

IN THE SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL,	:	No. 1292 Disciplinary Docket No. 3
Petitioner	:	
	:	No. 76 DB 2007
v.	:	
	:	Attorney Registration No. 12967
JACK LITZ,	:	
Respondent	:	(Philadelphia)

ORDER

PER CURIAM:

AND NOW, this 7th day of November, 2007, upon consideration of the Recommendation of the Three-Member Panel of the Disciplinary Board dated July 26, 2007, the Joint Petition in Support of Discipline on Consent is hereby granted pursuant to Rule 215(g), Pa.R.D.E., and it is

ORDERED that Jack Litz is suspended on consent from the Bar of this Commonwealth for a period of two years and he shall comply with all the provisions of Rule 217, Pa.R.D.E.

A True Copy Patricia Nicola

As of: November 7, 2007

Attest: 

Chief Clerk

Supreme Court of Pennsylvania

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

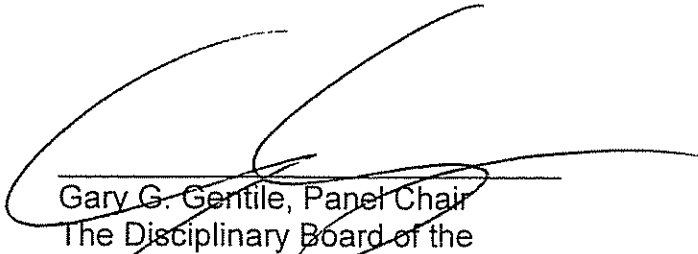
OFFICE OF DISCIPLINARY COUNSEL : No. 76 DB 2007
Petitioner :
v. : Attorney Registration No. 12967
JACK LITZ :
Respondent : (Philadelphia)

RECOMMENDATION OF THREE-MEMBER PANEL
OF THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

The Three-Member Panel of the Disciplinary Board of the Supreme Court of Pennsylvania, consisting of Board Members Gary G. Gentile, Smith Barton Gephart and Francis X. O'Connor, has reviewed the Joint Petition in Support of Discipline on Consent filed in the above-captioned matter on May 25, 2007.

The Panel approves the Joint Petition consenting to a Two Year Suspension and recommends to the Supreme Court of Pennsylvania that the attached Petition be Granted.

The Panel further recommends that any necessary expenses incurred in the investigation and prosecution of this matter shall be paid by the respondent-attorney as a condition to the grant of the Petition.


Gary G. Gentile, Panel Chair
The Disciplinary Board of the
Supreme Court of Pennsylvania

Date: July 26, 2007

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
Petitioner :
: No. 76 DB 2007
v. :
: Atty. Reg. No. 12967
JACK LITZ, :
Respondent : (Philadelphia)

JOINT PETITION IN SUPPORT OF DISCIPLINE
ON CONSENT UNDER RULE 215(d), Pa.R.D.E.

Petitioner, Office of Disciplinary Counsel, by Paul J. Killion, Esquire, Chief Disciplinary Counsel, and by Richard Hernandez, Esquire, Disciplinary Counsel, and Respondent, Jack Litz, file this Joint Petition In Support Of Discipline On Consent Under Rule 215(d) of the Pennsylvania Rules of Disciplinary Enforcement and respectfully represent that:

1. Respondent, Jack Litz, was born on March 3, 1928, and was admitted to practice law in the Commonwealth on January 6, 1958. Respondent is currently on inactive status.

2. According to attorney registration records, Respondent's office is located at Suite 1040, 21 South 12th Street, Philadelphia, PA 19107. However, Respondent no longer maintains an office in Philadelphia for the practice of law (the Philadelphia office address serves as a mailing address only) and has expressed his intention to wind up his law practice.

3. Respondent received a Request for Statement of

FILED

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Office of the Secretary
The Disciplinary Board of the

Respondent's Position (Form DB-7) dated February 28, 2006.

4. By letter dated June 15, 2006, Respondent submitted a response to the DB-7 letter.

5. After Petitioner's Auditor completed his analysis of financial records relating to Respondent's escrow account with PNC bank, Petitioner sent to Respondent a Supplemental Request for Respondent's position (Form DB-7A) dated March 19, 2007.

6. Respondent did not submit a response to the DB-7A letter; rather, Respondent agreed to enter into a joint recommendation for consent discipline.

**SPECIFIC FACTUAL ADMISSIONS AND
RULES OF PROFESSIONAL CONDUCT VIOLATED**

7. Respondent hereby stipulates that the following factual allegations drawn from the DB-7A letter are true and correct and that he violated the charged Rules of Professional Conduct as set forth herein.

CHARGE

8. At all times relevant hereto, Respondent maintained a trust account with PNC Bank for the deposit of fiduciary funds he received related to his law practice, said trust account titled "Jack Litz Escrow Payroll Acct," account number 83-3325-6873 ("the Escrow Account").

THE McNAIR CASES

9. In or about June 2003, Respondent negotiated a \$4,250.00 settlement of a contingent fee case in which he represented the Estate of Gozell McNair ("the first McNair case").

a. Ms. Carol Simons was the executrix for the Estate.

b. Ms. Simons approved the settlement.

10. Respondent prepared a document entitled "Recapitulation Sheet" pertaining to the first McNair case, which was signed by Ms. Simons on June 24, 2003.

11. The Recapitulation Sheet showed that Respondent intended to distribute the \$4,250.00 settlement proceeds as follows:

- a. \$17.70 to Respondent as "file Cost";
- b. \$59.25 to Abington Memorial Hospital;
- c. \$10.65 to Abington Emergency Physicians;
- d. \$16.78 to Dr. Wilfreda G. Baugh;
- e. \$1,381.87 to Respondent as his fee; and
- f. \$2,763.75 to the Estate.

12. The Recapitulation Sheet contained the following hand-written notation in brackets, which was next to Ms. Simons' signature: "With correction of \$16.78 C.S."

13. On July 11, 2003, Respondent deposited the \$4,250.00 settlement check for the first McNair case into the Escrow

Account.

14 Respondent presented Ms. Simons with check number 7266, in the amount of \$2,763.75, drawn on the Escrow Account.

- a. This check represented the Estate's share of the settlement proceeds for the first McNair case.

15. From September 1, 2003 through September 15, 2003, the Escrow Account balance fell below \$2,763.25, the amount of funds Respondent was to hold in trust on behalf of the Estate.

- a. On September 2, 2003, PNC Bank transacted check number 7266.
- b. On September 2, 2003, the opening day balance in the Escrow Account was \$1,731.59.
- c. On the date that PNC Bank transacted check number 7266, the end-of-the-day Escrow Account balance was -\$1,954.66.
- d. Although the Escrow Account lacked sufficient funds to satisfy check number 7266, PNC Bank honored check number 7266.

16. Respondent converted to his own use funds belonging to the Estate.

17. Respondent did not have Ms. Simons' permission to use funds belonging to the Estate.

18. In or about July 2003, Respondent negotiated a

\$1,500.00 settlement of a contingent fee case in which he represented the Estate of Gozell McNair ("the second McNair case").

a. Ms. Simons approved the settlement.

19. Respondent prepared a document entitled "Recapitulation Sheet" ("second Recapitulation Sheet") pertaining to the second McNair case, which was signed by Ms. Simons on July 22, 2003.

20. The second Recapitulation Sheet showed that Respondent intended to distribute the \$1,500.00 settlement proceeds as follows:

- a. \$99.47 to Respondent as costs;
- b. \$16.78 for medical costs;
- c. \$461.25 to Respondent as his fee; and
- d. \$922.50 to the Estate.

21. On July 25, 2003, Respondent deposited the \$1,500.00 settlement check for the second McNair case into the Escrow Account.

22. Respondent presented Ms. Simons with check number 7273, in the amount of \$922.50, drawn on the Escrow Account.

- a. This check represented the Estate's share of the settlement proceeds for the second McNair case.

23. From September 2, 2003 through September 14, 2003, the Escrow Account balance fell below \$922.50, the amount of

funds Respondent was to hold in trust on behalf of the Estate for the second McNair case.

- a. On September 2, 2003, PNC Bank transacted check number 7273.
- b. On September 2, 2003, the opening day balance in the Escrow Account was \$1,731.59.
- c. On the date that PNC Bank transacted check number 7273, the end-of-the-day Escrow Account balance was -\$1,954.66.
- d. PNC Bank dishonored check number 7273 for non-sufficient funds and reversed the charge to the Escrow Account, returning the balance to -\$1,032.16, exclusive of any bank fees.
- e. Respondent presented Ms. Simons with check number 7274, in the amount of \$922.50, drawn on the Escrow Account, as a replacement check for check number 7273.
- f. On September 22, 2003, Ms. Simons negotiated check number 7274 without further incident.

24. Respondent converted to his own use funds belonging to the Estate.

25. Respondent did not have Ms. Simons' permission to use funds belonging to the Estate.

THE FILIPPONI CASE

26. In or about November 2004, Respondent negotiated a \$9,000.00 settlement of a contingent fee case in which he represented Ms. Dolores Filipponi.

a. Ms. Filipponi approved the settlement.

27. On November 5, 2004, Respondent prepared a document entitled "Recapitulation Statement" ("the Filipponi Recapitulation").

28. The Filipponi Recapitulation showed that Respondent intended to distribute the \$9,000.00 settlement proceeds as follows:

- a. \$125.00 to Respondent as "File Costs";
- b. \$431.00 to Ms. Filipponi's medical providers;
- c. \$2,814.00 to Respondent as his fee; and
- d. \$5,630.00 to Ms. Filipponi.

29. On or about December 3, 2004, Respondent deposited two settlement checks totaling \$9,000.00 (one for \$7,000.00 and the second for \$2,000.00) for Ms. Filipponi's contingent fee case into the Escrow Account.

30. Respondent presented Ms. Filipponi with check number 7290, in the amount of \$5,630.00, drawn on the Escrow Account.

a. Ms. Filipponi successfully negotiated this check.

31. Respondent failed to distribute to Ms. Filipponi's medical providers any portion of the \$431.00 he held aside

from Ms. Filipponi's settlement proceeds.

32. From June 2, 2005 through at least March 31, 2006, the balance in the Escrow Account fell below \$431.00, the amount of funds Respondent was to hold in trust on behalf of Ms. Filipponi's medical providers; on November 30, 2005, the end-of-the-day balance in the Escrow Account was -\$4.00.

33. Respondent converted to his own use the \$431.00 belonging to Ms. Filipponi's medical providers.

34. Respondent did not have the permission of either Ms. Filipponi or Ms. Filipponi's medical providers to use the \$431.00.

THE CLIFTON CASE

35. In or about February 2005, Respondent negotiated a \$2,000.00 settlement of a contingent fee case in which he represented Ms. Stephanie Clifton, a minor.

a. Ms. Stephanie Clifton and her mother, Ms. Toni Clifton, approved the settlement.

36. On February 16, 2005, Respondent deposited a \$2,000 settlement check for Ms. Stephanie Clifton's contingent fee case into the Escrow Account.

37. On February 16, 2005, Respondent prepared a document entitled "Settlement Recapitulation" ("the Clifton Recapitulation").

a. Ms. Stephanie Clifton and Ms. Toni Clifton signed the Clifton Recapitulation.

38. The Clifton Recapitulation showed that Respondent intended to distribute the \$2,000.00 settlement proceeds as follows:

- a. \$279.75 to Respondent as costs and \$11.00 as transportation costs;
- b. \$573.42 to Respondent as his fee; and
- c. \$1,135.83 to Ms. Stephanie Clifton.

39. From February 24, 2005 through March 17, 2005, the balance in the Escrow Account fell below \$1,135.83, the amount of funds Respondent was to hold in trust on behalf of Ms. Stephanie Clifton; on February 28, 2005, the end-of-the-day balance in the Escrow Account was \$948.62.

40. Respondent converted to his own use funds belonging to Ms. Stephanie Clifton.

41. Respondent did not have the permission of either Ms. Stephanie Clifton or Ms. Toni Clifton to use any of the \$1,135.83 that Respondent was maintaining on behalf of Ms. Stephanie Clifton.

42. On March 22, 2005, Respondent presented Ms. Stephanie Clifton and Ms. Toni Clifton with check number 7292, in the amount of \$1,135.83, drawn on the Escrow Account.

- a. Ms. Stephanie Clifton and Ms. Toni Clifton successfully negotiated this check, which cleared the Escrow Account on March 28, 2005.

THE TURNER CASE

43. In or about March 2003, Ms. Linda Turner retained Respondent to represent her for injuries she sustained in a slip and fall incident that occurred on February 28, 2003, involving claims against the City of Philadelphia ("the City") and Mr. Charles Miller, the latter of whom was represented by State Farm Insurance Companies ("State Farm").

44. The contingent fee agreement that Ms. Turner signed provided that Respondent would receive one-third of any funds he recovered by way of settlement if he had not filed a lawsuit on Ms. Turner's behalf.

45. At no time during the course of the representation did Respondent file a lawsuit on Ms. Turner's behalf.

46. Under cover of letter dated January 23, 2004, sent to Respondent by Deborah A. Alesi, Claim Representative for State Farm, Respondent received a \$5,000 check, which represented Mr. Miller's "no-fault" Medical Payment Coverage ("the \$5,000 Medical Payment Coverage").

a. These proceeds were designated to pay Ms. Turner's outstanding medical bills for accident-related treatment she received from medical providers.

47. On February 3, 2004, Respondent deposited the \$5,000 Medical Payment Coverage into the Escrow Account.

a. Prior to Respondent's deposit, the balance in

the Escrow Account was \$103.52.

48. Respondent failed to distribute to Ms. Turner's medical providers any portion of the proceeds from the \$5,000 Medical Payment Coverage.

49. From February 5, 2004 through March 29, 2004, Respondent made personal use of the proceeds from the \$5,000 Medical Payment Coverage by making telephone transfers of funds from the Escrow Account into the following accounts:

Telephone Transfers to account #85-4525-7523	\$3,250.00
Telephone Transfers to account #80-1397-1996	\$1,500.00
Telephone Transfers to account #85-3104-4439	\$300.00
Total	\$5,050.00

50. Account #85-4525-7523 is a checking account Respondent maintained with PNC Bank titled "Jack Litz Attorney Payroll A/C."

51. Account #80-1397-1996 is a personal interest bearing checking account Respondent maintained with PNC Bank titled "Jack Litz."

52. Account #85-3104-4439 is a checking account Respondent maintained with PNC Bank titled "Jack Litz Attorney at Law."

53. The end-of-the-day balance in the Escrow Account on March 29, 2004, was \$53.52.

54. Respondent knowingly and intentionally converted to his own use the proceeds from the \$5,000 Medical Payment

Coverage.

55. Respondent did not have the permission of either Ms. Turner or Ms. Turner's medical providers to use the proceeds from the \$5,000 Medical Payment Coverage.

56. In July 2004, Respondent and Ms. Alesi reached an agreement to settle Ms. Turner's third-party claim against Mr. Miller for the sum of \$10,000.

57. Under cover of letter dated July 16, 2004, addressed to Brian M. Holler, Claims Investigation Agent with the Commonwealth of Pennsylvania Department of Public Welfare ("DPW"), Bureau of Financial Operations, Division of Third Party Liability, Respondent enclosed check number 7283, in the amount of \$327.08, and made payable to the Department of Public Welfare, as payment towards DPW's lien.

a. PNC Bank transacted this check on August 3, 2004.

58. On or about July 28, 2004, Respondent received the \$10,000 settlement check from Ms. Alesi.

59. On July 28, 2004, Respondent deposited the \$10,000 settlement check into the Escrow Account.

60. By letter dated July 28, 2004, Mr. Holler advised Respondent that he had received the \$327.08 payment.

a. Respondent's \$327.08 payment to DPW resulted in DPW considering its lien satisfied and closing its file on Ms. Turner's matter.

61. On August 2, 2004, Respondent provided Ms. Turner with a distribution statement and check number 7284, in the amount of \$6,393.34, in payment of her share of the settlement proceeds.

62. The distribution statement, which Respondent entitled "Linda Turner Partial Settlement," showed that Respondent had distributed the proceeds from the \$10,000 settlement check as follows:

- a. \$185 to Respondent to satisfy his "Adm costs";
- b. \$3,271.66 to Respondent as his fee;
- c. \$150 to Respondent to reimburse him for an advance he gave to Ms. Turner; and
- d. \$6,393.34 to Ms. Turner.

63. The distribution statement falsely indicated that Respondent was planning to distribute the proceeds from the \$5,000 Medical Payment Coverage as follows:

- a. \$327.08 to "Mercy Hosp - Welfare";
- b. \$3,140.16 to Dr. Bonafino and "Prof Phys. Therapy";
- c. \$300 to Dr. Leonard Johnson; and
- d. the remaining balance of \$1,232.76 to be applied towards payment of Mercy Hospital's \$5,649 bill unless "Welfare" had agreed to compromise the bill to \$327.08.

64. Respondent did not use any of the proceeds from the

\$5,000 Medical Payment Coverage for payment of accident-related medical treatment received by Ms. Turner.

65. In July 2004, Respondent tentatively settled Ms. Turner's claims against the City for the sum of \$15,000.

66. On or about October 29, 2004, Respondent received a settlement check from the City in the amount of \$13,456.34.

a. Respondent advised Ms. Turner that the City withheld the sum of \$1,543.66 because of a debt Respondent owed the City.

67. On November 2, 2004, Respondent deposited the \$13,456.34 settlement check into the Escrow Account.

68. At the time of the deposit, the balance in the Escrow Account was \$15.44; between October 13, 2004 and November 1, 2004, the balance in the Escrow Account did not exceed \$56.44.

69. Under cover of letter dated November 4, 2004, addressed to Ms. Turner, Respondent enclosed a "Recapitulation Statement" relating to the settlement proceeds that Respondent received from the City.

a. In Respondent's letter, he advised Ms. Turner that once he received the Recapitulation Statement, signed by her, he would make distribution to her, assuming her medical providers accepted the proposed compromised figures.

70. On November 8, 2004, Respondent wrote three checks against the \$13,456.34 settlement check he deposited into the Escrow Account, as follows:

- a. Check number 7286 in the amount of \$3,140.16, made payable to Dr. Bonafino for medical services rendered to Ms. Turner;
- b. Check number 7287 in the amount of \$300.00, made payable to Dr. Johnson for medical services rendered to Ms. Turner; and
- c. Check number 7288 in the amount of \$1,500.00, made payable to Respondent in satisfaction of part of his fee.

71. Respondent failed to promptly distribute to Ms. Turner her complete share of the proceeds from her settlement with the City, after deducting his fees.

72. Respondent failed to pay out of his own funds Ms. Turner's outstanding medical bills with Dr. Bonafino and Dr. Johnson as a means of compensating Ms. Turner for having converted to his own use the proceeds from the \$5,000 Medical Payment Coverage.

73. From November 15, 2004 through December 1, 2004, Respondent made personal use of the proceeds from the \$13,456.34 settlement check by making telephone transfers of funds from the Escrow Account into the following accounts:

Telephone Transfers to account #80-1397-1996	\$3,300.00
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Telephone Transfers to account #85-3104-4439	\$700.00
Total	\$4,000.00

74. Respondent knowingly and intentionally converted to his own use \$4,000 from Ms. Turner's share of her settlement proceeds.

75. Respondent did not have the permission of Ms. Turner to use any portion of her share of the settlement proceeds.

76. In December 2004, Respondent paid Ms. Turner \$1,000.00 by check number 7289, drawn on the Escrow Account.

a. On the check, Respondent hand-wrote the annotation, "PART SETTLEMENT."

77. From December 6, 2004 through February 24, 2005, Respondent made personal use of the proceeds from the \$13,456.34 settlement check by making a series of telephone transfer of funds from the Escrow Account into account numbers 85-4525-7523, 80-1397-1996, and 85-3104-4439, such that the balance in the Escrow Account on February 24, 2005 was \$948.62.

78. Respondent knowingly and intentionally converted to his own use Ms. Turner's share of her settlement proceeds.

79. Respondent did not have the permission of Ms. Turner to use any portion of her share of the settlement proceeds.

80. In March 2005, Respondent paid Ms. Turner \$500.00 by check number 7296, drawn on the Escrow Account.

a. On the check, Respondent hand-wrote the

annotation, "ADV ON SETT."

81. From April 12, 2005 through August 30, 2005, Respondent made personal use of the remaining proceeds from the \$13,456.34 settlement check by making a series of telephone transfer of funds from the Escrow Account into account numbers 80-1397-1996 and 85-3104-4439, and by being assessed bank charges, such that the balance in the Escrow Account on August 30, 2005 was \$0.00.

82. Respondent knowingly and intentionally converted to his own use Ms. Turner's entire share of her settlement proceeds.

83. Respondent did not have the permission of Ms. Turner to use any portion of her share of the settlement proceeds.

84. In September 2005, Respondent paid Ms. Turner \$150.00 by check number 7297, drawn on the Escrow Account.

a. On the check, Respondent hand-wrote the annotation, "ADVANCE."

85. In December 2005, Respondent paid Ms. Turner \$350.00 by check number 7298, drawn on the Escrow Account.

a. On the check, Respondent hand-wrote the annotation, "ADV/SETT."

86. Under cover of letter dated December 6, 2005, addressed to Ms. Turner, Respondent, *inter alia*, enclosed a "Revised Recapitulation Statement" relating to the settlement proceeds that he received from the City.

87. The Revised Recapitulation Statement showed that Respondent had or intended to distribute the \$15,000 settlement proceeds received from the City as follows:

- a. \$327.08 paid to Mercy Hospital, with an additional \$5,322 to be paid;
- b. \$3,140.16 paid to Dr. Bonafino;
- c. \$2,000 paid to "Prof Phys. Assoc.";
- d. \$300 paid to Dr. Leonard Johnson;
- e. \$1,303.58 paid to Respondent as his fee; and
- f. \$2,000 paid to Ms. Turner, with a balance owed of \$607.18.

88. On December 12, 2005, Respondent had a telephone conversation with Ms. Turner, during which he acknowledged that he owed Ms. Turner monies from her settlement with the City but explained that he did not have the funds to pay her.

- a. The balance in the Escrow Account at that time was only \$36.00.

89. Under cover of letter dated December 16, 2005, addressed to Ms. Turner, Respondent, *inter alia*, enclosed a second "Revised Recapitulation Statement" relating to the settlement proceeds that he received from the City, which also included the \$5,000 Medical Payment Coverage.

90. The second Revised Recapitulation Statement showed that Respondent had or intended to distribute the \$15,000 settlement proceeds received from the City and the \$5,000

Medical Payment Coverage as follows:

- a. \$327.08 paid to Mercy Hospital, with an additional \$5,322 to be paid;
- b. \$3,140.16 paid to Dr. Bonafino and "Prof/Therapy";
- c. \$300 paid to Dr. Leonard Johnson;
- d. \$3,616.92 paid to Respondent as his fee; and
- e. \$2,000 paid to Ms. Turner, with a balance owed of \$5,233.84.

91. In February 2006, Respondent paid Ms. Turner \$200.00 by check number 7299, drawn on the Escrow Account.

- a. On the check, Respondent hand-wrote the annotation, "PART PAYMENT TURNER V MILLER."

92. In March 2006, Respondent paid Ms. Turner \$150.00 by check number 7300, drawn on the Escrow Account.

- a. On the check, Respondent hand-wrote the annotation, "PART PAYMENT."

93. Since March 2006, Respondent has not made any additional payments to Ms. Turner.

94. Respondent was entitled to receive from the \$5,000.00 Medical Payment Coverage and the \$15,000.00 settlement with the City of Philadelphia a combined contingent fee of \$6,666.67, assuming the City had not withheld from the \$15,000.00 settlement proceeds the sum of \$1,543.66, to satisfy Respondent's debt to the City.

95. After deducting Respondent's contingent fee from the proceeds received from the \$5,000.00 Medical Payment Coverage and the \$15,000.00 settlement with the City of Philadelphia, the amount of funds remaining to be distributed either to or on behalf of Ms. Turner was \$13,333.33.

96. Respondent made the following distributions either to or on behalf of Ms. Turner after receiving the \$5,000.00 Medical Payment Coverage and the \$15,000.00 settlement with the City of Philadelphia:

- a. \$327.08 paid to DPW to satisfy its lien;
- b. \$3,140.16 paid to Dr. Bonafino;
- c. \$300.00 paid to Dr. Leonard Johnson; and
- d. \$2,350.00 paid to Ms. Turner.

97. To date, the total distributions Respondent has made to or on behalf of Ms. Turner total \$6,117.24.

98. Ms. Turner is entitled to receive from Respondent no less than \$7,216.09, the amount remaining after subtracting \$6,117.24 from \$13,333.33.

99. From October 2003 through March 2005, Respondent commingled his personal funds with fiduciary funds held in the Escrow Account.

100. On Respondent's 2004-2005 and 2005-2006 PA Attorney Annual Fee Forms, Respondent failed to list PNC Bank and to provide the account number for the Escrow Account in response to #11, under the heading "**SECTION B: PA FINANCIAL DATA-SEE**

ENCLOSED LIST OF APPROVED FIANNCIAL INSTITUTIONS."

101. On Respondent's 2004-2005 and 2005-2006 PA Attorney Annual Fee Forms, which were signed by Respondent, Respondent certified that he was:

...FAMILIAR AND IN COMPLIANCE WITH RULE 1.15 OF THE PA RULES OF PROFESSIONAL CONDUCT REGARDING THE HANDLING OF FUNDS AND OTHER PROPERTY OF CLIENTS AND OTHERS [(or) THIRD PERSONS] AND THE MAINTENANCE OF IOLTA ACCOUNTS AND WITH PA.R.D.E. 221 REGARDING THE MANDATORY REPORTING OF OVERDRAFTS ON FIDUCIARY [(or) TRUST] ACCOUNTS.

I FURTHER CERTIFY THE INFORMATION PROVIDED IS TRUE. IF ANY STATEMENTS ARE FALSE, I REALIZE I AM SUBJECT TO DISCIPLINE BY THE SUPREME COURT.

102. Respondent provided false information on his 2004-2005 and 2005-2006 PA Attorney Annual Fee Forms.

103. By his conduct as alleged in Paragraphs 8 through 102 above, Respondent violated the following Rules of Professional Conduct:

- a. RPC 1.15(a), which states that a lawyer shall hold property of clients or third persons that is in a lawyer's possession in connection with a client-lawyer relationship separate from the lawyer's own property. Such property shall be identified and appropriately safeguarded. Complete records of the receipt, maintenance and disposition of such property shall be preserved for a period of five years after

termination of the client-lawyer relationship or after distribution of the property, whichever is later;

- b. RPC 1.15(b), which states that upon receiving property of a client or third person in connection with a client-lawyer relationship, a lawyer shall promptly notify the client or third person. Except as stated in this Rule or otherwise permitted by law or by agreement with the client or third person, a lawyer shall promptly deliver to the client or third person any property that the client or third person is entitled to receive and, upon request by the client or third person, shall promptly render a full accounting regarding such property;
- c. RPC 8.4(b), which states that it is professional misconduct for a lawyer to commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer in other respects;
- d. RPC 8.4(c), which states it is professional misconduct for a lawyer to engage in conduct involving dishonesty, fraud, deceit or misrepresentation; and

e. Pa.R.D.E. 203(b)(3), which states that a wilful violation of any other provision of the Enforcement Rules shall constitute misconduct and shall be grounds for discipline, via:

Pa.R.D.E. 219(d)(1)(iii), which states that on or before July 1 of each year all persons required by this rule to pay an annual fee shall file with the Administrative Office a signed statement on the form prescribed by the Administrative Office that shall set forth the name of each financial institution in this Commonwealth in which the attorney on May 1 of the current year or at any time during the preceding 12 months held funds of a client or a third person subject to Rule 1.15 of the Pennsylvania Rules of Professional Conduct. The statement shall include the name and account number for each account in which the lawyer holds such funds, and each IOLTA Account shall be identified as such. The statement provided to a person holding a Limited In-House Corporate Counsel License need not request the information required by this subparagraph.

SPECIFIC JOINT RECOMMENDATION FOR DISCIPLINE

104. Petitioner and Respondent jointly recommend that the appropriate discipline for Respondent's admitted misconduct is a suspension from the practice of law for a period of two years.

105. Respondent hereby consents to that discipline being imposed upon him by the Supreme Court of Pennsylvania. Attached to this Petition is Respondent's executed Affidavit required by Rule 215(d), Pa.R.D.E., stating that he consents to the recommended discipline, including the mandatory acknowledgements contained in Rule 215(d)(1) through (4),

Pa.R.D.E.

106. In support of Petitioner and Respondent's joint recommendation, it is respectfully submitted that there are several mitigating circumstances:

- a. Respondent has admitted engaging in misconduct and violating the charged Rules of Professional Conduct and Pennsylvania Rule of Disciplinary Enforcement;
- b. Respondent has cooperated with Petitioner, as is evidenced by Respondent's admissions herein and his consent to receiving a suspension of two years;
- c. Respondent has practiced law for over forty-nine years and has no record of discipline;
- d. Respondent is remorseful for his misconduct and understands he should be disciplined, as is evidenced by his consent to receiving a suspension of two years;
- e. Respondent has paid Ms. Turner the sum of \$4,883.84, the amount awarded to Ms. Turner by the Pennsylvania Lawyers Fund for Client Security; and
- f. Respondent's delay in distributing to Ms. Turner her share of the settlement proceeds is partly attributable to Respondent's concern

that DPW might have been entitled to receive more than the \$327.08 payment because DPW was paid prior to Respondent entering into the \$15,000 settlement with the City of Philadelphia.

107. The most serious misconduct engaged in by Respondent was his conversion of funds belonging to Ms. Turner.

108. Precedent suggests that Respondent's misconduct warrants a suspension of two years. There are two cases involving conversion of client funds by attorneys who had practiced for many years without engaging in serious misconduct; in both of those cases the attorneys received two-year suspensions.

In *In re Anonymous No. 50 DB 87 (James C. Evans)*, 3 Pa. D.&C.4th 627 (1989), Respondent Evans deposited a deceased client's \$15,000 settlement check into his own non-segregated account and, over a period of fifteen months, used virtually all of the funds for his office and personal expenses. *Id.* at 633. Respondent Evans was only entitled to receive a fee of \$1,000 from the settlement funds. *Id.* at 632. In recommending a two-year suspension, the Disciplinary Board considered that the respondent had an "unblemished" record for 40 years prior to his misconduct, made restitution, cooperated with Petitioner, and was remorseful. *Id.* at 636.

In *In re Anonymous No. 132 DB 88 (Charles S. Morrow)*, 7 Pa. D.&C.4th 331 (1990), Respondent Morrow misappropriated approximately \$4,000 of settlement funds belonging to a client; the client was not made whole until sixteen months had elapsed from when Respondent had received the settlement funds. *Id.* at 336-346. During this time period, the respondent was also periodically "out of trust" with respect to fiduciary funds he received on behalf of eight other clients. *Id.* In addition to making the clients whole, Respondent Morrow presented the following additional mitigating factors: he had only received an informal admonition in 33 years of practice; he had cooperated with Petitioner's investigation and voluntarily disclosed and admitted additional misconduct; and he had a good reputation, both in the legal and general community. *Id.* at 352.

109. Petitioner and Respondent submit that a two-year suspension is appropriate discipline for Respondent's misconduct after considering precedent and weighing the mitigating factors.

WHEREFORE, Petitioner and Respondent respectfully request that:

- a. Pursuant to Rule 215(e) and 215(g), Pa.R.D.E., the three-member panel of the Disciplinary Board review and approve the above Joint Petition In Support Of Discipline On Consent

and file its recommendation with the Supreme Court of Pennsylvania in which it is recommended the Supreme Court enter an Order:

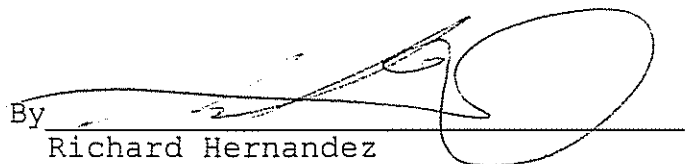
- (i) suspending Respondent from the practice of law for a period of two years; and
- (ii) directing Respondent to comply with all of the provisions of Rule 217, Pa.R.D.E.

b. Pursuant to Rule 215(i), the three-member panel of the Disciplinary Board order Respondent to pay the necessary expenses incurred in the investigation of this matter as a condition to the grant of the Petition and that all expenses be paid by Respondent before the imposition of discipline under Rule 215(g), Pa.R.D.E.

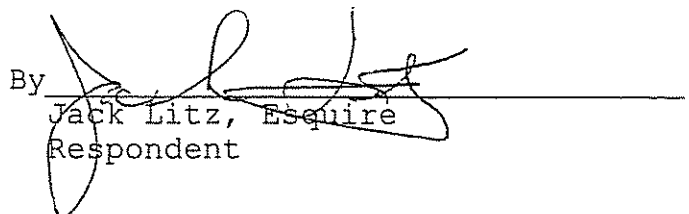
Respectfully submitted,

OFFICE OF DISCIPLINARY COUNSEL

PAUL J. KILLION
CHIEF DISCIPLINARY COUNSEL

By 
Richard Hernandez
Disciplinary Counsel

and

By 
Jack Litz, Esquire
Respondent


BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
Petitioner :
: No. DB 2007
v. :
: Atty. Reg. No. 12967
JACK LITZ, :
Respondent : (Philadelphia)

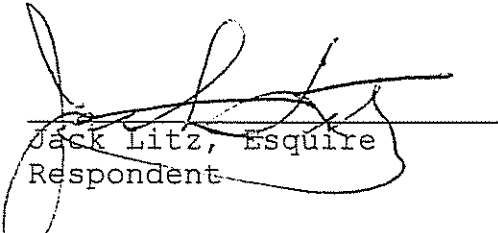
VERIFICATION

The statements contained in the foregoing Joint Petition
In Support of Discipline on Consent Under Rule 215(d),
Pa.R.D.E. are true and correct to the best of our knowledge or
information and belief and are made subject to the penalties
of 18 Pa.C.S. §4904, relating to unsworn falsification to
authorities.

5/22/2007
Date


Richard Hernandez
Disciplinary Counsel

5/22/07
Date


Jack Litz, Esquire
Respondent

BEFORE THE DISCIPLINARY BOARD OF THE
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :
 : Petitioner :
 : : No. DB 2007
 : :
 : : Atty. Reg. No. 12967
 : :
JACK LITZ, : Respondent : (Philadelphia)

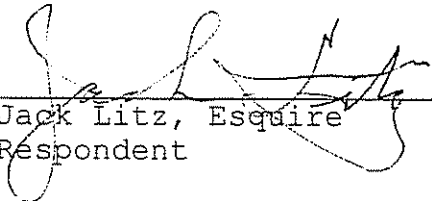
AFFIDAVIT UNDER RULE 215(d), Pa.R.D.E.

Respondent, Jack Litz, hereby states that he consents to the imposition of a suspension from the practice of law for a period of two years as jointly recommended by Petitioner, Office of Disciplinary Counsel, and Respondent in the Joint Petition In Support Of Discipline On Consent and further states that:

1. His consent is freely and voluntarily rendered; he is not being subjected to coercion or duress; he is fully aware of the implications of submitting the consent; and he has not consulted with counsel in connection with the decision to consent to discipline;

2. He is aware that there is presently pending an investigation into allegations that he has been guilty of misconduct as set forth in the Joint Petition;

4. He consents because he knows that if charges predicated upon the matter under investigation were filed, he could not successfully defend against them.



Jack Litz, Esquire
Respondent

Sworn to and subscribed
before me this 2nd
day of May, 2007.



Notary Public

