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THE EPSTEIN LAW FIRM, P.A.
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Rochelle Park, New Jersey 07662
(201) 845-5962
Attorneys for Plaintiff

JAE LEE LAW, P.C., a Professional Corporation,

Plaintiff,

vs.

SEIGEL LAW, LLC, a limited liability corporation, successor and assignee to SEIGEL CAPOZZI LAW FIRM, LLC; and JAN K. SEIGEL, ESQ.,

Defendants.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - BERGEN COUNTY
DOCKET NO. BER-L- 7964-18

Civil Action

COMPLAINT

Plaintiff, JAE LEE LAW, P.C., residing or located at 2050 Center Avenue, Fort Lee, New Jersey, complaining of the defendants says that:

FACTUAL BACKGROUND

1. Plaintiff, JAE LEE LAW, P.C., is a professional corporation organized and existing under the laws of the State of New Jersey for the purpose of practicing law and has a specialty in the legal field for representing individuals involved in personal injury matters.

2. Defendant, SEIGEL LAW, LLC, is a limited liability corporation, organized and existing under the laws of the State of New Jersey for the purpose of practicing law, has a specialty in the legal field for representing individuals involved in personal injury matters, and is located at 505 Goffle Road, Ridgewood, New Jersey.

3. Defendant, SEIGEL LAW, LLC, is successor to and assignee of SEIGEL CAPOZZI LAW FIRM, LLC.

4. Defendant, JAN K. SEIGEL, ESQ. is a licensed, practicing attorney-at-law of the State of New Jersey and, upon information and belief, is the senior and managing member of SEIGEL LAW, LLC.

5. Plaintiff, JAE LEE LAW, P.C., and its principal, Jae E. Lee, were formerly associated with the law firm of Fishman & McIntyre, P.C., wherein Jae E. Lee was managing partner, with offices located at 2050 Center Avenue, Fort Lee, New Jersey.

6. Sometime prior to August 12, 2010, an attorney, Edward P. Capozzi, who had been practicing law in association or partnership with JAE LEE LAW, P.C., departed from that firm and became a partner at SEIGEL CAPOZZI LAW FIRM, LLC, which firm was previously known as Seigel & Seigel, LLC.

7. On or about August 5, 2010, defendant, JAN K. SEIGEL, ESQ., and Jae E. Lee, Esq. met to discuss the potential referral of a substantial number of personal injury matters.

8. This meeting resulted in an agreement or letter memorializing an understanding regarding the referral of cases to SEIGEL CAPOZZI LAW FIRM, LLC from JAE LEE LAW, P.C. dated August 12, 2010 which stated in part:

Jae Lee Law would receive 30% of attorneys' fees for all cases retained by her law firm on or before July 1, 2009; 20% for those cases retained on or before December 31, 2009 and after July 1, 2009; and 10% for cases retained on or before July 1, 2010 and after December 31, 2009.

9. In addition, any and all expenses advanced by JAE LEE LAW, P.C. would be reimbursed at the time of settlement/verdict and disbursement.

10. In addition to the above, the agreement made clear that in the event that SEIGEL LAW, LLC, also known at that time as SEIGEL CAPOZZI LAW FIRM, LLC, became discharged or any file was transferred to another firm, Jae E. Lee was to be apprised of same and the lien for her firm was to be acted upon by advising any superseding lawyer of the above arrangement.

11. Defendants, SEIGEL CAPOZZI LAW FIRM, LLC and JAN K. SEIGEL, ESQ., confirmed the lien of the plaintiff for attorneys' fees and costs by letter dated August 13, 2010.

12. In keeping with said agreement, plaintiff furnished a listing of cases that were the subject matter of the aforesaid agreement.

13. Over the course of time since the parties entered into the above agreement, defendants represented a substantial number of individuals in connection with personal injury and related claims and forwarded various fees from time to time to plaintiff.

14. During the calendar year 2018, more particular during the summer, plaintiff discovered that its lien for attorneys' fees and costs was not being honored.

15. Upon information and belief, defendants have charged disbursements and expenses to clients which were improper, inflated or in violation of various ethical and legal principles, all of which has resulted in reducing not only the net amounts due and owing to various

clients, but the legal fee which should have been accounted for and paid to plaintiff.

FIRST COUNT
(Breach of Contract)

16. Defendants have failed and refused to pay significant sums of money to plaintiff for various matters that defendants handled and to which plaintiff is entitled to have its fees paid and the lien for attorney services being honored, as well as reimbursement of costs.

17. As a result of defendant's breach of contract, plaintiff has suffered various economic damages for which it is entitled to be compensated.

WHEREFORE, plaintiff hereby demands judgment against defendants on the First Count for damages, interest and costs of suit.

SECOND COUNT
(Breach of Fiduciary Duty)

18. Plaintiff repeats and re-alleges each and every allegation contained in the First Count.

19. As a result of the agreement between the parties, defendants acted as a fiduciary with regard to any and all legal fees that it received, in particular because legal fees would be processed through an attorney trust/escrow account.

20. Upon information and belief, various disbursements for fees and costs were made in breach of the fiduciary duty owed by defendants to plaintiff.

21. As a result, plaintiff has sustained the damages alleged above.

WHEREFORE, plaintiff hereby demands judgment against the defendants on the Second Count for damages, interest and costs of suit.

THIRD COUNT
(Duty to Account)

22. Plaintiff repeats and re-alleges each and every allegation contained in the First and Second Counts.

23. Defendants, despite inquiry and request, have failed and refused to account for fees and disbursements owed, as a result of which the plaintiff has been damaged as alleged.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Third Count for damages, interest and costs of suit.

FOURTH COUNT
(Demand for Accounting)

24. Plaintiff repeats and re-alleges each and every allegation contained in the First through Third Counts.

25. As a result of the defendants' negligent and intentional acts, inactions, omissions and failure to make proper representations, plaintiff has not been able to obtain the necessary information regarding a significant amount of monies due and owing to it.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Fourth Count as follows:

- a) For an accounting with respect to all files that plaintiff referred to defendant pursuant to the parties' agreement;
- b) For appointment of a fiscal agent to review the books and records of defendants with respect to fees earned,

disbursements made and fees paid, including any and all sums of money owed to plaintiff;

c) Directing that defendants pay any and all sums of money for the services of such a fiscal agent for reviewing the books and records;

d) For damages;

e) For attorneys' fees and costs.

FIFTH COUNT
(Fraud)

26. Plaintiff repeats and re-alleges each and every allegation contained in the First through Fourth Counts.

27. Throughout the period of time of the referral relationship or agreement in question, defendants were obligated to act in candor and in good faith.

28. During said time period, defendants repeatedly made various material misrepresentations or committed various material omissions with respect to the status of cases, payment of fees and other matters related to the cases which were the subject matter of the above agreement.

29. Sometime during the summer of 2018, plaintiff only learned or reasonably discovered, as alleged aforesaid, the improper conduct of defendants.

30. Plaintiff reasonably relied upon the various material misrepresentations and/or omissions made by defendants, to its detriment, as a result of which it has sustained the damages alleged above.

31. The conduct of defendants constitutes legal and/or equitable fraud, as a matter of law.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Fifth Count for compensatory damages, punitive damages, interest and costs of suit.

SIXTH COUNT
(Breach of Covenant of Good Faith)

32. Plaintiff repeats and re-alleges each and every allegation contained in the First through Fifth Counts.

33. As a further result thereof, defendants have breached the implied covenant of good faith which is applicable to all actions, agreements and contracts between the parties.

WHEREFORE, plaintiff hereby demands judgment against the defendants on the Sixth Count for compensatory damages, interest and costs of suit.

SEVENTH COUNT
(Breach of Implied and Express Contract)

34. Plaintiff repeats and re-alleges each and every allegation contained in the First through Sixth Counts.

35. Throughout the course of the performance of the contract, through the present time period, defendants represented various plaintiffs in a significant number of motor vehicle cases, during which personal injuries were sustained.

36. As aforesaid, many of these cases were settled without full disclosure of the fees and disbursements.

37. Upon information and belief, a significant number of these motor vehicle cases resulted in subsequent claims for either underinsured

or uninsured defendants, as a further result of which defendants received additional fees following the settlement or resolution of the underlying/original matter.

38. Upon information and belief, plaintiff has not received the additional fees to which it is entitled for said underinsured/uninsured motorist cases, despite various requests for the same.

39. This conduct by the various defendants has been continuous and ongoing to date.

40. As a result, plaintiff has sustained the damages alleged.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Seventh Count for damages, interest and costs of suit.

EIGHTH COUNT

41. Plaintiff repeats and re-alleges each and every allegation contained in the First through Seventh Counts.

42. As a result of the agreement entered into in August of 2010, one of the referrals to defendants was a personal injury claim on behalf of a Kevin Killeen.

43. Pursuant to the agreement entered into on or about August 12, 2010, JAE LEE LAW, P.C. was entitled to 20% of the gross fee calculated pursuant to the applicable Rules of New Jersey Superior Court.

44. During 2018, plaintiff only recently discovered the facts and circumstances surrounding the resolution of the claim brought on behalf of Kevin Killeen.

45. On or about August 16, 2016, at which time the Killeen matter was being handled by SEIGEL CAPOZZI LAW FIRM, LLC, defendants advised

plaintiff that this matter was dismissed at trial and that defendants had expended approximately \$30,000.00 in disbursements.

46. Without disclosure to plaintiff, and in violation of the agreement between the parties, new counsel was retained by defendants without disclosing the lien of 20% to which plaintiff was entitled.

47. Upon information and belief, defendants then referred the matter to superseding counsel, without advising superseding counsel of plaintiff's lien for attorneys' services and disbursements. Superseding counsel was eventually successful in concluding the matter, which resulted in a legal fee, aside from disbursements, of approximately \$130,000.00 to \$140,000.00.

48. Pursuant to the above agreement with plaintiff, plaintiff was entitled to 20% of the fee earned on the Killeen matter and defendants further breached their agreement with plaintiff by failing to advise subsequent counsel of this lien.

49. As a result of defendants' breach with respect to the Killeen matter, plaintiff has been damaged.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Eighth Count for damages, interest and costs of suit.

NINTH COUNT
(Conversion)

50. Plaintiff repeats and re-alleges each and every allegation contained in the First through Eighth Counts.

51. As a result of the above, defendants are indebted to plaintiff under the principles of conversation.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Ninth Count for damages, punitive damages, interest and costs of suit.

TENTH COUNT
(Unjust Enrichment)

52. Plaintiff repeats and re-alleges each and every allegation contained in the First through Eighth Counts.

53. As a result thereof, defendants have been unjustly enriched.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Tenth Count for damages, interest and costs of suit.

ELEVENTH COUNT
(Promissory Estoppel)

54. Plaintiff repeats and re-alleges each and every allegation contained in the First through Tenth Counts.

55. As a further result thereof, defendants are liable to plaintiff under the doctrine of promissory estoppel.

WHEREFORE, plaintiff hereby demands judgment against defendants on the Ninth Count for damages, interest and costs of suit.

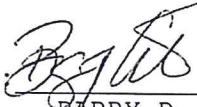
DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands trial by jury on all of the above issues.

DESIGNATION OF TRIAL COUNSEL

Michael J. Epstein, Esq. is hereby designated as trial counsel herein.

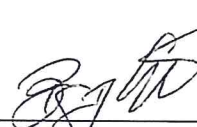
THE EPSTEIN LAW FIRM, P.A.
Attorneys for Plaintiff

BY: 
BARRY D. EPSTEIN

Dated: November 5, 2018

CERTIFICATION

I hereby certify that, pursuant to Rule 4:5-1: (1) the within matter in controversy is not the subject of any other action pending in any other court or arbitration; (2) no other action or arbitration proceeding is contemplated; and (3) no other necessary party to be joined in the subject litigation is presently known.


BARRY D. EPSTEIN

Dated: November 5, 2018

Civil Case Information Statement

Case Details: BERGEN | Civil Part Docket# L-007964-18

Case Caption: JAE LEE LAW, P.C. VS SEIGEL LAW, LLC

Case Initiation Date: 11/05/2018

Attorney Name: BARRY D EPSTEIN

Firm Name: EPSTEIN LAW FIRM, P.A.

Address: 340 WEST PASSAIC ST

ROCHELLE PARK NJ 07662

Phone:

Name of Party: PLAINTIFF : Jae Lee Law, P.C.

Name of Defendant's Primary Insurance Company

(if known): Unknown

Case Type: COMPLEX COMMERCIAL

Document Type: Complaint with Jury Demand

Jury Demand: YES - 12 JURORS

Hurricane Sandy related? NO

Is this a professional malpractice case? NO

Related cases pending: NO

If yes, list docket numbers:

Do you anticipate adding any parties (arising out of same transaction or occurrence)? NO

THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE

CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION

Do parties have a current, past, or recurrent relationship? YES

If yes, is that relationship: Business

Does the statute governing this case provide for payment of fees by the losing party? NO

Use this space to alert the court to any special case characteristics that may warrant individual management or accelerated disposition:

Do you or your client need any disability accommodations? NO

If yes, please identify the requested accommodation:

Will an interpreter be needed? NO

If yes, for what language:

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with *Rule* 1:38-7(b)

11/05/2018

Dated

/s/ BARRY D EPSTEIN

Signed