph 37 of Count Two of the Complaint.

38. Respondent admits the allegations contained in Paragraph 38 of Count Two of the Complaint.

39. Respondent admits the allegations contained in Paragraph 39 of Count Two of the Complaint.

40. Respondent admits the allegations contained in Paragraph 40 of Count Two of the Complaint.

41. Respondent admits the allegations contained in Paragraph 41 of Count Two of the Complaint.

42. Respondent admits the allegations contained in Paragraph 42 of Count Two of the Complaint.

43. Respondent admits the allegations contained in Paragraph 43 of Count Two of the Complaint.

44. Respondent denies the allegations contained in Paragraph 44 of Count Two of the Complaint.

45. Respondent denies the allegations contained in Paragraph 45 of Count Two of the Complaint.

**WHEREFORE**, Respondent requests the dismissal of Complainant's Complaint with prejudice.

### AFFIRMATIVE DEFENSES

1. The acts alleged against this Respondent in this Complaint were, to the extent that they are admitted, not done intentionally or maliciously and were intended to be done in the interests of the client.

2. The OAE cannot sustain its burden by clear and convincing evidence.

3. Respondent complied fully with all applicable standards of care owed to his clients with respect to the matters alleged in the Complaint.

4. Respondent did not knowingly violate any rules of professional conduct.

5. The OAE cannot establish Respondent had the requisite *mens rea* to establish knowing the ethics violations alleged in the complaint.

6. The actions of Respondent on behalf of Grace Brown and Helen Eidberger and their estates (hereinafter "Grace Brown and Helen Eidberger") were performed at the express direction and with the consent and authorization of Grace Brown and Helen Eidberger.

7. Under the particular factual circumstances, Respondent was the sole person willing, able and authorized by Grace Brown and Helen Eidberger to exercise the majority of duties provided for by the Powers of Attorney executed by Grace Brown and Helen Eidberger.

8. Under the particular factual circumstances of the within matter and the express wishes and directions of Grace Brown and Helen Eidberger, Respondent's representation and actions on behalf of Grace Brown and Helen Eidberger were legally and ethically proper.

9. The circumstances of the representation of Grace Brown and Helen Eidberger are fully set forth in the referenced and/or attached letters of Robert Novy, Esq. to the Office of Attorney Ethics dated February 19, 2015 and April 17, 2015 and are adopted herein by reference.

10. The circumstantial evidence in this case is that Mr. Novy at all times acted ethically and in accordance with the Rules of Ethics. It cannot be overlooked that upon the death of Helen Eidberger, that Mr. Novy returned approximately \$46,332 of funds remaining in his ATA to the Bank. Similarly, upon the death of Grace Brown, \$65,483.23 was sent to the Bank as funds remaining in Mr. Novy's attorney trust account. The Grievant alleges that the Bank was not aware of these funds, and the Bank would not have known of the funds but for Mr. Novy act of forwarding the funds. This money was never demanded. This suggests that Mr. Novy was not misappropriating funds and was acting in accordance with the Rules of Ethics. Furthermore, this is not a case where a client was unduly influence or coveted by an attorney. Mr. Novy did not accept the position as Trustee of these estates and it was his recommendation that led the appointment of a third party Bank to act as Trustee for both estates. His decision to include a third party with regard to the handling of the Trust and Estates of these two clients further suggests that Mr. Novy acted appropriately with regard to these two clients and their estates.

#### **STATEMENT OF MITIGATION**

The facts and circumstances of the representation, of Grace Brown and Helen Eidberger, including issues of mitigation, are set forth in the referenced and/or attached letters of Robert Novy, Esq. to the Office of Attorney Ethics dated February 19, 2015 and April 17, 2015 and are adopted herein by reference. These letters set forth the good faith that Robert Novy, Esq. exercised when dealing with Grace Brown and Helen Eidberger. In addition, other factors of mitigation include the following:

**1. No Prior Disciplinary History:**

Mr. Novy has been practicing since 1976 and he has never been the subject of discipline.

**2. Subsequent Remedial Measures:**

Mr. Novy has taken significant remedial measure to ensure that the conduct that is now in question does not repeat itself in the future. During the OAE interviews of Robert Novy, he indicated that he made revisions to his office's Standard Operating Procedures (SOP). The new SOPs were memorialized in a memo to the firm's attorneys, paraprofessionals and staff. A copy of that memo was provided to the OAE under correspondence dated May 29, 2015 and it, along with the attached memorandum, is adopted herein by reference.

### **3. Lack of injury to the Clients:**

As previously noted, Mr. Novy returned substantial portions of his fees, including fees that he earned, to the estates at issue so there is no monetary injury to the clients or their estates. Most significantly, Mr. Novy represented both Grace Brown and Helen Eidberger on legal issues, as well as executed their wishes through the Powers of Attorney. These individuals did not have family that would care for their personal needs and Mr. Novy strongly believes that both of these clients lived a full, satisfying and independent lives due to the services provided by Mr. Novy. Mr. Novy believes that he diligently fought to preserve Grace Brown and Helen Eidberger's medical rights and gave them a peace of mind that their interests were being protected. Mr. Novy believes that the services that he provided to these clients was partially the cause of their longevity.

Both Ms. Brown and Ms. Eidberger were entitled to spend their money for that peace of mind that came with hiring an attorney, with having an attorney personally oversee their personal and economic affairs. Mr. Novy actively and aggressively oversaw and advocated on behalf of their rights to quality medical care. It will be shown by clear and convincing evidence that both Ms. Brown and Ms. Eidberger were very astute with regard to their financial affairs, and made the decision to hire an attorney to oversee their legal and private affairs. These clients, therefore,

were not harmed by the representation but received the valued representation that they sought through the retention of Mr. Novy.

**4. Misconduct is an isolated incident:**

Mr. Novy has been practicing law since 1976 and as noted below under "good character and reputation" he has upheld the highest standards of the legal profession and the issues giving rise to this ethics investigation reflect an isolated incident.

**5. Cooperation with Ethics Authorities:**

At all times during the investigation of this matter, Mr. Novy fully cooperated with the Office of Attorney Ethics. He has appeared in Trenton whenever requested by the Office of Attorney Ethics to discuss these matters in depth. He has not withheld any documents and candidly responded to all questions.

**6. Alleged Misconduct shows little likelihood of repeating itself:**

As noted above in #2, Mr. Novy has adopted new Standard Operating Procedures which have been circulated in his office. Furthermore, Mr. Novy has learned from this experience so there is no likelihood that he will be placed in this situation again.

**7. Good Reputation and Character:**

Mr. Novy has a good reputation and character in both the legal community and the community at large. His good character was also reflected in the actions he took with regard to the estates at issue. Mr. Novy reserves the right to call character and reputation witnesses at the time of the hearing.

Character, however, is said to be what a person does when no one is looking. Before the Office of Attorney Ethics advised Mr. Novy of this investigation, he had already reimbursed the estates at issue money, including fees that he earned. Most significantly, the only reason why the

Mr. Novy's actions were questioned, is because he forwarded excess funds in his trust account to the Bank after Helen Eidberger and Grace Brown passed away. The Bank claims it did not realize that these funds were in Mr. Novy's trust account until *after* he unilaterally forwarded the money (approximately \$110,000) to the Bank. This fact strongly indicates that Mr. Novy is a man of good character.

Furthermore, Mr. Novy's character and reputation in the community is beyond reproach. Mr. Novy adopts by referenced the documents submitted to the OAE under correspondence dated October 1, 2015. That correspondence submitted to the OAE the following:

- CD containing "getting to know Robert Novy" video.
- CD containing pictures of miscellaneous awards, recognitions and articles about Robert Novy throughout the years.
- Testimonial letter from Vicky Cox, Victoria's Compassionate Nursing.
- Testimonial letter from Charles Bowden, ConPert, Inc.
- Testimonial letter from Thomas Froehlich, Froehlich Financial, LTD.
- Testimonial letter from Tina Orth, Crossroads Reality
- Testimonial letter from Lynette Whiteman, Ds, Caregiver Volunteers of Central New Jersey.
- Testimonial letter from a seminar participant Mrs. Nakashian.
- Testimonial letter from Ralph Legge, Wells Fargo.
- Testimonial letter from Claire Bojus, The Creative Basket.

#### **8. Service to Community:**

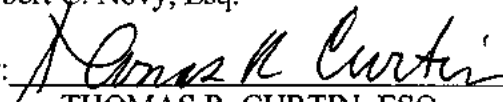
Mr. Novy has served his community through charitable work as reflected in the information provided to the OAE under correspondence dated October 1, 2015 and referenced above and adopted herein by reference.

#### **9. Ready Admission of Wrongdoing and Contrition and Remorse:**

Mr. Novy has readily admitted to sloppy record keeping and having failed to adhere with the procedural rules which require that funds be placed into a business account prior to being moved to a personal account. He has been completely candid with the disciplinary authorities.

He did not hide the nature of his representation and at no time did Mr. Novy mischaracterize what he did for Ms. Brown or Ms. Eidberger. He has been transparent in all of his dealings. During his testimony he even admitted that there might be better business procedures that would avoid this type of inquiry and he created new office Standard Operating Procedures to ensure that there are no future mistakes.

**GRAHAM CURTIN, P.A.**  
Attorneys for Respondent,  
Robert C. Novy, Esq.

By:   
THOMAS R. CURTIN, ESQ.

Dated: March 10, 2016

**DESIGNATION OF TRIAL COUNSEL**

Pursuant to R. 4:5-1, Thomas R. Curtin, Esq. is hereby designated as trial counsel.

**GRAHAM CURTIN, P.A.**  
Attorneys for Respondent,  
Robert C. Novy, Esq.


By:   
THOMAS R. CURTIN, ESQ.

Dated: March 10, 2016

**HEARING DEMAND**

Pursuant to R.1:20-4(e), Respondent hereby requests a hearing on all charges or in mitigation of the charges.

**GRAHAM CURTIN, P.A.**  
Attorneys for Respondent,  
Robert C. Novy, Esq.

By:   
THOMAS R. CURTIN, ESQ.

Dated: March 10, 2016



**VERIFICATION**

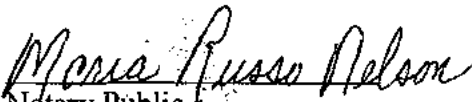
I, Robert C. Novy, Esq., am the Respondent in the within disciplinary action and hereby certify as follows:

1. I have read every paragraph of the foregoing Answer to the Complaint and verify that the statements therein are true and based on my personal knowledge.

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

  
Robert C. Novy, Esq.

Sworn to before me this  
9<sup>th</sup> day of March 2016.

  
Notary Public  
**MARIA RUSSO NELSON**  
ID # 2066160  
NOTARY PUBLIC  
STATE OF NEW JERSEY  
My Commission Expires August 5, 2019