

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,
SECOND JUDICIAL DEPARTMENT

Matter of Kalish

2026 NY Slip Op 02653 · No. 2022-10374 · Decided April 29, 2026

SUMMARY

The Appellate Division, Second Department, reviewed a disciplinary proceeding against attorney Adam Kalish arising from deficiencies in his escrow account and the misappropriation of fiduciary funds. The court sustained charges alleging violations of Rules of Professional Conduct 1.15(a) and 8.4(h), rejected a third charge, and suspended Kalish from practicing law for three years.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, Second Judicial Department
WRITING FOR THE COURT	Hector D. Lasalle, P.J.; Mark C. Dillon, J.; Colleen D. Duffy, J.; Francesca E. Connolly, J.; William G. Ford, J.
JURISDICTION	Supreme Court of the State of New York, Appellate Division, Second Judicial Department
DECIDED	April 29, 2026
DOCKET	2022-10374
DISPOSITION	other
PROCEDURAL POSTURE	Attorney disciplinary proceeding in which the Grievance Committee moved to confirm a Special Referee's report sustaining three charges and to impose discipline. The respondent cross-moved to confirm the report as to charge one, disaffirm it as to charges two and three, and receive no sanction greater than a public censure.
STANDARD OF REVIEW	The court reviewed the hearing evidence, the respondent's admissions, and the Special Referee's report to determine which charges were sustained and the appropriate discipline.
PRECEDENTIAL VALUE	Published state intermediate appellate opinion
PARTIES	Grievance Committee for the Tenth Judicial District, petitioner v. Adam Kalish, respondent

TOPICS

appellate procedure

trustee duties

breach of trust

remedies

PRACTICE AREAS

attorney discipline

professional responsibility

escrow account administration

QUESTIONS PRESENTED

1. Whether the Special Referee properly sustained the charge that Kalish misappropriated fiduciary funds in violation of rule 1.15(a) of the Rules of Professional Conduct.
2. Whether the Special Referee properly sustained the charge that Kalish engaged in conduct adversely reflecting on his fitness as a lawyer in violation of rule 8.4(h).
3. Whether the Special Referee properly sustained charge two.
4. What discipline was warranted under the totality of the circumstances.

HOLDINGS

1. The Special Referee properly sustained charge one alleging that Kalish misappropriated funds entrusted to him as a fiduciary incident to his law practice, in violation of rule 1.15(a) of the Rules of Professional Conduct.
2. The Special Referee properly sustained charge three, which alleged that Kalish engaged in conduct adversely reflecting on his fitness as a lawyer in violation of rule 8.4(h) of the Rules of Professional Conduct.
3. Charge two should not have been sustained; the court denied confirmation of the Special Referee's report insofar as it sustained that charge.
4. A three-year suspension from the practice of law was warranted under the totality of the circumstances.

KEY QUOTATIONS

“Notwithstanding the mitigation advanced, we find that the respondent's actions were a clear abdication of his responsibilities and his fiduciary duties to his clients.” ([*2])

“Under the totality of the circumstances, we find that the respondent's conduct warrants a suspension from the practice of law for a period of three years.” ([*2])

“(i) relying solely upon his bank's simple on-line program to manage his escrow account, (ii) not visiting his office (and seeing his mail) for an extended period in the course of the subject transactions, (iii) not learning the source, destination or even amounts of funds passing through his escrow account, (iv) not taking immediate remedial action and, in particular, not reporting to the criminal authorities, once he was apprised of what had occurred, (v) relying on the word of a person who had referred legal matters to him so as to extend the period of time during which his escrow account was below the amount required to be held for the benefit of other clients, amounts to extreme carelessness and serves to aggravate the charges brought against him.” ([*1])

FACTUAL BACKGROUND

Adam Kalish maintained an attorney escrow account containing fiduciary funds for 32 client matters. Between April 13 and May 1, 2020, the account's balance declined from \$572,158.34 to \$148,423.57, creating a deficiency of \$423,734.77, after Kalish wired funds at the direction of a client referral source without knowing the source or destination of the funds and without confirming that deposits had cleared. Kalish admitted the factual allegations, later learned that deposited checks had been dishonored, and continued relying on assurances that the missing funds would be replaced. The court considered his lack of prior discipline, remorse, character evidence, community service, and the fact that the affected parties were ultimately made whole as mitigation, but treated his prior service on grievance committees as aggravating.

PROCEDURAL HISTORY

The Grievance Committee commenced a formal disciplinary proceeding under 22 NYCRR 1240.8. The Appellate Division referred the matter to a Special Referee, who sustained all three charges after a hearing. The Appellate Division confirmed the report as to charges one and three, rejected charge two, and suspended the respondent from practice for three years.

DISPOSITION

other